

# Business Plans... Back to Basics

A new environment to start and build  
successful innovative tech-based companies

Presented by:

**Paul M. Kelley**

**Zero Stage Capital**

**265 Franklin St., 18<sup>th</sup> Fl.**

**Boston, MA 02110**

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# What about business plans?

## *The Twelve Deadly Sins*

1. Too long
2. Unclear writing: ungrammatical, redundant, unpersuasive
3. Poor layout: illogical, unattractive, illegible, un-illustrated
4. No executive summary
5. Product features unclear: trade jargon, development status, proprietary features
6. No backup on team

## *The Twelve Deadly Sins*

- 7. Unsupported market estimates / no primary research*
- 8. Superficial competitive review*
- 9. Creative accounting formats*
- 10. Unfocused user benefits: economic vs. non-economic*
- 11. Lacks knowledge of the customer*
- 12. Lacks a compelling reason to invest now*

# What is the ideal plan?

- Short & sweet.
- Written in clear English.
- Clear market picture.
- Crisp business proposition.
- Money needed: how much, when, why?
- Why is this a good investment now?

# Bottom Line

- ▣ Avoid using VC at all if you can.
- ▣ Use all of the informal (guerrilla) sources intensively.
- ▣ Figure out how to do it with no outside financing.

# Back to Basics

## The Ingredients:

- ▣ Market / customers
- ▣ Technology or service
- ▣ People\*
- ▣ Money

## The Axiom:

- ▣ Competition stinks

\* Find a mentor or a venture advisor

# Finally...

- Start a business that is not capital intensive. Then bootstrap.
  - You learn some things.
  - You don't lose someone else's money if it doesn't work out.
- Be imaginative – max out guerilla sources.
- Do your homework, be realistic (A.K.A. customer-centric), be a pragmatic idealist.