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The 60-Second Pitch

At a contest to teach budding entrepreneurs how to sell their business ideas in a minute, competitors learn the value of speed—and magic

by [Carmine Gallo](#)

In a recent *Fortune* interview, real estate mogul [Donald Trump](#) was asked how someone who pitches him an idea can make the best impression. "They have to be enthusiastic, succinct, and fast," Trump advised. Trump echoes what other investors tell me they want when evaluating a new business idea or product: Get to the benefit, and get to it fast.

Professional investors (venture capitalists, bankers, mutual fund managers, and angel investors) who are accustomed to weeding through hundreds of pitches and business plans are the toughest audiences. Win them over with your idea and you can win over just about anyone. They also have something to teach all of us about successful pitches in general.

Every year, a band of angel investors called Tech Coast Angels in Orange County, Calif. holds a "fast pitch" competition in which aspiring entrepreneurs have exactly 60 seconds to pitch their plans. That's it. Those who win can return home with a wad of cash, while the rest get sent back to the garage. Recently, group member Richard Koffler, who has organized the competition for several years, spoke with me about the key qualities of the winning presenters.

1. **They have passion.** Koffler says great pitches leave you with the impression that the speaker is so passionate about his or her idea that the person will move mountains to make it happen. Your passion is reflected by your energy, your personal stories, and the words you use.
2. **They understand the business and its customers.** It takes discipline and a solid understanding of the market to distill the essence of your product or service into 150 words (which is the number of words you can comfortably speak in 60 seconds). Investors also want to know exactly who your customers are. If you say, "My market is every woman in the world," nobody will believe you. But if you say, "This product will appeal to women ages 31 to 39 who are starting families..." your specificity tells the investor you have done your homework.
3. **They offer industry perspective.** You can't differentiate your product unless you understand the industry. The worst thing to say in an investment pitch is, "We don't have any competitors." Investors will wonder why. They might think you don't have competitors because there's no market for your product. At the very least, an investor will think you failed to do your homework. Great pitches acknowledge the competition and point out how they're different.
4. **They add the "magic dust."** This is the sentence that leads investors to want to hear more. No savvy investor pumps cash into a company on the basis of a 60-second pitch alone. But 60 seconds is enough time to get them interested enough to ask serious follow-up questions, set up another meeting, and begin the process of evaluating the company for a potential investment. The magic moment is critical to advancing the conversation.
5. **They tell you who they are and why they need the money.** Great presenters highlight their track record in a particular field, the experience of their teams, or why they are uniquely qualified to bring a product to market. A winning pitch is also very specific about why the company or entrepreneur needs money and what he or she intends to do with it.

A WINNING STRATEGY

Here is an example of a winning pitch from this year's competition. Note that the product is not a "hot" technology, but plain old cat food with a new twist. My comments on why the pitch works so well appear in brackets.

PetPlay is introducing a line of gourmet canned cat foods with the brand name Petite Cuisine. These products look good, smell great, and taste great because they are people food for cats! [This is a catchy and memorable tagline. The opening also reflects the entrepreneur's passion for his product.] *You may not want to, but you could eat it!*

Research shows consumers love the products for their refreshing look and pleasant smell—and cats devour them. Petite Cuisine is 100% nutritionally complete for cats and is made from products you would buy at the meat and fish counter. The line currently has eight items including whole tuna, red snapper filets, baby shrimp, and rock crab. [The pitch demonstrates an understanding of the industry and consumers, and differentiates the product from its counterparts.]

I launched and ran Fancy Feast, the largest competitor in this space nationally and ran one of [Nestle's](#) international pet food divisions. I know this market well. [Here's the "magic dust." In this case, the entrepreneur's experience is enough for investors to want to learn more. If he failed to highlight this part of his background, he would have missed the magic moment.]

Orders are in from [Ralph's](#) grocery chain with additional distribution commitments totaling 500 stores. [Demonstrates some traction and demand in the marketplace.]

Capital is being raised in two stages—\$500,000 in initial launch capital for 500 stores and then a round of expansion capital of \$3 to \$5 million for 3,000+ stores. [The entrepreneur is very specific about how he will use the funds.] *Check out the samples in the back and see if you agree, too.* [A little humor doesn't hurt.]

MAN ON THE STREET

This fast pitch competition reminds me of a conversation I had with *San Jose Mercury* tech columnist Dean Takahashi. Takahashi often attends competitions in which entrepreneurs are given only a minute or two to pitch their ideas. He looks for some of the same qualities as Koffler, but adds one very important method of capturing the attention of your audience—explain why regular people would use your product, service, or idea.

You can imagine how many pitches Takahashi gets from tech companies, many of which have complicated products. Takahashi says he can make up his mind in less than a minute about whether he wants to learn more about a pitch, but he has to understand why regular people would want the product and how they would use it.

A fast pitch shouldn't be reserved for capital investors. Media reporters, new customers, prospective employees, and others want to know whether your idea has merit and whether they want to learn more. Think about how best to articulate your story in 60 seconds or less (no more than 150 words), and be sure to capture the magic moment.

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