



TTC - MESTRADO EM MICROBIOLOGIA APLICADA
IE - MESTRADO EM MATEMÁTICA APLICADA ECONOMIA & GESTÃO
ITT – ENGENHARIA BIOMÉDICA E BIOFÍSICA
IE - OPCIONAL PARA 2º CICLO

FCUL – 2019/2020

AULA 9
04 MAIO 2020

Sumário

- ⦿ O Business Plan
- ⦿ Projeções financeiras.
- ⦿ Risco versus benefícios.
- ⦿ Fontes de capital: 3Fs, business angels, capital de risco, banca.
- ⦿ BM Canvas:
 - Principais fontes de Custos.
 - Fontes de receita.
- ⦿ Pitching. A arte de “convencer”.

LET'S CREATE A COMPANY!



SHAREHOLDERS

Helena, Rita, Bruno

NAME

Emp. C., Lda.

EMPLOYEES

YOU!

BUSINESS PLAN

STRATEGY

WORK

PRODUCTS

SOLUTION

TARGET

GOAL

**BUSINESS
PLAN**

TEAMWORK

MARKETING

SUCCESS

IDEAS

LEADERSHIP

SERVICE

COMMUNICATION

INNOVATION

FINANCE

INSPIRE

PROFIT

ORGANISATION

PEOPLE



BUSINESS PLAN

1. Executive summary
2. Opportunity/Problem
3. Solution
4. Competition
5. Financials
6. Team
7. Go to market

1

EXECUTIVE SUMMARY

2

OPPORTUNITY/PROBLEM

The problem you are solving

The opportunity you are creating

Who has this problem

For whom you are creating an opportunity

Quantify

3

SOLUTION

Your value proposition

Why it is unique

How you got here

Technology involved

Key partners and resources

4

COMPETITION

Other ways of solving the problem

Direct and indirect competition

Features comparison

5

FINANCIALS

- Your business model
- Forecasted sales
- Fixed and variable costs
- Your cash flows
- Your investment needs
- Your return on investment
- Your business valuation

6

TEAM

Who they are

What the roles are

Why they are part of the team (added value)

7

GO TO MARKET

Strategy

Client acquisition

Advertising

The Financial Plan (1)

- ⦿ Basic for the evaluation of an investment opportunity
- ⦿ Represents your best estimates of financial requirements
- ⦿ Indicate venture's potential and a timetable for financial viability
- ⦿ Operating plan for financial management

The Financial Plan (2)

- ⦿ Forecasted Sales (Previsão de Vendas)
- ⦿ Costs map (Fixed & Variable)
- ⦿ Cash-Flow (mapa de cash-flow ou fluxo de caixa)
- ⦿ Balance Sheet (balanço e balancete)
- ⦿ Profit and Loss forecast (DRN e DRF)
- ⦿ Pro-forma Income statements (income predictions)
- ⦿ Break-even chart (when you will turn positive...)
- ⦿ Payback Period
- ⦿ Annex the assumptions (sales levels and growth, inventory requirements, payable periods, cost of goods, inflation rates...)

FINANCIAL PLAN

Euros

EMP C., Lda	2017	2018	2019	2020
Revenues				
Net revenue	0	1 000	5 000	15 000
Operating cost				
R&D	2 000	2 500	3 000	4 000
Sales & Marketing	1 000	2 000	4 000	7 000
HR	1 000	1 500	2 000	3 000
Total Cost	4 000	6 000	9 000	14 000
Net Income	(4 000)	(5 000)	(4 000)	1 000
Fund raising				
Investment needs	9 000			

Balance Sheet

- ⦿ Accounting document that expresses the patrimonial situation of a company at a specific point in time (see supporting docs)
- ⦿ Assets (Activo) (how much I have) and Liabilities (Passivo) (how much I owe)
- ⦿ Equity (Capital Próprio) (situação patrimonial Líquida)

$$E = A - L \quad (CP = A - P)$$

BALANCE SHEET



Emp. C., Lda, 2017



Emp. C., Lda, 2018

STATIC VIEW

A snapshot of the company's financial situation at a particular point in time.

BALANCE SHEET

ASSETS	EUROS
Current Assets	
Cash	20 000
Accounts receivable	15 000
Inventory	150 000
Total Current Assets	185 000
Non-current Assets	
Plant and equipment	50 000
Business permises	650 000
Vehicles	70 000
Total Non-Current Assets	770 000
TOTAL ASSETS	955 000

ASSETS
What a company owns

BALANCE SHEET

ASSETS	EUROS
Current Assets	
Cash	20 000
Accounts receivable	15 000
Inventory	150 000
Total Current Assets	185 000
Non-current Assets	
Plant and equipment	50 000
Business premises	650 000
Vehicles	70 000
Total Non-Current Assets	770 000
TOTAL ASSETS	955 000
LIABILITIES	
Current Liabilities	
Accounts payable	25 000
Credit card debt	45 000
Total Current Liabilities	70 000
Non-Current Liabilities	
Long term loan	500 000
Total Non-Current Liabilities	500 000
TOTAL LIABILITIES	570 000

