

Business Plan

Company name

Company address

Company phone number

Web address

Name, title, address of owner(s)

Month and year plan was created

Number of the copy of the plan

Confidentiality statement

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Executive Summary

Introduction

Describe the products or services your company provides. Briefly summarize the company's vision and mission statements. Explain how you plan to implement the mission and why the business is positioned to reach it.

Current Situation

Explain the current status of the business, the unique opportunity that exists that prompted this business plan, and why you are seeking help from investors.

Management Qualifications

List the key members of your management team and explain why they are uniquely qualified to make the venture a success.

Seeking Investors

Explain your current sources of funds and how much additional funding is required to reach your mission. Describe what the additional funding will allow the company to do. Then, explain how the business will repay investors.

Closing Statement

Write a statement explaining how the company will grow financially through this investment and what return investors can expect to achieve. Explain how investors can exit the venture.

Management Team Plan

Key Executives

Describe the management team that will help you achieve your business goals. Explain the duties and the salary of each team member. Provide a list of benefits that each person will provide the venture including previous experience, skill sets, and personal traits.

Key Advisors

Describe the advisors who will guide your management team in policy decisions. Provide a list of benefits that each person will provide the venture including their previous experience, skill sets, and personal traits.

Service Providers

Explain the service providers you will hire and the advantages they bring to the venture.

Company Description

Motivations

Explain the reasons and motivations you have for starting or expanding this business.

Entrepreneurial Opportunity

Describe the entrepreneurial opportunity and the unique selling proposition your company will have to capitalize on the opportunity.

Business History

If the company is currently in operation, describe the current status of the business including how long it has been in business and the history of growth in sales, market share, and profits.

Business Concept

Explain the products and services your company will provide and the markets you will target to sell them.

Product or Service Plan

Products and Services

Describe the characteristics of your products or services. For products, include how the products will be created and produced and who will manufacture them.

Unique Selling Proposition

Describe the features, benefits, and unique selling proposition of your products or services.

Competitive Products or Services

Describe the features, benefits, and unique selling proposition of your competitors' products or services. Explain how your products and services will be unique and positioned in the market.

Product Development Milestones

Explain the steps you will take to conceive, design, test, and evaluate your products and services.

Vision and Mission Statements

Vision Statement

Write your company's vision statement.

Mission Statement

Write your company's mission statement.

Industry Overview

Projected Industry Sales and Profits

Explain the projected growth in sales and profits for your industry sector. Include line graphs depicting the historical and projected growth for both.

Competitive Set

Describe your company's competitive set including direct and indirect competitors.

External Environment

Describe any external factors that may impact your economic sector.

Product Life Cycle

Describe the product life cycle for your products or services. Explain what strategies will be taken as they go through the life cycle.

Barriers to Entry

Explain any barriers to entry that might inhibit you from introducing your products or services. Include economics, legal or political, regulatory, and competitive barriers. Detail the strategies you will use to counteract the barriers.

Market Analysis

Demographic Profile

Explain the demographic characteristics of your target market.

Psychographic Profile

Create a psychographic profile of your target markets. Name each group and describe its characteristics.

Customer Behaviors

Describe the behaviors of your target market and their motivations for purchasing.

Target Market Opportunity

Explain how your business will capitalize on the demographic and psychographic characteristics of your target market.

Competitive Analysis

Direct and Indirect Competitors

Describe your direct and indirect competitors.

Value Proposition

Describe the value proposition for each of your competitors.

Strengths and Weaknesses

Describe the strengths and weaknesses of each of your competitors and explain the opportunities and threats that your competitors pose to your business.

Sustainable Competitive Advantage

Summarize the competitive environment in your market and describe your company's sustainable competitive advantage.

Marketing Plan

Total Product Experience

Describe your total product experience including the primary, tangible, and intangible features as well as the auxiliary dimension of your products or services.

Place Strategy

Describe your overall distribution strategy.

Promotion Strategy

Write your promotional goals and explain the strategies you will employ to implement them.

Promotion Plan

Describe the media you will use to communicate your promotional message. Explain how you will monitor and evaluate their effectiveness.

Pricing Plan

Describe your pricing strategies.

Operational Plan

Location Criteria

Explain the criteria you used to determine the location(s) of your business.

Facilities and Equipment

Describe the facilities and equipment required to operate the business.

Product Development Process

Explain the process you will use to design and create your products. For a service, explain how you will obtain any materials necessary to perform your service.

Operational Logistics

Describe the inbound and outbound logistics of your company. In addition, describe the order fulfillment process and customer service policies.

