

Business Plan Writing Sample

for Startup & Funding

Business Plan Writing is an integrated business plan template, virtual writing coach and presentation document for starting a small business. The business plan model is consistent with business plans that have been actually submitted and approved for SBA funding. *Business Plan Writing* will lead you through the steps of creating a business plan that you can be proud of.

How this works

Each **Topic** begins at the **Start** reference and concludes at the **...End** marker. In between, the topic is introduced and green indicates an **example**. The Guide prompts you on where to enter your copy.

It is smart to come back to your content from time to time because the creative thinking process is likely to bring forth more ideas. When you are satisfied with your copy, follow the keystroke instructions to remove the **Topic** copy in between and including the **Start** and **...End** markers. Your copy will reformat into the documents presentation model.

Write your own business plan and be proud.

Christie Karis
Small Business Startup Guide

Note: Edit Business Name, Offering and Contact information; Delete this note when done.

Grumman Guitar

Vintage Instruments

Business Plan

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Executive Summary

Start...The Executive Summary is an overview of the business plan and generally used to stimulate the interest of an outside party so they are willing to read the plan or declare an interest in funding. While the chapter is the first in the plan, the Executive Summary should be completed at the end of the planning process when thoughts are fully developed.

It is important to recognize that an outside party will not be interested in details. They want to see the broader picture to determine if they have an interest in looking further. It is especially important that the reader envision the substance of the business opportunity and your ability to manage the business and secure the loan.

In terms of style, it is best to refrain from overselling and using clichés like world class, groundbreaking and cutting-edge. It is better to simply focus on being concise, informative and confident with your concept.

The Executive Summary should be limited to a page or two. Content can be consolidated into paragraphs of related content or arranged by defined topics as in the example below. The following describes the structure of an Executive Summary.

Business Overview

Define who, where, what, how and why questions illustrated above.

Example

Maddy's Paw is new enterprise that will provide pet owners in the Burien market with natural and organic pet foods and high quality pet supplies. Maddy's Paw is a Sole Proprietorship that is owned and operated by Frances Bloom of Seattle, WA.

Market Need

Identify the primary customer groups, define their needs and explain how their needs are being met.

Example

Maddy's target customer group will be the 35 to 44 year old middle age group, especially families with children under five and senior citizens. Industry research indicates that over half of the households in this demographic own a pet with the most popular being dogs and cats. Industry research indicates that pet owners spend over \$500 annually for pet related supplies and services.

Market Opportunity

Define the business opportunity in terms of the substance of market area, demographics, compelling needs, etc. Make reference to the competitive situation and reasons for your market advantage.

Example

There are approximately 10,300 families with children in the Burien market area. Based on First Research data, the pet supply market produced by 50% of the family population that owns pets is \$2.5 million annually. When adjusted for products and services sold by Maddy's, the annual market is \$1.4 million. At present, the Burien market is underserved because pet food and supplies are only available at two grocery stores that are located on the outer rim of the market area. There are no pet supply stores in Burien.

Management

Provide the owner(s) names and any background that is important to the business model.

Example

The owner of Maddy's Paw is Frances Bloom of Seattle. There are no other principals. Frances has close to ten years of experience in retail management and customer service with nationally known companies. Ms. Bloom will be on-site full time to oversee day-to-day operations.

Financial Summary

Describe the capital requirements, start-up costs, owner investment and funding needs; Reference the highlights of the financial model.

Example

Maddy's Paw will require capitalization of \$160,000 for the following:

Start-up expenses:	\$12,500
Current Assets:	107,500
Fixed Assets:	40,000
TOTAL:	\$160,000

The funding model is based in the owner's cash investment of \$60,000 and an SBA loan for \$100,000. A 38% owner equity percentage meets the requirements of the Commonwealth Bank. The following table reveals the highlights of our three year financial forecast.

	Year 1	Year 2	Year 3
Revenue	\$321,455	\$369,673	\$ 443,608
Gross Margin	153,515	176,542	211,851
Fixed Expense	145,610	151,637	157,928
Income	7,905	24,905	53,922

Management is planning for a September 1st opening. Funding will be needed by May 15th in order to finalize the lease, plan the inventory, order equipment, hire employees and set up the store. The September 1st opening date allows for a soft opening with a Grand Opening in October that will stimulate the holiday season shopping.

...End

Reformat steps. Start your copy below. When satisfied with your content and done with the above guide, first delete the above content from the **Start reference through the **End** marker. Then delete these instructions. Note: Depending on your underlying paragraph code, you may have to delete a space to fine tune your copy placement.**

<Start your Executive Summary copy here

Business Description

Define who you are along with the business name, offering, location, opening date and the reasoning behind the venture.

Market Need

Define primary customer groups are, their needs, how their needs are being met and summarize the compelling reasons for market need.

Market Opportunity

Define the business opportunity (substance of market area, demographics, compelling needs, etc.). Make reference to the competitive situation and reasons for a market advantage.

Management

Provide the owner names and any background that is important to this business model.

Financial Summary

Describe the capital requirements, start-up costs, owner investment and funding needs; Reference the highlights of the financial model.

