

**Business Plan**

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Business Name

**\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

Business Owner(s) Name(s)

Phone Number: **\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_** Email Address: **\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

**Executive Summary**

***COMPLETE LAST. This should summarize the major characteristics of your business and plan into one or two pages (attach additional pages if needed). Copy appropriate parts of Sections 1-2 into this section. If you are applying for a loan, the executive summary will summarize your business and why you need a loan to the lender.***

*Write 2-3 short paragraphs on the topics below:*

* A brief business description, your business mission and your products and services (copy from section 1).
* Your customers (income, ethnicity, gender), how large the market is, what part of the market you now serve, what part of the market you would like to serve, and how you reach your target market.
* Your competition and the advantages your business has over other similar businesses.
* Your goals for the next three years, including marketing plans, new products or services, and resources you will need to meet your goals (money, employees, etc.).
* If you are applying for a loan, describe your plans for the loan period, indicate how much you are applying for, how you will use the loan, and how it will help you carry out your plans.

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**Section I: The Business**

***This section is descriptive and typically includes no information about plans or the future. It is background information for the reader.***

**A. General Description**

Write a short paragraph that answers these questions:

* Who owns the business and when was it founded?
* Is the business registered? What is its legal structure (sole proprietorship, partnership, Limited Liability Company (LLC), S- Corporacion -C Corporation etc.)?

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**B. Business Mission**

The business mission answers these questions:

* What does the business do? Who does it serve?
* What is important about the business that you want to communicate to your customers?
* What are its most ambitious goals? What will it accomplish over its lifetime?

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**C. Products and Services**

Describe your major products and/or services in detail. Answer these questions (use a second page or make the chart longer as needed):

* What are the features (key components) of your services/products?
* What are the benefits of these services/products (how it will meet a need of your customer)?
* What are the prices of each product or service?

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| **Service/Product** | **Features of the Service/Product** | **Benefits to customers** | **Price** |
| ***Example:*** *Herbal tea* | * *All Natural* * *Caffeine Free* | * *Healthy* * *Soothing* | *$4.50/box* |
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**D. Operations**

Describe the basic operations of your business. Answer the following questions that relate to your business:

* What hours do you operate?
* What is your physical space like (studio, plant, office, storefront, home-based)? What is the square footage?
* Do you rent or own? Do you have insurance and if so what kind?
* What important equipment do you own or lease?
* Who are your principal suppliers and do you have terms (credit) with them?

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**E. Staffing and Subcontracting**

Describe who performs the various tasks that keep your business operating. Answer these questions:

* How many hours do you work in your business each week?
* Do you have full-time or part-time employees (hours/week)?
* Do you offer them benefits such as insurance or vacation time?
* Do members of your household participate in your business (hours/week)? Do they work for free or wages?
* What are the roles of each of the people that work for the business, including yourself?
* Do you subcontract some of your work to other businesses? Who are your major subcontractors?

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**F. Customers and Pricing**

Answer these questions:

* How many transactions do you have in the course of a month?
* What percentage (%) of your customers is repeat? What percentage (%) of your customers are drop-ins?
* Is your business seasonal or cyclical?
* What is your basic pricing and cost structure?
* What is your weekly, monthly, and/or yearly sales volume?

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**Section 2: The Market**

***This section describes the market in which you operate, as well as your competition and strategies for competitive advantage and promotion.***

**A. Market Segments**

Give a brief description of your types of customers (market segments). Answer these questions:

* Where are your customers located? (your neighborhood, city/town, region, nationally, internationally.)
* If your customers are individuals (in contrast to businesses), describe them in terms of their age, male/female, income, ethnicity, etc.
* If they are businesses, describe the typical business customer (location, sales volume, industry, etc.).

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**B. Customer Base**

Analyze your customer base (all of your customers). Answer these questions.

* What percentage of customers do you have in each product or service category (buying each of your products?
* Who are your biggest customers? What percentage (%) of your total sales do your top 5 customers represent? How dependent are you on these 5 customers?

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**C. Competition & Competitive Advantage Reference: tutorials #6&10**

Answer these questions that describe your competition and compare your business with your competitors:

* Who is serving your same type of customer with similar services or products?
* How is your competition marketing their products or services? Are their prices the same, less or more?
* Does your competition offer benefits that you don’t?
* What are the advantages your business has over your competitors (personnel, marketing, financial strength)?
* What are the weaknesses of your business compared to your competitors?
* How do you promote your business to customers in a way that shows your products/services are different or better than your competitors?

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**D. Promotional Strategies**

How will you present your product and/or service to the consumer? Answer these questions:

* What key benefits of your product or service do you want to promote the most?
* What promotional activities will you undertake in order to reach your target market?

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**E. The Industry**

* Describe the industry you are in (such as food, clothing, etc.)
* Is the industry growing or declining and by how much?
* What are the major trends in the industry?

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**Section 3: Business Risks/Summary**

**A. Business Strengths**

List the key specific strengths which make your business successful (for example, location, one-of-a-kind product, specific niche strategy, etc.)

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| 1. |
| 2. |
| 3. |
| 4. |
| 5. |

**B. Business Challenges**

List the primary challenges your business faces (nearby competition; products come from one supplier; short shelf life of product/spoilage; one person business subject to illness; etc.)-- list a minimum of three (3). For each challenge, please explain briefly what you have done, or will do, to address it.

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| 1. | 1. |
| 2. | 2. |
| 3. | 3. |
| 4. | 4. |
| 5. | 5. |

**C. Total Cost of the Project**

List the investments that will be needed for this business to become a reality. Examples: Tenant improvements, marketing, signage, inventory, payroll, equipment, client acquisition, supplies, etc. If you will be looking for financing, the total cost of the project minus your capital investment totals your financing needs and will provide the lender with a breakdown of the use of funds.

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| **Description** | **Amount** |
| 1. |  |
| 2. |  |
| 3. |  |
| 4. |  |
| 5. |  |
| 6. |  |
| 7. |  |
| 8. |  |
| 9. |  |
| 10. Minus costs already incurred/Capital invested |  |
| **Total financing needs** |  |