

Final Business Plan Assignment

Your final business plan will be judged on its eligibility to receive financing. You *must* include all of the following and will be evaluated on each element below. In addition, you should tailor your plan to include *additional* elements that may be required. You will also be evaluated on these elements. Thus, the rubric below may be adjusted to suit your particular business plan and will be used as a general guideline for grading to further ensure fairness.

I. EXECUTIVE SUMMARY (maximum: one thousand words)

- A. List: Company name, address, phone, contact person, and title.
- B. Type of business. One sentence summary.
- C. Mission - List company's mission statement
- D. Company description. One paragraph summary of activities, products, and customers.
- E. Key personnel. Sentence or paragraph description of top 2-4 executives, explain qualifications.
- F. Start-up schedule and competition. One paragraph description.
- G. Funds requested and collateral provided. Two sentence statement.
- H. Fund use statement: One paragraph description, plus list fund use.
- I. Fund repayment or exit schedule: explain repayment or public offering.

II. INTRODUCTION

- A. General - Develop a paragraph which gives the address, phone number, and individual who should be contacted.
- B. Description of the business - Provide a general description of the business and then describe the product and/or service in general terms. Explain uniqueness.
- C. Business history - Explain when and how the company began and list the most important milestones (including dates) of the company.
- D. Future plans of the business - Develop in chronological order the plans of the business for the next five years.

III. MARKETING

- A. Major marketing objectives and goals
 - What do you ultimately want to do? When do you plan to do this?
 - Objectives must include (1) definable item, (2) be measurable, and (3) have a time element.
- B. Product/Service
 - Describe and explain goods and/or services in detail: What is it? How does it function? What is it used for? What are you going to produce or sale; list products or services, list suppliers.
- C. Target market
 - Customers: Who? Where? How many?
 - Demographics: Age, sex, income, marital status, etc.
- D. Place
 - Characteristics necessary for location
 - Proposed location/layout, need address
 - Channels of distribution
- E. Price
 - Your price? Competition's price?
 - Pricing strategy? (beat competition? X% mark-up?)
- F. Promotion
 - Considerations: public relations/image, social responsibility
 - Specifics:
 - Costs, methods, and rationale for initial and first-year advertising
 - Describe selling techniques
- G. Competition
 - List major competitors and how they will influence your business

IV. MANAGEMENT

- A. Goals and objectives
 - Goals (usually more general and longer term)
 - Objectives (usually more specific/quantifiable)
- B. Key personnel
 - Who will manage which functions (key company officers)
 - Include short background/qualifications
 - Attach resumes of key personnel
- C. Organization
 - Include org chart and describe organizational relationships
- D. Control methods
 - Quality control - Explain how to control for quality
 - Inventory control - Explain how to manage the inventory
- E. Supply Chain Management
 - Key supplier relationships
- F. Human Resource management
 - Recruiting, job descriptions, performance evaluations, wage and salary structure, benefits, grievance system, etc.
- G. Policies
 - Internal: sales, employee, general, financial controls
 - External: credit, checks, layaway, guarantee/warranty, returns, collections
- H. Insurance
 - Types of insurance needed and cost
- I. Legal (this could even be a separate section)
 - Describe/discuss any of the following which you might have: contracts, licenses, patents, permits, lease/rent agreements, registrations, supplier agreements, trademarks, etc.
 - Legal structure (sole proprietorship, partnership, corporation Subchapter S)
 - Provisions for business termination

V. FINANCING AND ACCOUNTING

- A. Turn-key costs (explain and itemize)
- B. Equity or unencumbered cash
- C. Collateral
- D. Current loans (amounts, types, conditions)
- E. Projected cash flow
 - Complete for first 36 months plus yearly summaries
 - Explain in narrative the rationale for your figures
- F. Proforma income statements
 - For first year by month and by month or quarter for next two years, plus yearly summaries
 - Explain in narrative the rationale for your figures
- G. Proforma balance sheets
 - Complete for start-up and years 1-3
 - Explain in narrative the rationale for your figures
- H. Breakeven analysis (in units and/or dollars)
- I. Ratio analysis
 - Calculate and explain selected useful ratios and compare to industry averages
- J. Suggested bookkeeping method(s) and basis (single or double entry?)
- K. Provisions for taxation - Federal, state, social security, workmen's comp, etc.

VI. APPENDICES

- A. Charts, graphs, diagrams, layouts
- B. Working papers
- C. Resumes
- D. Other (such as more detail of some aspect that doesn't really need to be in the body of the plan)