Complete this after you finish the entire plan.

[Insert Logo]

**[Insert Business Name]**

**Executive Summary**

*[Insert tagline]*

|  |  |
| --- | --- |
| **Company Background** | **Contact Information**  [Name]  [Phone number]  [Email]  [Business name]  [Business address]  [City, state]  [Zip code]  **Year Founded**  [Current year]  \_\_\_\_\_\_\_\_\_\_\_\_\_  **Investment Opportunity**  [Total startup costs; Section 3.7]  **Annual Operating Costs**\*  [Annual fixed expenses; Section 3.6]  **Annual Sales**\*  [Estimated revenue for year one; Section 3.6]  **Annual Profit**\*  [Estimated profit for year one; Section 3.6]  **Return on Sales\***  [ROS; Section 3.8]%  **Return on Investment**\*  [ROI; Section 3.8]%  **Breakeven Units/Month**\*  [Break even units; Section 3.8]  *\*Projected* |
| Business Description: [Provide your business’ name, ownership structure, business type found in Sections 1.1-1.3, as well as your Definition of One Unit and your Production of Product/Delivery of Service found in Section 4.1 and 4.2] |
| Business Model: [Summarize your Definition of One Unit and your Production of Product/Delivery of Service found in Section 4.1 and 4.2] |
| Mission Statement:[Mission Statement found in Section 1.4] |
|  |
| **Market Opportunity** |
| Opportunity: [Business Opportunity found in Section 1.1] |
| Target Market: [Target Market can be found in Section 2.1 and 2.2] |
| Industry Overview: [Industry Size and Trends in the Market can be found in Sections 2.1, 2.5, and 2.6] |
| Market Research: [List your primary research that supports your business opportunity found in Sections 2.1.] |
|  |
| **Leadership** |
| Qualifications: [Include your Qualifications in Section 1.6] |

**[Insert Business Name]**

**Business Plan**

*[Insert tagline]*

Instructions:

* Revise the text highlighted in yellow for your own business.
* Answer the questions highlighted in blue for your own business. Then, delete any questions in blue before submitting the final plan.

**1. OPPORTUNITY RECOGNITION & BUSINESS STRUCTURE**

**1.1 Business Opportunity**

*What is your business opportunity?*

*Describe the problem/unmet need your business is solving?*

*How does your business solve the problem/unmet need?*

**1.2 Type of Business**

*What is your type of business? (Manufacturing, Wholesale, Retail or Service) Describe in detail why you chose this business type.*

**1.3 Type of Business Ownership**

*Which business ownership type did you select for your business? (Sole proprietor, Partnership, LLC, S-Corp, C-Corp) Describe in detail why you chose this business ownership structure.*

*Why did you select this type of business ownership? Why does it make the most sense for your business?*

**1.4 Mission Statement**

*A mission statement is a company’s constant reminder to its employees and customers of why the company exists in a concise way.*

*Describe what your company does best and why in one-two sentences.*

**1.5 Social** **Responsibility**

*Social Responsibility is often described as “doing well by doing good.” In addition to making a profit entrepreneurs need to consider how they support social good.*

*How is your business socially responsible? Be specific.*

*How do you plan to give back to a social cause with either your time and/or money?*

**1.6 Qualifications**

*What are your personal qualifications to run this particular business? (experience, certification, classes, skills) To complete this section refer to your strengths from your SWOT.*

*What qualifications would your team need to have?*

**2. MARKET RESEARCH**

**2.1 Market Research**

*What industry does your business belong to? Describe why your business fits within this industry.*

*What is the size of that industry? (For example: revenue, services providers, and industry trends)*

*What is the size of your potential target market?*

*What data did you find that supports your business opportunity?*

**2.2 Target Market**

*Based on your research, describe your market segment within your target market. Be as detailed as you can, using the following guiding questions.*

Demographics: *What objective social and economic facts did you find?*

Geographics: *Where do your customers live, or where are businesses located?*

Psychographics: *What are some psychological characteristics (attitudes, beliefs, interests, etc…) of your customers?*

*What are the buying patterns for your target market?*

**2.3 Competitors**

*Which direct competitors run similar businesses? Describe these competitors in detail.*

*Which indirect competitors fulfill the same want or need with a different business? Describe these competitors in detail.*

**2.4 Competitive Advantage**

*Describe your competitive advantage, or what makes your business better than your competitors? Use the following guided questions to help identify potential differentiators for your business:*

* *What product or service can your business provide that your competitors don’t?*
* *What mix of products or services can your business provide that your competitors don’t?*
* *What specialized selling or delivery method can give your business a competitive edge?*
* *In what unique ways can your business meet customers’ wants or needs?*

|  |  |  |  |
| --- | --- | --- | --- |
|  | Your Business | Competitor A | Competitor B |
| Factor 1:  [text] | [text] | [text] | [text] |
| Factor 2:  [text] | [text] | [text] | [text] |
| Factor 3:  [text] | [text] | [text] | [text] |

