## Week 5 Review

**True or False?**

1. A break-even point is when your COGS (variable) expenses are covered.
2. Your revenue and expenses must be equal to have a breakeven point.
3. The break even formula is overhead costs divided by profit per unit.
4. A business plan has two main audiences: the bank and your customers.
5. I understand the COGS of my typical unit of sale.
6. Service businesses do not have COGS.
7. A break-even point can tell you if your business is feasible.
8. Demographic information about your target market is difficult to find.
9. A business plan has 3 main parts: Legal Structure, Marketing and Financials.
10. The business description should be written last, but placed first in the business plan.

What sections of the business plan did you cover in this week’s homework? (Business Plan Pieces from Week 6)

1. If your breakeven point is too high, list 3 options you have:

**COGS**

Unit 1 Price $\_\_\_\_\_\_ Cost $\_\_\_\_\_\_ Gross Profit\* $ \_\_\_\_\_ BE Point: \_\_\_\_\_

Unit 2 Price $\_\_\_\_\_\_ Cost $\_\_\_\_\_\_ Gross Profit $ \_\_\_\_\_\_ BE Point: \_\_\_\_\_

Unit 3 Price $\_\_\_\_\_\_ Cost $\_\_\_\_\_\_ Gross Profit $ \_\_\_\_\_\_ BE Point: \_\_\_\_\_

 *\*Gross profit = price minus cost*

**Focus Groups**

 I conducted the following focus groups:

The best feedback I received was:

Based on the feedback I received, I decided to: