

## What Is A Business Plan?

- Simply, it is your written down collection of ideas about your Business

## Why Do I Need To Write A Business Plan?

- **It forces you to evaluate your ideas/business in an organized manner**
  - Writing everything down vs locked in your head can be eye opening
- **Business plans are good to have if you need to Raise Money (Loan, etc.)**
  - 1% of us may be a gifted talker who can sell anything with nothing written down &/or is financially able to self-fund, the other 99% better use notes so others can follow along (a business plan is your notes about your business)
- **Written business plans are 4x more successful than just “winging it”**
  - Much of that is due to the ones who wrote it down and discovered a potentially fatal flaw that they then mitigated or decided not to launch (or remembered what they planned on doing in the first place!)

## What Does A Business Plan Look Like?

- See sample Business Plan template

## Next Steps: What Resources Are Available?

- **Business Plan template:** Example included in this Guide
- **Kansas SBDC at Pittsburg State:** FREE Industry Market Research & Business Advising
- **Pittsburg State University Small Business Development Center Contacts**
  - Randy Robinson, Regional Director: [rsrobinson@pittstate.edu](mailto:rsrobinson@pittstate.edu), 620-235-4924
  - Dacia Clark, Assistant Director: [dclark@pittstate.edu](mailto:dclark@pittstate.edu), 620-235-4933
  - Mindy Lee, Business Advisor: [mindy.lee@pittstate.edu](mailto:mindy.lee@pittstate.edu), 620-235-4961
  - Main Office: [ksbdc@pittstate.edu](mailto:ksbdc@pittstate.edu), 620-235-4921



*(Remove Italics directions when completed)*

## Page 1: Cover Page

**BUSINESS PLAN**  
for  
**Name of Business**  
Contact Info (name, address, phone, email)  
DATE

## Page 2

- **Elevator pitch/Executive summary** (20-30 seconds long, 1 paragraph)
  - *What will your idea/business do?*
  - *How does that benefit intended users/buyers better than competitor offerings? (Capture imagination with reason to believe that your business fills a need of customers)*
  - *Squeeze in the single most truly unique advantage your idea/business may have*
    - *Awards won by business or by you – including patents, previous successes, All-Star on your team or advisory board, big distributor or customer on board, etc*
- **Industry Snapshot**
  - *Brief 1-2 sentence description of Industry, including the total revenues of the industry in the US and/or Kansas and highlighting the typical customers in the industry. (reference IBISWorld info from SBDC center)*
  - *Industry NAICS Code: \_\_\_\_\_ (google "Industry NAICS codes" to find)*
  - *Special Regulations, Permits, Licenses required & status of progress:*
    - *(list each regulation, permit, license required for your business)*
      - *If you have checked and there are none required, put "none required"*
    -
- **Intellectual Property Snapshot** (if applicable)
  - *Patents, Trademarks, Copyrights owned by firm:*
    - *(list any that you own or that you are planning to apply for, etc)*
  - *IP Issues from potential Patent, Trademark, Copyright infringement for our approach vs competition & what we believe will happen if sued:*
    - *(list any or list that you checked at USPTO website and didn't find any issues, etc)*
- **Legal Business Structure that you are/will use:**
  - Sole Proprietorship (doing business as aka dba)
  - Partnership
  - Corporation (Inc.)
  - Limited Liability Company (LLC)
  - Other: \_\_\_\_\_



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- **Target Customer Profile**

- **Who They Are:**

- *Purchaser Category:*

- *Are you selling to individuals, businesses, the government (& is it primarily direct to them or via a wholesale distributor or ?)?*

- *Demographics (they are):*

- *Age Group; Family Status; Race/Ethnicity; Gender; Income; Education, etc*

- *Psychographics (they aspire to be and/or remain):*

- *Trendy; Conservative; Early Adopters of Technology; Careful with money; Interested in Charitable causes; Minimalists; Sophisticated; etc.*

- **Where They Are Primarily located (Geographically):**

- *Include what you believe is the realistic area that you will draw from for customers & market to for customer: your specific town, SEK, Kansas, Midwest, USA, North America, Worldwide, Certain Mile Radius, etc.)*

- **Promotion: How/Where will you sell to customers:**

- *Retail store via your own store?*
    - *Retail store via xyz 3<sup>rd</sup> party store?*
    - *On-Line via your own company website?*
    - *Other Websites/Amazon?*
    - *3<sup>rd</sup> party sales reps?*
    - *Pop-up Locations: Festivals & events? Etc*

- **Market Size in Targeted Area:** *(sanity check for your Revenue Projections)*