*List your three competitive advantages that put you ahead of the competition. Go beyond price.*

**2.5 Business Growth**

*What trends in your industry could provide additional opportunities for growth?*

*What next steps would you take to grow your business and/or making it operational?*

**2.6 Challenges**

*What trends in your industry could provide potential challenges to your business?*

*What barriers to starting this business exist? What additional education or training could you pursue to overcome these obstacles?*

**3. FINANCIAL INFORMATION & OPERATIONS**

**3.1 Definition of One Unit**

*What is one unit of sale? Remember that a unit of sale is what the customer actually buys from you, so it should be clear and easy to describe.*

**3.2 Production Process OR Delivery of Service (delete one)**

*List all the steps it takes to get your product or service to your customer. Be specific and add lines if needed.*

|  |
| --- |
| Description of Process Steps |
| 1. [text] |
| 1. [text] |
| 1. [text] |
| 1. [text] |
| 1. [text] |
| 1. [text] |

**3.3 Variable Expenses**

*List all the variable expenses, materials and labor, related to your unit of sale.*

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **Materials** | | | | | | |
| Material Description | | Bulk Price | Bulk Quantity | | Quantity per Unit | Cost per Unit |
| [text] | | $[value] | [value] | | [value] | $[value] |
| [text] | | [value] | [value] | | [value] | [value] |
| [text] | | [value] | [value] | | [value] | [value] |
| [text] | | [value] | [value] | | [value] | [value] |
| [text] | | [value] | [value] | | [value] | [value] |
| **Total Material Costs per Unit** | | | | | | **$[value]** |
|  | | | | | | |
| **Labor** | | | | | | |
| Cost of Labor per Hour | Time (in hrs) to make one unit | | | **Total Labor Costs per Unit** | | |
| $[value] | [value] hours | | | **$[value]** | | |
|  | | | | | | |
| **COGS/COSS** | | | | | | |
| Material Costs | Labor Costs | | | **TOTAL COGS/COSS** | | |
| $[value] | $[value] | | | **$[value]** | | |

**3.4 Economics of One Unit**

|  |  |  |  |
| --- | --- | --- | --- |
| **Selling Price per Unit** |  |  | $[value] |
| **Variable Expenses per Unit** |  |  |  |
| Costs of Goods Sold |  |  |  |
| Materials | $[text] |  |  |
| Labor | $[text] |  |  |
| Total Cost of Goods Sold |  | $[text] |  |
| Other Variable Expenses |  |  |  |
| Commission | $[text] |  |  |
| Packaging | $[text] |  |  |
| Other |  |  |  |
| Total Other Variable Expenses |  | $ [text] |  |
| Total Variable Expenses |  |  | $[text] |
| **Contribution Margin per Unit** |  |  | **$[text]** |

**3.5 Fixed Expenses for One Month**

|  |  |  |
| --- | --- | --- |
| Expense Type | Monthly Cost | Explanation |
| Insurance | $[value] | [text] |
| Salary | $[value] | [text] |
| Advertising | $[value] | [text] |
| Interest | $[value] | [text] |
| Depreciation | $[value] | [text] |
| Utilities | $[value] | [text] |
| Rent | $[value] | [text] |
| Other Fixed Expenses | $[value] | [text] |
| **Total Fixed Expenses** | **$[value]** |  |

**3.6 Income Statement for First Year of Operations**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| *A* | **REVENUE** | *selling price* × *units sold* |  |  | $[value] |
| *B* | Gross Sales | *selling price* × *units sold* | $[value] |  |  |
| *C* | Sales Returns | *selling price* x *units returned* | $[value] |  |  |
| *D* | Net Sales | *B* – *C* |  |  | $[value] |
|  | **VARIABLE EXPENSES** |  |  |  |  |
|  | Costs of Goods Sold |  |  |  |  |
| *E* | Materials | *cost of materials* × *units sold* | $[value] |  |  |
| *F* | Labor | *cost of labor* × *units sold* | $[value] |  |  |
| *G* | Total Cost of Goods Sold | *E* + *F* |  | $[value] |  |
|  | Other Variable Expenses |  |  |  |  |
| *H* | Commission | *cost of commission* × *units sold* | $[value] |  |  |
| *I* | Packaging | *cost of packaging* × *units sold* | $[value] |  |  |
| *J* | Other | *cost of other costs* × *units sold* | $[value] |  |  |
| *K* | Total Other Variable Expenses | *H* + *I* + *J* |  | $[value] |  |
| *L* | Total Variable Expenses | *G* + *L* |  |  | $[value] |
|  |  |  |  |  |  |
| *M* | **CONTRIBUTION MARGIN** | *D* – *L* |  |  | $[value] |
|  |  |  |  |  |  |
|  | **FIXED OPERATING EXPENSES** |  |  |  |  |
| *N* | Insurance | *cost of insurance* × *12 months* | $[value] |  |  |
| *O* | Salaries | *cost of salaries* × *12 months* | $[value] |  |  |
| *P* | Advertising | *cost of advertising* × *12 months* | $[value] |  |  |
| *Q* | Interest | *cost of interest* × *12 months* | $[value] |  |  |
| *R* | Depreciation | *cost of depreciation* × *12 months* | $[value] |  |  |
| *S* | Utilities | *cost of utilities* × *12 months* | $[value] |  |  |
| *T* | Rent | *cost of rent* × *12 months* | $[value] |  |  |
| *U* | Other fixed expenses | *cost of other* × *12 months* | $[value] |  |  |
| *V* | Total Expenses | *N* + *O* + *P* + *Q* + *R* + *S* + *T* + *U* |  |  | $[value] |
|  |  |  |  |  |  |
| *W* | **PRE-TAX PROFIT** | *M* – *V* |  |  | $[value] |
| *X* | Taxes (15%) | *W* × 0.15 |  |  | $[value] |
|  |  |  |  |  |  |
| *Y* | **NET PROFIT** | *W* – *X* |  |  | **$[value]** |

