

## 2. Executive Summary & Vision Statement

This section is also sometimes referred to as the executive summary. It is the distilled essence of the business plan boiled to its simplest, most succinct elements. It is like the overture to an opera or symphony. This summary is commonly made up of several parts: 1) business concept, 2) current situation, 3) key success factors, and 4) current financial needs.

### Business concept

The business concept tells the reader what business you are in, who your market is, what services you provide, how you are different from your competitors, and what you hope to achieve in business.

Sample business concept summary:

(Name of business) is an acupuncture and Chinese medical clinic in \_\_\_\_\_. Our target market is \_\_\_\_\_. Our primary service is providing acupuncture and Chinese herbal treatment for \_\_\_\_\_. Other services available at our clinic include (massage, aromatherapy, meditation, biofeedback, Reiki, *tai ji* and/or *qigong* classes, Chinese dietary therapy, wellness classes, etc.) In addition, we sell a full line of (Chinese herbal products, personal care products, Nikkan magnets, etc.). According to \_\_\_\_\_, more Americans want to seek acupuncture treatment than any other professionally provided alternative health care modality, and the number of visits to American acupuncturists was \_\_\_\_\_ in \_\_\_\_\_. Acupuncture and Chinese medicine are often able to achieve results in cases that have not responded to modern Western medicine, and acupuncture and Chinese medicine are often cheaper and have less side effects than Western medical care. Our clinic differs from others competitors in that (we are open x number of evenings per week, we are open on Saturdays, we treat walk-ins, we have a fully stocked Chinese herbal pharmacy, we specialize in this or that disease, we have been specially trained in China, we've been in practice x number of years, we offer more healing modalities, we offer more therapists, etc., etc; take your pick, but don't try to include everything). My/our intention is that the company will (become the premier acupuncture clinic in \_\_\_\_\_, the largest acupuncture clinic in \_\_\_\_\_, the highest grossing acupuncture clinic in \_\_\_\_\_, earn \$\_\_\_\_\_ per annum before taxes, employ four acupuncturists and one massage therapist, etc.).

**\*\*\*ACTION ITEM: Now write your own business concept summary.**

### Current situation

Depending on whether there is a pre-existing business or the plan is for a new start-up, the description of the current situation will be different.

Current situation of a pre-existing company

The summary of the current business situation for a pre-existing business tells the reader who founded and/or owns the company, how long it has been in business, where it is located, and what kind of business it is legally (*i.e.*, a sole proprietorship, limited liability partnership, S corporation, C corporation, etc.). It describes the company's situation in the marketplace, challenges the company is facing, how the company intends to face those challenges, opportunities in the marketplace, and how the company intends to take advantage of those opportunities.

Sample current situation summary for a pre-existing business:

The company was founded by \_\_\_\_\_ as a (sole proprietorship, partnership, S corporation, C corporation, limited liability company) in \_\_\_\_\_ on \_\_\_\_\_. Currently, the company is (well

established in its market, becoming established in its market, without competition in its market, etc.). The major challenge(s) the firm is facing right now is/are (insufficient advertising budget, insufficient personnel, insufficient clinic space, need for redecoration, need for new equipment, etc.). We plan on solving these challenges by (buying more advertising, hiring more staff, renting a larger clinic, redecorating, buying x pieces of equipment). Because the Baby Boom generation is the primary generation making use of acupuncture and Chinese medicine in the U.S., that generation is turning 50 years of age at a rate of \_\_\_\_\_, and, therefore, that generation will be needing more and more health care in the coming years, we believe the future of the market for acupuncture and Chinese medicine by American health care consumers is and will continue to expand robustly.

### Current situation for a start-up

For a start-up, the summary of the current situation would describe the legal organization of the company, identify the principals, identify other key personnel and any skills or assets they bring to the company, and describe the need or niche the company hopes to meet. Then you would go on to describe where you are in the planning or development stage, the major challenges you still face before beginning operations, and when you hope to open your doors for business.

### Sample current situation summary for a start-up:

We are a start-up, incorporated in the State of \_\_\_\_\_ on \_\_\_\_\_. The principals owners are \_\_\_\_\_, whose title is \_\_\_\_\_, \_\_\_\_\_, whose title is \_\_\_\_\_, and \_\_\_\_\_, whose title is \_\_\_\_\_. Other key personnel include \_\_\_\_\_ and \_\_\_\_\_. (Include any and all professional titles or significant credentials, such as Lic. Ac., OMD, Dipl. Ac, Dipl. C.H., AP, DC, MD, DO, etc.) With this team of experienced and talented individuals, the company is positioned to meet an emerging, underserved need for acupuncture and Chinese medicine in \_\_\_\_\_. We are currently (in the initial planning stage, finalizing plans for our operation, building out our space which we have leased for x number of years, in the process of hiring front office staff, etc.). We are seeking additional capital to (buy furniture, pay for advertising, buy signage, hire front office personnel, etc.). The major challenges we face before beginning operations are (purchasing equipment and supplies, buying insurance, finding a large enough space, building out our space, etc.). We hope to plan on beginning business on \_\_\_\_\_.

**\*\*\*ACTION ITEM: Now write your own current situation summary.**

### Key success factors

Your summary of key success factors is an explanation of the factors that will help insure that your business will be successful. If you are an already established business, state what you believe is/are the reason(s) for your success to date. If you are a start-up, what do you see as your key strengths or points of differentiation from your competitors.

