

Business Plan

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SECTION 1 – EXECUTIVE SUMMARY

This is a summary of the business plan and should be prepared after completing all other major components.

Briefly describe the fundamental elements of the business. Describe the business, why you are in it and what you hope to accomplish.

- Where has the business come from? Where it is now?
- Where do you want it to go? How you plan to get it there?
- What makes your product / service unique? What makes your market attractive?
- Define the management team and how it will insure success.
- What anticipated milestones will provide credibility that your business will succeed?

SECTION 2 – BUSINESS HISTORY, BACKGROUND AND OBJECTIVES

1. Briefly describe when, how, and why you formed the company and its development so far.
2. List your short-term (next 12 months) and long-term (2-3 years) objectives.
3. Describe your company's major successes or achievements to date including difficulties/obstacles that your company has overcome.
4. How the company was initially capitalized and how has it been funded since its founding.
5. Describe any important changes in the structure, ownership, management, or key personnel which have taken place in the past year.

SECTION 3 – PRODUCTS AND / OR SERVICE

List and describe in detail your products / services. For example, describe the:

- Need met by the product / service.
- Features and benefits of the product / service.
- Use of any new technology or innovative approach.
- Any planned changes or additions to your present line of products and/or services within the next year.

Optional: If you are offering a product, consider including a photograph or artist's rendering of it.

SECTION 4 – PRESENT MARKET

1. Describe your present market. Give geographic location of your customers and types of customers you serve.
2. What is the growth potential in your market, both short- and long- term?
3. Identify major customers and include a brief description and explanation of any special relationship between your company and its customers.

SECTION 5 - MARKETING PLAN

1. Describe the customers and geographic territory to be targeted for marketing efforts.

2. Where will your business be located and how will that location serve your market?
3. Describe the marketing techniques, strategies, and tools you will use in the future to promote your business.
4. Describe your marketing approach.
 - How do you sell your products / services?
 - How do you plan to reach potential customers?
 - What methods (cold calls, medial advertising, etc.) will you use?
 - Attach a brochure, if available.
5. Describe your pricing policy.
6. Describe your credit and collection policy.
7. If your business is seasonal, explain how the company adjusts to seasonal factors.

SECTION 6 – COMPETITION

1. List those firms you have identified as primary competitors in your market(s).
 - Identify their strengths and weaknesses.
 - How long have they been in business (are they entrenched)?
 - How much customer loyalty do they have?
2. What advantages and disadvantages does your company have as compared with its primary competitors? (Why would a customer choose to do business with you, or vice versa?).

SECTION 7 – MANAGEMENT AND ORGANIZATION

1. Describe your organizational structure and hierarchy.
2. Define who your key people will be, describe key positions, and associated duties and responsibilities.
3. Define and describe your key positions and the associated duties and responsibilities.
4. What is the salary for each key person?
5. Describe your management team and list its strengths and weaknesses.
6. Describe plans to further develop your management team. What special training needs exist?
7. Describe your management succession plan. Who will take over in the event of the incapacity or continued absence of any owner or key employees?
8. Describe the need for, and how you will obtain, additional management personnel based on present and projected sales.
9. Describe your employee benefits plan, if any.
10. Describe supporting professional services (accounting, legal, marketing, etc.) needed in the planning and / or operation of your business.

SECTION 8 – BUSINESS RESOURCES

1. List the major operating equipment that your company owns or leased:

<u>Quantity</u>	<u>Description</u>	<u>Age</u>	<u>Condition</u>	<u>Owned/Leased</u>	<u>Cost (If Owned)</u>
2. List major suppliers, location and payment terms.
3. Identify other outside resources used / or needed to fulfill customer requirements.
4. Describe your quality control procedures. If you do not have quality control procedures, outline your plans to put them in place.
5. Describe the availability of skilled labor necessary to meet your company needs.
6. Describe the type and extent of necessary training that will be required to upgrade the skills of labor and administrative employees and the estimated cost.
7. Number of Employees: Full-Time____; Part-Time_____.

SECTION 9 – FINANCIAL PLAN / DATA

1. Describe the company's sales and profit trends.

2. Outline your strategy and timing for obtaining additional capital and / or to meet current needs.
3. Explain the assumptions used in the development of your two year projected operating statement and cash flow projection in items 14 and 15 of this section.
4. If you have a bank line of credit, provide name of bank, amount of line, amount owed, amount available and how secured.
5. Explain any debt and its purpose that the company and / or the owner has guaranteed on behalf of others, and include a copy of the documents creating the guarantee.
6. Describe your method of financial accounting (cash or accrual); how quarterly and annual financial statements are prepared (in-house or outside independent accountant). Note if accounting system is manual or computerized.
7. Explain all abnormal, non-recurring and unusual items on the most recent fiscal year-end financial statement.
8. Provide details on all outstanding company loans to officers, directors, stockholders and employees (name, purpose, original loan amount, current balance, terms and conditions, collateral, interest rate, and date of loan(s)).
9. Describe any outstanding contingent liabilities, warranties, litigation, claims, etc.
10. Describe any delinquent company state or federal payroll and income taxes (amount due, period of delinquency and payment agreements).
11. If construction or other type of company requiring bonding, describe your company's current bonding capacity (single job and aggregate) and source. Indicate if you are required to have third party indemnification on corporate bonds or an SBA guarantee.
12. Schedule of Compensation of Officers and Directors

<u>Name</u>	<u>Title</u>	<u>% Ownership</u>	<u>Annual Salary</u>
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13. Provide a statement of assets and liabilities (balance sheet) for the last three years.
14. Provide a projected operating statement for the next two company fiscal years.
15. List all notes and loans payable.