Working Toward Your Gateway Panel Presentation

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**Venture Connection Program Design** - SFU’s Venture Connection program is designed to help you take your venture from the Idea Stage through to the Concept Stage and finally to Business Launch. Each stage involves a more detailed level of research, planning and execution. The Idea Stage typically lasts about four months and is intended to help guide you through the research and planning necessary to be considered for entry to the program’s Concept Stage.

**Gateway Panel** - importantly, before moving on to the Concept Stage, Idea Stage venture proposals must pass through a Gateway Panel. The purpose of the Panel is to assess whether sufficiently clear early-stage thinking has been done to warrant advancing your proposal to the more detailed aspects of venture planning involved in the Concept Stage. The Gateway Panel typically comprises at least two Mentors in Residence from the Venture Connection program, but can also include the Manager of the program and perhaps one or more industry advisors.

**Steps/Milestones Preparatory to Your Panel Presentation** - as you work toward your Gateway Panel presentation, there are a number of elements of your venture proposal that will need to be researched and resolved, some of which will serve as inputs to your presentation. You should consider the list below a kind of checklist of the steps or milestones that should be completed before you make your presentation to the Panel. Once you have completed these steps, review your results with your assigned mentor and he or she will work with the Venture Connection Office to make arrangements for your presentation to a Gateway Panel.

1) **Conceptual Reasonableness** – even before you enter the Venture Connection program, you should confirm that your new venture idea is conceptually reasonable – i.e., does it make basic sense from a technical, commercial and market perspective. You can ascertain this by determining if there are other similar (but preferably not the same) products or services offered in the marketplace, by asking people who are knowledgeable of the industry you hope to enter, or by asking potential users of your proposed new product or service.

2) **Technical Feasibility** – early in the process of thinking about your new venture idea, you should try to determine if it is technically feasible (i.e., can it actually be made or delivered). If the technical feasibility of your idea is not readily obvious, there are several ways it can be determined. For example, it might effectively be confirmed by the presence of similar products or services already in the marketplace, or if the component parts required for the product or service already exist. Alternatively, by consulting experts in the field, you can confirm that the technical approaches

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1 Normally it is best if your product or service is either brand new or offers unique features and benefits that will make it attractive to your target customers. If there is another supplier already serving the same market you plan to serve, then this is a reason for caution. In rare cases the market for a new product or service may be growing so fast that it can support two or more competitors, but then your challenge will be to out-execute your rivals in terms of speed, creativity and agility.
required to develop the product or service are all well-known or understood. Similarly, you should confirm that the required technical skills are either embodied in the founders group for the venture, or can be readily acquired commercially in the marketplace at a price that the new venture is likely to be able to absorb, or for which it can raise venture financing. Lastly, you should have thought through whether the product or service can likely be produced on the scale necessary for effective commercial exploitation.

3) **Positioning Statement/Value Proposition/Elevator Pitch** - provides a clear, concise articulation of your venture idea in a few sentences including: the name of your venture; your product or service category; your target customer; the pain, problem, want or need they have that you will be fulfilling; and the compelling reason they have buy your product or service as opposed to those offered by your competitors (i.e., the unique/differentiated value a business derived from your idea would offer customers). Note that this value proposition may vary among different customer segments. Going forward, the resulting 20 – 30 second “elevator pitch” comprising the above elements is what you will use to quickly explain and attract interest in your venture from key stakeholders such as potential customers, key hires, investors, acquirers, distributors, etc.

4) **Market Size and Scope** – what is the overall size of the market for your product in dollar and unit sales terms? How fast is the market growing? Is the market large enough to support a viable business venture? What is your total addressable market (TAM) and served available market (SAM)?

   2 Be aware that if you hope to attract professional investors such as “investment angels” to your venture, they will be seeking large addressable markets measured in the tens or even hundreds of millions of dollars. Venture capitalists, who generally make larger investments than angels, will likewise be seeking opportunities involving large markets.

