



**GET BETTER SALES**

# **Secrets to Sales Growth:**

## **Moving Beyond the Magic of Science & Technology to Grow Sales in Startup Companies**

# Moving Beyond the Magic

- Based on research, interviews, and survey of >25 in professional community of life sciences, medical device, and technology startups firms, and my client work >300.
- Illustrate what companies do differently to complete the Cycle of Success using current examples.
- Review obstacles that prevent success.
- Please follow along with your individual Cycle of Success Factors worksheet...does everyone have one?



## SURVEY SAYS:

What % of startups complete cycle of success?

-  **Life Sciences: 3-10%**
-  **Medical Devices: 10-20%**
-  **Technology Companies: 30 - 40%**



# SURVEY SAYS:

## Top 5 Reasons So Few Complete Cycle of Success

1. Wrong combination of people
2. 'Build it and they will come' approach doesn't work
3. Insufficient funding
4. Ill defined target market
5. Product can not scale



# QUOTATIONS

“Presentations to investors are flawed without an identified market need.”

*Otto Prohaska, OttoConsulting, LLC*

“65-70% of VC backed companies fail because of people.

*Edward Melia, Managing Director, Revolve, Inc.*

“There are many more people with great ideas than there are people who can make a business.”

*Patrick Birde, Partner, Kenyon & Kenyon*

“Human behavior inside the company is defined by its belief systems.”

*Phil Holberton, CEO, Differential Proteomics (Retired)*

“The CEO who scales a company probably could not have founded the business and, vice versa.”

*Anthony Tjan, CEO, Founder, Cue Ball*



# Cycle of Success

1. Developed prototype for target market need
2. Market penetration; revenue generation
3. Expanded market; sales growth
4. Achieved positive cash flow
5. Sustained Profitability / Acquisition
  - Ultimate exit strategy achieved



# Cycle of Success Factor #1

## Top Three Criteria of VCs:

**1. People**

**2. Market**

**3. Product**



# Sales Models

## Indirect

- Gain quicker, wider market penetration through established relationships of other organizations
- Increases cost of sales with no control over results

## Direct

- Builds equity through burden of overhead to create direct relationships
- Necessary for longer sales cycles and bigger ticket items



## Cycle of Success Factor #2

- Market share expansion needs

Critical Customer Feedback



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## Cycle of Success Factor #3

Growth companies make adjustments to  
market conditions,  
and have little to no  
turnover.

