



Business Plan

Business Name:

Owner(s):

Date:

Website address:

Email address

TABLE OF CONTENTS

- EXECUTIVE SUMMARY2
- OPERATIONAL PLAN3
 - Business Description3
 - Location3
 - Management and Personnel3
 - Owner’s Experience and Background4
 - Legal Structure4
 - Permits and Licenses4
 - Accounting & Record Keeping5
 - Insurance5
- MARKETING PLAN6
 - Mission Statement6
 - Market Needs6
 - Target Market6
 - Market Potential6
 - Business Advisors6
 - Marketing Outreach Plan7
 - The Value of Competitors8
 - Pricing Strategy9
 - SWOT Analysis9
- FINANCIAL PLAN10
 - Monthly Personal Budget Chart10
 - Start-Up / Expansion Costs / IDA Purchase List11
 - Sources of Financing12
 - Break-Even Point14
 - Profit and Loss Statement15
 - Cash Flow Projection16

EXECUTIVE SUMMARY

The Executive Summary is a one page summary of the business plan.

Write the Executive Summary only after the rest of the plan has been written. The Executive Summary should be **persuasive, compelling, and targeted to your audience.** Hit on the high points of your business plan in a way that the reader will have a very good idea of what you do and how you will be successful.

It should include a paragraph for each of the following (also found within the business plan):

- **Description of the business** – What is the nature of your business and how are you meeting a need in the marketplace? What is your Unique Value Proposition (UVP)?
- **Age of the business** – How long have you been around, or when will your business launch? What is your experience?
- **Products and services** – Be clear about what you offer, and who you will sell to (consumers, organizations, businesses...)
- **Competitive differentiation** – What is your niche? What makes you different than the rest?
- **Marketing goals** – How will you reach customers?
- **Sales and profit goals** – What are your financial goals for the next year – sales (dollar amount and units sold), profit, etc.?
- **Financing requirements** – What type of financing is required, and how will it grow your business?

OPERATIONAL PLAN

Name of business:

Type of business:

Business Description

Choose what applies to your business and describe in detail. Delete what does not apply.

1. **Wholesale** – Selling for resale. Describe the development of your product from raw materials to finished item.
2. **Retail** – Selling directly to the consumer. Describe the products you sell and provide information about your suppliers. What is your system for managing or tracking inventory?
3. **Service** – A retail business that deals in activities for the benefits of others. What is your service, who will be doing the work, and where will the service be performed?

Location

Address and telephone number of your business. Describe the space. Why does it make sense to locate your business there?

Management and Personnel

Who is involved in your business and what does each person do?

What is the background of each employee? What particular certification or training of each person in the business?

Owner's Experience and Background

1. **Technical:** What education, training, or experience have you had producing your product/service? Remember that experience in related or similar activities is important.
2. **Marketing/Sales:** What education, training, or experience have you had in marketing or sales? Experience as a volunteer with your church, or other local civic or charity organizations is important.
3. **Financial:** What education, training, or experience have you had managing finances? This includes balancing a checkbook, keeping books or files or preparing taxes, using Quickbooks or Excel.
4. **Planning/Organizing:** What education, training, or experience have you had organizing people or projects? Activities for which you weren't paid (like running a home, or volunteer) are important.

Legal Structure

Choose one below and delete the rest. Describe your reasons for choosing this particular structure.

- | | |
|--|--|
| <input type="checkbox"/> Sole Proprietorship | <input type="checkbox"/> Corporation (C Corp.) |
| <input type="checkbox"/> General Partnership | <input type="checkbox"/> Corporation (S Corp.) |
| <input type="checkbox"/> Limited Liability Company (LLC) | <input type="checkbox"/> Other |

Permits and Licenses

List the permits or licenses you will need or currently have. **Indicate if you already have the permits or license, and state the number of each (being a properly registered business is required for the IDA program).**

- | | | |
|--------------------------|--|------------------|
| <input type="checkbox"/> | Occupational License | |
| <input type="checkbox"/> | Privilege License -- City and/or County (also known as Business License) | |
| <input type="checkbox"/> | Name Registration | ABN or DBA _____ |
| <input type="checkbox"/> | Incorporation Papers | Registry # _____ |
| <input type="checkbox"/> | Sales Tax (WA Only) | |
| <input type="checkbox"/> | Employer ID # (Federal & State) | EIN # _____ |
| <input type="checkbox"/> | Other | |

Accounting & Record Keeping

List the records that are necessary for you to keep. Describe your record keeping system. Are you using a software package? Ledger books? Please specify which system you are using, e.g. Quickbooks, etc. How often will you maintain your records – once per week? Once per month?

