## The Business Plan Pieces

**1. Executive Summary**

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|  | **Section** | **What question(s) it answers** |
|  | Business Description | What does your business do? How, and why? (Write this section last—should be about 3 paragraphs and cover the most important parts of your business plan.) |

**2. Organizational Plan**

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| --- | --- | --- |
|  | **Section** | **What question(s) it answers** |
|  | Legal Structure | What is the legal form of your business? Why is this best for your situation? |
|  | Short and long term goals | What will the business look like in a year? 5 years? Is this a business to pay the bills, or a hobby or the beginning of a large endeavor? |
|  | Management & Personnel Structure | What positions are needed to operate and manage this business? What skills do you need? |
|  | Owner’s Experience & Background | How are you qualified to run this business? What skills and experience do you possess for this business? |
|  | Location Description and Occupancy Terms | Where will you operate? Does it fit the physical needs of your business? Will growth or lease length force you to change locations? |
|  | Permits & Licenses | What permits or licenses will you need to operate your business? |
|  | Accounting and Record Keeping System | How will you track the financial performance of your business? |

**3. Marketing Plan**

|  | **Section** | **What question(s) it answers** |
| --- | --- | --- |
|  | Products & Services | What are you providing to your customers? |
|  | Market Need: | Why will the customer want your product/service? What need is being addressed? |
|  | Target Market | Who are your best customers? Why will they want your product/service? What are they looking for and why? |
|  | Market Potential: | How many customers are likely to be interested in your product/service? Are there enough customers to make a profit? What logic did you use to get this information? |
|  | Competitive Analysis & Strategy | Who is your competition? Compare your strengths and weaknesses, along with pricing, to other businesses. |
|  | Market Position | What distinguishes your services or products from your competition? |
|  | Pricing Strategy | Why have you decided on the price to charge—what is the logic behind it, and why will it be successful? How does it interact with your target market? |
|  | Promotional Strategy and Plan | How will you reach your target customers? Why do you think this will be successful, and how much will it cost? |
|  | Market Goals & Projected Sales | Based on your research, how many units can you realistically sell in the next year? Why do you think so? |

**4. Financial Plan / Charts**

|  | **Section** | **What question(s) it answers** |
| --- | --- | --- |
|  | Personal Cash Flow | What expenses do you need to cover each month, what income is coming in, and when? Look out at least 6 months. |
|  | COGS | What are the costs of each sale of your product or services to YOU? (chart and narrative) |
|  | Gross Profit | How much is left after each sale after you pay for COGS? (chart and narrative) |
|  | Overhead Expenses | What are the costs of keeping your business open and operating? (chart and narrative) |
|  | Break Even Point | How much revenue will you need each month to cover all your costs (expenses)? How many units? |
|  | Profit & Loss Projections | When you compare the expected revenue and the expected expenses for a year, can your business be profitable? (chart and narrative) |
|  | Business Cash Flow Projections | Will you have enough cash on hand each month to meet the needs of your business? (chart and narrative) |
|  | Start-up Costs | What are the total costs for you to start-up this business? (chart and narrative) |
|  | Sources of Capitalization | Where will you find the money to cover your start-up costs? |

**5. SWOT Analysis**

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| --- | --- | --- |
|  | **Section** | **What question(s) it answers** |
|  | Internal Strengths & Weaknesses | What are your major competencies? How will they benefit your business? What are your weaknesses compared to others in the marketplace? How do you plan on compensating for them? |
|  | External Opportunities & Threats | What opportunities are there in the marketplace that would be successful for your business? What are some of the barriers or limitations that could affect your business? |

**6. Additional Information**

Lease, marketing materials, customer lists, supplier/ vendor lists, photographs, etc.