ASSETS

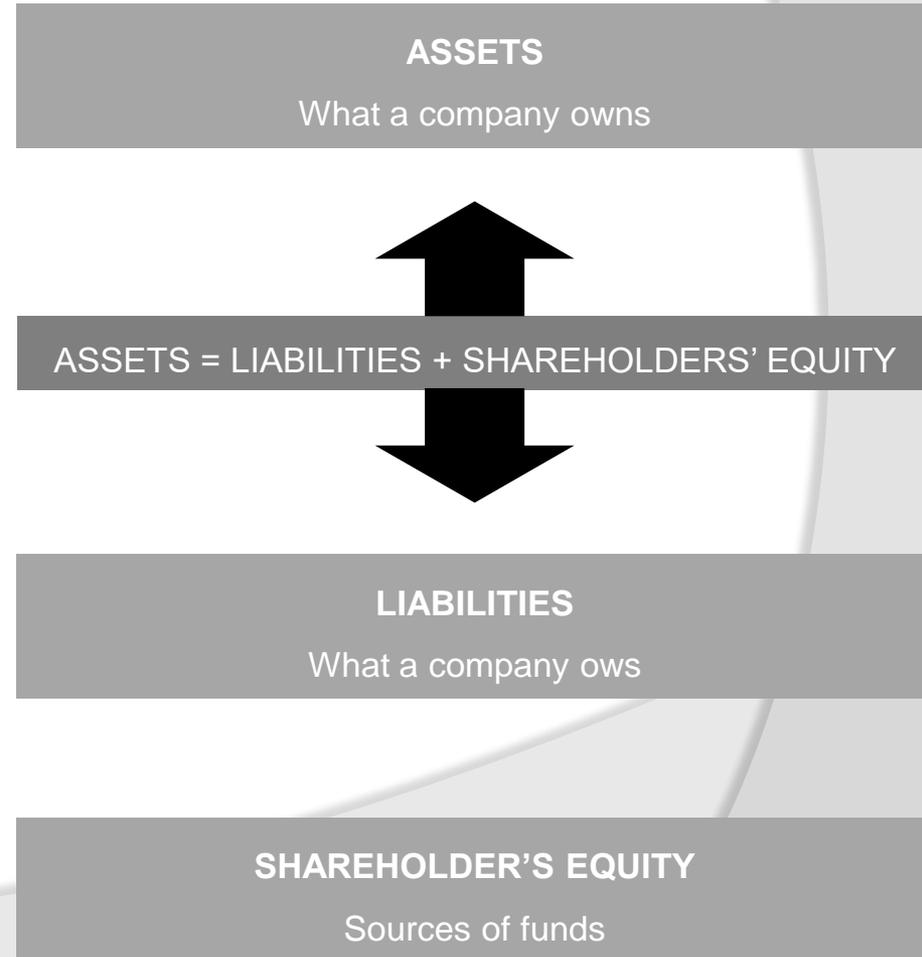
What a company owns

LIABILITIES

What a company owes

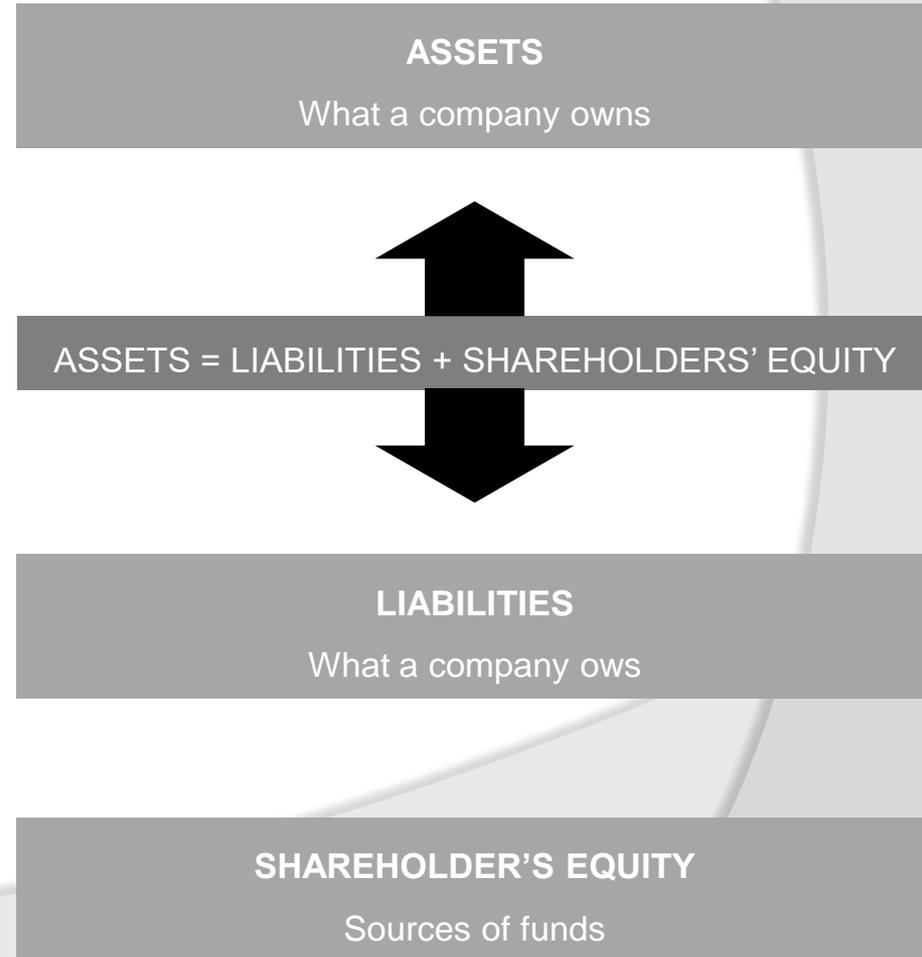
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TOTAL LIABILITIES	570 000
SHAREHOLDERS' EQUITY	385 000