**3.7 Start-up Investment**

*What are your start-up expenditures? What are your cash reserves? Complete the table below:*

|  |  |  |  |
| --- | --- | --- | --- |
| Item | Why Needed | Vendor | Cost |
| [text] | [text] | [text] | $[value] |
| [text] | [text] | [text] | $[value] |
| [text] | [text] | [text] | $[value] |
| [text] | [text] | [text] | $[value] |
| [text] | [text] | [text] | $[value] |
| [text] | [text] | [text] | $[value] |
| **Total Start-up Expenditures** | | | **$[value]** |
| Emergency Fund *(1/2 of startup expenditures)* | | | $[value] |
| Reserve for Fixed Expenses *(covers 3 months of fixed expenses)* | | | $[value] |
| **Total Start-up Investment** | | | **$[value]** |

How much of this start-up investment can you afford to pay yourself? \_\_\_\_\_\_\_\_\_\_\_\_\_

How much of the start-up investment will you need to finance? (Total Start-up Investment- What you can afford to pay) \_\_\_\_\_\_\_\_\_\_\_\_\_\_

**3.8 Financial Ratios**

*Return on Sales (ROS):*

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| Annual Net Profit |  | $[profit] | = | **[value]%** | ≈ | **$[value]** |
| Total Annual Sales | $[sales] |

*Return on Investment (ROI):*

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| Annual Net Profit |  | $[profit] | = | **[value]%** | ≈ | **$[value]** |
| Total Startup Investment | $[investment] |

*Breakeven Units (Monthly)*:

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| Fixed Monthly Expenses |  | $[month exp] | = | **[value]** | ≈ | **[value] units** |
| Contribution Margin | $[con margin] |

**4. MARKETING & SALES**

**4.1 Marketing Plan**

*A marketing plan focuses on the Five P’s: People, Product, Place, Price and Promotion. In this section, describe your people, product, place, and price portions of the marketing plan.*

*Who are your target customers, and how will you use people to market your business to them?*

*What are the features and benefits of your product or service?*

*Where will you sell your product or service?*

*What strategies for determining prices will you use?*

**4.2 Promotion**

*In this section, you will describe your promotional strategies that you will use to attract and retain customers. Remember to explain how you will innovatively use existing platforms (such as blogs, social media, etc…) to effectively appeal to your target market.*

*What advertising will you do as part of your promotional strategies? Why will this form(s) of advertising be effective for reaching your target market?*

*What visual merchandising will you do as part of your promotional strategies? Why will this visual merchandising be effective for reaching your target market?*

*What publicity and public relations will you include as part of your promotional strategies? Why will these publicity and public relations initiatives be effective for reaching your target market?*

*What sales promotions will you include as part of your promotional strategies? Why will these forms of sales promotions be effective for reaching your target market?*

**4.3 Sales Methods**

*What will be your overall personal selling strategy to get sales from customers in your target market?*

**4.4 Sales Estimates**

*In this section, you will detail your first-year sales estimate. Use the following guiding questions to help with your estimates.*

*Maximum Capacity: What are the maximum amounts of units could you physical make or deliver in a month?*

*Break-Even Units: How many units do you need to sell to cover fixed expenses every month?*

*Market Analysis: How many units can you sell based on your number of customers in your target market segment?*

*Seasonality: How will sales be affected by different seasons and holidays? How will your ability to produce be affected by sales and holidays*

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Month | Units | | Revenue | | |
| January | | [value] | | $[value] |
| February | | [value] | | $[value] |
| March | | [value] | | $[value] |
| April | | [value] | | $[value] |
| May | | [value] | | $[value] |
| June | | [value] | | $[value] |
| July | | [value] | | $[value] |
| August | | [value] | | $[value] |
| September | | [value] | | $[value] |
| October | | [value] | | $[value] |
| November | | [value] | | $[value] |
| December | | [value] | | $[value] |
| **Annual Total** | **[value]** | | **$[value]** | | |

**\*Be sure to complete the Executive Summary after completing you plan.**