

BUSINESS PLAN

If you are applying for a Bank or Small Business Administration (SBA) Loan, you will be required to complete a detailed Business Plan as part of the loan package. A SCORE mentor, Small Business Development Council (SBDC) member or others can assist in preparing the necessary documents. Your knowledge and understanding of all aspects of your business will help those assisting you to understand and work to develop a professional Business Plan for submittal.

The Business Plan describes your company's current and/or future operation with goals. Your Business Plan should include as many of the following items as applicable.

1. Cover Letter
 - a. Dollar amount requested
 - b. Terms and timing
 - c. Purpose of Loan
2. Summary
 - a. Business Description
 - i. Name
 - ii. Location & Plant description
 - iii. Management expertise
 - b. Business Goals
 - c. Summary of financial needs and application of funds
 - d. Earnings projections and potential return to investors
3. Market Analysis
 - a. Description of total market
 - b. Industry trends
 - c. Target market
 - d. Competition
4. Products and Services
 - a. Description of product line
 - b. Proprietary position: patents, copyrights, legal and technical considerations
 - c. Comparison to competitors' products
5. Manufacturing Process (if applicable)
 - a. Materials
 - b. Source(s) of supply
 - c. Production methods products
6. Marketing Strategy
 - a. Overall strategy
 - b. Pricing policy
 - c. Method of selling and servicing product(s)
7. Management Plan
 - a. Form of business organization
 - b. Board of Directors composition
 - c. Officers: Organization chart and responsibilities
 - d. Resumes of key personnel
 - e. Staffing plan/number of employees
 - f. Facility plan/planned capital improvements
 - g. Operating plan/schedule of upcoming work for next one to two years
8. Financial Data
 - a. Financial Statements (three to five years to present)
 - b. Financial Projections (three to five years: first year by quarters, remaining years Annually)
 - c. Explanation of projections
 - d. Key business ratios
 - e. Explanation of use and effect of new funds
 - f. Potential return to investors: Comparison to average return to the industry as a whole