

## I. COVER PAGE

## II. TABLE OF CONTENTS

## III. EXECUTIVE SUMMARY

The executive summary is a brief, one-page summary representing the various sections of your business plan. It is written last, but it is the most important part of your plan.

## IV. BACKGROUND INFORMATION

**Note:** If your business will be a seasonal business, make sure the seasonality is reflected in your narrative and financial projections with appropriate footnotes.

- A. Business concept
  - a. Mission statement
  - b. Goals and objectives of business
  - c. Description of business
- B. Answer as many of the following questions as are appropriate:
  - a. What business are you in?
    - i. Merchandising
    - ii. Manufacturing
    - iii. Wholesale
    - iv. Service
  - b. What is the nature of your product(s) or service(s)
  - c. What will be special about your business?
- C. What market do you intend to serve?
  - a. What is the total market?
  - b. What is your expected share?
- D. How can you serve the market better than your competition?
- E. Present status of the business:
  - a. Start-up
  - b. Expansion of growing concern
  - c. Takeover of an existing business
- F. If you will be doing any contract work, what are the terms?
- G. Reference any firm contracts and include them as supporting documents.
- H. Do you have letters of intent from prospective suppliers?

### **Add for Existing Suppliers**

- I. What is the history of the business?
- J. Why does the owner wish to sell at this time?
- K. If the business is declining, why? How can you turn it around?
- L. How will your management make the business more profitable?
- M. What changes do you plan to make in the business?
- N. What is the purchase price formula?
- O. Give breakdown for building, improvements, equipment, inventory, and good will.

## V. DESCRIPTION OF PRODUCTS OR SERVICES

- A. Features of proposed products/services
- B. Describe benefits to your customer
- C. Intellectual property and proprietary rights issues
- D. Production plans
- E. Future products/services

## VI. THE MARKET PLAN

- A. Description of industry
  - a. Background of industry
  - b. Current and future industry trends
  - c. Business fit in industry

- B. Your market
  - a. Customer profile and target market
  - b. Description of your trade area
  - c. Size of your market
  - d. Market potential
  - e. Market trends
- C. Competition
  - a. Direct competition: businesses with the same product or service and target market.
    - i. Include three to five businesses and locations
  - b. Indirect competition: a product that is in a different category altogether but which is seen as an alternative purchase choice
    - i. For example, coffee and mineral water are indirect competitors.
  - c. Evaluation of competition: strengths, weaknesses, size, age, status
  - d. Your competitive advantage
    - i. Briefly describe your competition and tell how their operations are similar AND dissimilar to yours.
    - ii. What is your unique selling proposition, and how will you use it to control your market share?
- D. Market strategies
  - a. Market positioning
  - b. Marketing tactics
  - c. Packaging
  - d. Pricing
  - e. Promotion
  - f. Distribution
  - g. Advertising
  - h. Public relations
  - i. Customer service

## VII. MANAGEMENT STRUCTURE AND ORGANIZATION

- A. Legal form of ownership
- B. Management and personnel
  - a. How does your background and business experience help you in this business?
  - b. Describe your management team
  - c. Identify their strengths and weaknesses?
  - d. What will be their duties and responsibilities?
  - e. Do you have job descriptions that clearly define their duties?
  - f. Are there additional resources available to your business?
  - g. Will you have to train people and at what cost?
- C. Describe your organizational structure, and include a brief description of who does what (include an organizational chart, if necessary)
- D. Are there additional resources or advisors?

## VIII. BUSINESS OPERATIONS

- A. Business location
  - a. What is your business address and why did you choose that location?
  - b. Will the building be leased or owned?
  - c. What are the terms and length of the lease contract?
  - d. What renovations will be needed and at what cost?
  - e. Describe the neighborhood (e.g., stable, changing, improving, deteriorating)
  - f. What other kinds of businesses are in the area?
- B. Licenses and permits
  - a. Is your business name registered with the Secretary of State and/or local county Registrar of Deeds?
  - b. How will you be affected by local zoning regulations?
  - c. What other licenses or permits will you be required to obtain?

## IX. FINANCIAL PLAN

- A. Start-up investment requirements
  - a. Start-up costs
  - b. Business needs/capital equipment list
  - c. Source and application of funds statement
- B. Cash flow projections
  - a. Monthly estimate of revenue and expenses

- b. Assumptions – The basis upon which the revenue and expense numbers are determined.
    - i. For example: Revenue of \$5,500 per month calculated using the following assumptions: 4 sales calls per day x 22 days per month x 25% sell-through rate x average sales of \$250.
  - c. Projected income statement
    - i. Detail by month for the first year
    - ii. Detail by quarter for the second year
    - iii. Notes of explanation and assumptions
  - d. Projected balance sheet (with notes of explanation and assumptions)
  - e. Break-even analysis (at what level of operation do your expenses equal your sales?)
  - f. Summary of financial plans and needs
- C. For an existing business (include one or more of the following)
- a. Income statements
  - b. Balance sheets
  - c. Tax returns for past three years

## X. CONCLUSION

- A. Statement of feasibility
- B. Action plan
- C. Supporting documents