Insurance

Describe your business insurance needs. What policy do you have? What does it cover you from? Will you need additional coverage in the future?

If you do not have current business insurance, why not? At what point will you obtain insurance?

MARKETING PLAN

Mission Statement

1-2 sentences that describe the core purpose(s) of your business.

Market Needs

What benefits will your customers gain by using your products? What are you really selling? Why will your customers buy from you? **What specific market need are you fulfilling?** What has your focus group told you from Foundations?

Target Market

Give an overview of demographics of key target markets – income, age, gender, geography, family status, ethnicity, etc. What are their habits? Why type of clientele will become paying customers?

Be sure to include research, facts and figures in this section.

Market Potential

Describe the size and scope of your target market. What are your numbers for your industry as a whole? What is your industry numbers for your demographic and area? If you are a location based business, what is the population of your neighborhood/city/county? What percentage of people in your area do you expect to convert into customers?

Be sure to include research, facts and figures in this section.

Business Advisors

List out any advisors, business counseling or other resources you have accessed.

Marketing Outreach Plan

A marketing plan does not need to be expensive or sophisticated. It just needs to be an action oriented plan! It's good to look at your marketing activities in 3 month increments. (Not all of your efforts will pay off in 3 months, and may stay on the plan longer). It is also important that you have different ways and strategies to reach your target market, which is why there are 3 categories below.

For the next 3 months, determine the activities in these marketing categories. Make sure that you know how you will measure the effectiveness of each activity at the end of 3 months. (For example, # hits on a social media, sales from a networking event, etc.)

Online/Social Media

What	Frequency	How to measure	Cost
Google Ads/AdSense	Per click per day cost	Number of new patients or inquiries/month from ad	\$5 - \$20/day

People/Networking

What	Frequency	How to measure	Cost
Networking group	1 per month	Number of interactions and demographics collected	\$100 per annual membership
Free Library Talks	1 per quarter	Demographics collected	\$0

Other Promotion and Publicity

What	Frequency	How to measure	Cost
Direct mailings	Per month	New Pt. encounters/mailing	\$0.46 per letter – avg \$12 per month

The Value of Competitors

Use this worksheet to evaluate your competition. Summarize the information in text form.

Name	Your Business Name Here	Competitor 1 (Insert Name)	Competitor2 (Insert Name)	Competitor3 (Insert Name)
Location				
Quality				
Range or type of services				
Price				
How they market				
Target market				
Other things you've learned about how you compare to your competition				
Customer service				

Pricing Strategy

What is your pricing structure? Give the business logic behind the decision, and answer the following questions:

1. Does it match your image, how you want your product to be perceived?
2. How does it compare to your competitors?
3. Does it match your target market?
4. Does it match demand?

SWOT Analysis

A SWOT analysis examines your Strengths, Weaknesses, Opportunities and Threats.

Strengths and Weaknesses are **internal** to you and the organization.

Opportunities and Threats are **external** to your business.

1. List your **strengths** as a business owner, and the strengths of your business.
2. List your **weaknesses** as a business owner and the weaknesses of your business.
3. What business **opportunities** are available for your business?
4. What **threats** in the external environment does your business face? A new competitor coming in, new regulations, an economic slump, etc.

FINANCIAL PLAN

Monthly Personal Budget Chart

Customize to your particular needs and business. These are examples of subcategories. Your business income should reflect what you personally draw from the business for income/pay, it is not the same as your business sales.

Monthly Totals

Income	
Salary or wages	\$
Business income	\$
Total Incoming	
Expenses	
Rent	
Utilities	
Phone	
Gas/Electric	
Water	
Garbage	
Credit card payments	
Food	
Groceries	
Dining out	
Entertainment	
Home/renters insurance	
Health insurance	
Loan payment	
Student Loan	
Other Loan	
Taxes	
Total expenses	\$

Start-Up / Expansion Costs / IDA Purchase List

List the items you need to purchase to open your doors for the first time, or what is necessary for your next stage of business growth. Customize this worksheet to meet your particular business’s needs—these are only suggestions. It is helpful to show a subtotal for each category.

Please provide a duplicate list for items you have already purchased for your business.

Category (Examples)	Item	Qty	Where will you buy?	Cost	New or used?	Total Cost	Purchased? (Y/N)
Furniture							
Licenses							
Office supplies							
Inventory							
Equipment							
Other							
						Total	

Sources of Financing

Indicate where you will get the money to finance your business.

