

[SQUEAKING]

[RUSTLING]

[CLICKING]

JOE HADZIMA: All right. Well, let me get going here. OK, good evening. I'm Joe Hadzima. As I mentioned in our first session, I'll be your guide through the journey through nuts and bolts and new ventures. Tonight's journey takes us to two topics that actually, I think, mesh well together. The first part is Bob Jones is going to talk about presenting your venture. And by that he means to anybody-- to investors, customers, employees, partners-- can you communicate what you're about?

That'll be followed in the second part by Mindy Garber, who's going to come in and talk about negotiations. So if you can convey what you want or your goals, then how do you take it to the next step and convince other people to do whatever you want, or to at least negotiate around that? So to start off the evening, we have Bob Jones. Please welcome him back.

[APPLAUSE]

BOB JONES: Thank you. Thank you. It's good to see so many of you here. And for those of you that we scared away a week ago, we did you a favor because you have concluded that entrepreneurship is not for you. So you came to the right answer.

I was thinking about it as I was setting tonight up. And I read some posts that popped up last week for some people who said gee, they were skeptical about courses in entrepreneurship because it's not really something that you teach in an institution because it doesn't lend itself all that well to the academic paradigm.

But to his astonishment, this course at MIT was being taught by people who'd done it and who'd lived through it. And that made it, in his view, automatically better. And to his astonishment, everybody who was doing it was a volunteer. And he just couldn't believe it because in the UK, where he lives, he had tried over and over again to get entrepreneurs to come in and talk, and they wouldn't do it without getting paid for it.

And he just couldn't believe that these people would come in and share what they'd learned, sometimes painfully, and they didn't want money. They didn't want a piece of your venture. They weren't trying to sell their services. They weren't trying to hawk their books. They were just doing it.

And in this course, they've been doing it for 30-odd years. And you have to ask yourself well, who's the architect behind that? And it's Joe, who has not actually gotten what I believe to be nearly enough public recognition for this incredible feat. So will you join me in giving Joe around of applause?

[APPLAUSE, CHEERING]

Thank you. It's long overdue. I don't think we've ever done that, have we?

JOE HADZIMA: I don't think so.

BOB JONES: Yeah. Well, so 30 years from now, we'll do it again.

[CHUCKLING]

So we're talking tonight about presenting your venture. There's 12 units in this two-week program. And there's a lot of competition for subject matter. So why are we talking about this? We're not talking about algorithms. We're not talking about best ways to do market research. We're talking about how to present your venture.

And why are we doing that? And why is it important? And one of my goals is to have you leave 90 minutes from now better at it than you are right now, but say I succeed in that goal and you are better. So what? So what are your thoughts? Why are we doing this? I hear crickets.

AUDIENCE: Impacts the overall value creation.

BOB JONES: Uh-oh. We need a microphone or two. Sorry, ladies. That was a good answer, but hang on because-- up here, Supriya.

SUPRIYA: Oh.

BOB JONES: Thank you.

AUDIENCE: Impacts [INAUDIBLE].

AUDIENCE: Get [INAUDIBLE].

BOB JONES: We interrupt this program for--

AUDIENCE: Impacts the overall value.

AUDIENCE: Why don't you repeat the question?

BOB JONES: All right. The question was why are we talking about this? And your answer was?

AUDIENCE: Impacts the overall value creation.

BOB JONES: It affects the overall creation of value. Yep. Value to whom? Who might you be presenting to that's part of that value creation process? Guys, if you miss this one, then I fear for you. Who will you be presenting your venture to that will help you create value?

AUDIENCE: Yeah, to get capital to investors.

BOB JONES: Hang on. We need the mic. Sorry.

AUDIENCE: To get capital to investors.

BOB JONES: All right. Well, it's going to be hard for you to raise money for your venture if you don't talk to somebody about it. OK. What was my topic a week ago? Finding your--

AUDIENCE: Customers.

BOB JONES: Thank you. And might you ever be presenting to a customer? Well, god, I hope so. OK, so let's have a quick rundown as to times you might want this. You might want to acquire customers. You might want to acquire a channel partner.

You might actually need to hire somebody. They might have another offer. They might wonder hmm, why should I invest in an undercapitalized startup-- that's redundant, I realize-- run by a starry-eyed entrepreneur who has never started a business before? Hmm.

How about if you already have a staff and you've had a couple of bad quarters in a row, you've missed your forecast, and there's some possibility that in another month, you'll start missing payroll? Not that that would ever happen to anybody we know. And of course, raising capital-- and maybe one day, if all of this works out well, maybe even selling your venture.

So tonight, we're going to talk a little bit about what is a pitch. What do you hope it will do for you? Well, here are some pitches. We'll distill what we've learned, develop some guidelines. And here are some more pitches, maybe even from the same people originally. And then wrap it up with questions, summaries, and conclusions. OK so far? All right.

Tonight will be an equal opportunity embarrassment program because you might remember that a week ago, I stood up here in front of you and told you a story of something I had started which was just a complete disaster and failed utterly. And speakers don't always stand up in front of audiences and say yes, I did a face-plant.

So part of being an entrepreneur is a certain measure of fearlessness. And tonight, we're going to look for people who are willing to come up here and tell us about their venture with the understanding that our job will be to help you do a better job, which means you will get a bit of love and a bit of critique. OK?

So quick rundown. My background, you will recall-- four startups with docs out of Harvard Med School, broke down and wrote a book, took a break from entrepreneurship to turn around a publicly traded company that was a mess. A couple normal jobs, couple schools. Yes, I'm a working musician and I do volunteer in homeless shelters.

And something that I left out last week, but I think it's very important for you, is I'm a mentor and have been for some 10 or 12 years with MIT's Venture Mentoring Service. Raise your hand if you already know about VMS. OK, that implies there are a lot of you that do not.

If your company has someone in their senior management team who has an MIT affiliation, you qualify probably for free advice from a team of mentors through Venture Mentoring Service. Joe's a mentor. I'm a mentor. A couple of you in the room are mentors. And a fair percentage of the speakers you will hear in the course of this two weeks are mentors. It's an impressive organization. It's generated an awful lot of value, and it's totally volunteer. So write down that URL because if your thing gets beyond the idea on a blank sheet of paper stage, it will be valuable to you.

OK, so what do people invest in? Well, it's tempting to think I have an idea and maybe I can turn it into a product, but a good idea isn't the same thing as a good product. There are questions of pricing and packaging and all of that. And who was it I was just talking to about food? Right. It also, for example, has to taste good. So the idea might be wonderful, but a good product isn't the same as a good business.

