



Business Plan Outline

EXECUTIVE SUMMARY (to be completed last)

- a. your company's activities, management and objectives
- b. distinguishing features of your products/services
- c. attractiveness of your market
- d. summary of historical financial results and projections
- e. amount of money you seek, in what form, and for what purpose

DESCRIPTION OF YOUR BUSINESS AND INDUSTRY

- a. your business
- b. the industry history and its anticipated future

FEATURES AND ADVANTAGES OF YOUR PRODUCT/SERVICES

- a. description
- b. competitive advantage and market niche
- c. proprietary position
- d. future potential (e.g., spin-offs) (include sample products or sales literature)

MARKET RESEARCH AND ANALYSIS

- a. definition of your customers and markets
- b. critical customers (over 10% of sales)
- c. market size and trends
- d. competition

ESTIMATED MARKET SHARE AND SALES

- a. marketing plan
- b. marketing strategy
- c. pricing
- d. sales tactics
- e. service and warranty policies
- f. advertising, public relations, and promotion

DESIGN AND DEVELOPMENT PLANS

- a. development status and tasks
- b. difficulties and risks c. costs

OPERATIONS PLANS

- a. production or service delivery process
- b. geographic location
- c. facilities and improvements
- d. strategy and plans
- e. labor force
- f. product / service distribution
- g. availability of materials and supplies
- h. dependence on critical suppliers
- i. unique or novel processes used

MANAGEMENT TEAM

- a. organization and ownership
- b. key management personnel (credentials)
- c. management strengths and weaknesses
- d. management compensation

- e. board of directors
- f. key business advisors
- g. professionals retained - accountant, attorney
- h. management assistance and training needs (include personal financial statements of principal owners)

OVERALL SCHEDULE

- a. timing of critical activities before opening (e.g., obtain funds, company incorporation, select location, order supplies, hire employees, start operation)
- b. timing of critical activities after opening (e.g. expansion, product / service extension)

CRITICAL RISKS AND PROBLEMS (How will you respond)

- a. working capital shortage
- b. price cutting by competition
- c. unfavorable industry-wide trends
- d. design / operating costs over estimates
- e. low sales
- f. difficulty obtaining supplies, raw materials
- g. difficulty in obtaining credit
- h. high inflation
- i. lack of trained labor
- j. recession

FINANCIAL PLANS

- a. three years historical financial statements (if available)
- b. profit and loss forecast for three years (first year monthly)
- c. cash flow projections for three years (first year monthly)
- d. proforma balance sheet at start-up, monthly in first year, and at end of first three years
- e. financial controls to be implemented

- f. manager responsible for financial matters
- g. outside accountant and planned involvement

OWNERSHIP STRUCTURE

- a. owners and how much they invest
- b. shareholder agreements
- c. which owners making personal guarantees

PROPOSED COMPANY FINANCING

- a. desired financing, amount, terms and form
- b. existing and proforma capitalization
- c. use of funds, scheduling