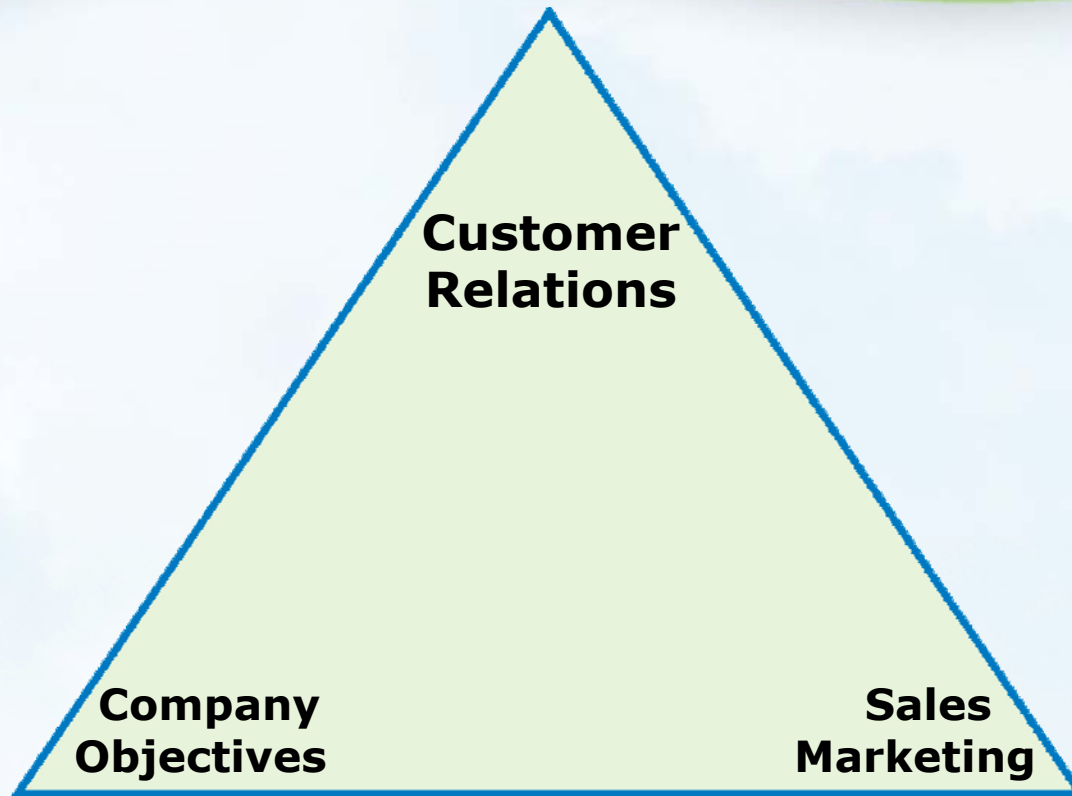


# Cycle of Success Factor #4

## Three Pillars of Pyramid of Growth Power:

1. Clarity
2. Cohesion
3. Consistency





**PYRAMID OF GROWTH POWER**

# Clarity

- Leadership passion creates a culture of differentiation that drives economic growth by fulfilling customer needs.



# Cohesion

## Team Unity

- Right people in right positions
  -  Team leaders get everyone on same page

## Market Positioning & Sales Process

- Aligns messaging with sales pitch
  -  Answers WiiFM question



# Consistency

- **Mutually created annual IPO**
  - **Measures results aligned with Pyramid of Growth**
    - Customer satisfaction outcomes
    - Company objectives attained
    - Positive team contributions
  - **Pay for Performance**
    - True sales people are coin-operated
    - Benefit from training and development
    - Committed to enterprise systems



# Lead / Demand Generation

- Define entire target audience by: TYPE, SIZE, LOCATION
- Referrals from customers and other advocates
- Inbound marketing through social media
  - Website responses
- Prospecting through warm and cold calling
  - Database subscriptions (OneSource; Hoovers; SalesGenie; Harris, etc.)
- Direct Mail campaigns
- Email campaigns
- Company Newsletter
- Trade shows
- Research online and print publications

Every top performing sales person cold calls today. ■



# Cycle of Success Factor #5

A cohesive sales team follows a

Defined

Pipeline

Process



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## Cycle of Success Factor #6