And people want to work with good businesses. You have a great team. You're skilled at execution. You understand your business. And a hallmark of "do you understand your business" is can you describe it clearly and persuasively? So if I say hmm, tell me about your company, and a half hour later, you're still struggling for the words, I'm inclined to think you're not going to succeed.

So grasshopper, what is this pitch you speak of? It's some of presentation that's got a goal. You want to persuade others of your point of view. My product is wonderful. My team is wonderful. You should invest in us. You want to bring about some desired behavior. So relevant questions become well, to whom are you going to present and why? And what do they want? And how will you provide them with what they want, and what do you want?

So presentation is not necessarily something you should just leap right into. So some audiences for your pitch-- here's where you guys stared at me blankly a minute or two ago-- customers, first on my list, potential employees, current employees, channel partners and retailers.

Here's one you might not have thought of-- family members. Why? Well, you're about to graduate. You're going to turn down a six-figure job working for Amazon to go be employee number 3 at a startup that's got about two months' worth of money in the bank. And your parents are saying have you lost your mind? Or perhaps you have a spouse who raises the same question. [LAUGHS]

So you may end up doing presentations to people that go way beyond what you've thought about. And of course, you already raised investors. So a relevant question for if you want to do this well is do they have the same priorities, and should they each get the same pitch? So I will argue no, but let's elaborate on that in a moment. In every case that I just put up, they are wondering-- and this is a sales acronym, pronounced WIIFM. Anybody got any idea what that stands for? Yes.

AUDIENCE: What's In It For Me?

BOB JONES: Thank you. What's In It For Me? How come you know that?

AUDIENCE: Just know.

BOB JONES: Well, you've lived a proper life. Good for you. What's In It For Me? People you're talking to may be too sophisticated to ask this question bluntly, but they're thinking it. And a successful pitch will answer their question without making them ask you. So what's in it for your target audience? Well, what do customers want when you're pitching them? They're looking at you saying what's in it for me? What's the right answer?

AUDIENCE: Solve their problems.

BOB JONES: Say again.

AUDIENCE: Solve their problem.

BOB JONES: Solve their problem. Good answer. I got it. They're wondering will you help me get to where I want to go? Will this app get me from here to Copley Square quickly and efficiently? Will this suit I bought make me look appropriate for a board meeting in a publicly traded company? Whatever is their individual question, they want to know. Will you get me what I want? What about a new hire? Say that you're going to interview Janet and offer her a job. In fact, maybe you hope desperately that she will come work for you. What do you think she's thinking?

AUDIENCE: What's in it for me?

BOB JONES: Does she want to hear an endless recitation of how awesome your technology is? Probably not. She might be a little nerdy and think it's cool, but that's not top of mind. Top of mind is more likely am I going to be able to pay my bills? Am I going to work 24/7 for 3 months and then the company goes belly-up? You have to be able to be sensitive to what your audience wants. Investors, of course, we will talk about in more detail in a few minutes.

So how do you do it? Well, we're going to have a little crash course in the basics tonight. We're going to cover a few basic fundamentals. What's in it for me, benefits versus reason to believe and more-- there are some techniques that go into doing this well-- presentation fundamentals, how to use a microphone properly, something you never thought you'd hear a lecture on, some typical questions associated with raising capital. And I will provide you a template that you might use. Mind you, it's not for everyone, but you might find it helpful in putting together a presentation.

But let's establish a baseline first because you may already be really good at this. And it'd be silly for us to try and improve something that you're already good at. So what I would love to have is a volunteer or two to come up here, take a couple minutes, and don't pitch us.

Tell us a little bit about your business so that we understand the background and the context. And then give us a three-minute pitch. So you might come up and say well, the fundamentals of our business-- we're a dog-walking service for dual income families where nobody's home during the day, and somebody's got to walk Fifi. And they take turns leaving the office at noon to come home and walk the dog, but some days, you just can't do it. So they pay us.

OK, great. Let's hear your pitch. All right? And so what we're going to do is we're going to have you tell us about your business. We're going to time you with a three-minute presentation. And we're going to provide you some feedback.

Now, as an audience, your responsibilities-- not necessarily to give them love, but certainly to give them respect because you may end up up here as well. So listen carefully, critique respectfully, and then think a little bit about how what you just learned may be useful for your situation. Clear enough? Yep?

OK. So who would like to come up and get the benefit of this awesome exposure and awesome counsel? Good. Come on. By the way, there will be an optional reward for the people who are willing to go first, which is that after we provide some critique and maybe some guidelines, if you'd like, you can go again and show us if there was any improvement.

JOE HADZIMA: Who was coming down?

BOB JONES: Right behind you.

JOE HADZIMA: Here we go.

AUDIENCE: Thank you.

JOE HADZIMA: All right.

BOB JONES: All right. What's your name?

AUDIENCE: I'm Andreas.

BOB JONES: Andreas, tell us a little bit about your business.

[MUSIC PLAYING]

AUTOMATED VOICE: [INAUDIBLE] data--

BOB JONES: [LAUGHS] But first, a commercial from Procter & Gamble. [LAUGHS] All right, tell us not a pitch quite yet. Just tell us what your business is.

AUDIENCE: All right, so we're Pixel Mocks. We do generated graphics and computer vision. So our focus is to automate and just make the work of video producers a little bit easier.

BOB JONES: I'm sorry. You do what?

AUDIENCE: Video producing--

BOB JONES: Yeah.

AUDIENCE: --a little bit easier.

BOB JONES: OK, so who wants that?

AUDIENCE: So video produce-- oh. Yeah.

BOB JONES: Right. OK, I'll take a commission on this sale.

AUDIENCE: All right, so video producers actually spend a lot of time just on the process of recording and editing videos. With generative AI, some new technologies have come out that enable very good video generation. And it's just recent. It's a recent technology development. Yeah.

BOB JONES: OK. Is that good enough for background? All right. Then give us your three-minute pitch, please.

AUDIENCE: All right. Am I pitching to investors, to customers?

BOB JONES: You tell us. Or look, would you prefer to view this as a pitch to investors or to a prospective customer or to someone you're interviewing to hire to have them join your team? Tell us who we are.

AUDIENCE: Yeah. All right. So we're actually looking for engineers and for developers. So I'm just going to pitch--

BOB JONES: OK, give us a three-minute pitch to prospective engineers, to engineers who would be prospective employees.

AUDIENCE: All right. So there are a lot of challenges in computer vision. And specifically, to automate the process of generating a video, there are a lot of things that have to go correctly. So if you think of video, you can decompose a video into pretty much three aspects.

