

TVP Perspective In Reviewing Business Plans

1. Business overview
 - 1.1. Vision
 - Does the team have a clear view of what it wants to achieve, and what success would look like?
 - Is the vision exciting and achievable?
 - 1.2. Company Background
 - Does the background and history of this proposal show a history of achievement, and/or a background that would prepare a team for future success in the chosen field?
 - 1.3. Business Description
 - What is the business?
 - How does it make money?
 - What are the products or services being offered?
 - Who is being sold to?
 - How does the business deliver its product or services?
 - Is additional development required?
 - What is the business today?
 - What is the proposed business?
 - Does the team really understand what business it is in?
 - Can the team clearly communicate what business they are in?
2. Business Strategy
 - 2.1. Industry analysis
 - Does the team have a deep understanding of the market: including the market dynamics, participants' market power, market trends and changes?
 - Is there a major market opportunity that could be addressable by this team?
 - 2.2. Market entry strategy
 - Is the team intending to work within the existing industry value chain and power structure or disrupt the industry?
 - Does the team intend to take on the world, or focus on selected target niches?
 - Is the team intending to partner with others to enter the market?
 - 2.3. Strategic alliances
 - Who is the team partnering with?
 - What is the nature of the relationship?
 - What do the other parties bring to the table?
 - Does the team possess the business development skills required to form key strategic relationships on favourable terms?
 - 2.4. Exit opportunity
 - If the business is successful, who will be the most logical buyer?
3. Marketing Plan
 - 3.1. Competitive analysis
 - How well does the team understand the competitive landscape, both existing players and potential new entrants and substitutes?
 - What level of analytical skills does the team have?
 - 3.2. Target Market segments
 - Does the team have a clear idea of the different types of buyer that they are proposing to sell to?
 - How well does the team understand the needs and motivations of target buyers?

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- 3.3. Value proposition
 - How compelling is the strength of the value proposition; to consumers; to channel partners?
 - Is the value proposition strong enough to overcome inertia and resistance to change on the part of conservative customers?
- 3.4. Pricing & Revenue model
 - Will the market support the proposed pricing?
 - Is the pricing level consistent with the intended market positioning?
 - Does the revenue model generate one-off sales or recurring income?
- 3.5. Promotional plan
 - Is the proposed promotional plan sensible in terms of reaching the target market in a efficient manner?
 - What level of marketing skills does the team have?
4. Operational Strategy
 - 4.1. Critical success factors
 - Does the team have a clear understanding of the things that it must do well in order to make this venture succeed?
 - 4.2. Major risks and mitigation strategies
 - Does the team have a realistic understanding of the major risks involved?
 - How deeply has the team thought about ways of managing the risks?
 - 4.3. Major milestones
 - Is the team already familiar with the discipline of setting and meeting business milestones?
 - Has the team considered what business milestones could be used to measure their progress towards their stated goals?
 - Does the team have a realistic understanding of what business milestones would have to be achieved prior to subsequent rounds of financing?
5. People
 - 5.1. The current management team
 - What indications that this is a stand out team or founding individual that TVP would be proud to be associated with?
 - What is the current capabilities and experience mix on the team?
 - How realistic is the team in understanding their strengths and areas where additional capabilities will need to be recruited?
 - What does the plan reveal about the emotional and business maturity of the key individuals?
 - Has the entrepreneur demonstrated the ability to attract and motivate a top class team?
 - 5.2. Key hires, recruitment & retention strategies
 - Who, when and how?
 - Does the entrepreneur already have individuals identified?
 - How hard will it be to fill key posts?
6. Financials
 - 6.1. Revenue model
 - How does the business make money?
 - 6.2. 3 year Revenue & P/L forecasts
 - Is this going to a big enough business within a reasonable time frame to justify our time and the risk?
 - 6.3. 12 months detailed operating budgets
 - How well does the team understand their cost base?

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- How fast does the business burn cash?
- 6.4. Key assumptions & sensitivities
 - How robust are the projections?
 - What basis exists for the assumptions used?

6.5. Capital raising requirements & strategy

- What future rounds of financing are anticipated to get this venture to exit?
- How much flexibility has been built into the plan to allow for delays and setbacks?

How appropriate are the milestones that the management team has set in place prior to raising the next round?

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