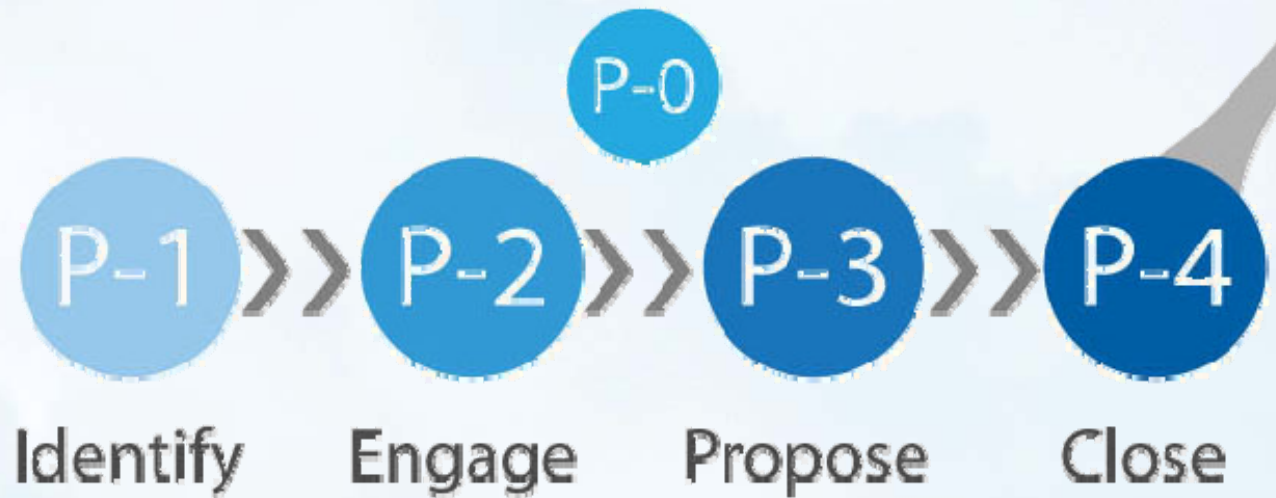
**80% of all sales close after the**

**5<sup>th</sup> communication**

**or, sales contact**



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# Sales Cycle



## Cycle of Success Factor #7

Many opportunities fail when the

customer buy cycle

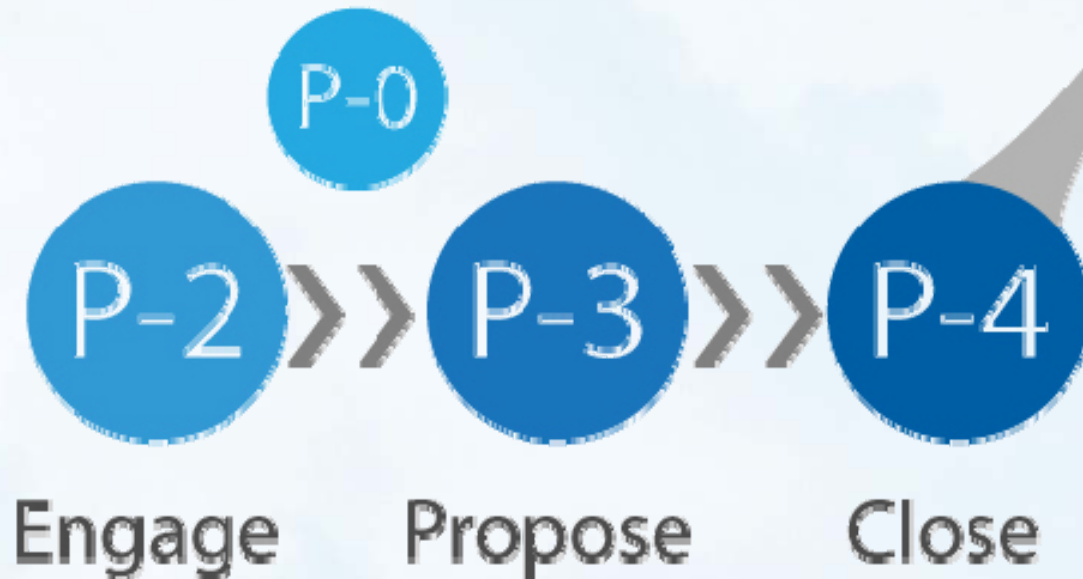
is not

understood.