So you have the characters within the video, which are just persons who move and interact within the environment. You have to model both the characters and the environment in such a way that it's comprehensive, that is reliable to reality. And that is a hard topic.

There's a lot of technology and a lot of challenges to be solved in this issue. And it's a very large market. If you think about it, just looking at YouTube over the last few years, it has a compounding growth rate of 40%. And there are billions and billions of these videos out there in the market. So there are a lot of value to create for users and to any people, along with a lot of challenges. We are welcoming anyone who wants to take on this journey and just work through these hard engineering problems. That's my pitch.

[APPLAUSE]

BOB JONES: And you came in at less than three minutes. Nice job. OK, let's hear your thoughts on this. I have a few reactions, but I'm going to hold them. We need a microphone up there. Thanks, Supriya. Part of how we sell the idea of being teaching assistants for this program is you don't have to go to the gym for these two weeks.

AUDIENCE: Oh, well, if he wasn't going to the gym, I understand there are cameras--

BOB JONES: [LAUGHS] Yeah. Right. So let's hear your feedback.

AUDIENCE: --prospective employee, I didn't hear enough specifics of why that person's skill set would be essential to what you're doing.

BOB JONES: OK.

AUDIENCE: So why do we need them?

BOB JONES: No. Andreas, I think the point was that you said in your introduction that-- excuse me-- you would be interviewing. You're looking for engineers. And in the minute and 58 seconds that you talked, I didn't hear a word about the job.

AUDIENCE: Oh.

BOB JONES: Right? If I asked you right now, based on just on what you heard, how many of you would be interested in applying for a job with Andreas? OK, so that's a fail.

AUDIENCE: Yeah, that definitely is.

BOB JONES: [LAUGHS] It's a problem that can be easily remedied, but at first attempt, that's a fail.

AUDIENCE: Yeah.

BOB JONES: OK. Other feedback?

AUDIENCE: So with each-- I also think that you didn't talk enough about benefits. So how would I go-- if I worked for you, what would be my experience? Even in terms of salary, what should I expect?

AUDIENCE: Yeah, well, to answer that one, as Bob has said before, we're a startup, so underfunded. And that's redundant. The benefits comes out to-- the payout comes out if we make it. You're going to get stock options. And then the market is relatively big. So if we make it, we're going to be financially stable. You're going to have that.

And from my page, I think I was trying to center it around technologies and the challenges that you're going to have and that you're going to face as an engineer. So to bring this to market, we have to work with DevOps. There are a lot of issues with DevOps.

We have to make this service public to people. We also just-- infrastructure, security, deployments. And then there's also a lot of machine learning that comes into it and then deep learning. So if you want to gain experience, hands-on experience, working with technology--

BOB JONES: Let's take one more comment, and then I'll offer a quick one as well. Good reply, but go ahead. Yep.

AUDIENCE: Hi. OK. I didn't exactly understand what is the unique thing that you were-- OK. I know that it's generative AI. I know that video editing is a thing, but then what is the company trying to-- what's the value that you're trying to create? And is this a good use case? Are you competing against someone? What's the view on that?

AUDIENCE: Right. So whenever you go to a recording session, there is a lot of things that come into it. So when someone wants to create a video, they essentially have to hire someone to do the camera, someone to do the audio, someone to actually be in front of the camera, so the actor. And it can take a lot of time.

Just from some customers we have, a regular shoot for them-- they just do promotional videos for within their companies. It takes them 2 hours just to get a 10-minutes video out. And the video is relatively simple. It's just one person communicating information for the company.

With generative AI, we can just model that and then just take the pitch of whatever the person wants to communicate and generate the video. We do it in 30 seconds. So you save a lot of time. And then video editors can get to do what they do the best, which is just editing the video and putting it together, without having to go through the struggle of recording and all of that.

BOB JONES: OK, let me stop you. That was a benefit. So may I take a 30-second crack at giving your pitch?

AUDIENCE: Yes.

BOB JONES: All right. We have a startup that's tackling an unmet need in the world of video editing. We have some technology which, if it works properly, will enormously decrease the time and the headache associated with doing video editing, but we need engineers.

We need engineers who understand the technology. More importantly, we need people who really want to make a difference, people who have gone through a program, learned a lot, had developed some real skills, and don't want to be one of 40,000 employees in a great big company. If you want to come somewhere where you can make a difference, come talk to me.

AUDIENCE: Ooh.

[APPLAUSE]

BOB JONES: Right? There is a technique, a technology associated with this. Thank you. Let's give the man a hand.

[APPLAUSE]

Someone else? Tell us your name.

AUDIENCE: Hi, I'm Subhash Sadhu.

BOB JONES: I'm sorry. I missed your name.

AUDIENCE: Subhash.

BOB JONES: OK, Subhash, tell us a little bit about your company before you pitch.

AUDIENCE: Yeah. So we are a medical imaging company who build extremely low cost, high quality ultrasound devices.

BOB JONES: Extremely high quality, low cost what?

AUDIENCE: Ultrasound imaging devices.

BOB JONES: OK.

AUDIENCE: Our customers are, well, doctors who want to know more about what's happening inside the patient, but don't have access to ultrasound devices and in some cases, patients who want to use it at home.

BOB JONES: OK. And so who are we? You're about to give a presentation. Are we prospective employees, are we investors, are we hospitals who could be your customer?

AUDIENCE: So yeah, I'm practicing to pitch to investors at this point.

BOB JONES: OK, so the goal is to raise capital.

AUDIENCE: Yes.

BOB JONES: OK. So all of you people are hereby rich. And congratulations. The course is now over. And you are going to make up your mind whether or not you will put some of your hard-earned funding into this gentleman's venture. Yes? Three minutes. And you can see the timer there. Go.

AUDIENCE: Thanks. All right. So yeah, who here does not like going to hospitals? Show of hands. Who does not like hospitals? The rest of you like hospitals?

AUDIENCE: Yeah.

AUDIENCE: [LAUGHS] Well, thanks. Yeah. Well, I'm sure most of you don't like it, but it's even harder if you're old or if you're sick or if you're pregnant. And in fact, yeah, imagine a pregnant woman who also suffers from hypertension or chronic stress. And she's not alone. This is 6% to 8% of pregnancies. So that's 200,000 pregnancies a year in the US. And these people visit the hospital frequently.

So think about this. Seeking health care actually increases the stress level, and this is counterproductive. And besides the stress of just going to the hospital, they are giving up a day's work. So they're losing pay. And they're sometimes losing credibility for taking time off from work.

