

Name of your business

Business Plan

Dated: _____

Copy # ___ of ___ printed

EXECUTIVE SUMMARY

Insert your text here. Your executive summary should be no more than 2-3 pages – use it to induce the reader to keep reading – to look inside the business plan for more detail. Do not leave the writing of the this Executive Summary until last – it is important to write and revise it each time you revise/redraft your business plan, so that it becomes progressively better. Also, we do not want to see the Executive Summary being a ‘cut and pasts of sentences from inside the Business Plan, so it is best to write it separately and revise it as you go.

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THE COMPANY AND THE PRODUCT

Company History, Mission and Objectives

This section should take up no more than a page, preferably only half a page, as the reader will be more interested in learning about your proposed new product or service.

An alternative to a longer statement about your company history is an appendix at the end of the Business Plan

The New Product or Service

MARKETING PLAN

Market Situation

Market Size, Market Niches, and Growth prospects

This might be the place to mention underlying trends indicating the existence and growth of demand for your new product or service.

Current and Potential Rivals and Substitutes

Mention separately *existing* competitors and the *potential* competitors who could enter the market and compete with you, creative imitations (differentiated products in the same product category) and disruptive innovations that could happen (new substitutes).

Our Strategic Advantages

Initial Competitive Advantages

What resources and capabilities do you have that are initially valuable and rare?

Sustainable Competitive Advantages

What resources and capabilities do you have that are likely to remain valuable, rare, hard to copy and non-substitutable?

Strategic Options and Alternative Chosen

Alternative Business Models Considered

The Business Model Chosen

The Target Market Selected

Marketing Strategies

Product Design Strategy

Pricing Strategy

Promotion Strategy***Distribution Strategy******Warranty, Packaging, and other Marketing Strategies*****OPERATIONAL PLAN****Company Structure and Ownership****The Top Management Team****Other Key Employees, Associates, and Relationships**

Here you could insert the *Human Resources Plan* table from the 'Annual Statements' sheet of *NVFinPak* and/or discuss verbally how many people will be employed in which roles after the five year time horizon of the plan. Don't forget to also discuss key supply and customer relationships, and the composition of your Board of Advisors, etc

Production and Operations***Production Plan***

Logistics of Component Supplies, Inventories, and Distribution

Research and Development

Future Products and Services

Future Geographic Markets

R&D Facilities and Personnel

Risk Reduction Strategies

Risks Perceived

Pro-active and Re-active Risk Strategies

Exit and Harvest Strategies

FINANCIAL PLAN

Underlying Assumptions and Summary Financials

Expected Case Scenario

List your key assumptions relating to your financial projections for the Expected Case scenario– bullet points might be best.

Then cut and paste the table from the top of the ‘Annual Statements’ worksheet of *NVFinPak* when your financial model is calculated according to your expected case assumptions. You may wish to add a bar chart showing sales, net income and cash balances (see ‘Bar Chart’ page of *NVFinPak* worksheet).

Worst-Case Scenario

List your key assumptions relating to your financial projections for the ‘Worst Case’ scenario – again, bullet points might be best. Not only show the percentages by which revenues will be lower and costs will be higher, but also note which costs can be avoided or deferred (e.g. deferred hiring of people and deferred investment expenditures) in the worst case scenario.

Cut and paste the table from the top of the ‘Annual Statements’ worksheet of *NVFinPak* when your financial model is calculated according to your ‘worst case’ assumptions.

Sources and Uses of Funds

Construct a table showing year-by-year the sources of funds and the uses of funds by major category, for the expected case scenario.

Pro-Forma Financial Statements (Expected Case)

Initial Monthly Cash Flow Statements

These should be shown **month-by-month** for the first two years, or longer if your net operating cash flows are not solidly positive within the first two years – you can fit this on one page (landscape) printed from the *NVFinPak* (Years 1-5) template.

Annual Cash Flow, Income and Balance Sheets

Annual data is OK for these financial statements if availability of space is a problem – remember your overall page limit is 20 pages – print this from the Annual Statements sheet of *NVFinPak*. Maybe show a bar chart of

Insert a matrix showing the NPV for combinations of revenue shortfalls and cost overruns. Use 5% or 10% intervals. After this table discuss briefly how likely (probabilities) these different scenarios are. Indicate which one of these scenarios is your ‘worst case’ scenario and comment on the ‘cushion’ you have in that scenario – i.e. is NPV still positive and by how much?

The Ask and the Offer

State clearly how much money and/or whatever else you need from the target reader, and what you are prepared to offer in return – including what share of total outstanding shares and how many seats on the Board of Directors, if applicable.

Conclusion

This should be a short paragraph stating your wish to have the target reader involved in your business and expressing your willingness to discuss your project with them in greater detail at their convenience.

(Insert page break)

APPENDICES

Provide a List of the Appendices that follow on the first page (or in the Table of Contents). Use whichever of the following you consider are appropriate, calling them Appendix A, B and so on. Single spacing is OK if space is limited.

Industry and Market Overview

This may be necessary if the reader is not very familiar with the industry or market you are entering – the typical situation for a business plan competition. But if the target reader (investor or potential member of the top management team) is highly familiar with the business environment, this appendix is not necessary.

Detailed Market Research Information

A summary of your market research data only – keep additional details handy in case they are required in the Q&A or due diligence phases of the interaction with your target reader.

Resumes of Key Personnel

Obviously, since space is short we do not mean multipage CVs here – condense each top manager's resume to a single page, or even half a page each, focusing on what that person's education and prior management experience contributes to this new business venture.

Worst-Case Financial Statements

Include the month-by-month Cash Statement for at least the first two years of the worst case scenario, as well as the Annual Income Statement and Balance Sheets for that scenario.

Other Supporting Documentation

This might include evidence of patent applications, letters of support from prospective customers and/or suppliers, and other documents that support your case for the viability of the new business venture.

(Remember the overall page limit is 20 pages including the Executive Summary, plus no more than 10 pages of Appendices. Also respect the format rules about font size (11 or 12 except in tables) double spacing of text and 25 mm (one inch) margins all around to allow the reader space to to make comments on the document.)