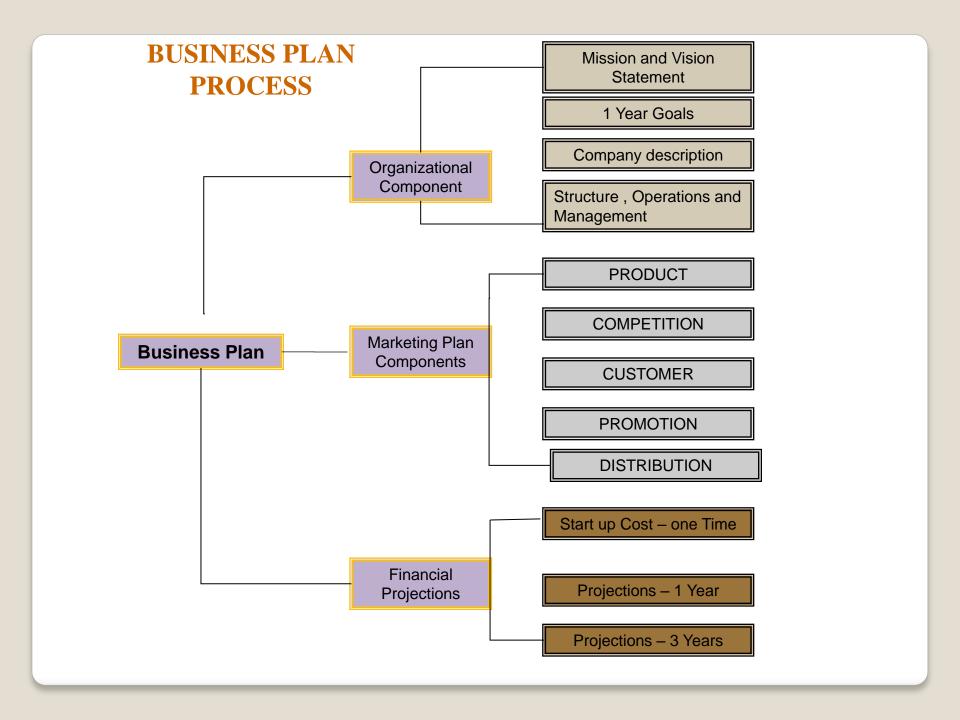


#### Professional Development Program

**Business Plan** 

Presented by:

Joe Molina



# Reasons for Writing a Plan

To serve as the guide

Lenders and investors

 A business plan is the key to Knowing where your Business Stands at all times

## Lenders & Investors

What is the Difference?

What are they looking for?

# What You Need to Know Before You Write Your Plan

Where Are You Headed? -- GOALS

When Do You Want to Get There? – Time line

What it will take

# The Planning Process

#### What are the parts of a Business Plan?

- Cover Sheet
- Table of Contents
- Executive Summary
- Part 1: Organizational Plan
- Part 2: Marketing Plan
- Part 3: Financial Documents
- Part 4: Supporting Documents

## Part I: Organizational Plan

- Summary Description of the Business
- Products and/or Services
- Intellectual Property
- Location
- Legal Structure
- Management and Personnel
- Insurance Considerations

## Part II: Marketing Plan

#### What is the Process?

- Overview & Goals of Your Marketing Strategy
- Market Analysis: Target, Competition, Trends
- Marketing Strategy: (Advertising and Promotion)
- Customer Service and Sales
- Implementation of Strategy: In-house/Outsourced
- Assessment | ROI | Effectiveness

#### The "KEY WORD" Approach

- Who
- When
- Where
- What
- Why

- How
- How much
- Unique
- Benefit to Customer



- Marketing, sales, advertising, public relations and promotions work together to enhance your image and impact.
- So think about the big picture first -
- Before you start paying for ad space or running events......

#### Your Marketing Goals

- WHO do you want to appeal to?
- WHAT are you trying to sell?
- WHERE is your market?
- WHEN are your potential customers likely to buy?
- HOW can you reach them?

**Basic Marketing Questions** 

- WHO......Market and Competition
- WHAT.....Quantity & Price
- WHERE.....Location
- WHEN......Days, seasons
- HOW......Cash, credit, accounts

Marketing Questions....

#### Marketing Must

#### 2. Know Your Niche

- Define your customers.
- Describe demographics /psychographics.

### **Marketing Must**

3. Create Your Pitch.

Describe your product as <u>benefits</u>.

Make it come <u>alive</u>.

Appeal to individual needs?wants?.

### Marketing Must

#### 4. Price for Profit

 Know what your competition is charging all the time.

 Include all your expenses to cover your true costs (not only cost of goods).

 Don't forget that your price must cover your cost + your profit.

- Customer Alliances
  - → Concentrate on customers and quality
- Corporate Alliances
  - → Build links to large corporations
- Flexibility
  - → Respond quickly to changing market needs
- Geek Speak
- Use Internet resources
  Strategies for Success

# Part III: Financial Documents The "Quantitative" Part of Your Plan

- Sources & Use of Funds
- Tax Documents
- Pro forma Financial Statements
- Historical Financial Statements
- Financial Statement Analysis

#### Sources & Uses of Funds

How Much money do you need?
How will you spend it?

- Summary of Financial Needs
- Use of Loan Fund Dispersal Statement

## Part IV: Supporting Documents

Records that support statements & decisions made in the organizational, marketing, & financial plans.

- Personal Resumes
- Owners' Financial Statements
- Credit Reports
- Reference Letters
- Location Analysis
- Legal Documents (Leases, Contracts, Agreements, etc.
- Sources of Demographics and Psychographics

#### So, that's it ©