So what's the ideal solution here? The ideal solution is to be able to seek whatever health care that's happening in the hospital at home. And what happens in the hospital is typically, an ultrasound scan monitors the progress of the pregnancy.

So what are we saying here? We are saying the ideal solution is that they can perform an ultrasound scan at home, or in other words, I'm talking about telehealth. Now, we've all heard about telehealth, but today, telehealth at a technology level is just a glorified video call and instant messaging with doctors.

There is no diagnostic capability built in, which means the doctor isn't able to look into the patient and understand what's happening. We are building an ultrasound imaging technology, which solves all the problems that's needed to bring diagnostic imaging to telehealth.

So we have a radically new hardware architecture that lets us make high quality devices at low cost. And a software layer on top of this hardware platform lets us deploy it to new applications as and when we uncover them. And AI-guided protocol helps an untrained person be able to perform scans which are medically relevant. So we're covering all bases there.

And there are ultrasound scanners in the market, but they all have one problem or the other. Some are too expensive. The ones which are not that expensive are not good enough in quality. Some are quite bulky. And almost all of them are too hard for people to use and provide a useful scan. So yeah--

BOB JONES: Time's up.

AUDIENCE: Oh.

BOB JONES: Sorry. That's harsh. Give him a hand.

[APPLAUSE]

I have been in pitch contests where they say you have three minutes or four minutes, and they shut your mic off. It's harsh. It's brutal, but you're up there. So there's a certain discipline associated with making it into the time frame. OK, your comments, your thoughts, your critiques, your observations.

AUDIENCE: I think the solution will describe [INAUDIBLE] the solution is. The problem right in the beginning was completely relevant [INAUDIBLE]. I hear the whole point of getting the audience engaged, but the question that you ask has absolutely nothing to do with what solution you are trying to show [INAUDIBLE].

And I guess that's the whole reason why you want to [INAUDIBLE] show your customers there. And then you start talking about people going to hospitals [INAUDIBLE]. And then somehow, pregnant women, this. And again, the whole problem is solutions there, evidently, but then if you are pitching this to investors, what you need as an investor-- I would like to know [INAUDIBLE].

What stage is this because I don't know where you [INAUDIBLE]. I don't know [INAUDIBLE] working on this customers? So I think [INAUDIBLE] stage and any traction. It would be great to understand, again, from the investor point of view, maybe a little bit about who you are, especially since you are in a medical space. How will you find time to solve this problem? And how [INAUDIBLE] problem because [INAUDIBLE] is a long time. And we are going to hear these things.

BOB JONES: Well, that was one of the more comprehensive critiques I've heard.

AUDIENCE: Yeah, thank you. Yeah.

BOB JONES: Well done. Thank you. Did he say anything about who's going to pay for this? I didn't hear a word about that. OK. Any other observations? Oh, sorry. Go ahead. Yeah.

AUDIENCE: That was going to be my feedback. In other words, if I'm the investor or potential investor, I want to understand what the market is. I want to get a feeling of your understanding of the market. I may have some interest or knowledge on it or not, but it has to be attractive to me.

So I want to know that even taking the risk of investing in your venture would be a good one. So I want to know a number, in terms of the size of market, what you think your addressable size of that market is. And then how fast are you going to do it with how much money, so how much money you need, and how you are going to use those funds.

BOB JONES: And you may be sitting out there thinking how on Earth is he going to pack all of that into a three-minute pitch? So--

AUDIENCE: Yeah, that's exactly what I'm thinking.

BOB JONES: Good. Stay tuned. We've got a few answers coming up in a minute. May I take a 30-second crack at giving your pitch?

AUDIENCE: Please.

BOB JONES: I'm going to make stuff up because I don't know your business. So this is fictitious, but there's a paradigm here. One of the major sources of costs for hospitals who are financially strapped is the constant need to provide ultrasound to a high risk group of patients-- typically, for example, the 200,000 pregnant women in the country who suffer from complications-- pre-eclampsia, high blood pressure, et cetera, et cetera.

One possible solution is telehealth, but the imaging associated with telehealth is inferior, and it does not allow for any diagnostics. We have a technology that provides superior imaging, allows for diagnostics, and we have already successfully managed to get approval for reimbursement from a couple of insurance companies. We're raising capital now to roll this out so that we can expand the market, build out our team, and validate the business model.

[APPLAUSE]

I'll take your microphone. Thank you. Give him a hand, please.

[APPLAUSE]

OK, so I think we've established a baseline. What are your observations? And by the way, thank you both for being brave volunteers here.

[APPLAUSE]

So helpful remarks, thoughts? Was there something, a temptation that they succumbed to, which you are at risk of succumbing to as well? Back in the back. Yes, sir. Today's workout continues, Supriya.

SUPRIYA: I'll start lunging now.

AUDIENCE: So I noticed when you did a lot of your pitches, you were trying to focus on each group, like the investor, customer. And I noticed the temptation a lot of them had was they would start out pretty general and then focus in on one group and stick to that for the rest of the pitch. So you end up with a little bit too general or very specific technical details that were really hard to understand. And that's my critique.

BOB JONES: OK.

AUDIENCE: A little more inclusive.

BOB JONES: You guys become entrepreneurs because you've identified a problem, and you believe that you have cooked up a solution. That's a story. Tell us the story. If I were to give your pitch again and I had another three minutes and didn't have to lie and make stuff up like I just did, I would probably say Mabel needs to go into the hospital every two weeks for a routine procedure.

She absolutely hates it. Parking is terrible. She hates driving into the city. It's 45 minutes each way. And then she has to sit in a cold room while they put this stuff on her. And it's awful. Furthermore, it's expensive. So you start to cause people to think oh, my aunt has exactly that problem.

The first check I got for that diabetes business I talked about last week with you guys came from an investor whose sister died from the very condition we were working to prevent. He really wanted to see us succeed. And because of the personal nature, we got an investment. I didn't know that going in the door. I started describing the condition. And he got wide-eyed. And anyway, telling a story will take you a very long ways.

OK, my turn. I'm going to be a little bit pedagogic here and talk a little bit. A few basics that I think can make a big difference. This is in your source material. I recommend it. It's not long. It's cute. Watch it. OK, understanding your audience. Which do they care more about? You or themselves? If you get this wrong, give up now.

[LAUGHTER]

It's over. All right, so should your goal be to persuade them that you're really smart or that your technology is really awesome or that your vision is really compelling? Sidebar-- if you have "visionary" on your LinkedIn profile, don't do it.