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# Buy Cycle



**Uncover the Need + Budget + Price + Service**

**+**

**Willing Buyer**

Confirm the Fit + Adjust the Right Focus = Get Better Results



# Cycle of Success Factor #8

Top producers always have

multiple opportunities

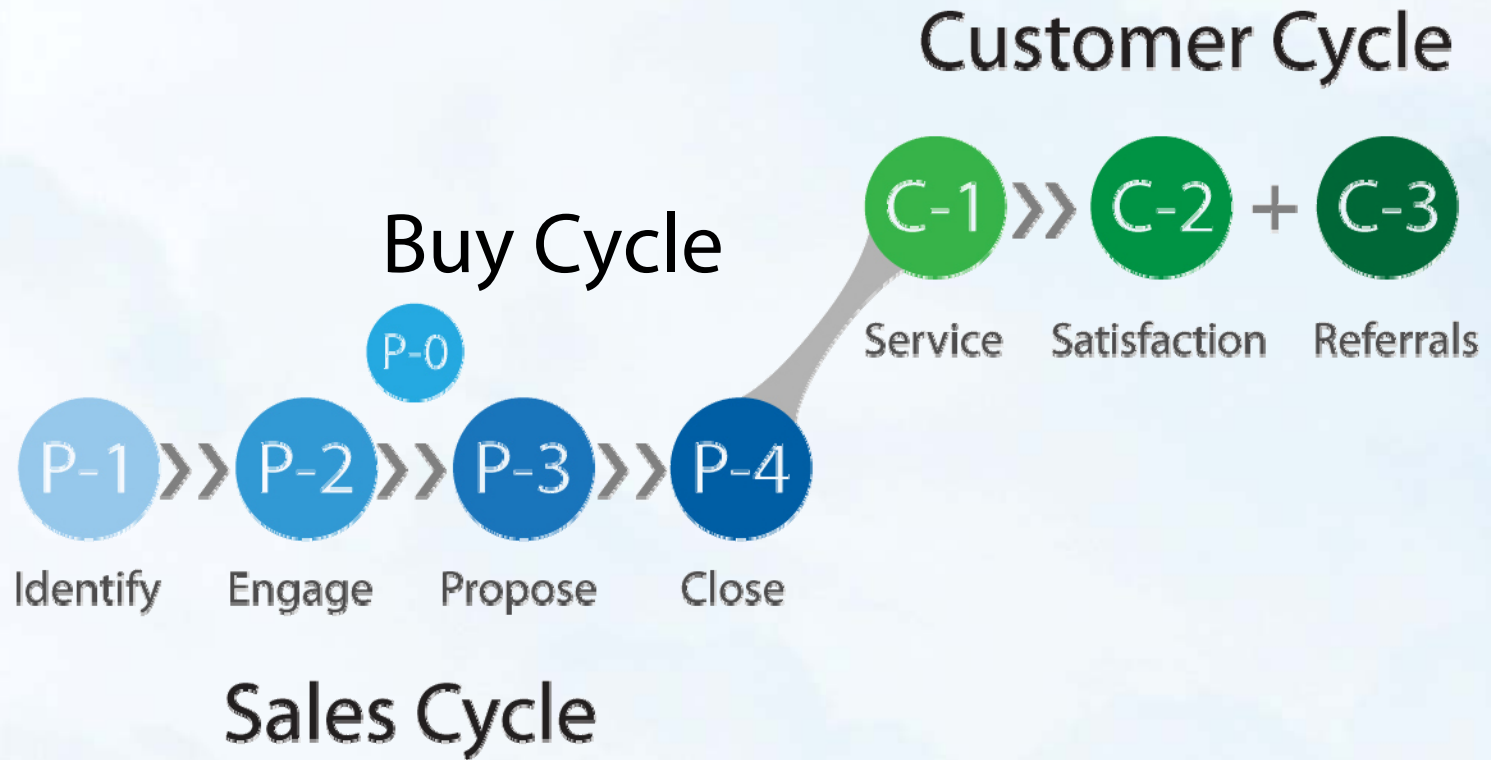
on

every sales stage.



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# Ultimate Sales Pipeline Process



## Cycle of Success Factor #9

Sales growth can not be sustained without

repeat customers,

and

expanded capacity.



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## nAscent BioSciences Inc

Extends life of millions of high value biologic targets by streamlining high throughput screening process of thousands of specimen lots.

### Dave Stoldt, CEO

- ✓ From startup to profitability (2004-2007)
- ✓ Deployed direct sales to change laboratory protocols
  - Followed IPO model
  - Acquired by Thermo Fisher providing 2.2 return to investors
- ✓ Both sales models used today





We improve the lives of women by delivering the most advanced minimally invasive medical devices in the world for treating common gynecological diseases.

**Bill Gruber, CEO** (August 2006)

- ✓ **3 Direct Sales people began Jan 2010**
  - Grew sales team to 12 and achieved \$1.2M sales
- ✓ **Follows IPO model with high valued sales team**
  - Acquired Friday, January 7, 2011
  - Bill will manage Interlace team at Hologic





Driving Business Growth

No other *independent* agent providing Professional Liability Insurance and Errors & Omissions (E&O Insurance) can match our national recognition, and no other *national* agent can match our personal service.

**Gary Sutherland, CEO**

✓ **Consistent YoY growth 1998-2010**

■ **Zero sales producer turnover**

✓ **We hire 'partners instead of employees'**

➤ **Total transparency; open records**

■ **Follows IPO Model**

✓ **Inc. 5000 Fastest growing private firms 2008-2010**

■ **Teams rely on integrated technology**



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Driving Business Growth

Caliper Life Sciences is a leading provider of cutting-edge technologies enabling researchers in the life sciences to create life-saving and enhancing medicines and diagnostic tests more quickly and efficiently.

