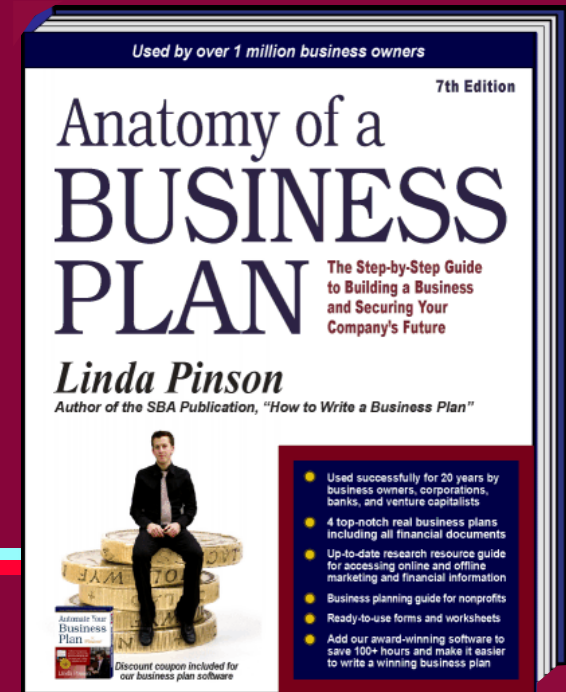


Anatomy of a Business Plan



**The Step-by-Step Guide
for Building a Business
and Securing Your
Company's Future**

Starting Up the River Without a Plan?



You are Planning to Fail



Reasons for Writing a Plan



- To serve as the guide you will follow throughout the life of your business
- All lenders and investors require a business plan
- A business plan is the key to conducting business in the international marketplace

Anatomy of a Business Plan

The Defensible Business Plan

Qualitative ← Advertising → Quantitative

1 Table of Contents

Marketing Plan	13 - 23
Target Market	13
Competition	15
Advertising	17

2 Marketing Plan

Advertising

Global Trade Magazine: Circulation 68,000
716-478-6600 1 1/4 page ad, 3 lines

James Henson
P.O. Box 532-A
Jenewport, MI 48321

Planned for:
July, Aug, Sept

Cost:
(Over 3 mo. advance)
April - \$1795
May - \$1795
June - \$1795

Requires camera-ready with ad placement
Expected revenue return: \$23,000

3 Supporting Documents

Global Trade Magazine 1996 Advertising Rate Sheet

Space	1x	3x	12x
Classified	\$2000	\$4000	\$8000
1/4 Page	\$1000	\$1700	\$4400
1/2 Page	\$1900	\$3100	\$7800
1/4 Page	\$1000	\$1700	\$4400

Camera-ready art essential due to document publication
Advertising for multiple months requires special contract

4 Financial Documents

A Pro Forma Cash Flow Statement

Projected for 1996	Jan	Feb	Mar	Apr	May	June	Jul	Aug	Sept	Oct	Nov	Dec
Beginning Cash Balance												
Cash Receipts												
Total Cash Available												
Cash Payments												
Operating Expenses												
1. Advertising				1795	1795	1795						
2. Commissions												
3. Freight												

B Quarterly Budget Analysis

Business Name: ABC Company For the Quarter Ending: June 30, 1996

BUDGET ITEM	THIS QUARTER			YEAR-TO-DATE		
	Budget	Actual	Variance	Budget	Actual	Variance
SALES/REVENUES						
Less Cost of Goods						
GROSS PROFITS						
EXPENSES						
Variable Expense						
1. Advertising	\$5,385			\$5,385		
2. Commissions						
3. Freight						

C Three-Year Income Projection

Business Name: ABC Company

	Year 1 1996	Year 2 1997	Year 3 1998	TOTAL 3 YEARS
SALES/REVENUES				
Less Cost of Goods				
GROSS PROFITS				
EXPENSES				
Variable Expense				
1. Advertising	\$5,385 + Other 1996 Jan-Jun			\$5,385 + Other 1996, 1997 & 1998 Advert. Exp.
2. Commissions				
3. Freight				

A credible and defensible business plan must have continuity throughout the entire document.

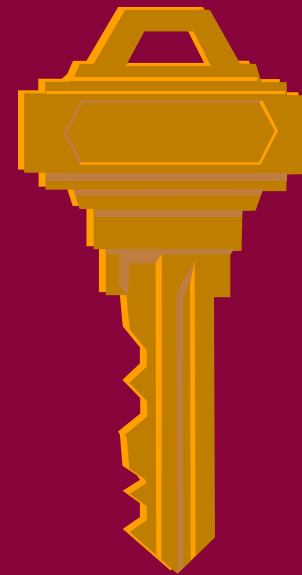
Qualitative = Quantitative

Financial documents must reflect the decisions made in the Organizational and Marketing Plans.

The “KEY WORD” Approach

Think about these keywords as you are writing your plan. They will help you to write a more concise and targeted statement for each section of your plan.

