

Building a Business Plan

- Cover Page
 - Name
 - Date
 - Confidentiality/ nondisclosure language
 - Project title
- Table of Contents
 - List headings of plan including page numbers
- Executive Summary
 - Name of your company
 - Description of your business idea (products/ services)
 - Target Market
 - Legal Structure (corporation, partnership, sole proprietorship, LLC)
 - Description of marketing and sales strategy
 - Short/Long-term business goals
 - Resources and skills you bring to the table
 - Plan for growth
 - Sources and uses of funds
 - Summary of financial projections
- Mission, Vision and Culture
 - Write a mission statement
 - List your competitive advantage
 - Write a vision statement
 - Company culture/ core beliefs/ social responsibility statement
- Company Description
 - What industry are you in?
 - What type of organization (manufacturing, wholesale, service, etc.)?
 - What needs are you satisfying?
 - What is your strategic advantage?
 - What is your legal structure?
 - Why did you choose this legal structure?
 - In what state are you registered or intend to register in?
 - Where will you physically operate?
 - What is the geographic reach?
 - Who is/are the owners of the company and what % do they own?

- Situation Analysis
 - Describe your target customer as clearly as possible using these variables: demographic, geographic, behavioral, psychographic)
 - Describe any research you have done to develop this plan.
 - Industry Analysis
 - *What is your NAICS code?*
 - *How large is the industry?*
 - *What are the current and anticipated trends and characteristics?*
 - *Who are the major customer groups (consumer, gov't, business)?*
 - *How large is your target market? How frequently do they purchase?*
 - *What factors influence the demand and supply of your product/service?*
 - Environmental Analysis
 - *Perform a SWOT*
 - Strengths (internal)
 - Weaknesses (internal)
 - Opportunities (external)
 - Threats (external)
 - Competitive Analysis
 - *Describe both your direct and indirect competition*
 - *Describe your advantages in price, location, selection, service, speed*
 - *List all competitors (domestic and int'l)*
 - *Describe your strategy for outperforming the competition*
 - *What barriers to entry can you create to block out competitors?*
- Marketing Strategy and Plan
 - What % of the market do you need to capture for your business to be profitable?
 - Write a positioning statement
 - How do you plan to grow the company?
 - *Product Strategy*
 - What products/services do you intend to market?
 - Explain how your product will meet a customer need
 - Where is your product/service in the product life cycle (intro, growth, maturity, decline)?
 - Describe the features/benefits of your product/service
 - What copyrights, trademarks, patents or other intellectual property do you own?
 - How will your organization help others (time, money, product, etc.)
 - *Price Strategy*

- *Describe your pricing approach (value, prestige, skimming, cost-plus, penetration, etc.)*
 - What discounts or allowances will you offer?
 - Will you extend credit to customers?
 - What forms of payment will you accept?
 - *Promotion Strategy*
 - Identify ways you plan to promote your product or service. What is the budget for these ways?
 - Show examples of marketing materials if possible
 - What is your business slogan?
 - What is your business logo?
 - Where do you intend to advertise?
 - How do you plan to get publicity for your organization?
 - List ways you intend to provide superior customer service
 - How will you keep a customer database? What data will you collect?
 - *Place Strategy*
 - Where do you intend to sell your product? Describe the advantages and disadvantages of your location.
 - What are the surrounding businesses? Access routes?
 - What is the traffic count for this location?
 - What is the workforce availability in the area if applicable?
- Management Plan
 - Management Team
 - *Create an organization chart if applicable*
 - *Will you be hiring employees? If so, what position titles will they have? What do you intend to pay them?*
 - *Do you intend to pay yourself? If so, at what level?*
 - *What policies will you enforce? How will you reward employees?*
 - *Who are your mentors or advisors?*
 - *Who do you plan to hire as your accountant, banker, attorney and insurance agent?*
 - Research & Development
 - *What type of research are you doing or intend to do?*
 - *What are others in the industry doing?*
 - *How will you protect you intellectual property?*
 - Physical Location
 - *Describe your actual physical place of business in detail*
 - *What zoning laws apply? Does it comply? Are variances required?*
 - Facilities

- *What type of building and equipment will you have?*
 - *Identify which technological tools you plan to use for your organization and explain why*
 - *How do you plan to get access to the technology you need?*
 - **Inventory, Production, and Quality**
 - *From what companies or individuals will you purchase the products you plan to sell? Illustrate your supply chain.*
 - *Do you intend to manufacture your product? If so, describe. If not, describe how your product is manufactured.*
 - *Are there any economies of scale to be attained? If so, what are they and how will you attain them?*
 - *Have you developed or adopted any innovations in production, inventory, or distribution? If so, list them.*
 - *How do you plan to distribute your product to your target market?*
 - *Describe your marketing channels and list the mark-ups at each stage*
 - *What is the anticipated delivery time when a customer places an order?*
 - *What methods will you use to ensure quality?*
 - *What methods will you use to ensure that you comply with federal, state and local laws?*
 - *What types of insurance will your business need?*
 - *What laws will affect your business?*
- **Financial Plan**
 - Describe your recordkeeping system, including the software you will use
 - Sources and Uses of Capital
 - *How much capital do you need? When?*
 - *List the items you need to start-up your business and the costs associated with each*
 - *List the sources of financing and amounts needed. Identify these as debt, equity, or gift.*
 - *What is your payback period?*
 - Cash Flow Projections
 - *List and describe your monthly fixed costs*
 - *Create a monthly projected cash flow statement for the first year and an annual amount for the second and third years*
 - Balance Sheet Projections
 - *Create a monthly projected balance sheet for the first year and an annual amount for the second and third years*
 - Income Statement Projections

- Create a monthly projected income statement for the first year and an annual amount for the second and third years
 - Breakeven Analysis
 - *Perform a breakeven analysis and report your breakeven volume*
 - *Risks and Assumptions*
 - *List any risks and assumptions for these financial projections*
 - Funding Request
 - *State how much money you need and where the funds are coming from*
- Appendix
 - Include a resume for each owner