BALANCE SHEET

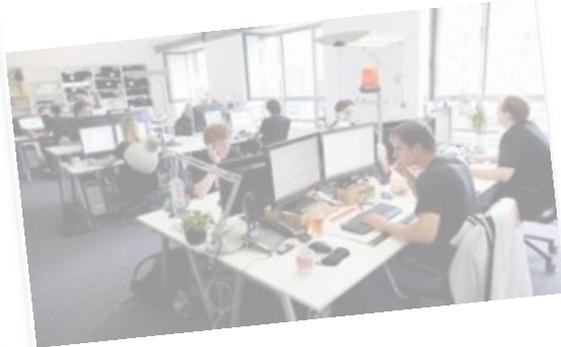
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TOTAL LIABILITIES	570 000
SHAREHOLDERS' EQUITY	385 000
TOTAL LIABILITIES + SHAREHOLDERS' EQUITY	955 000



Profit and Loss Statement

- ◎ P&L is intended to demonstrate the acquisition of results for a certain amount of time, usually a year, a semester or a) quarter
- ◎ It allows the evaluation of the economical performance of a venture
- ◎ P&LF : P&L by function – production, commercial, administrative & financial

PROFIT & LOSS STATEMENT



Emp. C., Lda, 2017

Profit &
Loss
Emp. C.,
Lda
2018



Emp. C., Lda, 2018

DYNAMIC VIEW

Financial results achieved over a period of time.

PROFIT & LOSS STATEMENT

EUROS

Revenues	124 000
Operating and maintenance costs	105 600
OPERATING MARGIN	18 400

PROFIT & LOSS STATEMENT

	EUROS
Revenues	124 000
Operating and maintenance costs	105 600
OPERATING MARGIN	18 400
Depreciation	12 500
OPERATING INCOME	5 900

PROFIT & LOSS STATEMENT

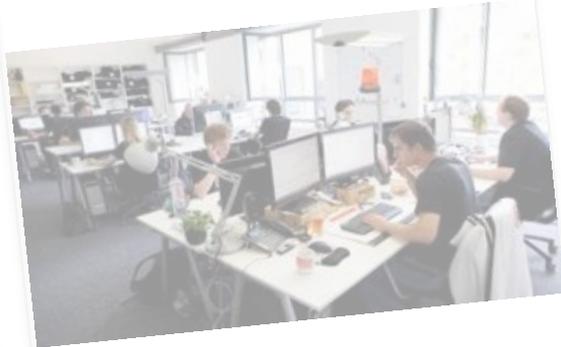
EUROS

Revenues	124 000
Operating and maintenance costs	105 600
OPERATING MARGIN	18 400
Depreciation	12 500
OPERATING INCOME	5 900
Interest expense	2 000
EARNINGS BEFORE TAXES	3 900

PROFIT & LOSS STATEMENT

	EUROS	
Revenues	124 000	
Operating and maintenance costs	105 600	
OPERATING MARGIN	18 400	EBITDA: Earnings Before Interest, Taxes, Depreciation and Amortization
Depreciation	12 500	
OPERATING INCOME	5 900	EBIT: Earnings Before Interest and Taxes,
Interest expense	2 000	
EARNINGS BEFORE TAXES	3 900	EBT: Earnings Before Taxes
Tax expense	1 600	
NET INCOME	2 300	

CASH FLOW STATEMENT



Emp. C., Lda, 2017

Cash flow
Statement
Emp. C.,
Lda
2018



Emp. C., Lda, 2018

DYNAMIC VIEW

Records the movement of money (in and out of a company), between two Balance Sheets.

