Creating Your Plan

There are two primary reasons to create a business plan. First, the business plan is a blueprint for accomplishing your vision. It takes your vision, your big dream, and translates it into a series of practical goals and actions steps necessary to bring your vision into reality. Second, the business plan is a tool for attracting key team members, investors, suppliers, and other key personnel.

Here is an outline to follow when you are writing your own business plan:

Business Plan

Executive Summary

1. The Business Description
   A. The Product(s) or Service(s)
   B. The Company
      1. Legal Form and Ownership
      2. Management, Personnel, and Advisors
   C. The Industry

2. The Marketing Plan
   A. Customers
   B. Market Size and Trends
   C. Competition
      1. Direct and indirect competition
      2. Evaluation—you vs. competition
   D. Market position, goals, and strategy
      1. Sales
      2. Distribution
      3. Pricing
      4. Promotion

3. The Operational Plan
   a. Geographic location, size, lease terms
   b. Your suppliers
   c. Manufacturing process (if applicable)
   d. Equipment
e. Employees

2. Critical Risks and Problems

3. The Financial Plan
   A. Investment required and its uses
   B. Cash flow projections (3-5 years)
   C. Financial Statements (actual or pro forma)
      1. Income (Profit and loss) statement
      2. Balance sheet
      3. Break-even chart
   D. Support Documents
      1. Personal Financial Statement
      2. Equipment list
   E. Financial Contingency Plan

4. Attachments (where appropriate)
   A. Resume for all key employees
   B. Letters of reference
   C. Position descriptions
   D. Letters of intent to purchase
   E. Copies of legal documents (contracts, leases)
   F. Other relevant information