[LAUGHTER]

Don't do it. Investors are cynical. And they say you've got to be kidding me. You're a grad student. Sidebar. OK. The answer is yeah, maybe, but only if those things give me a reason to believe that you can deliver the benefits. So talk benefits first.

So I hypothesize that every one of you has a cell phone. And at some point during each week, you worry because your cell phone battery is about out, and it's annoying. And what I have is a magic code word, which, if I give you, your cell phone, will be instantly recharged. So are you interested?

And you may not be, but you see my point. I didn't talk about my technology at all. What I talked about was the benefit. Now, why would you believe that? Because we have genius engineers, et cetera, et cetera. But talk benefits first, then reason to believe. And remember-- almost everyone you're talking to has, as a first priority, how is this going to help me? What's in it for me?

So this idea is not new. I'm about to tell you a pitch from about the year 1501. So duke, I've been looking at all these inventions by people who claim they're really good at it. And frankly, they're no big deal. They're no different from anything else that's commonly on the market.

Let me tell you what I can do for you. I can make bridges that are light and strong and portable with which you can pursue and defeat your enemy. And they will resist fire and assault. Furthermore, I can burn and destroy the ones that the enemy's got. In a case of siege, if we're holding a siege, I can cut off their water. And if they are way up in the air and we can't bomb them properly, that's OK. I can knock their building down from the bottom.

I can also make a kind of cannon that's light, easy to transport, will hurl small stones, like hail, causing great terror to the enemy. And if all else fails, we can create subterranean passages either under rivers, under moats, whatever. I can make armored wagons. And I can also construct cannons and mortars.

And when that's impossible, I can supply trebuchet, catapults, et cetera. And if it happens to be at sea, no problem. I can take care of that as well. And by the way, I'm pretty good at working in marble and clay. And I've been known to paint some things now and then. And if you don't believe me, I'm happy to demonstrate this right in front of you. Respectfully, Leonardo da Vinci.

[CHUCKLING]

Does the duke care at all about the technology? By the time he got through this, he was so starry-eyed. Oh, my god. I want that. Benefits first. OK. So we're going to invite a few of you back down here again because you're the stars tonight, but invest some time to understand what your audience really wants. And think about it.

And it actually helps if you care a little bit about their needs. So if you happen to have a passion for improving public school education and you have a technology that will facilitate that-- excuse me-- you will speak with more animation than if you're just describing something that's abstract.

And a sequence that I find to be effective many times is a little introduction. Ask them what they're looking for. We only do mezzanine financing. I'm looking for companies that are ready for mezzanine financing. Well, I'm a startup. We're not a good fit.

Sorry, there's a little prompt on there. I was the recipient of one of the most awesome sales pitches ever. It was a bunch of years ago. I'd been a scruffy entrepreneur in Chicago. I moved to California to take a respectable job in that company I told you about a week ago. And I didn't have the right clothes.

And my wife said well, there's this shopping mall called Fashion Island. We were in Orange County, California, where there is less than meets the eye. And there's a new store chain called Nordstrom. Let's go in there. And who knows? Maybe they'll have something for you.

I said OK. So in we went. And I'm over thumbing through some of the garments. And a sales guy comes up and says you're looking at suits. I said yeah. He said what kind of work do you do? I said well, I work for this health care company. Well, are you in manufacturing, are you in finance? No, I'm in marketing, doing some sales.

So you don't have to wear relentlessly gray suits and white shirts and stuff? No. All right. Well, you're probably a 40 regular. How'd you know? Well, I'm in the business. So try this on. When I got out of the dressing room wearing it, he had two more suits laid out on a table.

And he said that suit would look great with these shirts. And of course, you're going to need some ties. So try the shirt and the tie on, too. Pretty soon, I'm standing in front of the mirror thinking man, I look awesome. I walked out of there having spent about five times as much money as I expected to spend, and I loved it because he asked me what did I want, and he gave it to me.

So tell your audience why what you have will be great for them. And then provide support. And he did go on to say well, that suit will last forever, and notice how the buttonholes are sewn up nicely, and it won't fray. And it didn't matter. Sure, that was the justification. I wanted the suit because I thought it made me look awesome.

Oh, you need to be believable when you give your pitch. So what helps you be believable? Well, conviction and enthusiasm, but not to the point of lunacy because if you're a lunatic, investors worry about you. They say well, you're going to sit there like this and never take feedback from anybody.

And my kid brother once started a business making salsa, sweet and sassy salsa. And he would go to places and set up a booth. And people would come up. And they'd say wow, it's too hot. And my brother would say what do you mean, it's too hot? It's perfect. Did he get the sale? No.

So don't be a lunatic. Provide supporting evidence. And brevity is your friend because everybody you talk to is busy. So three tips for brevity-- be clear, be brief, and shut up. How much information is right? Well, here's another tip for those of you who are about to come down front. Ask yourself, what do you want them to remember?

So turn your computer off, and ask yourself, when they walk out of that meeting and somebody says how was Janet's talk, what do you want them to say? If they say ah, Janet was amazing, she was so animated-- well, what did she say? Well, I can't really remember. Oops.

OK, so we know that Janet is animated and energetic and charming, but we don't have the slightest idea of what she said. So turn your computer off and ask yourself, what do you want them to say when they describe your pitch to someone else?

And PS, most of us can't remember more than about three things. Usually, the three things that are most relevant to us. So Mr. Hospital, you're in financial trouble, as all hospitals are. We have found a way to reduce a major collection of costs for you and generate additional revenue with some technology that we're happy to provide you. It's reliable.

Well, so what's required to get this right? Well, some of this, we talked about a week ago. What's broke that you fix? What is that unmet need? What are the consequences? Hence my story about Mabel, who hates coming into the hospital, doesn't go, doesn't get her diagnoses. All right? Who ought to have it? Who in your customer category is too small? Who's too big? Why will they think your solution is better? Structure it, edit it, be ruthless. Is this making sense to you guys? Yeah. Is it terrifying?

A few words about style. Slow down. Most of us talk a lot faster in normal conversational situations than is appropriate when speaking to an audience. So enunciate clearly. Give your audience time to process all those magic things you're saying.

And if you have six minutes' worth of content and a four-minute time window, don't think that you can overcome your bad editing by talking fast because your audience will end up not understanding a word you say. It will be utterly counterproductive.

You can be passionate, but if you fall on the floor and begin speaking in tongues, you will have overdone it. Tell a story. Don't just dump facts. And no disrespect to you, sir, with your request about total addressable markets, et cetera. Fit it into a story.