Source	Investment	Loan
Personal Savings		
Relatives		
Friends		
Loan		
Others		
Total (must equal or exceed total start-up costs)		

List the names, addresses, and phone numbers of your investors.

Overhead Business Costs

List the monthly expenses you incur regardless of what your monthly sales are. Customize this sheet to meet your individual needs. (Also called “Fixed Costs”.)

Expenses	
Rent	
Utilities	
Phone/internet	
Gas/Electric	
Water	
Garbage	
Automobile (for work)	
Gas	
Insurance	
Maintenance/repair	
Home/renters insurance	
Health insurance	
Loan payment	
Taxes	
Promotion	
Professional fees (legal or accounting)	
Office Supplies	
Repair / Maintenance	
Misc. expense	
Total expenses	

Break-Even Point

This will show you how many units you need to sell to cover your costs.

Complete this analysis for each unit you sell.

Line	Break Even Point	
1	OH monthly cost	
2	Gross Profit per unit	
3	Break Even Point (line 1 divided by line 2)	

Line	Gross Profit	\$
1	Price of one sales unit (what your customers pay)	
2	Cost of one sales unit	
3	Gross Profit per unit (Line 1 minus line 2)	

Profit and Loss Statement

Please use the template found at this link: http://www.mercycorpsnw.org/docs/PL_Cashflow.xls

It is an excel worksheet that will guide you through the process of inputting sales and expenses. It will automatically pre-populate information on your Business Cash Flow.

Business Name:		Income Statement Projection												Legend		
Year 1- Year 2		Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Total	Input your data	Locked cells
Sales Price																
	Sales Item 1															
	Sales Item 2															
	Sales Item 3															
Projected Monthly Sales Volume																
	Sales Item 1														0.00	
	Sales Item 2														0.00	
	Sales Item 3														0.00	
															0.00	
Projected Monthly Revenue																
	Sales Item 1	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	
	Sales Item 2	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	
	Sales Item 3	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	
	Total Monthly Revenue	\$ -	\$ -	##	##	##	##	##	##	##	##	##	\$ -	\$ -		
Cost of Goods or Services																
0%	COGS 1	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$ -	
0%	COGS 2	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$ -	
0%	COGS 3	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$ -	
	Total COGS	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$ -	
Gross profit		\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0		
Monthly Operating Expenses (OH)																
	Acct'ing/bookkeeping														\$ -	
	Advertising														\$ -	
	Bank Service Charges														\$ -	
	Credit Card Fees														\$ -	
	Delivery Charges														\$ -	
	Health Insurance														\$ -	
	Insurance (liability)														\$ -	
	Insurance (property)														\$ -	
	Interest														\$ -	
	Licenses														\$ -	
	Marketing														\$ -	
	Payroll														\$ -	
	Payroll Taxes														\$ -	
	Professional Fees														\$ -	
	Rent or Lease														\$ -	
	Shipping														\$ -	
	Supplies (office and store)														\$ -	
	Taxes & Licenses														\$ -	
	Telephone/Internet														\$ -	
	Utilities														\$ -	
	Electric														\$ -	
	Garbage														\$ -	
	Travel														\$ -	
	Packaging														\$ -	
	Misc. supplies														\$ -	
	Total Monthly Operating Expense	\$0.00	\$0.00	####	####	####	####	####	####	####	####	####	####	\$0.00	\$0.00	
	Projected Profit/Loss	\$0.00	\$0.00	####	####	####	####	####	####	####	####	####	####	\$0.00	\$0.00	

Cash Flow Projection

An excel worksheet with formulas is on the web: http://www.mercycorpsnw.org/docs/Personal_Cashflow-1.xls

The information you input into the Profit and Loss Statement will automatically populate this form.

Business Name:	Cash Flow Projection											
Year 1- Year 2	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct
Beginning Cash Balance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Cash Inflows (Income):												
Cash Sales & Receipts	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accts. Receivable Collections												
MCNW loan or IDA												
Other:												
Minus receipts uncollected												
Total Cash In	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Available Cash Balance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Cash Outflows (Expenses):												
Expenses Subtotal	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other Cash Out Flows:												
Inventory Purchases*												
Lease deposit												
Loan payment												
Marketing investment												
Owner's Draw												
Capital Purchases												
Licensing												
Other Outflow Subtotal	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Cash Outflows	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Ending Cash Balance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
* assumes flat inventory growth with replacement of COGS in the following month												

Legend	
	Input your data
	Locked cells