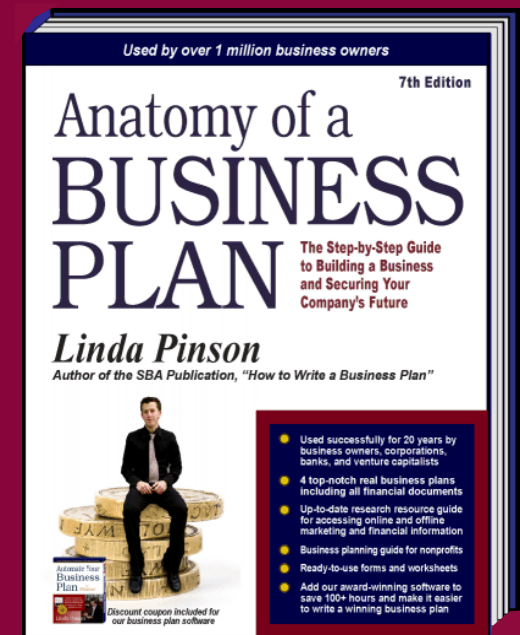
- Who
- When
- Where
- What
- Why
- How
- How much
- Unique
- Benefit to Customer



The Planning Process

What are the parts of a Business Plan?

- Cover Sheet
- Table of Contents
- Executive Summary
- Part 1: Organizational Plan
- Part 2: Marketing Plan
- Part 3: Financial Documents
- Part 4: Supporting Documents



Part I: Organizational Plan

- **Description of the Business**
- **Products and/or Services**
- **Administrative Plan**

Location

Legal Structure

Management and

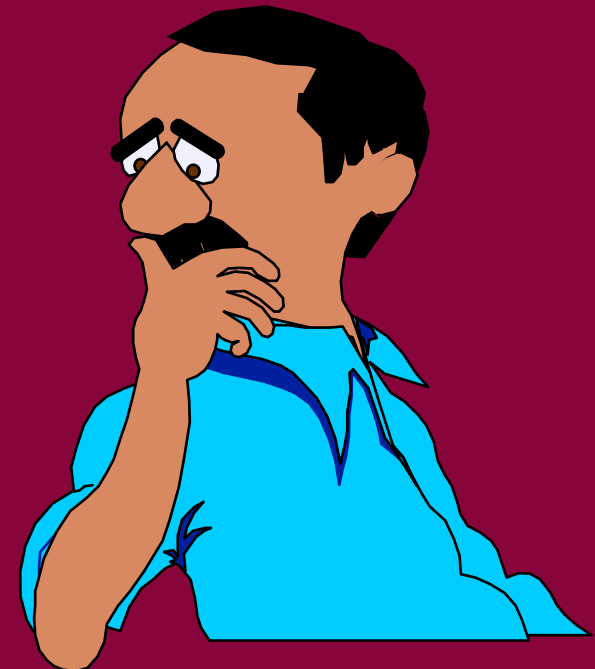
Personnel

Accounting & Legal

Insurance

Security

Intellectual Property



Part II: Marketing Plan

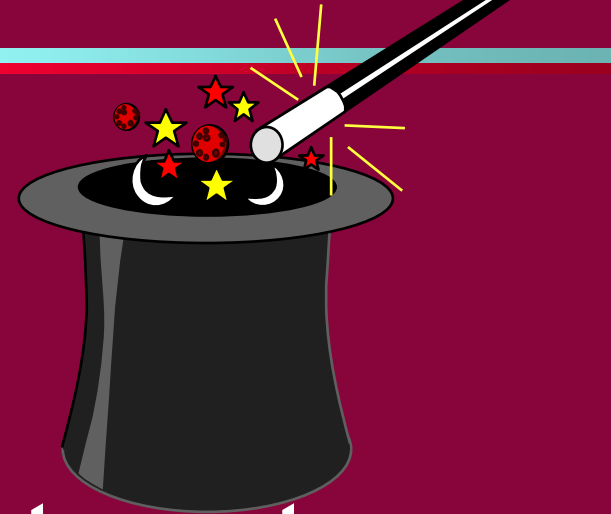
- **Overview & Goals of Your Marketing Strategy**
- **Market Analysis:**
Target Market, Competition, Industry Trends
- **Marketing Strategy:**
Distribution, Packaging, Pricing, Branding, Database Marketing, Sales Strategies, Promotions, Advertising Strategies, Public Relations, Networking
- **Customer Service**
- **Implementation of Strategy**
- **Assessment of Marketing Effectiveness**



Part III: Financial Documents

The “Quantitative” Part of Your Plan

- Sources & Uses of Funds Text Documents
- Pro Forma Financial Statements
- Historical Financial Statements
- Financial Statement Analysis



Sources & Uses of Funds

*How Much money do you need?
How will you spend it?*

- Summary of Financial Needs
- Loan Fund Dispersal Statement



Pro Forma Financial Statements

Projecting the Future of Your Business

- Pro Forma Cash Flow Statement
- Three-Year Income Projection
- Quarterly Budget Analysis
- Projected Balance Sheet
- Break-Even Analysis



Historical Financial Statements

How has your business done in past years? What do you own and what do you owe?



