

Business Name
Street
City, State Zip Code
Phone

Proposed by

Table of Contents

- 1. Description of Business**
- 2. Business Goals and Objectives (Your Vision)**
- 3. Mission Statement**
- 4. Industry Description**
- 5. Marketing Plan**
- 6. Operation Plan**
- 7. Management Team**
- 8. Business and Job Creation**
- 9. Financial Plan**
- 10. Appendix**

Description of Business

A detailed description of products and services. Write this as if the reader knows nothing about your business concept or your products or services. Describe in detail the types of products or services you will sell in your business, including the features. Include everything your first-time reader needs to know to understand what your business offers. This will include a summary of ways your business and the products or services offered are uniquely different from what is currently available in your area of trade and how your products and services are different compared to the competition. Also include hours and location of your business and why you chose them.

Additional Questions:

- What is the name of your business?
- In detail describe the products or services of your business?
- Where will you be located?
- Why is this a good location?
- What hours and days will you be open and why?
- Why would someone use your product or service?

What is the stage of your business?

Additional Questions:

- Is this a start up business or does the business already exist?
- If it is a start up when and how do you plan to start your business?
- Who started it or who will be starting the business?

Business Goals and Objectives (Your Vision)

Summarize your goals for the future of the business (where you want the business to be in 3 to 5 years (i.e. stages of growth, position in the community). It will include targets for the first year. Be sure your objectives are specific and indicate who will be responsible for getting them done and by what deadline.

Additional Questions:

- Where do you want your business one year from the start of your business? (stage of growth, position in the community)
- Where do you want your business three to five years from the start of your business? (stage of growth, position in the community)
- How do you plan to accomplish these changes?

Mission Statement

Every business must have an ultimate purpose or mission. A mission statement expresses the core purpose of your business and its highest goals and sums up your values, vision and purpose of your business. Summarize what you see as both the internal and external purposes for your business. The internal reasons might be your vision of the business, your philosophy of doing business, and what satisfaction you will get out of the business. The external reasons may be what the business will provide to your customers and why that is important. It should embody the basic values of the business.)

Industry Description

Background of the Industry – Summarize a description of the background of your industry, its current size in terms of number of business or customers in the area, and whether large or small firms dominate the industry.

Additional Questions:

- What is the current size of the industry? (Example -number of other businesses, number of customers).
- Do large or small businesses do well in this field and why?

Current and future Trends – Include how the industry has developed or grown. Briefly summarize current and future trends, how the industry as a whole is changing, whether the industry is growing or declining.

Additional Questions:

- Is the industry growing or declining?
- How has the industry changed?
- What are the current trends of the industry?
- What are the future trends of the industry?

Business Fit in the Industry – Describe how you see your business fitting into the industry. Is it one of the smallest or largest? Will your business be like most others in the industry or will it be different?

Additional Questions:

- How does your business fit into the industry?
- Is it one of the smallest or the largest?
- How is your business like most of the other businesses?
- How is it different?

Marketing Plan

A. The Market Description (Target Customer)

Customer Profile/Target Market – be as specific as possible and include all relevant factors including demographic information (age, gender, income, occupation, etc.) psychographic information (motivation for buying, values, interest, preferences) and lifestyle descriptions (where, how and when they choose to buy). Include a justification for why you chose this particular customer group. Summarize a description of the key characteristics of the customer base you will be targeting.

Additional Questions:

- Who are your ideal customers?
- Why are they your customers?
- What do they look like? (give details example age, gender, income, etc.)
- Why would they come to your business? (What would motivate them to buy from you?)

Trade Area Description – Describe the actual geographic trade territory, including the boundaries and why you chose this trade area (why your customers will come to do business with you in this trade area).

Additional Questions:

- List Demographics of communities surrounding the business?
- Describe the actual geographic trade area including boundaries and why you chose this area?

Benefits to Customers – For each feature of your business there should be a benefit to the customer. Remember, the benefit is what your product or services will **DO FOR** or **GIVE TO** your customer. Describe the benefits of your products or services to the customer.

