

Writing a Business Plan

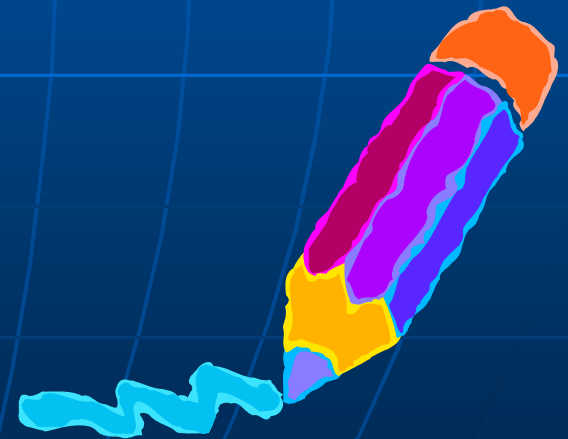
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The Importance of a business plan

- The viability of the idea is viable
- Road map
- A selling document to....
 - potential investors
 - suppliers
 - business partners
 - potential employment candidates



Outline of a Business Plan

- Executive summary
- The Business
- Management team
- Company Structure, Intellectual Property and Ownership
- Industry Analysis
- Marketing Plan
- Operational Plan
- Financial Plan
- Critical Risk Factors

Executive Summary

- Overview of new ventures distinctive characteristics
- Not an introduction but a summary

The Business

- Should describe the opportunity identified
- How the new business will address the issue identified
- Brief history including mission statement and objectives
- Explanation of companies advantage
- How the company intends to move forward

Management Team

- Summary of the qualifications of key members
- Investment level of team members
- Relationship (if relevant) of team members
- Material on the board of directors
- Advisory board

Company Structure, Ownership and Intellectual Property

- Structure of new venture
- Organisational chart
- Legal structure of new venture
- Intellectual property including patents, trademarks and copyrights

Industry Analysis

- Major trends in the industry
- Total value of industry
- Target markets
- Analysis of how the new company intends to compete in the market
- Competitor analysis
- SWOT

Marketing Plan

- Details of products and/or services
- Results of feasibility analysis
- Marketing mix
 - Pricing
 - Channels of distribution
 - promotions

Operations Plan

- Overview of daily operations including internal manufacturing and/or outsourcing
- Description of suppliers, business partners and service providers
- Quality control procedures
- Risks or regulations pertaining to operations

Financial Plan

- Demonstration of financial viability
- Explanation of funding needed
- Timelines for further investment
- Financial projections
- 3 – 5 year plan
 - Income statements
 - Balance sheets
 - Statements of cashflow
 - Projected profit and loss statements

Critical Risk Factors

- Needs to convey that the ventures management team understands the business and what the critical risk factors could be and how those risks have been factored into the overall plan

Presenting the Business Plan to Investors

- Follow instructions
- Power point slides
 - Sharp and not cluttered with too much material
- Arrive early and be prepared
- Plain talk
- Be ready to answer questions
- Be confident