- Profit & Loss Statement (Income Statement)
- Balance Sheet
- Business Financial History/Loan Application

Financial Statement Analysis

The Key to Making Decisions, Implementing Changes, and Increasing Profitability

- Liquidity Analysis
- Profitability Analysis
- Measures of Debt
- Measures of Investment
- Vertical Financial Statement Analysis
- Horizontal Financial Statement Analysis



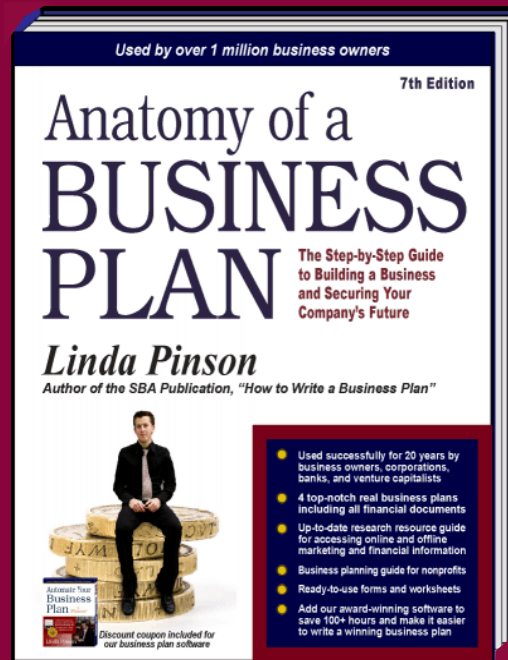
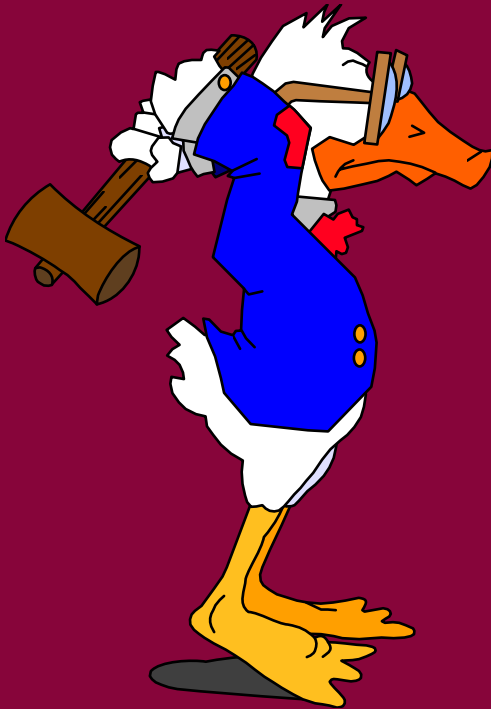
Part IV: Supporting Documents

- Personal Resumes
- Owners' Financial Statements
- Credit Reports
- Reference Letters
- Location Analysis
- Legal Documents (Leases, Contracts, Agreements, etc.)
- Demographic Studies

Records that support statements and decisions made in the organizational, marketing, & financial plans.



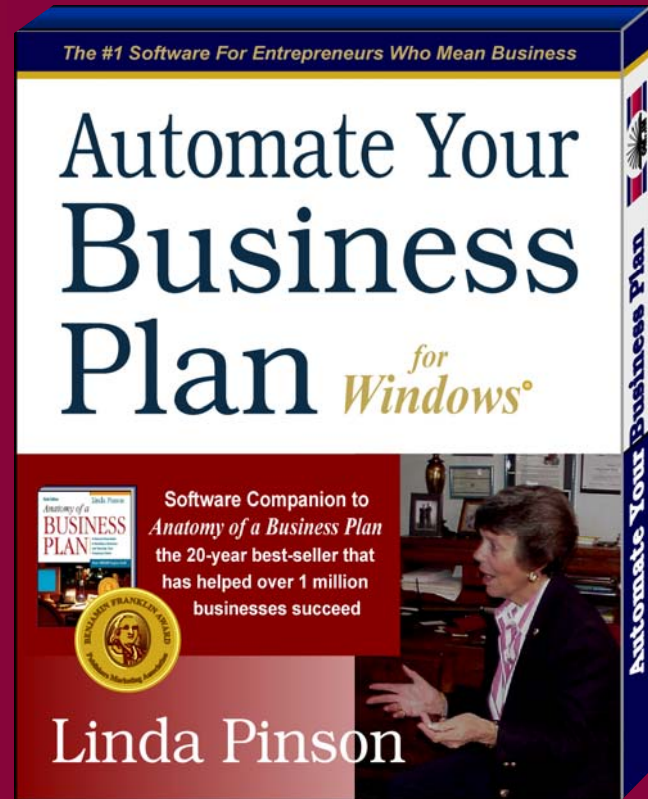
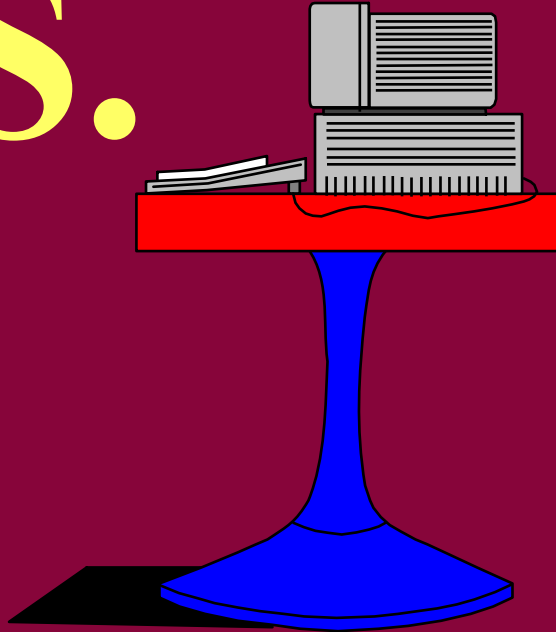
Happy Business Planning!