B. The Competition

Direct and Indirect Competition – Write a summary describing your business's competition within your target market and why you feel you can effectively compete with your competitors. Write a paragraph identifying and briefly describing each of your major competitors. Include where they are located, whether their location is a strength or weakness, and whether they are direct or indirect competition.

Additional Questions:

- Who are your competitors? (Who else does the same thing that your company does?)
- List three competitors – three strong points and three weaknesses for each one.
- What will make your business different?
- What will make you better than the competition?
- Why will your business be successful?
- What does your competition offer that you will not ... why?

C. Market Positioning and Strategies

Market Positioning – Summarize your market positioning strategy, including how you will differentiate your product or service from your competition through your marketing efforts.

Additional Questions:

- What is your image?
- Are you the lowest priced, the best service, the largest selection?
- What can you offer?
- How will you market your business so that you will get customers?
- What will make you different from other businesses?

Business Location – Write a paragraph explaining your business location and why it was selected. Include the pros and cons of the location, and how the location will affect production, marketing, and distribution of your product or service.

Additional Questions:

- Where will your business be located?
- What are the pros and cons of your business location?
- How will it affect things like production, marketing, and distribution of your product or service?
- Will your customer be able to get to you easily?

Marketing Tactics

- a. Packaging – Explain how you will package your product or service, and how this packaging will reinforce your image and your marketing strategy.

Additional Questions:

- How do you package yourself and your business when describing it to others?
- Have you tested your image packaging?

- b. Pricing – Describe the pricing method you have chosen, and how your prices serve to position you in the market. Include how your prices compare with the competition.

Additional Questions:

- How will you price your products or services?
- How did you develop your pricing strategy?
- Have you tested your pricing?
- How does your price compare to your competition?
- How does your price express your image?

- c. Promotion – Describe your chosen distribution system and how it will benefit your marketing efforts. Describe your intended public relations and networking activities and how they will positively impact on your marketing efforts. Summarize the information you gathered to describe the primary advertising tools

you intend to use, including their costs, their potential reach into your market and why the specific tools were chosen. Address how you intend to measure the success or failure of the use of these tools.

Additional Questions:

- How will you advertise? (Print, radio, word of mouth?)
- Have you looked into the cost of advertising?
- Where will you advertise? (What location will you target?)
- Why have you chosen this location or means of advertising?
- How do you plan on measuring the success of your advertising?

D. Sales

Customer Service – Summarize your customer service policy and how it will enhance your marketing efforts.

Additional Questions:

- What are your sales skills?
- What experience do you have?
- Are you good with people?
- How are sales made?
- Do you like face to face contact?
- How do you plan to network?
- What resources do you intend to use?

Operation Plan

The operations plan describes how you are going to get your product/service out to the market. That is, how are you going to get your product through production to your target customer.

Additional Questions:

- Who is doing what?
- How the work will be done?
- What are the day to day activities?
- What machines will be used?
- What are your capacity needs?
- What are the labor requirements?

Management Team

Management and Structure - Describe the legal form of doing business you have chosen and why. Then describe who owns the business and their financial share of the ownership. Summarize what outside services you intend to contract, and what advisors you will use.

Additional Questions:

- Describe who owns the business and the ownership structure?
- List any outside services you intend to use? (Example any advisors, accountants, lawyers, etc.)

Background information - This is a personal profile of your skills and experience. Summarize your skills, your experience and how you believe these will relate to your ability to start and run a business. Don't forget to discuss both your strengths and weaknesses and how those weaknesses will be addressed.

Business Growth and Job Creation

The Financial Plan

A. Use of Funds

Investment Required for Start-up

- a. Start-up Costs/Needs – Summarize the total estimated expenses needed to launch your business, including what those costs are and how you estimated them. Include the worksheet and the assumptions explaining the estimated costs in our written plan as the detailed support. Indicate how much cash is available now, and how much additional investment is needed to cover these initial expenses required to launch your venture.
- b. Investments Required -- Bank Loan/Self – Write an explanation of where you will get the additional cash required for start-up (from yourself, family, friends, other investors, lenders, etc.) Tell what percentage of the money that is needed will come from owner investment and what percentage will come from borrowed funds.

