

























# Business Plan Outline

## COVER PAGE

Name of business, address, & phone number  
Month and year, the plan was prepared  
Owner's names, titles, and addresses

## TABLE OF CONTENTS

Preview of key information  
Number of pages by section rather than sequentially (i.e 2-1 to 2-5; 3-1 to 3-6)

### Section I. EXECUTIVE SUMMARY

Appears first, but is written last.

Write a one to two-page summary representing the various sections of your Business Plan. Your goal is to make the reader want to read more!

### Section II. MISSION, GOALS, AND OBJECTIVES

#### 1. **General Description of the Business**

Describe your business so an outsider will clearly understand what business you are in, what products or services you offer, who your market is, how you operate (generally), the stage of development of your business, and what your growth ideas include.

#### 2. **Mission Statement**

What are the values you would like your business to be known for now and in the future, what is your vision for the future of your business, what is the purpose of your business, internally and externally?  
Write your mission statement, making sure it is clear and understandable.

#### 3. **Goals & Objectives**

Set goals, Identify five business goals for the next three to five years. List in order of importance.

### Section III. BUSINESS/INDUSTRY PROFILE

#### A. **The Industry**

##### 1. **Background Industry Information**

Include what industry you are discussing, the current size in terms of dollar sales and/or number of businesses or customers, whether large or small firms dominate the industry, and how the industry has developed or grown.

##### 2. **Current and Future Trends**

What are the current trends of the industry your business is in, what is the industry's growth pattern, niche markets, etc., what is the size of the market, and what are the current sales, costs, and profit margins?  
What industry trends are predicted for the future, how will the current and future technology impact the industry, and what are the positive and negative effects of government regulations on the industry.

##### 3. **Background of your business and business "fit"**

Provide a brief history of your business, including when it was founded, why it was started, who started it, profitability and growth patterns, and how the business has changed over time.]  
How do your products and services fit into the industry (relate the fit to current and future trends)?



**SBDC is funded in part through a cooperative agreement with the US Small Business Administration**

Section IV.

ORGANIZATIONAL MATTERS

A. **Business Structure, Management, and Personnel**

1. ***Business Structure***

Is your business a sole proprietorship, partnership, or limited liability company? See page 17-20. Doing Business in Utah.

2. ***Management***

Tell your reader why you and your team are uniquely qualified to manage this business: summarize your management philosophy and describe your management team.

Include details about your key managers and why they were chosen, with a reference for each manager you determine to be an essential part of the credibility of your team. Include an organizational chart for your business to help clarify roles and responsibilities of your management team.

3. ***Personnel***

Identify your non-management personnel needs.

Discuss where and how you will recruit new employees, what screening processes you use in hiring, and if you have trouble finding qualified recruits for your business.

Discuss whether or not you use an Advisory Board, whether you will use an Advisory Board in the future, and what impact that part of the "team" has on your business.

4. ***Outside Services/Advisors***

Describe how your management "team" is augmented and enhanced by the use of qualified outside service providers, and discuss the outside services for which you contract. (Example –Attorney, CPA, Advertising Rep.)

Discuss whether or not you use an Advisory Board, whether you will use an Advisory Board in the future, and what impact that part of the "team" has on your business.

5. ***Risk Management***

Summarize how you will manage risk in your business, including the types of insurance you need, insurance costs, and any intellectual property protection your business requires.

Address any other inside and outside risks your business faces, and what management policies and procedures are in place to help you manage those risks.

B. **Operating Controls**

1. ***Record-Keeping Functions***

Describe how you keep control of the major financial functions of your business. Indicate who is responsible for the key activities, and how you as the owner/manager follow-up periodically.

2. ***Other Operations Controls***

Describe the key activities that require internal operating controls, including what controls are in place, and who is responsible for ongoing development of controls in each area.

Section V.

THE MARKETING PLAN

A. **The Products/Services**

1. ***Products/Services Description***

Describe the types of products/services you sell, including how your products or services compare with the competition (price, quality, availability, your skills, service, etc.)

Include everything your first-time reader needs to know to understand what your business offers.