The End....

*Don't go away.
Let us tell you about our business planning software.*

P.S.



Computer technology will make your job easier and speed-up the business planning process.



How Will Our Software Help You?

- Our stand-alone software will guide you with ease through your business plan. We instruct you, show you real-world examples, and provide you with preformatted templates for all task.
- Using our Chart of Accounts Wizard, you will quickly generate an Integrated (linked) spreadsheet workbook that is customized for your business – and you will save 100+ hours of work.
- Work anywhere, anytime. Import and export your plan project back and forth between you main computer and your laptop.
- Print all or selected parts of your plan in three different ways (to PDF, to your printer, to a zip file).

Research Your Market

Our Live Web Page will guide you through your research and “Hot Link” you to financial and marketing resources.

Sit at your own computer and do all of your research.

U.S. and International Business Research Resources - Microsoft Internet Explorer

File Edit View Favorites Tools Help

Address <http://www.business-plan.com/research/aybp.html>

Search the Web Search AOL 28 New Weather Gas Prices Sign in

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[Consumers](#)
[Families](#)
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[Competitors](#)
[Environment](#)
[Economic](#)
[Legal](#)
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Publisher of Business Books and Business Planning Software

2012
AUTOMATE YOUR BUSINESS PLAN
Companion Software to
Anatomy of a Business Plan
Version 2012 for **Windows®**

[Out of Your Mind ... and Into the Marketplace®](#)

U.S. and International Business Research Resources

Introduction

This resource guide has been developed to assist you with your marketing research efforts. It has been

Direct Access to Information:

- Target Markets
- Competition
- Financial Reports
- Demographics
- Psychographics
- SIC Codes
- Foreign Business
- SEC Reports
- and Lots More



Your Financial Plan

Developing Your Financial Spreadsheets is a Logical Process. It is easier than you think!

- **The Chart of Accounts Wizard**

quickly customizes all of your spreadsheets to match your business (revenue, expense, and balance sheet categories, business name, legal structure, receivables timing, dates, etc).

- **Your Integrated (Linked) Spreadsheet Workbook**

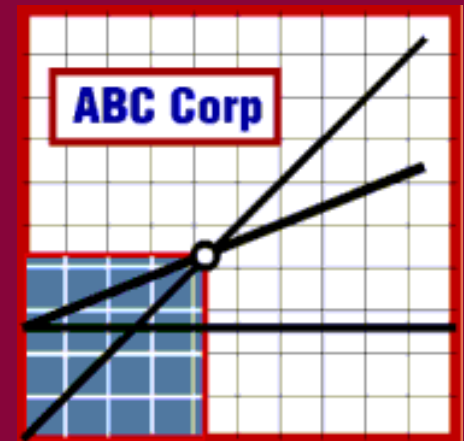
all information and numbers input or updated in one spreadsheet will flow to and update related spreadsheets.

- **Key Ratios**

are automatically calculated in the Ratio Table and the Financial Analysis Summary worksheets.

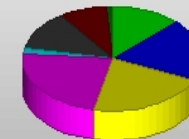
- **Six Charts and Graphs**

reflecting your company's financial projections are auto-generated in the final worksheet.



Revenue Breakdown

Year 1



- 1. Sale of misc. accessories
- 2. Landscaping - residential
- 3. Landscaping - small business
- 4. Landscaping - large corporations
- 5. Customized landscaping
- 6. Snow removal - residential
- 7. Snow removal - small business
- 8. Snow removal - large corporation
- 9. 5% Snow removal contracts

What will it cost to borrow money?

Our Amortization Tool will compute the amount of your monthly loan payment. It will also project the monthly principal and interest payments over the life of your loan.

Amortization Calculator

Enter a principal amount, an interest rate percentage, and a loan term in months to calculate the total interest, the monthly payment, and the amortization table. Interest is compounded continuously.

All entry fields accept numbers only. Dollar signs (\$) and commas will not be accepted. Extra amount start and end payments should be entered as payment numbers from 1 up to the number of months in the loan.