And in fact, frequently, the goal of your presentation is to get people to say yes, I would like to hear more. And then you say well, let me tell you about the addressable market, our launch strategy, yada, yada, yada, but you want to engage their interest up-front.

How many of you think that you will be giving a talk sometime in the next year? How many of you have ever had any training on using a microphone properly? Minority. A year or two ago, I was invited by some Mass Tech transfer council, somebody or other, to join a pitch contest. There were 25 teams pitching.

It was a room full of investors. And I thought well, why not? And I won. And I thought well, of course I won. My idea is brilliant. I'm brilliant. My talk was brilliant. My deck was brilliant. Of course I won. That didn't have anything to do with why I won. The reason why I won was I was the only one of the presenters that the judges and audience could understand. May I? Thank you.

Let me elaborate. Actually, could you shut this mic off? This one. Thank you. All right. I'm using this one, I guess. OK, most people thought it was [AUDIO OUT] idea how to use this device. And so they'd stand like this, and they'd talk. Or they'd talk until they wanted to point, and then they would say this [INAUDIBLE]. Or they'd get really excited. And you get this Doppler effect going.

[CHUCKLING]

Or maybe they watched *Harry Potter* and thought if they stuck it on the side of your head-- I don't know, but I do know that I was the only one the audience, the department, the judges could understand. And I won the pitch contest. So you might want to take a picture of this slide, or at the very least, remember it because nobody ever tells you how to do this stuff. I sat in a meeting earlier today-- VMS. Nobody knew how to use the microphone. OK. We'll take questions from the audience.

AUDIENCE: [INAUDIBLE]

BOB JONES: OK. Some mics, not many, are omnidirectional. That means that no matter where you are, it will pick you up. These are not like that. And you will rarely use an omnidirectional mic. These mics are unidirectional, which means that they pick you up down the barrel of the mic.

That's because they know that in the evenings, you're doing this, and you don't want explosions and flash pots and all that stuff coming through the vocal microphone. OK? So speak down the barrel of the mic, not over the top, not six or eight inches away.

The optimal way to use one of these things is two to four inches from the microphone. Think of it like an ice cream cone. Speak down the barrel of the mic. And if you like to point at things, that's fine. Hold the mic in your other hand. Otherwise, you'll get excited and start doing that, and you'll lose your audience.

And your audiences, like you guys, if they get bored for more than about 30 seconds, will pull their phone out. And that's it. You've lost them. Speak a little more slowly than usual. As we said, enunciate clearly. And when I bring you back up here for talks, I would love to see that you actually remembered that. OK? Clear enough? Thanks.

OK, I'm back on. Thank you. All right. There's an eight-letter word that all my musician friends-- in fact, most of us-- hate. Practice. And that's probably not something you think about in giving your talks, but it usually is true that you have to work very hard to make it look easy.

If you see a speaker or presenter that makes it look easy, I can pretty well guarantee you they put in a fair number of hours backstage, behind the scenes, working their way through their talk. These are new habits. You're used to talking about matters of substance, your algorithms, whatever.

And here you are now talking about benefits to a group of customers. And you're trying to tell a story. So you're retraining yourself. And that takes a little while. And I have been in places where people thought I had lost my mind-- actually, a fair number of places, but I would go into a conference room. And I would give my talk to an empty room with a timer. And if it beeped and I was only 2/3 of the way through, I'd think time for some editing.

In my really early days of doing this, I would go find magazines and tear out pictures-- and this is sick, but I did it-- and tape the pictures to the chairs in the room. I stopped short. No Kardashians, and I would give my talk looking at the pictures because it was new habits.

I was an MIT grad. What did I know about this stuff? So give your talk to an empty room. How many of you have ever been recorded, heard your voice? Was it horrifying? Yeah. Well, if you think that's bad, get videoed. Whew. You'll need therapy. It's terrible, but it's incredibly therapeutic. See the first bullet on the page. Questions? So far, so good?

OK, let's give a quick touch on raising venture capital. Just a few words-- not for the faint of heart, be careful what you ask for, abandon hope, all ye who enter. How many of you have raised venture capital before? Is this true? [LAUGHS] Yeah. Be careful. We'll share war stories at some point.

OK. Getting to see a venture capitalist-- let's begin at the end of the story. You could decide you're going to make a cold call. They get about 200 of those a week. They don't ever take them. Those calls go in the dumpster. So maybe you look about and say I can find somebody who knows this venture capitalist and ask them for an introduction.

That person, if they already know the venture capitalist, will have enough lights on to say is this a good fit? You have a software practice, and he only invests in health care. Sorry, not a good fit. Into the dumpster. So if it is a good fit, then the next question-- and they're too sophisticated to tell you this-- is are you going to make me look bad?

Because if I send my friend, the venture capitalist, somebody who's a complete weenie, then I lose social capital. So if you're going to make me look bad, that one goes in the dumpster as well. But if not, then I might make the introduction. That happens about twice a week. So if you can do that, it's better. OK?

All right. What do investors care about? Well, your technology, how many schools you went to, maybe getting back more than they invested. Hmm. They will have some questions, but all of those things are just proxies for the two big questions-- the two big questions.

And mind you, you can have five speakers talk to you about how to put together a pitch deck. You'll get at least seven or eight opinions, but the two big questions which you must never lose sight of-- how will you make money, and how will I make money? That's really what I want to know.

And if it looks like you don't have any idea how you're going to make money, I'm not even going to ask you the second question. What's the point? So under "How will you make money," they will ask you questions like what's broke that you fixed, why is your solution better, are you en route to finding customers?

Tell me about your team. Who's doing marketing? Do you have a sales paradigm that you're operating? Do you have manufacturers? How about IP protection? If you make a success out of this, can somebody come along and steal it from you?

Those are all subordinate to the question, how will you make money? How will I make money? Now, that turns into deal terms. Guess I'll invest. I only need to own 97% of your company. How do you feel about that? What's the probability that you'll have a profitable exit? Stuff like that. So far, so good? Yes.

AUDIENCE: Should we be talking about exit?

BOB JONES: Oop.

AUDIENCE: Sorry. Should we be talking about exit during a pitch session?

BOB JONES: My opinion is no. My opinion is that they think they know a lot more about that than you do. And so if you come in and say I expect an exit in two years at a 4x multiple of our EBITDA, they're going to say, yeah, yeah.
[LAUGHS]

In conversations after your initial pitch, you may say look, I have a few precedent examples of companies like ours who've been acquired recently. And here's a range. And I'm just providing you that as background information because there's so many hurdles you have to clear before you get there, but they are nevertheless thinking to themselves, nobody's ever going to buy this company. I'll never get out of my investment, implicitly.

