



CALIFORNIA
CLEAN TECH OPEN



Winning Executive Summaries

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About Lightspeed



- Leading global VC firm
- \$2.1B of committed capital
 - Currently investing Fund VIII: \$800M
- 16 investment professionals
- Lead investor orientation
- Global platform
 - U.S.
 - China
 - India
 - Israel
- Top-quartile performance across all funds

Investment track record

Cleantech & energy-related investments



Winning Executive Summaries: Agenda

- **Significance (beyond the \$100K+) prizes**
- **Process**
- **Flow**
- **Content/Criteria**



The Executive Summary

“A good executive summary gives me a sense of why this is an interesting venture. I look for a very clear statement of their long-term mission, an overview of the people, the technology, and the fit to the market.”

Ann Winblad, Hummer Winblad Ventures

“I like an exec summary (3-5 pages) with a 1-page overview in front. I can use the overview to quickly see if I'm interested, and if so, I can find out a little more in the exec summary.”

Rich Simoni, Asset Management

“I prefer a <10 page Exec Sum before scheduling an initial meeting. You can't convey enough in 1 page and anything more than 10 pages won't get read for a while.”

Corley Phillips, American River Ventures



The Most Difficult Part

**Articulating
all this stuff
in 3 Pages!**



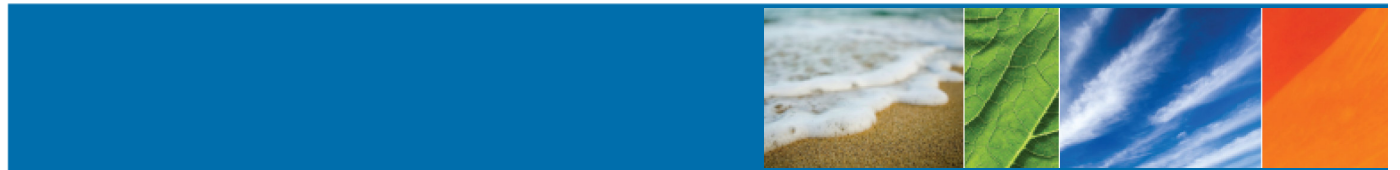
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Articulating The Vision

...the Whiteboard

	Q1	Q2	Q3	Q4	Q5	Q6	Q7	Q8	Y3	Y4	Y5
Technology/ Product Dev.											
Team											
Market											
Financial/Funding											
Strategic Partners											
Admin/Legal											



Articulating The Vision (cont'd)

...the Whiteboard

	Q1	Q2	Q3	Q4	Q5	Q6	Q7	Q8	Y3	Y4	Y5
Technology/ Product Dev.			← Beta prototype →			← Ver 1.0 →					
Team		← CTO, Engrs →				← VP, Mktg →	← CEO, CFO →				
Market							← Entry: Seg. # 1 →			← Entry: Seg. # 2 →	
Financial/Funding		← Seed \$150K →				← Series A \$4 mm →					
Strategic Partners				← Sales Channel #1 →							
Admin/Legal		← C-Corp →					← Mfg/Lease →				
			← Patent #1 →								



The End State: Start-up PR Toolkit

- **Business plan**
 - Cocktail party 1-liner
 - Voicemail script
 - 1-paragraph description
 - “1-pager”/overview
 - **3-5 page exec sum**
 - Full Plan (20-25 pages, plus appendices)
 - Financial Model
 - Technology description (various formats)
 - Implementation/Action Plan
- **Investor presentation**
 - 20-30 min version (desktop/conf. room)
 - 8-10 min version (audience/”pitch” format)
 - Elevator Pitch (30-60 sec)

**May 21/June 10
Exec. Summary
Workshop
(Applicants+)**

**Aug. 5-26
Summer W/S Series
(Finalists+)**

**Sept. 9
Summer W/S Series
(Finalists+)**



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Preparing for the CA Clean Tech Open

Apply Your Vision



Use CCTO Flow

Translation:

- Opportunity...Why anybody?
- Target Markets...Where?
- The Team...Why You?
- Your Solution...What?
- Marketing/Sales...How?
- Financials...Why?
- Sustainability...Why?
- Funding....Why you're here

CA Clean Tech Open:

- Elevator Pitch
- Target Market
- Team
- Product/Solution
- Feasibility (Go-to-Market)
- Financials/Profitability
- Sustainability
- Financials/Funding



The *Flow* (cont'd)

- General to specific
- Tell your story
- Stay topical
- Focus on the “compelling”!
- Single, good “writer”



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The Advantage of Attending Tonight!