CASH FLOW STATEMENT

EUROS

CASH FLOW FROM OPERATING ACTIVITIES

Cash receipts from customers	124 000
Cash paid to suppliers and employees	(105 600)
Cash generated from operations	18 400
Interest paid	(2 000)
Tax paid	(1 600)
Net cash flow from operating activities	<u>14 800</u>

NET INCREASE/DECREASE IN CASH

Cash at the beginning of the period	<u>2 400</u>
Cash at the end of the period	<u>17 200</u>

Money, Money, Money...

- ⦿ 3F (Family, Fools and Friends)
- ⦿ BA (Business Angels)
- ⦿ VC (venture Capital)
- ⦿ Bank
- ⦿ Grants and government support

Raising Capital is Hard!

- Sources:

- Friends, family and fools
- Angels
- Venture capitalists
- Strategic investors

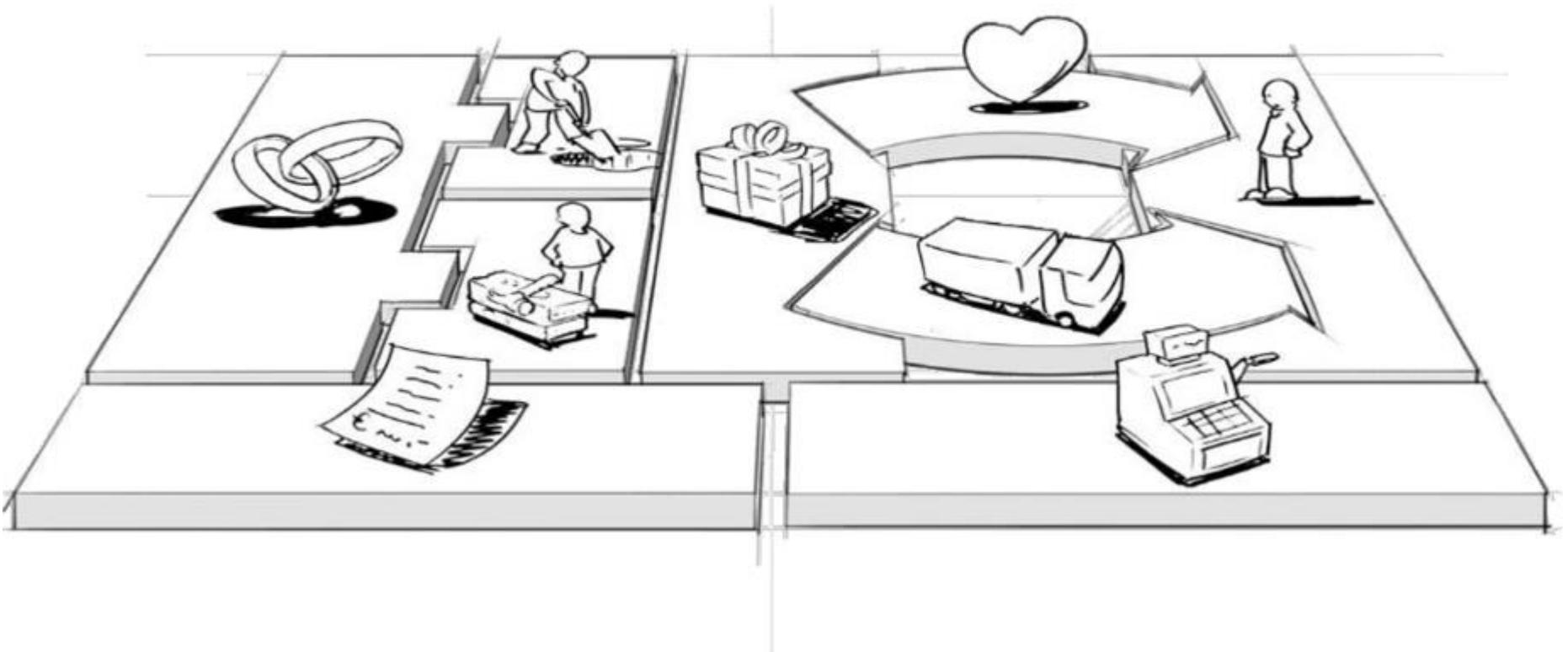
You!

