



**Top Tips** are a collection of informational handouts from my colleagues in Business Development, Marketing, Business Planning, Web Site Design, Research and more. I provide them as a courtesy and invite you to check out more at [www.bancroftinfo.com](http://www.bancroftinfo.com).  
-- **Jan Knight, Owner – Bancroft Information Services.**

## **Ten Tips for Your Business Plan and Presentation Want Funding? Think like an Investor.**

**Mary Schmidt, Schmidt & Associates**

1. Describe your idea or technology in simple terms (no hyperbole), with commercial examples.
2. Focus, focus, focus. Sure - your product may well be both a dessert topping and a floor wax (as in the old *Saturday Night Live* skit) - but that's very confusing to both investors and markets.
3. Nothing happens for any business until somebody sells something. So, when you talk about marketing strategy, have details - and remember, marketing isn't the same as advertising.
4. Don't say "we have no competition." This will kill your credibility. Everyone has competition. It may not be the same idea, product or technology but it's out there.
5. Build a case from performance to cost-modeling. Technically outperforming your potential competition is just the first step. You also need to provide details on production and sales costs with projected margins.
6. If relevant, show evidence of agreements with vendors for materials and components and with key strategic partners for distribution channels. If you don't have agreements yet, demonstrate that you've done research and have a strategy.
7. Provide a two year operating plan showing when and how funds are to be used.
8. Uses of Funds description should not use the category "working capital." Give details and expected results.
9. Talk about your team and/or advisors. Their expertise and commitment is a key success factor.
10. Don't be afraid to say "I don't know. Let me do some further work on it."

**Remember - the idea or technology is only the beginning.** The reason that good - even great - ideas or technologies so often fail is that idea people and inventors aren't (usually) seasoned business people. And they shouldn't be expected to be. After all, nobody expected Edison or Einstein to do manufacturing cost models or competitive market analysis. But, one of the first questions *any* savvy investor asks is "How are you going to sell it?" You're in trouble if your answer is just a high-level sentence or two - such as "We will seek third-party channels."

##

*With over twenty years of experience, Mary Schmidt "thinks strategically and acts tactically," working with high-tech, low-tech, (and no-tech) firms of all sizes to translate ideas into viable, sustainable lines of business. Her clients range from global corporations such as Hewlett-Packard to sole proprietors. She lives her life according to a favorite Oscar Wilde quote, "Life is too important to be taken seriously." Mary can be reached at 505-856-2551 and her monthly e-letter is available at [www.maryschmidtassociates.com](http://www.maryschmidtassociates.com).*