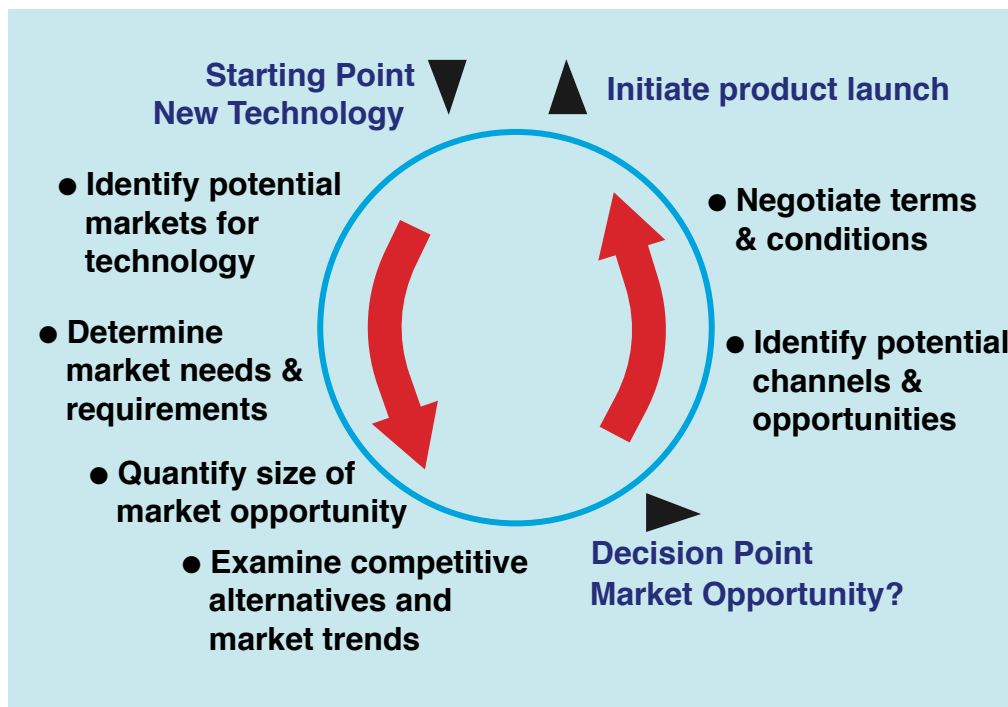


Business Plan Outline



A business plan should be written by the people who will execute it. If they can't write the plan, they will not be able to execute it. A consultant can be profitably used to research portions of a business plan, and to cause it to "speak" with one voice.

Executive Summary

- The Concept — The health of and opportunities in the industry.
- Background — The story of the motivation for the business.
- The Company — Explain the current development stage of the product, the benefits offered by the product, long term goals, ownership.
- The Markets — Who will buy; how big is each market; where will revenues come from.
- Competitive Position — Anybody else developing anything like your product? If so, do you have a USP?
- The Management Team — Emphasize previous business ownership and management - and any other experience related to the industry; e.g., audio, digital technology.
- The Future — Give potential investors some idea of the growth opportunities.
- Financials — Develop 2, 3, and 5 year plans; for the 2-year (or 3-year), a proforma Profit and Loss
- Funds Sought — Show specific numbers; indicate use of funds.

Company Description

Give the name of the business; what is the basic description; what are the objectives; what is the mission statement.

Industry Analysis

The place of the business within the industry; what is the size and growth rate of the segment of the industry.

Target Market

Actually, define each market, in order of targeting; point out that in some cases (other than consumer) there is no special advertising or education expenses needed yet the market already exists. Explain the size and profile of the audience, with attention to the demographics and geography. Any special trends that may affect the business?

Competition

Define carefully any competition - regardless of the media used; evaluate the pros and cons of each organization, but make sure you sound fair and reasonable ... and believable ... in rating them; how are they perceived by your market; do you have a USP (unique selling proposition) - something you do or are that nobody else offers.

Marketing Plan and Sales Strategy

How are you reaching the customer; what message will you give; what media, if any, to send the message; make sure you can document you're giving your audience what they want. Describe your sales structure and compensation.

Operations

This is where the fundamentals are and where your chance of success lies. How are you going to run the business. Facilities? Production method and cost? New technologies applications? Distribution? Financial controls?

Management and Organization

Principals and key employees: their experience, successes, education, compensation and incentives. Board of directors and advisers committee; consultants and other specialists; key personnel positions to be filled. Management structure and lines of authority.

Development

What is the business's ultimate destination. Is there an exit plan? Goals and strategies belong here. Milestones that will be used as markets.

Financials

First, a two-year, three-year and five-year projections: put in form of financial income / profit and loss statement.

Sources and Use of Funds

This is critical: how much do you want to raise, based on financials above; where will it come from; how are you going to use them?