Start Year:

Start Month:

Principal Amount:

Interest Rate:

Number of Years:

Extra Amount:

Extra Amount Per Payment:

Start Payment:

End Payment:

Amortization Table

Year	Pmt#	Balance	Interest	Interest To Date	Extra A...	Principal	Principal To Date
2013	0	200000.00					
	1	198183.94	1253.91	1261.78		1816.06	1816.06
	2	196356.49	1242.53	2512.09		1827.45	3643.51
	3	194517.59	1231.07	3750.88		1838.90	5482.41
	4	192667.16	1219.54	4978.07		1850.43	7332.84
	5	190805.13	1207.94	6193.59		1862.03	9194.87
	6	188931.42	1196.27	7397.35		1873.71	11068.58
Total 2013	7	187045.96	1184.52	8589.30		1885.46	12954.04
2014	8	185148.68	1172.70	9769.35		1897.28	14851.32
	9	183239.51	1160.80	10937.43		1909.17	16760.49
	10	181318.37	1148.83	12093.47		1921.14	18681.63
	11	179385.18	1136.79	13237.38		1933.19	20614.82
	12	177439.87	1124.67	14369.10	1000.00	2945.31	23560.13
	13	173476.10	1106.20	15482.24	1000.00	2963.77	26523.90
	14	170492.75	1087.27	16572.69	1000.00	2982.35	29506.25

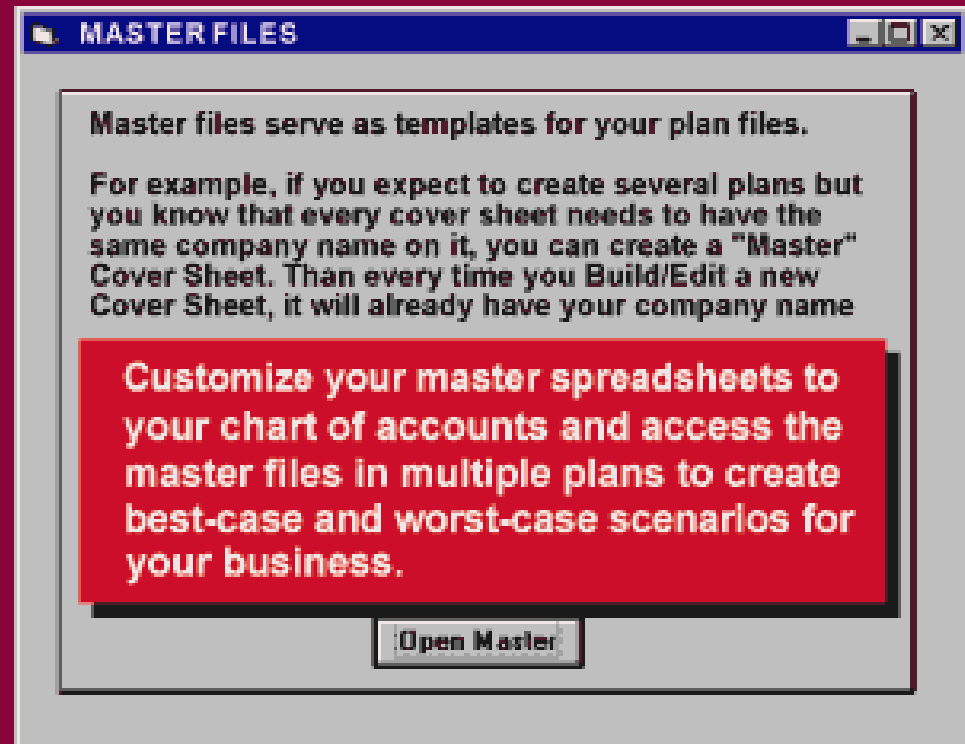
Total Interest:

Monthly Payment:

Create a Master Plan

Our Master Plan feature allows you to use a customized set of plan files for multiple plans.

- Create “What If” Scenarios for your company.
- Develop corporate plans. Master files will enable you to easily develop and combine departmental plans to create an overall plan for your company.



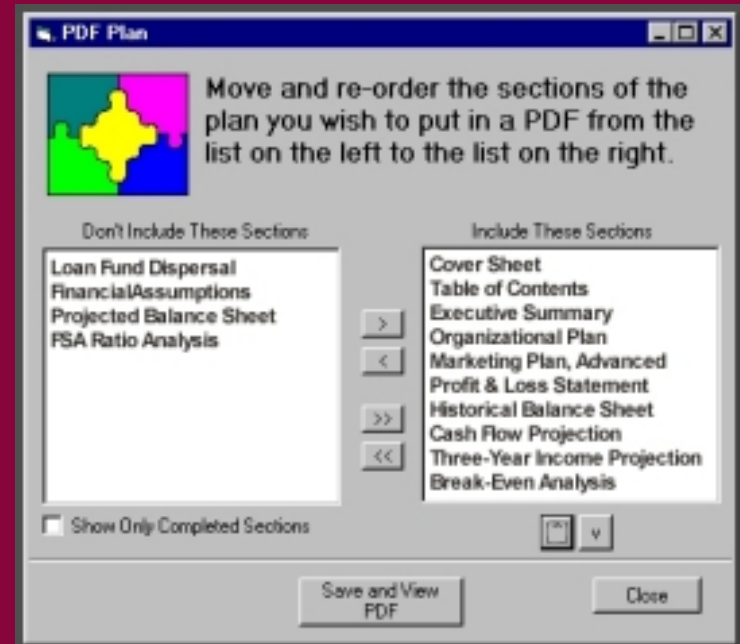


Save Your Plan to a PDF File

Save and Print all or selected parts of your business plan to a single PDF file.