**Domain,
You**

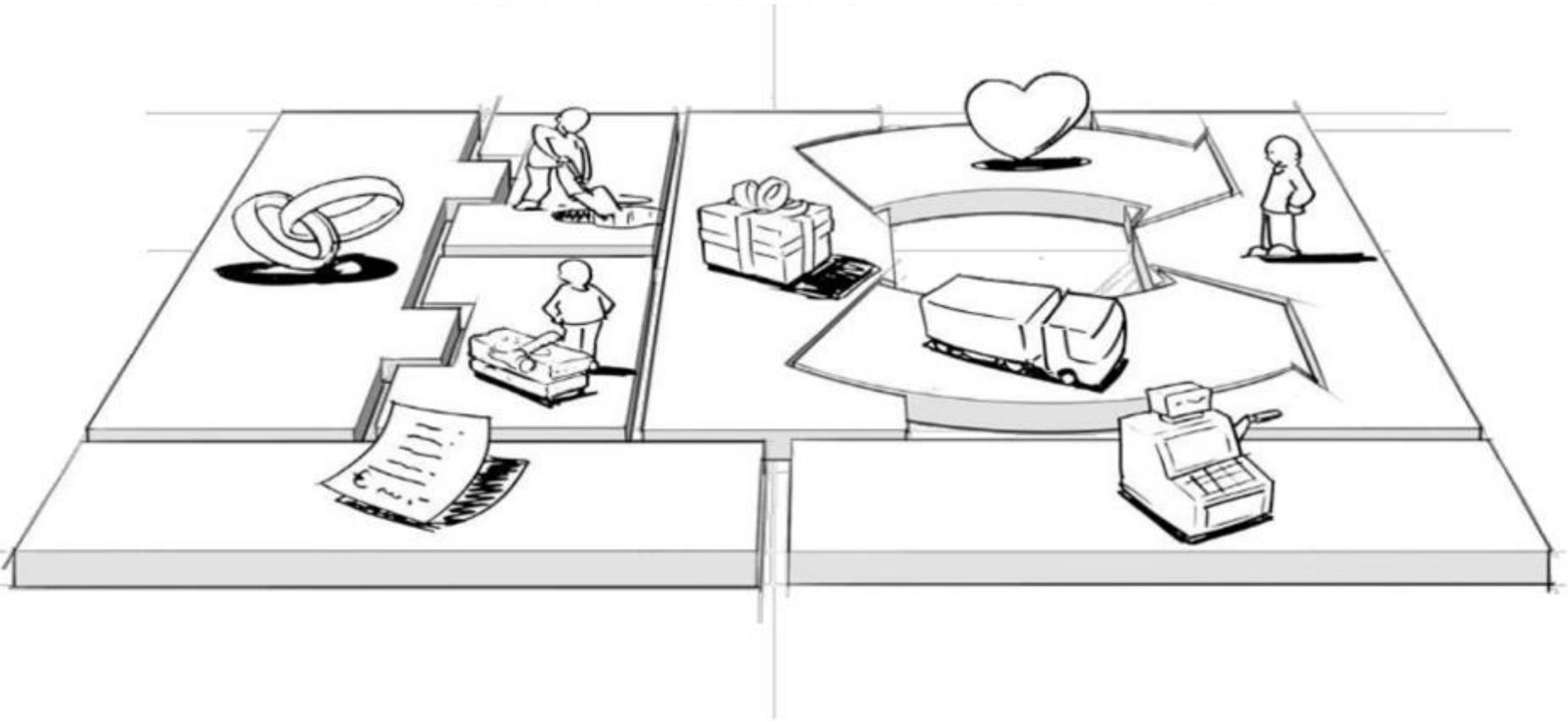
**Traction,
Exit!**

**Channels,
products,
technology**

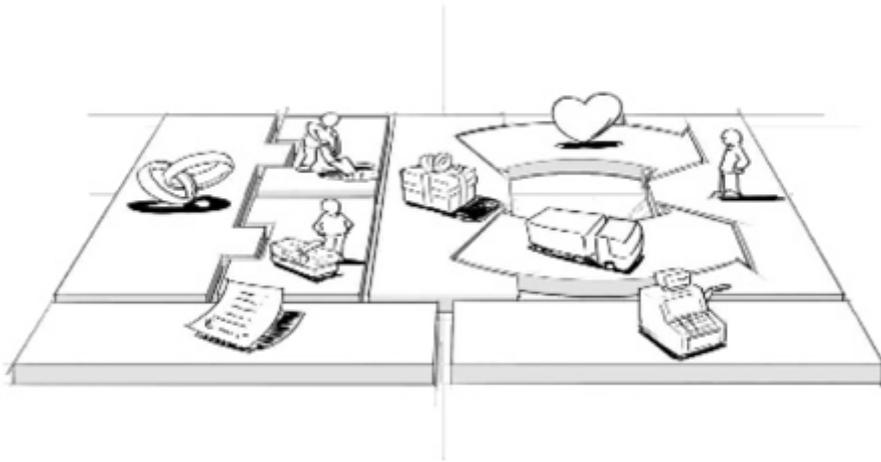
BUSINESS MODEL CANVAS



COST STRUCTURE

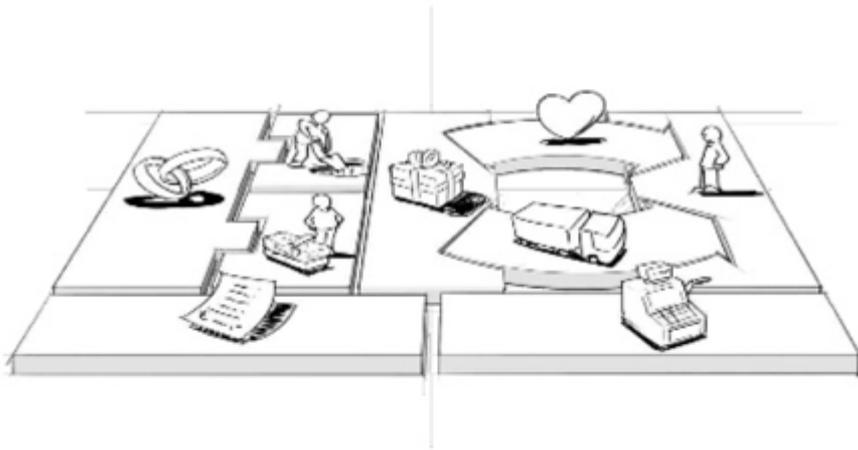