2. **Features/Benefits**

Summarize the features and benefits of your products/services: include what your products/services do, why people should buy them, what features make them unique and special, and describe the benefits to the customer.

3. **Life Cycles/Seasonality**

Describe where your products/services are in their life span (by product/service groups), and how that influences your business decisions.

Discuss the seasonality of your products/services, and what role seasonality plays in your business planning.

4. **Products/Services Growth Description**

Summarize the new products/services you intend to add to your business: include why you are adding them, when you anticipate adding them, and how they “fit” into your current product/service mix.

Discuss life cycles and seasonality, and how, or if, those elements played a role in your decision to add those new products/services.

B. **The Market Analysis**

1. **Customer Analysis**

Summarize a description of the key characteristics of the customer you are targeting. Be as specific as possible, and include all relevant factors including: demographic characteristics, psychographic information (motivation for buying, values, interests, preferences), and lifestyle descriptions (where, how and when they choose to buy.) If more than one customer group is targeted, include an explanation of the multiple groups and why they were chosen.

2. **Competitive Analysis**

Write a paragraph identifying and briefly describing your major competitors including where they are located and whether their location is a strength or weakness.

Summarize your competitor’s key strengths and weaknesses, including how they are currently performing to meet the needs of the customer.

Clearly identify your competitive advantage by discussing the aspects of your business or products/services that are unique and superior to the competition.

3. **Market Potential**

a. **Current trade Area**

Describe your actual geographic trade territory, including the boundaries and why you chose this trade area. Include a map with your trade territory boundaries designated.

b. **Market Size & Trends**

Describe realistically, the size of your market in terms of number of potential customers.

Summarize the trends for this market, including whether the market is growing, stable, declining, and why.

c. **Market Potential**

Describe the market potential in terms of your total potential sales (Annual Sales Volume Projection.)

Discuss your current sales volume (existing business) and your projected ability to grow based on your market potential, including your plans for adding products/service.

C. **Marketing Strategies**

1. ***Location/Distribution***

Write a paragraph explaining your business location and why it was selected, including features of the location and the building and how it is positioned relative to your distribution needs. Discuss future needs of your location, and include any visual aids to help the reader understand where you do business.

2. ***Price/Quality Relationship***

Describe the relationship between price and quality in your products/services. Describe whether or not you are effectively positioned in the market based on the price/quality relationship and that of your competitors. Is your position consistent with your desired image?

3. ***Promotional Strategies***

a. ***Packaging***

Explain how your products/service and how your business is “packaged.” Describe how this packaging will reinforce your image and your other marketing strategies.

b. ***Public Relations***

Explain how you intend to use public relations and networking activities to positively influence public opinion about you and your business. Explain how this element fits with the rest of your marketing strategies.

c. ***Advertising***

Describe the primary advertising tools you will use and why.

Address how you approach budgeting for advertising, and how you intend to measure the effectiveness of the advertising tools you chose.

Detail any specific advertising events you have planned for the coming year.

Section VI. **THE FINANCIAL PLAN**

A. **Financial Assumptions**

This is the section that lenders will scrutinize the most closely and where you must translate everything into dollars and cents—the all-important bottom line. Each number you place on your projects should be explained from thorough research. The following items should be addressed.

1. ***Projected Income Statement***—See Sample.

Prepare your Projected Income Statement.

2. ***Projected Balance Sheet***—See Sample.

Prepare your Balance Sheet.

3. ***Projected Cash Flow Statement***—See Sample.

Prepare your Projected Cash Flow Statement.

When these worksheets are completed, bring them in to your SBDC counselor to print out the five year plans from the financial template.

B. **Additional Financial Statements**

1. ***Summary of Financial Needs***

Write a paragraph about your capitalization needs, in other words, explaining how much money you will need to borrow or invest yourself to cover your growth (or start-up) expenses, fixed asset purchases, and to operate the business.

Explain how much of the total funds required will come from owner investment and how much from borrowed funds, and explain where you will get the money.

2. ***Personal Financial Statement***

Prepare your Personal Financial Statement

**APPENDIX SEC**

List the contents of the Appendix Section under this heading in the order in which the documents are organized, then include the documents in that order.