OK, what kind of capital are you looking for? How much? How far that take you? How long before you've built a good business? And of course, how will our firm make money? What's in it for me? We're doing verbal presentations tonight, but still, a few words about pitch decks.

Many entrepreneurs use too much jargon, put decks together that are too long and too technical. The best decks describe the problem in the first slide or two. They focus on the unmet need and how they are meeting it and show some proof or support for the value that they're creating.

In our prototype, we save the hospital this amount of money, and we save the end user this amount of whatever. Actually, I can give you an example of that. I did a 90-day stretch as a temporary CEO for a friend of mine who had a device that was used in the catheter labs in hospitals. Atrial ablation, if you know the space.

And it was pretty cool. And what we found was that the docs looked at it and said I've got to have it because it allowed them to do a better job with the surgeries. Surgeries were more brief. Patient recovery was quicker. Patients were the beneficiaries. The docs wanted it.

But the patients weren't going to pay for the device, and the docs weren't going to pay for the advice. We had to go downstairs to talk to the people in the purchasing department, who promptly gave us a bunch of stuff about-- well, we're the Mass General. You should give it to us for free so you can include us in your customer list, to which my reaction was nice try, guys. How do you feel about predatory practices? [LAUGHS] No.

But all of those jokers had had at least two courses in the previous year on negotiation, which you will learn about in the session immediately following this one. What I had to do was figure out-- how could I thread a path that would show the users, the patients were beneficiaries, the docs wanted it, and the hospital would want it?

And what I figured out was that I would do a surgery and set the OR up the way I wanted. Then you'd come in and do a surgery and you'd rearrange the OR. So there was lag time between my procedure and yours-- frequently, an hour. Our device shortened that enormously.

So what I ended up saying to the purchasing department was the cath lab is one of the few places in the hospital that actually makes money. And the amount of money you make is completely dependent on how many procedures you do. My device will allow you to do one more procedure per day. And if I have the arithmetic right, it will pay for itself in six weeks and be profitable for the rest of your life. And we went. So that's support or proof of value. And here's a URL that you should check out at your convenience.

OK, remember what I said. Your innovation solves a problem. Tell us a story. So start with an anecdote. I may leave this up on the screen while the next volunteers come down and talk. We've identified customers who will happily pay to solve this problem. Here's why they think our solution is better.

We have a prototype, and we need to scale it up, or we are already in the marketplace, but we don't have the capital to expand the manufacturing. Whatever it is, here's why we are raising capital. What questions may I answer for you? Note that I say almost nothing about the technology. The question is how will I make money? How will you make money? Yeah? Your turn. Let's get a few more stars up here. You're game? Great. Come on down.

[APPLAUSE]

Thank you. Check. Tell us your name, tell us a little about your business, and then we'll do a three-minute pitch.

AUDIENCE:

OK. Hi, I'm Ghita. Good evening. A bit about my business. So we do SaaS recommendations to help people better optimize their tech stack and work more efficiently and save more time.

BOB JONES: And we are prospective investors, customers, employees? Tell us who you are pitching to.

AUDIENCE: Investors.

BOB JONES: OK.

AUDIENCE: Raising capital at the moment.

BOB JONES: You're rich. OK, three minutes. Take it away.

AUDIENCE: OK. How many of you, by show of hands, are following up with what's going on in tech lately? Awesome. How many of you actually adopted any AI tools lately? Great. And how did you find out about them? If you just don't mind shouting out, how did you discover these AI tools?

AUDIENCE: Social media.

AUDIENCE: Mm-hmm.

AUDIENCE: Newsletters.

AUDIENCE: OK. Awesome. So social media and newsletters are the responses we got. So AI is democratizing how we create software. And it's soon going to be just as fast as writing a tweet. And the problem with that is that it's creating this faster way of us-- well, it's moving so fast that we are not able to keep up with what's new and what's actually good to help us do our job right or not.

And that's changing how discovery of these software tools are done-- by mentioning social media or someone told me about it or a newsletter. There's a new way of discovery. And we haven't built a solution for it until, well, Techbible. That's what I'm building.

And it's a place where you go and find people's tech stacks that are similar to your job role, your industry. And you can see what they've used, what objectives they reach with the stacks that they've used. And you can also just simply, because you enter your tech stack, get all of the use cases that you can automate within all the tasks that you can automate within your job role.

I forgot that you guys are investors for a second over there because you look like my target audience. How will I be making money? So we want to be a transparent platform. So all the revenue will be made through affiliate revenue and by other-- as well as team accounts.

So companies can optimize better what their employees are doing because we can tell them what currently, in those tasks from the employees, will be automated. And we're raising \$500,000 to expand the platform and expand our database and hire more engineers.

A little bit about the team-- I'm actually a sole founder. I'm also my own distribution channel, with over half a million followers just around software tools. I'm also a technical, so I built the platform from scratch. And we have made over \$80k in revenue last year just from some beta user accounts and by working with small businesses.

BOB JONES: Time's up.

AUDIENCE: That's it.

[APPLAUSE]

BOB JONES: It's terrible, isn't it?

AUDIENCE: Oh, my god.

BOB JONES: [CHUCKLES] Well, imagine giving a 90-minute lecture.

[CHUCKLING]

Not like anybody you know, right? OK. Your comments. What are your thoughts, your reactions as prospective investors? Hang on. Got one up here. Let's take this one first. Go ahead, sir. Uh-oh. I was just saying while he's fixing that, let's take you.

AUDIENCE: OK, so who are your customers? How big is your market? And why would they be interested in this?

BOB JONES: Ooh, stake through my heart.

AUDIENCE: Great question.

AUDIENCE: Also, great pitch [INAUDIBLE].

AUDIENCE: Thank you. Well, how big is the market? According to just January, actually, stats from the world--

BOB JONES: Actually, don't answer that question because what we're trying to do is improve the pitch. And his point was based on your talk, we have no idea if the market is 12 people in all of North America or it's thousands of people everywhere who are clamoring for this solution. So duly noted. Rather than the answer to the question, do you want to try again? Is your mic working?

AUDIENCE: No, I can just shout it out. Is that OK?

AUDIENCE: Yeah, I'll repeat it.

AUDIENCE: OK, OK. So if you have a platform for tech stack, I didn't understand why you need engineers. And are you going to improve on the tech stack or you're just going to list the tech stacks on the platform? What is the engineering challenge here?

