

BUSINESS PLAN OUTLINE

Use the following outline to *summarize* your business planning *decisions*. Title each section of your written plan as indicated in the outline. Write, in your own words. Answers to the questions listed. Each question can be the start of a new paragraph. If a question does not apply, explain why it does not apply.

Tip: You don't have to win a Pulitzer Prize here. You don't have to be a great writer. The readers will care more about what the plan says than how it is written. Write the most clear and simple answers you can to the questions listed.

A) BUSINESS PLAN SUMMARY

- 1) Describe your products and services.
- 2) Describe the history of your business if it is an existing business, or how you developed your idea to start a new business.
- 3) Describe the legal structure of your business- sole proprietorship, partnership, or corporation.
- 4) Describe your experience in this business and how it will help you succeed.
- 5) Describe your reason for believing the business will succeed.

B) MARKETING PLAN

1) Products or Services

- I) What customer need or want is being filled?
- II) What are the features and benefits of your products or services?
- III) How will your product be made or how will your services be provided?
- IV) Who will supply the materials?
- V) What future products/services will you offer, and when?

2) Distribution

I) How will your products or services be distributed?

3) Industry

I) What is happening in your industry (is it growing, stable or declining)?

II) What do you believe the future hold for this industry?

4) Customers

I) Who are your customers- what does your customer profile look like?

II) How many customers will your business have?

III) What information do you have that supports your decisions about your customers?

IV) What is the growth potential for this business? What is your plan for growth?

V) What information do you have support your decisions about growth?

5) Competition

I) Who are your main competitors?

II) What are their strengths and weaknesses?

6) Position

I) What will your market position be?

III) What is your competitive advantage- why will customers buy from you instead of the competition?

7) Image and Packaging

- I) What will the image of your business be?
- II) What will your packaging look like (attach samples)
- III) What do your business cards and promotional material look like (attach samples)
- IV) Where will your business be located, and why did you choose this location? Include a sketch of your floor plan.

8) Pricing

- I) How did you determine your pricing strategy?
- II) How do your prices compare to the competition?

9) Marketing Goals

- I) What is your dream-where do you see your business in the next 2 to 5 years?

Example goals:

I want to start a successful business.

I want to expand my existing market share

I want to add new products/services.

10) Marketing Strategy

- I) What is your promotional plan?

C) MANAGEMENT DESCRIPTION

- 1) Who will handle which functions in the business
- 2) What will their duties and qualifications be?
- 3) If employees, how many will you have and what will their duties be?
- 4) Who will hire, train and supervise them?
- 5) What will it cost your business for the first two years?
- 6) What will your owner draw be for the first two years?
- 7) What will your employee salaries be for the first two years?

- 8) Who will your lawyer, accountant, insurance agent, and other advisory team members be?
- 9) How will you manage your record keeping, finances, and inventory?
- 10) What licenses, permits or regulations will affect your business?
(Attach copies of licenses, permits or regulatory forms)
- 11) Will you have to collect and pay sales tax, and if so, how much and for which entity (state or city)?
- 12) What types of insurance will you need (Attach bids or copies of policy summary page)?
- 13) What types of payments will you accept (cash, check, credit cards, house accounts. etc.)?
- 14) What contingency plans have you made for you?
 - I) What will you do if you become sick or are injured, or in the event of a family or personal emergency that takes you away from the business? Who will take care of the business? How much will it cost?
 - II) What will you do if your car breaks down?
What will you do if your day-care provider can't take care of your kid/s today or if your kid/s are too sick to go to school?
- 15) What contingency plans have you made for the business?
 - I) What will you do if sales are not what you expected? What will you do to increase them?
 - II) What will you do if costs are higher than you expected? What will you do to decrease them?
 - III) How will you make decisions to continue to stabilize or increase your cash flow and profits?
What will you do if a competitor lowers their prices?

D) FINANCIAL PLAN

1) Include a month by-month cash flow projection for at least the first two full years. Include written assumptions (explanations) supporting your projections.

If your business starts or the plan starts during a year, the first year projection will be a partial year. There should also be two full years of projections after the partial year.

2) Include at least two years of financial statements for existing businesses. (If not in business two years, include what is available). Include, if possible, balance sheets and profit and loss statements.

3) Include your personal financial data: Personal Financial Statement (Assets, Liabilities and Net Worth) and a monthly income and expense statement (your personal financial plan).

E) ATTACHMENTS

Attachments should be provided to substantiate your claims in your plan. (Always keep copies of the original documents for your files.)

1) Two years of personal income tax returns if requesting a loan.

2) Two years of business income tax returns.

3) Credit application (form from the lender) if requesting a loan.

4) Collateral documents (titles, abstracts, or other proofs of ownership) if requesting a loan.

5) List of assets to be acquired and their costs.

6) Resumes of yourself and others who will work in the business.

- 7) Market studies.
- 8) Articles from magazines, newspaper, or the World Wide Web.
- 9) Photographs, sketches of your products or floor plan, brochures describing your services.
- 10) Copies of leases or other contracts.
- 11) Letters of intent from customers to do business with you.
- 12) Examples of your brochures, business cards, stationery and other materials.