B. Cash Flow Projections

Sales and Expense Estimates – Worksheets and Assumptions

Make copies of the Sales Forecasting Worksheet and Assumptions, the Projected Product Units Sold Worksheet and Assumptions, and the Cash Disbursements Worksheet and include them in this section.

Monthly Cash Flow Projection – Year One

Make a copy of your completed Cash Flow Projection Worksheet for Year One and include it in this section. Summarize any assumptions you made in preparing the Cash Flow Projection Worksheet that are not already included with the other Sales and Expense Estimates worksheets and include those assumptions here.

**NOTE: If you are using your plan to determine whether or not you can obtain money from tradition financing sources, you will need to include cash flow projections for a period of three years. Repeat the projection process for years 2 and 3, including those cash flow projections here, also. Explain the differences in projections for Year 1, 2 and 3.*

Appendix: (Other Information and Documents)

This section of your Start-Up Business Plan should include any information or documents which will further explain or exhibit decisions and obligations of your business.

- Product plans, drawings
- Building permits
- Licenses, permits or patents
- Credit reports
- Contracts
- List of your attorney, accountant, and other business consultants
- Fictitious Name Registration
- Employee Identification Number
- Resume
- Letters of reference
- Copies of leases
- Legal documents
- Appraisals
- Personal Financial Statements
- Business License

Making Use of Your Business Plan

There are many uses for your Business Plan. In developing your plan, you will have learned about your marketplace, customers, and sales strategies. This is just the beginning. Successful entrepreneurs are continually developing new ideas, refining old ones, or adapting to a changing environment.

Clearly, the plan will serve as the initial guide for getting your business off the ground. Your decision to start a business is like taking a trip: the journey can be active or passive. To make the most out of your trip you need to decide to be active – to have an adequate map with which to plan. In terms of business, the map is the business plan. Would you build a house without a blueprint?

A business plan may also be used to determine the interest of potential investors or lenders investing in your business. A plan is **ESSENTIAL** when seeking financing. It helps financiers make decisions more quickly and easily. Since friends and family often provide financing for business start-ups, the plan may convince them that you are serious about becoming an entrepreneur.

The plan is a written statement that describes and analyzes your business and gives detailed projections about its future. It should be a flexible document allowing you to work on individual parts of your business without spending any money. This ability to fine-tune your idea and business concept increases your chance for success over time. It will help you make decisions and provide the tools to analyze problems and develop situations.

What do Critical Readers Look For In a Business Plan?

Potential lenders, employees, partners, or advisors – just about everyone who reads a business plan – looks for the same information about the business:

- Is the business idea viable?
- Are its products or services new, unique, or in some way better than current offerings?
- Does the business create or serve a new market?
- Is it a growth market?
- Are the cash flow and sales projections realistic?
- Can the business be profitable and service its debt?
- Does the business truly understand and place priority on customer needs?
- Is the business concept clear, focused and intelligently presented?
- Is the business concept based on solid research and analysis?

Writing Hints

Should your business plan look professional? Well, yes and no. The answer is based on how you will use your Start-Up Business Plan. If you plan to attract investors, your plan needs to look as professional as possible. The most important thing that your plan needs to communicate is your ideas, research and sound analysis in a readable format. The length of plan should range from 15 to 25 pages. Then length should be dictated by how much detail you need to determine the economic or financial position of your business concept. It is preferred that you submit a typed version with text on the right page only. Business plans should never be double sided.

One good writing technique is to put your thoughts down on paper and let them rest for a few days. You will be asked to do this in a workshop setting and as part of your homework. After writing your initial thoughts, you can then change, refine, expand or revise them into more finalized version. In other words, your answers to the questions in the workbook and on your handouts will become your guide for developing the specific sections of the plan. Writing will take time. It is best to complete one section before beginning the next section and keep notes on sections that require additional research and rewriting. It is important NOT to let your homework build up, or you will find yourself lost at the end of the program without a guide for your plan. It is very hard to play catch-up. When possible, work on your homework while the ideas are fresh from your class.

Many people will rewrite and refine the plan several times before the final draft is complete.