



MedTech BEST



UNIVERSITY OF LEEDS

Business and Entrepreneurial Skills Training for Medical Technology/Medical Engineering

Dr Mike Raxworthy

RAEng Visiting Professor in Medical Technology

Innovation and Translation

University of Leeds

Academic Champion: Professor Joanne Tipper

1 March 2017



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Session 5, 1 March 2017

Regulatory Considerations and Sources and Types of Funding

Agenda

13.30 – 13.40 Introduction (Mike Raxworthy)

13.40 – 14.20 Sources and Types of Start-Up Funding (Colin Glass)

14.20 – 15.00 Discuss previous talk, discuss contents of Investment Memo (in teams)

15.00 – 15.30 Regulatory considerations and barriers to translation (Alison Wilson)

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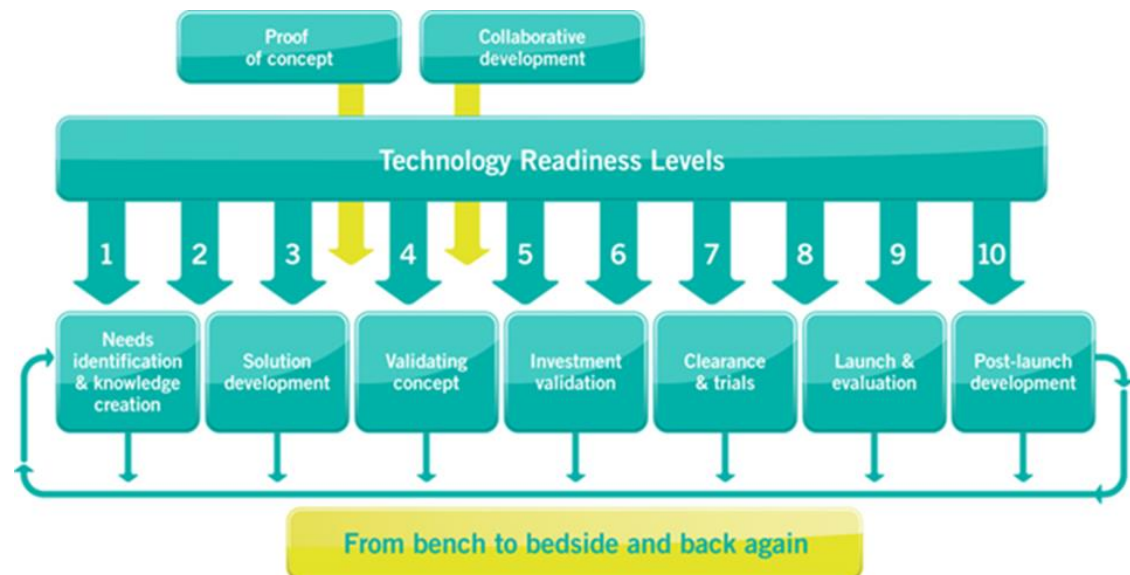
Ways of Working

- Work in teams of 5
- Develop a MedTech product concept – to solve a verified clinical need. **Hypothetical but plausible** and grounded in real science to address a real market
- Each team member to take on a role
- Mentors assigned
- Industry and sector specialists will be contributing to future sessions
- Competition (with prizes)!

Elements of a Business Plan

Product Development

- How will you translate your idea to the market?
- Essential features and benefits
- Clinical need addressed?
- Refer to handout from launch meeting – available today



Elements of a Business Plan

Management Team – For MedTech BEST

- You will need to cover:
 - CEO/Managing Director
 - Finance Director/CFO
 - R&D Director/CTO
 - Sales and Marketing Director
 - Operations Director/COO
 - Possibly
 - Strategic Marketing Director
 - Business Development Director

Elements of a Business Plan

Industry experts covering:

- Intellectual Property
- New Product Development Process
- Managing R&D Projects
- Barriers to translation
- Market and competitor analysis
- Sources of funding
- Engaging with investors

Langleys



Elements of a Business Plan

- Your pitch will need to cover all of these – in around 15 minutes total!
- You will develop the Business Plan over the course of this training
- Expect to meet up with your team (and possibly your mentor) frequently!