5) **Market Segmentation and Initial Target Customers** – you will need to develop a clear understanding of the various market segments for your product or service including class of customer (e.g., businesses, individuals) and the important vertical, geographic, demographic and psychographic segments, as appropriate.

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In particular, you should have a clear idea of which segments you will target first in developing your venture and the reasons why. You can learn more about the different market segmentation approaches here:

http://media3.bournemouth.ac.uk/marketing/07segmentation/04strategies.html

The book Crossing the Chasm by Geoffrey Moore also addresses these issues in significant detail, and emphasizes the importance of identifying an initial target segment for your venture that you can come to dominate before moving on to other market segments. It is helpful to define archetypal customers in each segment that reflects a composite of their characteristics.

6) Competitive Assessment – what is the competitive environment into which you will be introducing your new product or service? Will you be directly competing with existing players in your target market? Is it growing fast enough to accommodate more than one player? What are the available substitute products or services? How will your product or service be differentiated to give you a competitive edge?

7) Regulatory Context – what are the applicable government regulations that apply to your product or service? For example, if you are developing a food product, you will need to be aware of food labelling requirements and applicable food safety inspection requirements. Likewise, if you are producing a new children’s toy, you will need to be aware of the applicable Toy Regulations under the Canada Consumer Product Safety Act. It is critical that you develop a solid understanding of any regulatory constraints affecting your venture.

8) Intellectual Property (IP) Assessment – prepare a preliminary inventory of the venture’s IP and where applicable ensure appropriate IP assignment agreements are in place to clarify ownership. Ensuring that your venture has clear legal ownership of its underlying technology and know-how is a key consideration for future potential acquirers of your venture. If you contract out important parts of your technology development, be aware that you may lose control of the resulting IP if you have not made specific agreements to retain it. Also, don’t overlook such things as registering your business name, securing an appropriate domain name, trademark protection for key brands, etc.

9) Roles for Current Team Members – identify respective roles for both the short- and long-term.

10) Business Model Canvas – prior to your Gateway Panel, you should have completed a draft of your one-page Business Model Canvas which serves as a summary business plan for your venture which can be updated on an ongoing basis as you advance your understanding of your business model. There is a book available that explains how to prepare your Business Model Canvas called Business Model Generation: A
Handbook for Visionaries, Game Changers, and Challengers by Alexander Osterwalder and Yves Pigneur, an introduction to which can be found here:


The Startup Owner's Manual by Steve Blank and Bob Dorf also provides some coverage of this topic, or alternatively, check out Steve Blank's free MOOC (Massively Open Online Course) on How to Build a Startup here:

https://www.udacity.com/course/ep245

11) Preliminary Evidence of Customer Acceptance/Market Validation – ideally you will have some market confirmation of customers’ willingness to buy your product or service, through either some initial sales, others selling a similar product or service, or feedback derived from focus groups, customer surveys, or possibly even industry experts. Obviously the strongest evidence would come from having achieved some early sales to your target customers.

12) Plan of Short Term Activities - a list of planned milestones and activities for the next 6-month period.
Your Gateway Panel Presentation - your Panel Presentation is expected to be approximately 10 minutes in length (i.e., 8 – 12 slides) and should include the following elements:

- Customer Story - archetypal customer and an explanation of the pain/problem/want/need they have that your venture plans to address

- Positioning Statement/Value Proposition/Elevator Pitch - your venture name, what you do (e.g., problem/pain/need/want you solve), who you do it for (target customers), and the compelling reason they have to buy from you

- Introduction of Current Team Members & Respective Roles

- Summary of Market Research – size (TAM, SAM), growth characteristics, main segments, and initial segment you plan to target including rationale

- Competitive Assessment

- Regulatory Context

- Preliminary Evidence of Customer Acceptance/Market Validation

- Revenue Model

- Plan of Short-term Activities/Milestones (next 6 months)

Participation in Entrepreneurship Activities - during the planning and development of your venture, you are encouraged to attend/participate in Venture Connection and/or related external events, and will be notified as opportunities arise.