

The Winning Business Plan

- Writing a business plan forces you to think through every aspect of your business.
- If you need capital, the business plan is the first thing the lender or investor wants to see.
- It will help you understand what drives the profitability of your business.

There are four (4) key elements to a good business plan:

1. Description of the Business

- What need are you filling for customers? What problem are you solving?
- Describe your product or service
- Name of the business?
- Legal structure of the business (LLC)?
- Who will manage the business?
- What is your vision of the business?
- Location/Hours of operation
- Square Footage Required
- Inventory requirements or special equipment needed
- What are the Industry Trends?
- What are the Market Trends?
- How will your business grow?

2. Marketing Plan

- Who is your target market? Who are potential customers?
- What is the geographic area?
- What is the median household income of potential customers?
- What is the size of the group and age of your potential customers?
- How will you reach the potential customers to make sales?
- What media do your customers read or watch each day?
- List your sales strategy
- Marketing budget is at least 2% of sales
- Promotional materials
 - Business Cards
- Customer Service
- Social responsibility and sustainability? Use recycled materials?

Competitive Analysis is necessary to evaluate the business playing field. Taking a good look at your competitors helps you to be sure you have identified a need for your product or service. List your four major competitors by name, location, and be sure to list their weaknesses and strengths. Research their websites. How will you compete with them? State your advantage. Can you provide better customer service than the competition?

3. Organization and Management Plan

- Legal structure of business
- Owners of the business
- Skills and experience of management

- How will the business be managed daily?
- Do you have insurance or a lease?
- How are the records and accounting maintained?
- Job duties
 - Salaries?
 - Wages?
- List business consultants, lawyer, CPA, mentors

4. Financial Plan

- How much money do we need?
- Provide a list of what you are going to do with the money (Use of Funds)
- Request enough money to cover all anticipated expenses including working capital to meet all monthly expenses for the first six months.
- How much money are you providing? 20%?
- Have you purchased some equipment for the business? List it with costs.
- Project Income (sales) and Expenses by month for one year.

Assumption Page explains justification for the figures

Now write the **Executive Summary**, which highlights the most important elements of the business plan. In one page explain what problem you will solve. Summarize how much money you need, what you will do with it, and how much profit you expect to make. Briefly describe the business.

- **Cover Page** includes Business name, owners names and contact information