Organizational Plan

Job Descriptions

Summarize the job descriptions of key department heads and managers. Provide an organizational chart for these key people.

Human Resources

Describe your human resources policies.

Legal Structure

Explain the legal structure for your business and why you chose it. In addition, explain any legal agreements and government regulations that will affect your business.

Insurance

Describe the insurance needs of your company and who will provide the coverage.

Financial Plan

Sources and Uses of Funds

Summarize the funds required to start and maintain the operations. List the sources and uses of the funds required.

Cash Flow

Summarize your cash flow projections for the first three years.

Income Statement

Summarize the projected sales revenue, expenses, and profitability of the operation for the first three years.

Balance Sheet

Summarize the assets, liabilities, and owner's equity of the business for the first three years of operation.

Break-Even Analysis

Explain the point at which the operation will break even. Include a graph depicting this point.

Financial Analysis

Summarize the key financial measures for the first three years of operation compared to industry standards.

Product Development Costs

Describe the expenses associated with developing your product or service before manufacturing it.

Manufacturing Costs

Describe the expenses associated with manufacturing your product.

Sales Revenue

Explain the rationale for the sales projections for the first three years of operation.

Cost of Goods Sold

Summarize the cost of goods sold for the first three years of operation.

Capital Equipment

Summarize the cost of capital equipment that will be required and explain the method for depreciation.

Salary and Wages

Summarize the cost of salaries and wages for the first three years of operation.

Selling and Marketing Expenses

Summarize the cost of selling and marketing for the first three years of operation.

Operating Expenses

Summarize the operating expenses for the first three years of operation.

Other Expenses

Explain any additional expenses associated with the business.

Assumptions

List the assumptions used to create the pro forma financials.

Growth Plan

Growth Strategy

Describe your goals for growth and the strategies you will use to achieve them.

Effects of Growth

Describe the effects that growth will have on your company and the resources needed to accommodate the growth. Also explain how this growth will affect operational and strategic issues.

Contingency Plan

Risks

Describe the risks associated with your business plan and explain the courses of action you can take to minimize them.

Supporting Documents

The information provided in the Supporting Documents section will vary. Below is a list of documents and information that you may want to include.

Management Team Plan

- Résumés of key executives
- Personal financial statements from key executives
- Detailed résumés of key advisors
- Detailed résumés of service providers
- Letters of recommendation

Company Description

- Franchise contracts
- Partnership or joint venture agreements

Product and Service Plan

- License contracts
- Copyrights, trademarks, and patents
- Product diagrams or photos
- Packaging design
- Manufacturing specifications
- Customer Relations Plan
- Customer Service Flow Chart
- Layout of Manufacturing Facility
- Floor plans for retail store
- Résumés of subcontractors
- Contracts with subcontractors

Industry Overview

- Detailed industry financial data
- Assumptions used for projections

Market Analysis

- Primary research results
 - Results from prototype testing
 - Results from field tests
- Relevant secondary research reports
 - Demographic profiles of each target market
 - Market projections and trends

Competitive Analysis

- Financial or sales reports from competitors
- Detailed analysis of each competitor
- Complete SWOT analysis
- Detailed competitive price analysis

Marketing Plan

- Résumés of channel intermediaries
- Detailed media plan
- Promotional pieces
- Sales territory plan
- Sales force compensation plan
- Web site host
 - Web site designs
 - Other third party Web partners
- Press releases

- Community involvement plan
- Strategic partnership plans

Operational Plan

- Blueprints or photos of facilities
- Property and vehicle titles
- Lease agreements
- Purchase agreements
- Specifications of equipment used
- Labor analysis
- Résumés of subcontractors
- Contracts with subcontractors
- Résumés of logistics providers
- Manufacturing flow-chart
- Cost-saving production techniques
- Inventory management system
- Software specifications for operations
- Hardware specifications
- Retail issues
 - Use of merchandising specialists
 - Visual display specialists
 - Broker contracts

Organizational Plan

- Articles of incorporation
- Partnership agreements
- Limited partnership agreements
- Insurance policies

Financial Plan

- Cost of goods analysis
- Sales revenue analysis
- Accounts receivable assumptions
- Accounts payable assumptions
- Detailed sales and marketing cost analysis
- Detail of administrative costs
- Credit reports
- Current loan contracts

Growth Plan

- Assumptions used to project growth
- Detail for alternative strategies and proposals
- Flow-chart of options and alternative strategies for growth

Contingency Plan