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- Based on what you've heard previously and today, you should be clear on:
 - What stage of product development you presume to have reached and
 - What you will need to move your product along the translation pathway to the market
 - ...from bench to bedside
 - What resources you will need
 - People, facilities, investment (and how much), skills (use consultants or recruit to bring in-house?)

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- Over the course of today and over the next week work on:
 - Route and time to market/size of market/dynamics/competition
 - How to overcome anticipated barriers
 - Market share, selling price market will bear – and what margin (profit) you expect to make
 - Financials – summary of costs and revenues; time to break-even, returns investors can expect (and over what time period?)

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- In the run-up to the Pitch Final you will need to prepare:
 - Short Business Plan – your source document
 - Investment Memo – to be made available to the judges (deadline Friday 17 March) – more to come....
 - Your pitch!
 - 15 minutes with slides
 - All team members to take a slot (in role)
 - You are seeking investment and need to convince panel of how wonderful your product, company and team is
....and how they can't afford to miss out on the opportunity!
 - Judges (5) will have 5 minutes each for questions



MedTech BEST:

Business and Entrepreneurial Skills Training

22 March 2017
Grand Pitch Final

High Level Judging panel

- Industry – large companies and start-up
- Academics
- Professional Body

Promoted regionally
Good audience expected
Prize for winning team





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Business and Entrepreneurial Skills Training

22 March 2017

Grand Pitch Final

High Level Judging panel

Tony Morgan

IBM and Visiting Prof

Marcus Orton

CEO of start-up Swabtech

Ana Avaliani

Head of Enterprise at RAEng

Jo Dixon-Hardy

Director of Medical

Technologies IKC

Paul Murphy

SVP Marketing, BSN Medical



Pitch Final

- 22 March 16.00-18.00
 - Chemical Engineering LTA
- Award for winning pitch
- Funds to support pitch finalists (travel bursary, Amazon vouchers...)
- Drinks & nibbles afterwards in coffee bar



Investment Memorandum

- An investment memorandum is a document that a company presents to potential investors to explain the objectives, risks, and investment terms surrounding a funding round
- It allows the owners of a company to present a comprehensive, accurate, and attractive picture of the company
- Includes financial statements, management biographies, company details, and many more items that help give a detailed view of the business and financial plan going forward

(Syndicate Room)

Investment Memorandum - contents

- A. Intro/executive summary
 - This part is usually only a page long; it needs to very concisely summarise the opportunity
- B. Market opportunity
 - Explain how big the potential market is and how/where the startup fits into that market.
Cover:
 - Size of market, Problem to be addressed, Your solution – how will customer benefit?
Competition
- C. Product
 - What does the product look like; who is buying it; why are they buying it and does this match up with the market opportunity/stated pain point addressed; is the product defensible; can you actually make it and how much R&D is required
- D. Sales/marketing strategy
 - Ideal customer – how to reach them/where are they; current customer case studies

Investment Memorandum - contents

- E. Team/advisory board
 - Perhaps the most important section!
 - Detail on each team member and the people to be hired/needs analysis.
- F. Operational plan
 - Quarterly or monthly burn rate, Use of funds, Revenue plan, Margins, Staffing plan – looking at the staffing needs from a “how much it will cost” perspective
- G. Deal Description/Structure/Details
 - Capital invested or funds raised so far; size of investment sought
- H. Long-term financing plans
 - Total amount of capital needed to get the business to self-sustainability
 - Going forward financing plan – milestones that will be hit with the current fund raise
- I. Exit strategy

Investment Memorandum

- Examples to be made available – posted on new website (tab on CDT site)
- Maximum 10 pages (less is more!)
- Use diagrams, tables, charts, photos
- Slides for pitch should follow same format