

# BUSINESS PLAN OUTLINE

## Cover/Title Page

Name, address and phone number of business. Also show the date of issue of the plan and type “Confidential and Serial Number” so you can control the copies. Give your plan a professional appearance by typing it on high quality paper and placing it in a vinyl or cardstock binder.

## Table of Contents

## Executive Summary

A brief (one page) statement of the business plan objectives that summarize the entire plan. Write this page last.

- a. What is the purpose of the plan (operating, loan proposal, etc.)?
- b. What business structure have you chosen (i.e., proprietorship, partnership, corporation, etc.)?
- c. Who are the principal owners and what are their percentages of ownership?
- d. Why will the venture be successful?

## For A Financial Proposal

- e. Who is requesting the funds and how much is needed?
- f. What are the owners personally investing in the business?
- g. How are the funds to be used?
- h. What terms (interest rate, term of loan) are expected?
- i. How will the funds be repaid (narrative & pro-formas )?
- j. What collateral will be offered to secure the loan?
- k. Why does a loan or an investment make sense (profitability, job creation, etc.)?

## Mission, Goals and Objectives

General Description of the Business

- a. What type of business are you in (manufacturing, wholesale, service, retail)?
- b. What are the key products/services of your business?
- c. What market do you intend to serve?
- d. What is the status of the business (start-up, take over, expansion)?

Mission Statement (no more than 25 words)

- a. What are your core business values?
- b. What is your management philosophy?

Goals and Objective

- a. List your short-term and long-term business goals in order of importance.
- b. Identify objectives that relate to the goals, what needs to be done, when it needs to be done, and who is responsible for doing it.

## Background Information

The Industry

- a. Describe the nature and background of your industry.
- b. How is the industry changing (growing, maturing or declining)?
- c. Describe how you see your business fitting into the industry.
- d. Discuss your competition.

## **Organizational Matters**

### Business Structure, Management & Personnel

- a. What is the business structure of your business (proprietorship, partnership, corporation, etc.)?
- b. Who are the principal owners and what are their percentages of ownership?
- c. What business experience and education contribute to your management ability?
- d. Describe your organizational structure and describe who does what (organizational chart).
- e. List proposed salaries and wages.
- f. What other management resources are available (attorney, accountant, SBTDC, etc.)?
- g. What are your anticipated personnel needs (full-time and part-time)?
- h. What are the job descriptions and requirements?
- i. Will you have to train people and at what cost?
- j. Summarize how you will manage risk and intellectual property in your business (types of insurance, contracts, patents, copyrights, etc.).

## **The Marketing Plan**

### The Products/Services

- a. Describe the types of products/services you sell, including their features and benefits.
- b. Describe how your products/services compare to the competition (price, quality, availability, skill level, service).
- c. Describe what role, if any, seasonality plays in your business.

### Market Analysis

- a. What is the estimated current size and growth potential of your market?
- b. What percentage of the market will you have now and in the future?
- c. Describe the demographics (age, sex, occupation, lifestyle, income, etc.) of your various market segments.
- d. How will you gain and retain your market segments (products, price, service, etc.)?
- e. List three to five major competitors and compare their products/services, features/benefits to yours.

## **The Financial Plan**

- a. Statement of uses and sources of funds.
- b. Summarize and list your short-term and long-term financial assumptions.
- c. Break-even analysis (at what level of operation do your expenses equal your sales?).
- d. Prepare a detailed monthly cash flow projection for the first three years.
- e. Provide pro-forma income statement and balance sheet for three years.
- f. Existing businesses need tax returns for the past three years and current income statement and balance sheet

## **Appendix**

### Supporting documents

- a. Resume
- b. Product Literature
- c. Testimonials
- d. Supporting Materials/Articles on the Industry
- e. Letters from potential customers
- f. Itemized list of equipment and projected purchase price