

BUSINESS PLAN OUTLINE

- 1. 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

- 2. DESCRIPTION OF YOUR BUSINESS AND INDUSTRY**
 - a. your business
 - b. the industry history and its anticipated future

- 3. 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)

- 4. 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

- 5. 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

- 6. DESIGN AND DEVELOPMENT PLANS**
 - a. development status and tasks
 - b. difficulties and risks
 - c. costs

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7. 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

8. 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)

9. 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)

10. 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

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11. 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

12. OWNERSHIP STRUCTURE

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

13. PROPOSED COMPANY FINANCING

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