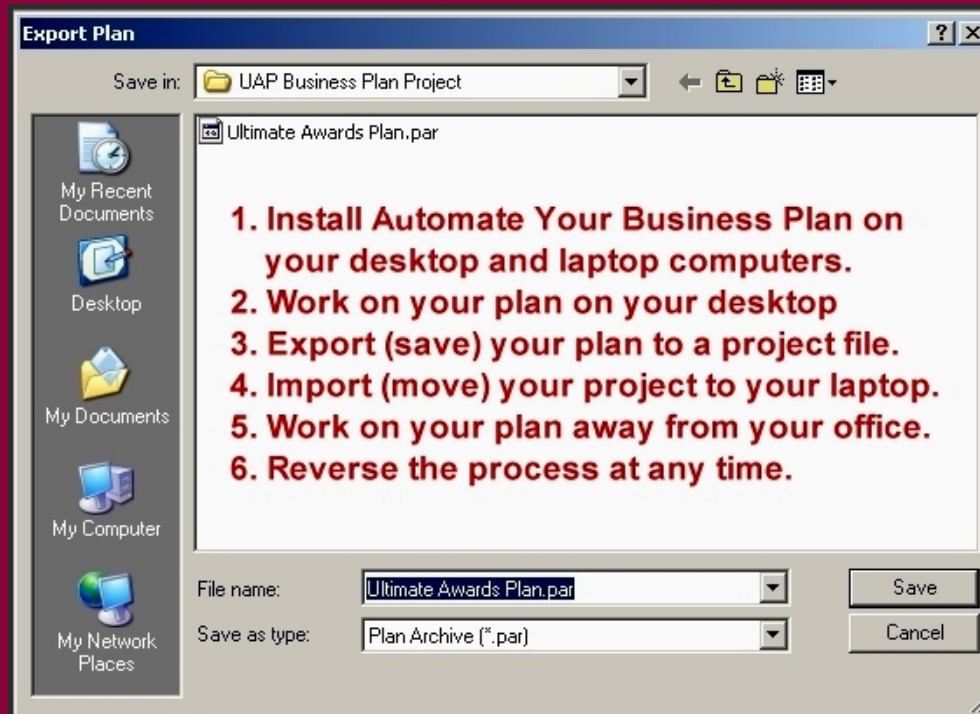
It's Easy!

- Move selected pieces of your plan from the left window to the right window.
- Re-order sections.
- Select “Save and View PDF”.
- Your PDF will be generated and will open in Acrobat Reader.



Move Your Plan Project From Desktop to Laptop

Work on your business plan where and when you want to. Your project will always be up-to-date.





Develop a Presentation For Your Company

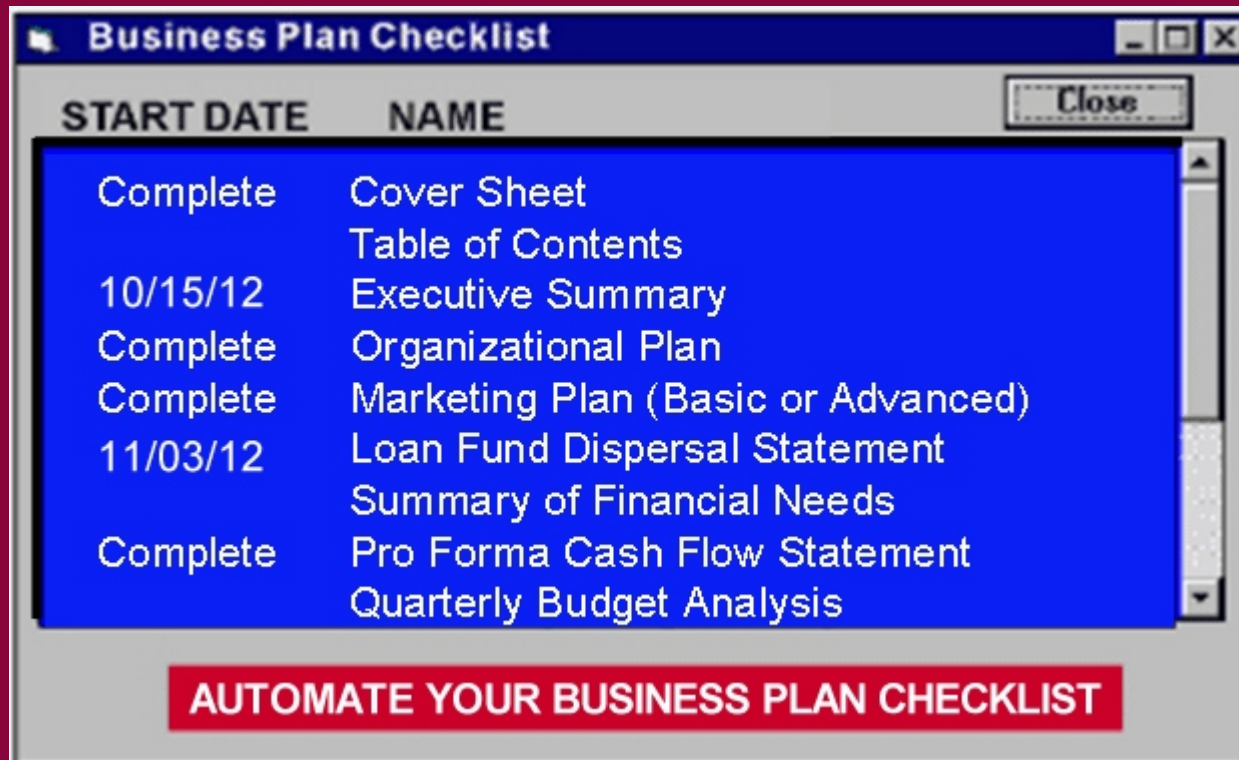
The perfect way to introduce your business to potential investors and associates.

