

## The Elevator Pitch or One-Minute Business Plan

You are on your way to an appointment with a potential financier. You meet this person in the entrance lobby of the block where their offices are located. They ask you about your proposal. Can you describe your business idea in the time it takes for the lift to reach the seventh floor (60 seconds)? To help you, read the following article from the MIT Knowledge Bank, April 2000.<sup>1</sup>

### Editor's Page

#### The One-Minute Pitch

*definition: "A one minute description of a company designed to encourage the audience to become investors, employees, or customers."*

I heard my first one-minute pitch in the early Eighties at the 128 Venture Capital Group. We've used a twenty second version at the Startup Clinic since 1982, had one minute pitches at the Forum's Fall Workshop last year and will have them again at the Spring Workshop, April 29 (register now, it's a great program).

I prefer the name "Grandmother Pitch", because I feel strongly that you have to be able to describe the company to an unsophisticated listener, but the name "Elevator Pitch" is much more commonly used.

Most of those that I hear could be improved; listening to a long series of them is often painful. Here are some suggestions:

Understand that "one minute" means 60 seconds, not 120 or 200. At an ordinary pace, that's around 150 words. Three short paragraphs will do -- this paragraph is about one-quarter of a one-minute pitch.

Spend two sentences on relevant information on the team. Not "my college roommate and I", but "two bright hardworking people with experience in ...." If you have considerable experience and success under your belt, then you should spend most of the pitch on the team.

Take not more than one sentence to describe the technology, product, or service and the scope of the impact it has on the customer. This is where most pitches fall flat -- they spend a long time describing a complex technology that few, if any, of the audience can understand. While your technology may be the *raison d'être* for your company, at this introductory stage people are willing to accept that the technology works. If the idea is patented or otherwise protected, by all means say so, briefly.

Take one sentence to describe the market. Don't give industry-wide statistics, "the \$400 billion pharmaceutical market", but specifics, "we're going to own the center of the \$3 billion drug discovery market".

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<sup>1</sup> [www.mitforumcambridge.org/archive/r\\_apr00.html#editor](http://www.mitforumcambridge.org/archive/r_apr00.html#editor)

One sentence is enough to describe your needs -- new people, money, customers. If you don't tell them what you want, they won't come.

Even though you'll usually begin with your name, always end with it. The audience won't write it down at the beginning because they won't yet be interested; by the end, when you have their attention and interest, they'll have forgotten it. Pronounce your name and your company name slowly and carefully. Most people say their name too rapidly -- it is, after all, the words you know best. If you don't feel slightly silly at the way you say your name, you're talking too fast. If the format permits (usually when there is no separate printed attendee list), give contact information, also slowly and carefully. These days, an e-mail address is preferable to a phone number.

Finally, practice in front of spouse or colleagues. Take this seriously. While not as hard as a 15-or 20-minute presentation, a one-minute pitch reaches a much larger audience and deserves care and attention if you want it to succeed.