COST STRUCTURE



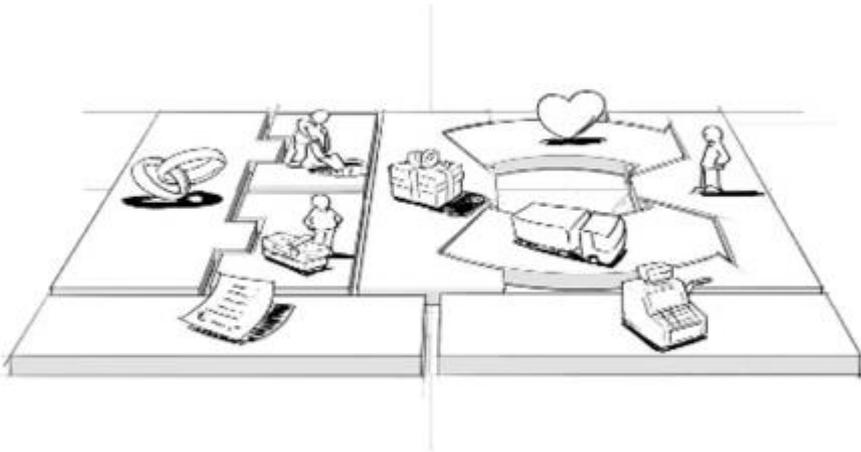
- What is the resulting cost structure?

COST STRUCTURE



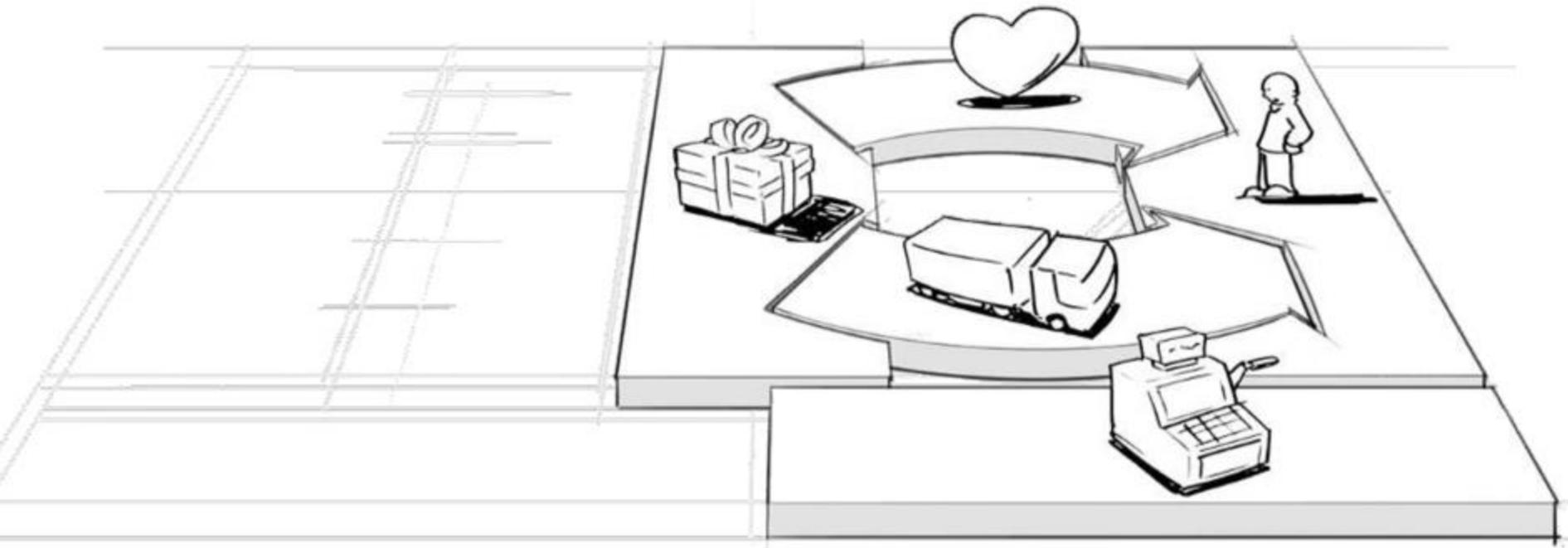
- What is the resulting cost structure?
- What are the resources with more impact on costs?