Use Our Presentation Feature

- Instructions to guide you
- 2 example presentations for companies seeking investments or funding
- Templates for you to edit for your own presentation.

A promotional graphic for Karma Jazz Café. It features a collage of four images: a saxophone player, a plate of ribs, a martini glass with a garnish, and a plate of fish. Below the images, the text reads 'KARMA JAZZ CAFÉ' in a large, serif font, followed by the tagline '“Jazz is Alive and Well”' in a green, italicized font. At the bottom, the website address 'Website: www.karmajazzcafe.com' is displayed in a smaller font. The entire graphic is set against a dark blue background with a yellow border.

Keep Track of Your Progress



START DATE	NAME
Complete	Cover Sheet
	Table of Contents
10/15/12	Executive Summary
Complete	Organizational Plan
Complete	Marketing Plan (Basic or Advanced)
11/03/12	Loan Fund Dispersal Statement
	Summary of Financial Needs
Complete	Pro Forma Cash Flow Statement
	Quarterly Budget Analysis

AUTOMATE YOUR BUSINESS PLAN CHECKLIST

*The Checklist will **automatically** keep track of which business plan tasks you have started or completed.*

Your Business Plan is “For Your Eyes Only”

Our *Log In* security feature insures that each user will have access only to those business plan files that have been developed under his or her unique user name and password.



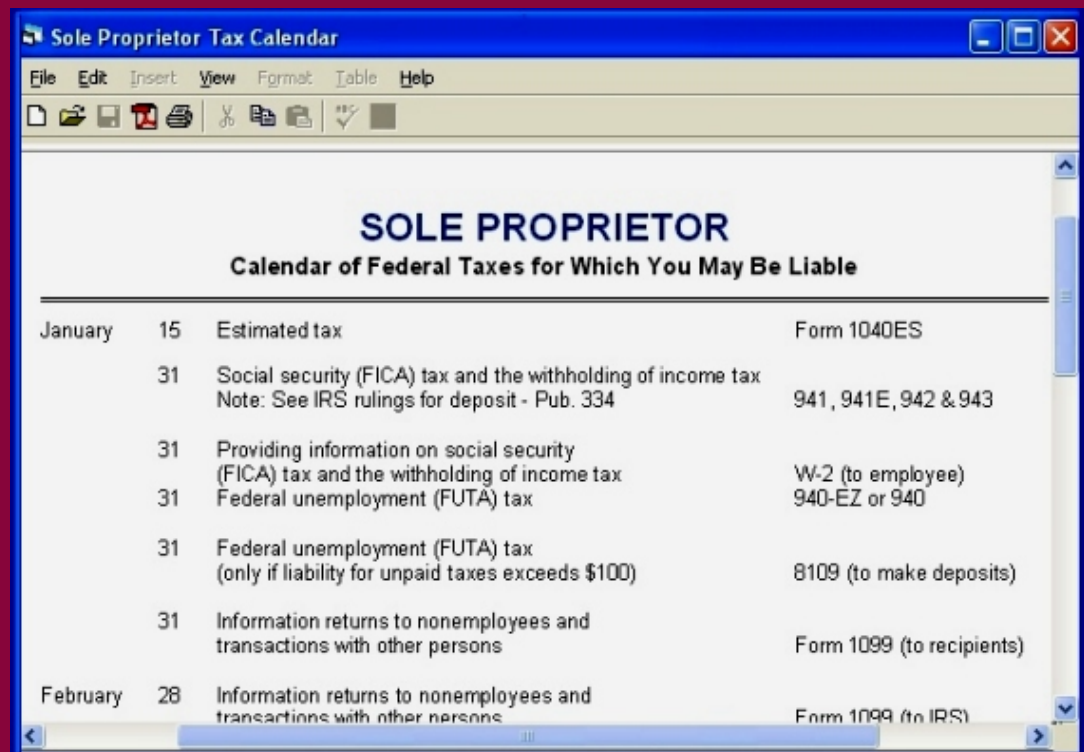
A screenshot of a Windows-style dialog box titled "Please Log In". The dialog box has a blue background and a title bar with standard window controls (minimize, maximize, close). It contains four input fields and four buttons. The "User Name" field contains the text "ROBERTO". The "Password" field contains seven asterisks "*****". The "Reenter Password" field also contains seven asterisks "*****". At the bottom, there are four buttons: "Log In", "New User", "Cancel", and "Clear".