- *Use Industry Size to get to a dollar amount of sales per year, then adjust to reflect the geographic target highlighted previously.*
      - *example: US size of Industry is \$1 Billion, but your products represent only 20% of the \$1B total industry, so your relative US Industry size is \$200m – furthermore, if you are only selling in Kansas and KS only represents 1% of the US Market for your product, then you have a relative Market Size of \$2m. Then your fair share of that is dependent upon how many competitors there are – if there is only 1 other competitor, then your “fair share” is \$1m, if there are 9, then it’s is \$100k, etc.)*

- **Customers will primarily buy from us because:**

- *Price; Availability/Speed of Delivery; Product Quality; Favorable Financing Terms; etc? – list each applicable item that you feel got the customer to buy from you vs competition*



- **Assumptions based upon:?** (previous experience, surveys, industry research from cited studies, etc)

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- **COMPETITIVE ENVIRONMENT**

- **Main Competitors:**

- *List the 2-3 main sellers of products/services similar to yours in your targeted location & list the Strength & Weakness of each main competitor vs your idea/product/service:*
- **Generally our prices vs Main Competitors will be:** xxxxxxxxxx
  - *Enter either “More Expensive by x%” or “Same +/- 10%” or “Less Expensive by x%”; or you may choose to list your main Products Prices vs Avg Main Competitors Prices – mainly want to see where you are price wise)*
- **Primary Competitive Advantage**
  - *Why would customers typically choose your product/service over competitors? (examples: Product benefits; Price; Speed of delivery; Emergency/After Hours Service; Customization; Ability to demo before purchase; Trade-in Program; Celebrity Endorsement; Social currency/Cause marketing?)*

- **Profitability Outlook**

- 3 Year Revenue & Expense Projections are attached

- **Upfront costs and Financing Plan**

- **Total Expenses needed before Launch + Working Capital: \$xxx,xxx**

*(These are your costs before customer #1 and will include items such as building remodels or purchase or lease and Initial Materials/Inventory/Ingredients to sell, Website development, Licenses, Employee training, Point of sales systems/Cash register, Insurance, etc. Include items that you have already acquired to show owner equity)*

- *Detail out Major Categories of 10% or more (ex: Building Purchase: \$50k)*

- **Total Expenses Spent so Far by Owner on Project: \$xxxxx**

*(List out any \$\$'s that you have already invested in the project – receipt worthy expenses as you will need proof to get credit for owner contribution for any loan down payment)*

- **Total Remaining to Raise: \$xxx,xxx and we plan to raise this amount via:**

- *List Funding Source & if multiple sources, list the \$ amount per source. Bank Loan? Family/Friends? Crowdfunding? Owner? Etc.*
- *Make sure TOTAL EXPENSES NEEDED BEFORE LAUNCH + WORKING CAPITAL minus TOTAL SPENT BY OWNER = TOTAL REMAINING TO RAISE)*



## Page 5

## • LEADERSHIP TEAM

## ○ Management Team

## ▪ Name, Title (example: John Doe, Owner)

- **Functional Lead:** *List what Functions each member will lead (Financial Officer, Marketing & Sales, Operations, Human Resources/Staffing, Engineering or Chief Artist or xyz function – may be more than 1 function per person)*
- **Relevant Experience:** *List relevant experience in the roles that the person is now responsible such as “John led similar functions at XYZ corp for 10yrs”, and/or “John has a degree in this field and grew up working in the family business that operated within this industry”, etc. Also, list any planned future training that will help run the business etc.*

## ▪ Name, Title (example: Jane Doe, Owner)

- **Functional Lead:** *List what Functions each member will lead (Financial Officer, Marketing & Sales, Operations, Human Resources/Staffing, Engineering or Chief Artist or xyz function – may be more than 1 function per person)*
- **Relevant Experience:** *List relevant experience in the roles that the person is now responsible such as “Jane led similar functions at XYZ corp for 10yrs”, and/or “Jane has a degree in this field and grew up working in the family business that operated within this industry”, etc. Also, list any planned future training that will help run the business etc.*

## ○ Advisory Board and other Key resources

## ▪ Bob Jones, CPA

- Will perform all Financial reports and filings for the business - *point here is to try to augment your management team with an Advisory Board/Team that may give you credibility in an area that your management team is weak in, etc.*

## ▪ Kansas SBDC at Pittsburg State University

- Assisted in preparing initial Business Plan and Financial Projections for the project
- Will be utilized for periodic Plan Check-ups on a Quarterly/Semi-Annual basis

