

Comprehensive Business Plan Outline

You should complete a business plan before contacting a private-sector lender or the CDA about financing

Writing a comprehensive business plan is an important part of developing your business. It is a planning and evaluation tool for your business. Use it to plan the direction you want your business to take, to monitor your sales growth and profitability, and to identify all available business resources.

When completed it will give you a total picture of your business and where it should go in the coming year. Not everything in this plan will apply to your business. Use those parts that apply to your business. Most lenders require a comprehensive business plan for all new businesses, firms in business less than five years. Established businesses seeking credit may be able to use the business financing plan outline.

I. Executive Summary

- Name & Location of Business
- Product or Service
- Competitive Advantage

While this section comes first in the plan, it should be written last. It should briefly and succinctly cover the most important aspects of your business.

II. General Description of Business

- Name, location and legal structure
- History of business*How long has the firm been in business*
- Description of business*Purpose, products and services, customers*
- Current financial status*Sales, growth trends*
- Goals*Summary of short and long-term company goals*

III. Products and Services

- Physical Description*Include photographs, brochures, in appendix*
- Price, Quality*Describe benefits of your product or service*
- Development*Describe stage of development of product*
- Unique*Describe advantages over the competition*
- Proprietary Position*Patents, trademarks, licenses; exclusive territory*

IV. Market and Industry Data

- Description of overall market and industry trends

- Description of target market, potential market share, potential customers, and why
 - a. Include any market research: formal or informal
 - b. Explain why your business will be able to capture a percentage of the market
 - c. Discuss sales projections in the financial plan
- List of current customers
- Analyze competition's strengths and weaknesses

V. **Marketing Strategy**

- Describe current selling methods and projected changes
 - a. Quoted prices and how determined
 - b. Sales methods: sales force, distributor, direct mail
- Describe advertising and other promotional plans
- Customer service plan to encourage repeat business

VI. **Operational Plan**

- Outline manufacturing process; describe plant, equipment, labor requirements
- Describe inventory and quality control plans
- Describe number & type of jobs, skills required, and wage & benefits structure
- List principal suppliers; include costs terms, availabilities

VII. **Management Team and Organization**

- Provide qualifications of management and key employees; describe job functions
- Organizational chart and narrative showing working relationships
- Projections for adding employees; how many, when, wage and other costs
- Identify Board of Directors and scope of responsibility
- Describe the decision-making process in your company
 - a. Day-to-day operational decisions
 - b. Policy and strategy decisions

VIII. **Financial Plan**

- Capital requirements
 - a. Present source of funds: debt and equity
 - b. Future financial requirements and sources of funding
 - c. List what the funds are to be used for
- Financial documents
 - a. Financial statements for past 3 years: balance sheet, income statement, cash flow
 - b. Pro-forma financial statements: balance sheet, income statement, cash flow

Explain assumptions for all sales and expense figures used.

IX. Appendix

- Resumes of management team and key employees
 - Letters of intent from prospective customers
 - Contracts from buyers and suppliers
 - Company brochures and catalogues
 - Letters of support
 - Relevant newspaper and magazine articles
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