User Name:	<input type="text" value="ROBERTO"/>	Reenter Password:	<input type="text" value="*****"/>
Password:	<input type="password" value="*****"/>		<input type="password" value="*****"/>
<input type="button" value="Log In"/>		<input type="button" value="New User"/>	
<input type="button" value="Cancel"/>		<input type="button" value="Clear"/>	

Taxes Affect Your Cash Flow

*We have devoted a set of menus to providing you with **Tax Information** so you can plan ahead for your obligations to the IRS.*

- Calendars of Federal Taxes for each of the legal structures
- Listing of Free Tax Publications that are available from the IRS + a printable order form
- On-line addresses that will take you to the IRS site to download forms & publications



SOLE PROPRIETOR Calendar of Federal Taxes for Which You May Be Liable			
January	15	Estimated tax	Form 1040ES
	31	Social security (FICA) tax and the withholding of income tax Note: See IRS rulings for deposit - Pub. 334	941, 941E, 942 & 943
	31	Providing information on social security (FICA) tax and the withholding of income tax	W-2 (to employee)
	31	Federal unemployment (FUTA) tax	940-EZ or 940
	31	Federal unemployment (FUTA) tax (only if liability for unpaid taxes exceeds \$100)	8109 (to make deposits)
	31	Information returns to nonemployees and transactions with other persons	Form 1099 (to recipients)
February	28	Information returns to nonemployees and transactions with other persons	Form 1099 (to IRS)

Praise from Lenders, Educators, Business Consultants & Business Owners

“I have used the software for five years in my business planning courses. It has been great for my students. The financials are especially impressive.” Mike Bejtlich, Cape Cod Community College

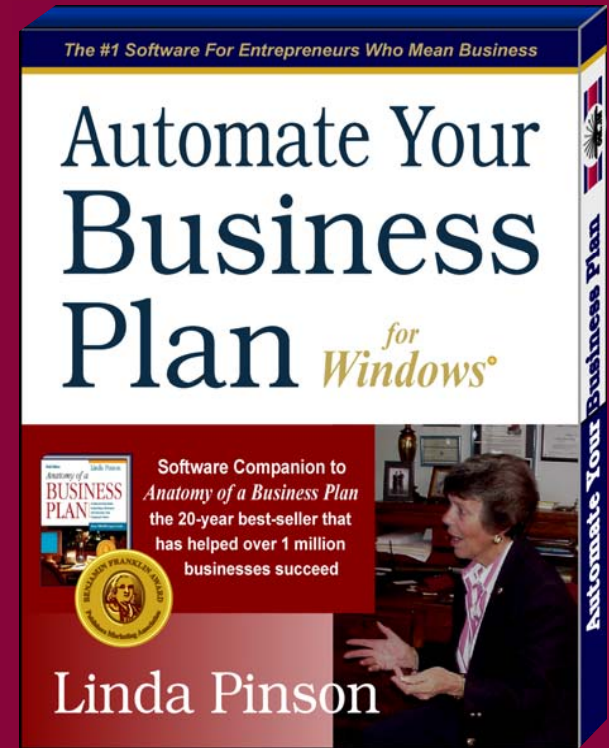
“Recently, I reviewed two loan applications. The business plans were well organized and researched. After reading each one, my confidence in the applicant was greatly boosted. Each applicant stated that your software and book were easy to use..... By the way, both loans were approved.” Nancy Russell, Comerica Bank

“I found the use of the software particularly easy and the accompanying book was an invaluable instructional guide. Of particular value is your Web page. Using your hot link resources, I was able to do my target market demographics in one short hour of research. Your links are right on.” John Elliott, Stellar Communications

“Thank you for providing Automate Your Business Plan software. It’s so user friendly and extremely thorough. I’ve been teaching self-employment training at Illinois Central College for seven years and have previewed many different software programs. None of them compare to the way your program is comprised. My students are now creating great business plans with minimal frustration.” Pat Heartsfield, ICC

“I am writing to compliment you on the excellence of your program approach to business plan writing. Your book, *Anatomy of a Business Plan*, and your stand-alone software, *Automate Your Business Plan*, are without equal. Yours not only performs and delivers results, but exceeds all expectations!” Joe Holly, Strategic Advantage

This is Really..... *THE END*



Thank you for taking the time to look at our slides.
Please feel free to contact us directly if you have
any unanswered questions. (714-544-0248)