The Executive Summary Criteria

Translation:

What are the judges looking for...



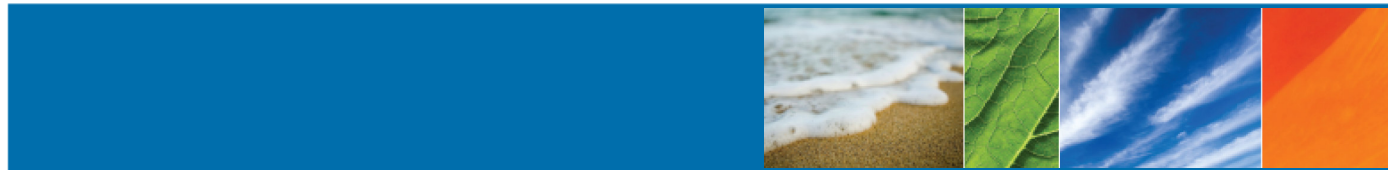
Target Market

- **What is the pain? Who's feeling it?**
 - Customer/End-user perspective
 - Quantifiable (\$\$)
 - Budgeted \$\$\$'s to solve this problem?
- **Define the market by segment/size**
 - Total available market (TAM)
 - Addressable market (SAM)
- **Competition**
 - Existing alternatives
 - Emerging technologies
- **Trends**



The Team

- **Key founders that are behind the opportunity**
 - By name, brief experience/expertise highlights
 - Include key advisors, investors, etc.
- **What about the “holes” in my management team?**
- **Data presentation:**
 - *Buck Stopsere, CEO: Founder & CEO of get-rich.com, which had IPO in 1999, former executive sales VP at GE-Wind, MBA from Stanford*
 - *Joe Invenstuff, CTO: Invented wind turbine for barbershop poles, sold to GE-Wind, former VP, Engineering at Green Corp., Ph.D. from Berkeley*
 - *Herb Tarlick, Sales: established advertising sales for world-renowned WKRP radio, former*
 - *Jill Fundstuff, Director, angel investor, former CFO of get-rich.com*



Product/Solution

- **Description**

- Simple enough for your mother (unless she's a techie)
- Use a picture/schematic if you can

- **Value proposition**

- Benefits vs. total cost of ownership

- **Competitive advantage**

- Your value prop. vs. everyone else's
- How will you sustain it—contracts, IP, etc.?

- **Customer feedback/validation**

- *“BP estimates that our approach could save \$500 per sensor per year in labor savings alone” (their #'s, not ours!)*
- *“PGE has committed to a funded pilot”*



Go-to-Market Strategy

- **How will you make money?**
 - Product/service path to customer...partners, channels, etc.?
 - How does the money flow...direct, revenue sharing, royalties, etc.
- **Value chain dependencies?**
 - Key vendors, partnerships?
 - Regulatory requirements?
- **Key milestones to entering the market**
 - Technology, Market, Regulatory, etc.



Financials/Funding

- **Revenue (good to great)**

- \$\$\$ only → unit & \$\$\$ → unit, \$\$\$, penetration %

	2008	2009	2010	2011	2012
Tot Revenue (\$000s)					
GM %					
EBITDA*					
Headcount					

- **Summarize key drivers**

- **Funding**

- To date
- To reach next milestone (what is current round?)
- To reach breakeven



General Exec Sum Do's/Don'ts

- **Don'ts:**

- Use a writer that isn't intimately familiar with your business and your industry/market
- Use jargon
- Use anecdotal language
- Allocate time for the business plan that's better spent with customers!

- **Do's:**

- Involve the team
- Articulate (& share) the critical risks/assumptions/problems
- Setup the plan for easy updates...tables, pictures, financials
- Be cognizant of your timeline...actual dates versus Q1, Y1
- Manage the revisions
- Keep a log
- **HAVE FUN!**





Thank You!
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Criteria Questions...
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