

# A Suggested Outline of Business Plan

## 1. Cover Sheet

Name of business, address, telephone number and the name(s) of principal(s). Include any pertinent contact information (cell phone, fax, etc.)

## 2. Executive Summary – Statement of Purpose

A summary of the business covering at least the following items: the name of the business, its legal structure, the amount and purpose of a loan request, a repayment statement, the business concept; product information; current stage of business (start-up, developing or existing); and anticipated financial results and other benefits.

## 3. Table of Contents

## 4. The Business

- a. Description of business: What product or service will you provide?
- b. Historical development: List the name, date of information, legal structure, subsidiaries and degrees of ownership of your business.
- c. Product/service lines: What is the relative importance of each product/service? Include sales projections based on research conducted to identify the market.
- d. Market segment: Who will buy your product? How many of them are there and why will they want what you are offering?
- e. Competition: Describe competing companies and how your business compares. Remember to include all substitute product/service providers.
- f. Location: Where will you locate and why?
- g. Operation: What will be your hours of operation?
- h. Marketing: What marketing methods will you use?

## 5. Management

- a. Business format: Is your business a sole proprietorship, partnership, limited liability company or corporation? Explain why you chose this form of business compared to others.
- b. Organizational chart: What is the personnel structure? Who are the key individuals and planned staff additions? How many and of which type will you need at the different stages of the business cycle?
- c. Personnel: What are the responsibilities and past experiences of partners and employees? How will they contribute to the success of the company?

## 6. Finance:

- a. Description of the project.
- b. Total estimated project cost. DO NOT expect the lender to tell you how much money you can borrow. Explain how much money you need and WHY.
- c. Breakdown of the proposed uses of project funds. Consider presenting the total project in stages or phases for development to better identify cash requirements.
- d. Lending institution participation, including terms and conditions.
- e. Equity participation of the owners and investors.
- f. Projections and assumptions for:
  1. two years of both Profit and Loss Statements and Balance Sheets
  2. one year of company Cash Flow, month-by-month
- g. Personal financial statement of owners.

## 7. Production

- a. Description: How will production or delivery of services be accomplished?
- b. Capacities: What physical facilities, suppliers, patents, labor and technologies exist or will be used?
- c. Capital equipment: What type and amount of machinery and durable equipment is needed to operate the business?
- d. Supplies: Where and how will you obtain your components and day-to-day supplies and services?

## 8. Supporting Documents

Include personal resumes; personal financial statements; cost of living budget; Letters of reference; letters of intent; job descriptions; copies of leases, contracts and other legal documents that help convey an accurate picture of the business. Also include descriptive drawings to identify proposed site plan of facility and floor plan of operations.