AUDIENCE: Yeah. So the challenge is to identify without you entering them. So people are listing them right now, and they're quite public. The challenge is for us to build a better way to identify what that tech stack is and verify it. One of the biggest benefits that we've heard from the users right now is that they can see what people have used and kept in their tech stack. It's not bullshit. Once they stop using it, they'll remove it. And that's trusted information that you really can't get anywhere else at the moment. Yeah.

BOB JONES: All right. I would like to get somebody else up here as well, but you dropped a little tidbit at the end, almost as a throwaway, which should have been within about your first 20 or 30 seconds, which was that you already have \$80,000 in revenue, and I can't remember the number, but an awful lot of followers. How many followers?

AUDIENCE: Almost half a million.

BOB JONES: OK, so hold that thought just for a second. What did you think of the way she deployed the first 45 seconds by asking you questions? How many of you, and how many of you? OK, I'll be harsh. My reaction is that was a colossal waste of time.

AUDIENCE: Yeah, we're just a little too shy any time--

BOB JONES: I'm sorry. Say that again.

AUDIENCE: I am a little too shy to engage, personally.

BOB JONES: Well, right. Well, and if you sit and listen to 10 pitches a day, you will be astonished how repetitive they are. Oh, we have a world-class team. [SNORES] Oh, there's a gazillion people in China. And if we could sell one sock to each of them, we'd have a trillion-dollar business. And just 10% of that-- [SNORES]

So they're just so repetitive. So lead with I'm in this market, I know it well, I have almost a half million followers, and we have 80,000 in revenue already for something which is, frankly, purely in the prototype stage. I'm on to something here. I'm raising a little bit of capital, probably not \$500,000, to go out and validate the market, test it out, find where the unmet customer needs is, and to devise a launch strategy so that I can start with the people who are clamoring for it, and then expand to whom I need to promote. Better?

AUDIENCE: Much better. Should have recorded that.

BOB JONES: Well, it's probably on the video. All right. Give her a hand, please.

[APPLAUSE]

I think we have time for one more. And then I have a summary slide. Well, you were brave enough to come down before. And I did offer you a bite of the apple a second time for-- so we salute you for your courage. This will be take 2. Three minutes? Yep.

AUDIENCE: Do I get a couple of minutes describing my business?

BOB JONES: Nope, we already know it, unless you've changed it.

AUDIENCE: No.

BOB JONES: OK.

[CHUCKLING]

Hey, you're entrepreneurs. Pivot. So all right. Go.

AUDIENCE: Yeah. So the US has a million pregnancies a year. And this is more than \$1 billion doled out by insurance companies as reimbursement for ultrasound scans. And 8% of these are high risk pregnancies. So we build ultrasound devices which enable these high risk pregnancies to scan from home.

Doctors love it because it reduces the stress on the patients. Hospitals love it because it costs them less. And insurance companies love it because the hospital uses a cheaper reimbursement code. So yeah, it's good all around. And for us, this means this means an \$80 million market per year.

BOB JONES: Stop right there. Was that automatically just fabulous compared to what he did before? I don't think you need to say another word. I don't mean to cut you short, but--

[APPLAUSE]

--huge improvement. All right.

AUDIENCE: Used the mic correctly.

BOB JONES: And he used the mic correctly. [LAUGHS] Jeez, you might be our poster child or something. This is great. So a quick comment or two. What did he do right? Come on. You guys sat right there and watched him. What did he do right this time?

AUDIENCE: He was talking about customers [INAUDIBLE].

BOB JONES: Hang on. Let's capture you for the people in Zoom land.

AUDIENCE: So I believe he wants to focus on customers [INAUDIBLE] insurance and people who would be using this process. And I believe he explained all the [INAUDIBLE] for potential users who actually would be paying for this and why should [INAUDIBLE].

BOB JONES: Did you understand, from his talk this time, who his target user is and their problem? And you could actually incorporate a little more emotional stuff. Think about the woman who is a high risk pregnancy. Frequently, that requires bed rest, minimizing stress, all of the things which are the absolute antithesis of what you find when you have to go to the hospital. So there's how many? 200,000?

AUDIENCE: Yeah.

BOB JONES: 200,000 of these people out there. And because going to the hospital is so stressful, they don't go to the hospital, which makes their high risk pregnancy even more high risk, which is calamitous for the patient and expensive for the insurance company. And the current solutions-- you could just tear this one up.

AUDIENCE: I just want to say I like the way you took steps. It's as if a graph was displayed.

BOB JONES: Yeah, it's a flowchart.

AUDIENCE: Yeah.

BOB JONES: It is. It's a flowchart, which should be second nature to all of you guys. Tell the story in a linear fashion so that they can't help but follow you. Great. So give him a round of applause. That was way better.

[APPLAUSE]

All right. Thank you. All right, I'm going to wrap up, my friends, because as much fun as this is, there's others coming after us. So we did all this. Do you have any final questions? I've got one slide left for summaries, but do you have any questions you'd like to ask before I say "in conclusion"? Yes, sir.

AUDIENCE: So who usually is-- is the CEO of the company see this person, and there's only one person or two who can [INAUDIBLE] pitch?

BOB JONES: The answer is all of the above. Well, and actually, no, the answer is it depends. I have never seen an investor make an investment without being convinced that the CEO can drive the bus. Having said that, many CEOs are not as technically sophisticated as their chief technology officer.

And they may not understand the marketing process as thoroughly as their chief marketing officer. So sometimes, a team presentation works best, but doing it without the CEO is a path I have never seen work. Does that help? OK. Who else? Good question. That means you guys who are founders are not off the hook. You will have to do this. OK, let me wrap it up, then.

Know your audience and know the three things you want them to remember when you finish your presentation. Here's a challenge. I've been working with a fair number of senior managers. And I said tell me your value proposition. 3 sentences, 10 seconds. It's brutal. It's really hard. You feel like you're boiling the ocean.

But if you can do that, you have your North Star on those dark and stormy nights when you're not sure where you're trying to go with this thing. If you can do those 3 sentences in 10 seconds, there's your North Star. OK? Show them, your audience, that you understand their problem. And tell a story about your better solution so that your audience understands what's in it for me.

Practice. And by the way, when I first did this slide, I had five or six bullets. And I realized I was counseling you to only keep to three things that you wanted your audience to remember. I had to redo the slide, but those are the three things that I want you to remember. Know your audience, tell them you understand their problem, show them your better solution, and spend some time practicing to make this right. And good luck to you. Thank you very much.

[APPLAUSE]