COST STRUCTURE

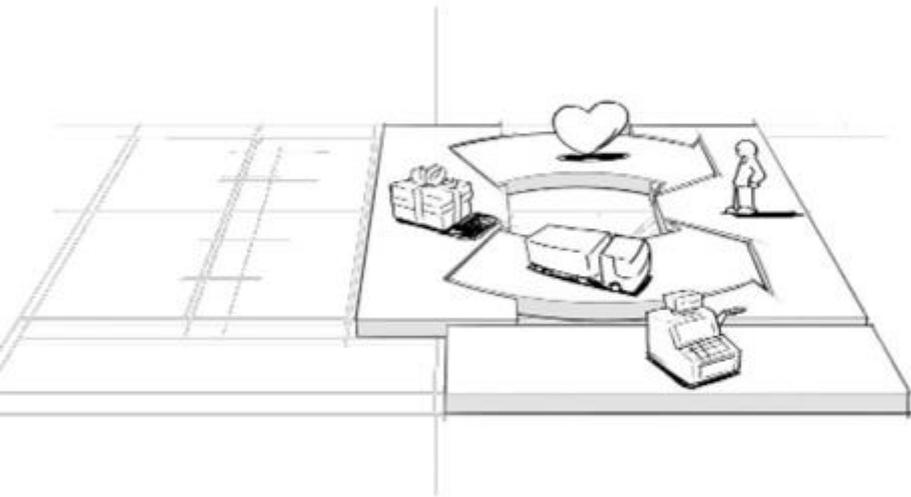


- What is the resulting cost structure?
- What are the resources with more impact on costs?
- What are the most expensive activities?

REVENUE STREAMS



REVENUE STREAMS



- What type of revenue streams we can have?
- What are our pricing models?
- How much are the clients willing to pay?
- What is the contribute of each stream to the total revenue?

REVENUE STREAMS

Pricing Mechanisms

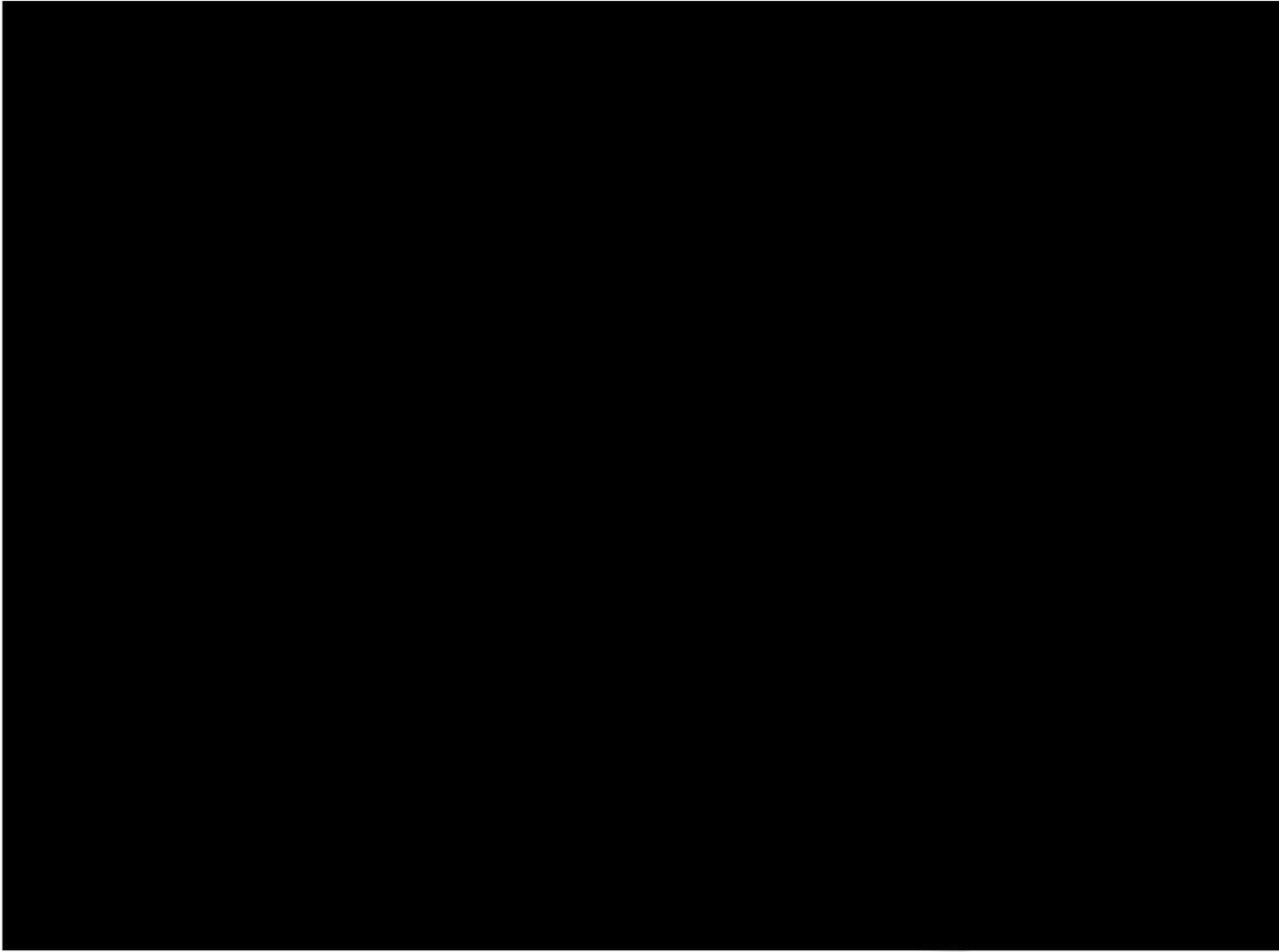
Fixed Menu Pricing Predefined prices are based on static variables	Dynamic Pricing Prices change based on market conditions
<i>List price</i> Fixed prices for individual products, services, or other Value Propositions	<i>Negotiation (bargaining)</i> Price negotiated between two or more partners depending on negotiation power and/or negotiation skills
<i>Product feature dependent</i> Price depends on the number or quality of Value Proposition features	<i>Yield management</i> Price depends on inventory and time of purchase (normally used for perishable resources such as hotel rooms or airline seats)
<i>Customer segment dependent</i> Price depends on the type and characteristic of a Customer Segment	<i>Real-time-market</i> Price is established dynamically based on supply and demand
<i>Volume dependent</i> Price as a function of the quantity purchased	<i>Auctions</i> Price determined by outcome of competitive bidding