**Kevin Hrusofsky, CEO** (2003, after Zymark)

✓ **2009 YoY Growth =75%; 2010 YoY Growth =150%**

■ **75% Direct; 15% Indirect; 10% OEM**

✓ **< 2% turnover**

■ **“It’s all about transparency”**

✓ **2010 Good 2 Great global team cohesion initiative**

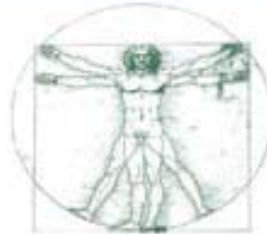
■ **10th rated US Healthcare stock as of 12/31/2010**

• (NASD100.com)



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## Our Quest



*A Unified, Noble Vision: **Health Care***



We will **fight** for cures and the highest possible quality of life

We will **not give up** or let down those that urgently need our innovation

We are a **chosen group** of people and this is our moment to **fulfill the promise**



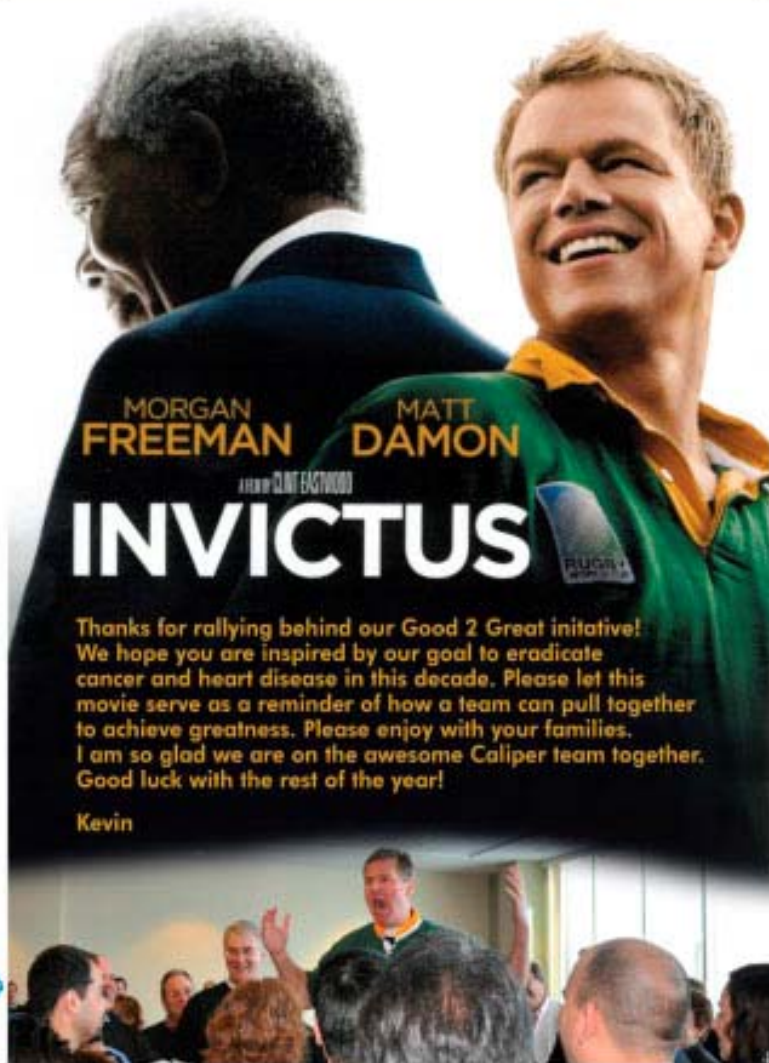
*in vitro – in vivo – human (IiH)*



# Good 2 Great Global Team Cohesion Initiative



INVICTUS



Caliper - Copeland, Hopkinton, MA



United Kingdom

"I thank whatever gods may be for my unconquerable soul. I am the master of my fate, I am the captain of my soul!"



Japan/AARC



Germany



Switzerland



Haverhill, MA



Alameda, CA



France



Mountain View, CA



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**“Without continual growth and progress [RESULTS],  
such words as improvement, achievement,  
and success have no meaning.”**

*Benjamin Franklin*