### Sample success factors summary:

The success of our company (has been, is, will be) largely due to (superior service, good parking, a beautiful clinic, many therapists, better trained, more experienced therapists, better clinical results, great advertising, great publicity, superior customer service, location, pricing, hours of operation, etc.). In particular, what really sets us apart from our competition is \_\_\_\_\_. This translates into a benefit to our customers because \_\_\_\_\_.

It's also possible to list these factors down numerically in descending order of relative importance after a brief, one sentence introduction.

**\*\*\*ACTION ITEM: Now you write a success factor summary for your practice or clinic.**

## Current financial needs

Most people do not like to have to ask others for money. However, it's unlikely that most recent graduates of American acupuncture schools will be able to establish a really successful, highly profitable clinic without borrowing some money from somewhere. In this section of the summary chapter, you are going to state specifically how much money you need, when you will need it, what the money will be used for, and when you will be able to pay it back. Realistically, you will not be able to write this section before you write the bulk of the rest of the business plan. So you will have to come back to this section after you have more data in hand.

Financial needs summaries typically differ for established businesses and start-ups.

Sample financial needs summary for a pre-existing business:

At this time, I/we am/are seeking (amount, in equity investment, line of credit, an asset-backed loan, lease financing, short term note, term note, etc.) in order to (lease a space, buy insurance, hire personnel, redecorate, buy equipment, etc.). I/we will be able to (pay down the loan in x number of months, etc.)

Sample financial needs summary for a start-up:

In order to effectively launch the business, we project a total need for (amount) in start-up financing. Principal uses of these funds are to \_\_\_\_\_, \_\_\_\_\_, and \_\_\_\_\_. To date, we have raised (amount) from the company founder(s) and his/her/their relatives. The additional funds we need to raise is (amount of difference between these two numbers). We project the company will be profitable by \_\_\_\_\_.

**\*\*\*ACTION ITEM: After completing your start-up costs, write a financial needs summary.**

## Vision Statement

The vision statement is a description where and how you see your company in 5-10 years. There are different kinds of vision statements depending on each owner's vision of the future. The vision statement may or may not be the same as the company's mission statement (if you have or want one). The mission statement is the statement for the company's reason for being in the larger scheme of things, such as providing the highest quality of holistic health care. The vision statement is a description of where you are trying to get.

Sample of basic vision statements include:

Our vision of our company in five years is that it will include five therapists and two front office personnel and be housed in a spacious office suite in a medical specialties building.

Distinctive characteristics of our clinic in five years are that patients will have the option of receiving (Chinese or Japanese style acupuncture; tinctures, pills, powdered extracts, or bulk herbs; regular acupuncture, electroacupuncture, laser acupuncture, or magnetotherapy; dietary therapy; nutritional supplements; massage therapy; etc.) in an integrated setting which takes into account each patient's unique situation and whole being.

In five years, our company will be different from our competitors in that (we will be open for walk emergencies seven days a week, 24 hours per day; we will operate a free clinic one day per week for the indigent; we will offer a 10 minute pre-acupuncture massage built into the price of every acupuncture visit; etc.).

In five years, our clinic will be recognized as (the premier alternative health care clinic in \_\_\_\_\_; the premier integrative health care clinic in \_\_\_\_\_; the largest alternative health care clinic in \_\_\_\_\_; the most profitable acupuncture clinic in \_\_\_\_\_).

The vision statement could also be a financial vision of the future:

In five years time, our clinic will gross \$250,000 per year.

In five years, we plan on achieving a \_\_\_\_% net profit on all Chinese medicinals and nutritional supplements sold in our clinic and that sales of such products will account for 40% of annual gross revenues.

The vision statement could also be some combination of the above:

In five years, our clinic will employ three acupuncturists, one massage therapist, and two front office personnel. It will gross \$450,000 per year at the same time as providing the highest quality, personalized, and holistic Chinese medical care in \_\_\_\_\_.

\*\*\*ACTION ITEM: Now write your vision statement.

## **Milestones**

Not all business plans have a milestones section. However, it is a good section to have since it helps keep you on target as time slips by. It is easy to be gung-ho about a brand new business plan, but, if you don't take out that plan every once and a while to see if you're still on target, the plan will soon have lost a lot of its value as a roadmap to the future.

Typical milestones for a service-oriented company such as an acupuncture clinic might include:

- a. Target date for completion of the business plan
- b. Target date for arranging financing
- c. Target dates for hiring of personnel
- d. Target dates for advertising and promotions
- e. Target date for the beginning of service (or a new service not previously provided)

It is also possible for milestones to be measured in terms of gross income if that is the single, most important, over-riding concern of the business plan. Logically, your milestones should correspond to your vision of the future. If you said in your vision statement that you wanted to have three acupuncturists working for you in five years, then the milestones would describe when you plan to hire the first one, when you plan to hire the second one, and when you plan to hire the third one. If your vision has several parts then you will have more than one set of milestones. There could be some financial milestones, some personnel milestones, and some other sorts of milestones.

In any case, milestones need dates attached to them. Without target dates, milestones are useless. They are only daydreams.

Like other elements of the business plan, realistically, you are probably going to have to write these milestones after you have completed more of the plan. First you need to know what you are going to have to do before deciding when it is going to be accomplished.

When you have collected sufficient data, write your milestones, the markers on the way to making your vision a reality.