THE ELEVATOR PITCH

- ① The amount of time you have on an elevator ride to convince an investor/client of your great idea/product
- ① Should be short and clear
- ① Should be simple in language (NO TECH TALK!)
- ① Should focus on USP
- ① Should focus on advantages

THE ELEVATOR PITCH



Business Communications

- Essential to your professional success
–& *personal relationship success as well*

You Are The Message!

- It is not about PowerPoint
- You are the message
- Use aids as needed
- Have your message ready & crisp

Elevator Pitches

- If you have clarity you will not need too many words to describe it
- Best way to tell others about your idea?
 - What problem do you solve?
 - Who has this problem?
- Tell about a use case, not “how it works”



Pitching

- Explain yourself in first minute (*slide zeroTM*)
- Explain the relevance of what you do
- Stay at a high level
- Listen for audience reaction ...
- Pitch again and again & fine tune

Pitching

- People listen to 7% of words that you say
- They listen to 52% of your body language
- Connect with your audience
 - Make it relevant to them
 - Be clear (first in your own head)
 - Pause & let the message sink in!

Tips

- Do not repeat words on slide while presenting
- What is the one point you want people to remember after this slide
 - Make this point in the title of the slide
 - Make this point verbally
 - Content of slide should support the headline

Art of Pitching

- First establish context then describe
- Tell what you do, then explain rest
 - Compartmentalize information
- Keep asking “so what?”

So What?

Typical pitch

We provide 128-bit encryption in a portable device

So What!

It is super hard to break into our system

Make it personal

You can now have a secure conversation with your HQ from hotel room

You & Your Passion

- Be attentive, energetic, in front!
- Know your message!
 - Do not read your own slides
- Engage with audience
- Uses pauses effectively

Say It With Conviction!



10/20/30 Rule

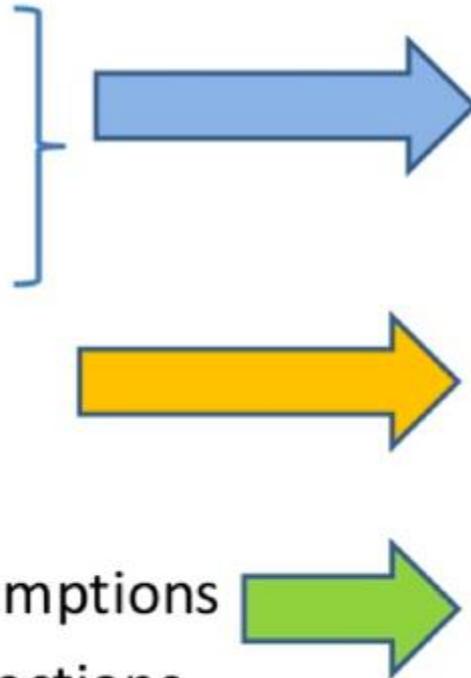
- Ten slides
- Twenty minutes
- Thirty size font

- You want to communicate “enough”, not everything!
- Purpose of the pitch to stimulate interest, not to close the deal

What do VC hear?

- What you pitch

- Unmet need
- Market size
- Solution
-
- Team
-
- Financial assumptions
- Financial projections



- What they hear

- Is there money to be made?
- Are these the people who will make me money?
- How much money can we make?