The following table reveals the highlights of our three year financial forecast.

	Year 1	Year 2	Year 3
Revenue			
Gross Margin			
Fixed Expense			
Income			

Reference the urgency of doing it now.

Business Description

Start... The Business Description reveals who you are, what is being offered, where the business will be located, when the business will open and why the opportunity is being pursued. If the business plan is for an existing business, this topic requires some history - including the ups and downs, the lessons learned and the financial highlights of the past three years.

This Business Description chapter is important because it is the opening topic in the business plan and tends to make an impression. The following describes the structure of the chapter.

Opening paragraph (no header needed)

- Indicates the name of business (legal and d/b/a/ doing business as name)
- Provides a brief overview of the product or service provided

Example Opening Paragraph

Maddy's Paw LLC, also known as Maddy's in this business plan, is a privately held company that will operate an upscale pet supplies store in Burien, WA. Maddy's will feature a broad selection of natural and organic pet foods and high quality pet supplies. The store will open on or about September 1st of this year.

Second paragraph (no header needed)

- Defines the substance of the market area
- Identifies the target customer group
- Explains their needs and how their needs are being met
- Emphasizes the compelling advantage for customers

Example Second Paragraph

In recent years, Burien has developed a reputation as an excellent neighborhood for families. The local area experienced a 4.8% increase in population during the past ten years with most of the gain coming from the 35 to 44 year old middle age group, families with children under five and senior citizens. Given industry reports that over half of families own pets, Burien has a sizeable pet market.

Because of the success of upscale pet supply stores in surrounding communities, the Burien demographics suggest there is a need for natural and organic pet foods and high quality pet supplies. At present, there are no pet supply stores in Burien and pet owners are forced to travel outside of the area for natural pet food and supplies. Burien pet owners will value Maddy's because of the natural products offered, our team of knowledgeable employees and the convenient family environment of the store.

Ownership

- Identify names of owners & ownership share
- Define their responsibility in day-to-day operations
- Clarify the legal structure and reasoning behind selection
- Indicate where business will be registered

Example

The owner of the company is Frances Bloom of Seattle. There are no other principals. Frances will

serve as the General Manager and will be on-site to oversee day-to-day operations.

Maddy's Paw has been organized as an LLC because this legal structure is consistent with the needs of a small retail business. The company will be registered and licensed in the State of Washington.

Location

- Identify address if known or community
- Define space requirement or size of facility leased
- Explain lease terms if known
- Indicate remodeling requirements if known
- Explain marketing value of location

Example

Maddy's will be located in Burien, WA. We are searching for a 3,000 square foot location in the heart of the local business district. Given our orientation to families with pets, our site requirements include having a safe and well-lit location with easy access to parking.

History (optional topic for an existing business)

Describe your history in broad terms including when the business was started; how it evolved; how sales and profits have changed; reasons behind good or bad years; special events such as new services, new locations and new partners, etc. Explain what lessons have been learned from the experience. Provide Financial Performance highlights for past three years in the following table.

Past Performance			
	FY -	FY -	FY -
Sales	\$	\$	\$
Gross Margin	\$	\$	\$
Operating Expense	\$	\$	\$
Net Profit (Loss)	\$	\$	\$

Be sure to provide P&L Statements and Balance Sheet information for the past 3 years and the current year to date.

...End

Reformat steps. Start your copy below. When satisfied with your content and done with the above guide, first delete the above content from the **Start reference through the **End** marker. Then delete these instructions. Note: Depending on your underlying paragraph code, you may have to delete a space to fine tune your copy placement.**

<Start your Business Description copy here

Opening paragraph (focus on identification and offering)

- Indicate the name of business (legal name and d/b/a/ doing business as name)
- Describe the product or services provided

Second paragraph (focus on market need and advantage)

- Define the substance of the market area
- Identify the target customer group
- Explain their needs and how their needs are being met
- Emphasize the compelling advantage for customers

Ownership

- Identify names of owners & ownership share
- Define their responsibility in day-to-day operations
- Clarify the legal structure and reasons for
- Indicate where business will be registered

Location

- Identify address if known or community
- Space requirement or size of facility leased
- Lease terms if known
- Remodeling requirements if known
- Marketing value of location

History (optional topic for existing business)

Past Performance			
	FY -	FY -	FY -
Sales	\$	\$	\$
Gross Margin	\$	\$	\$
Operating Expense	\$	\$	\$
Net Profit (Loss)	\$	\$	\$

Products & Services

Overview

Start... This chapter describes the offering, the competitive advantage and what is needed to bring your product or service to the market. The offering is the substance of the business and an important chapter in the business plan. If seeking funding, lenders will not fund what they do not understand. Make sure they can understand the substance of the offering, especially how it fills customer needs and your competitive advantage.

The chapter starts with a brief overview of the offering to give the lender a frame of reference so they understand what they are looking at.

Example

Maddy's Paw will distinguish itself from other pet stores in the market by providing high quality pet food and upscale products for dogs. We intend to feature a diverse product selection that is not likely to be duplicated by the grocery stores in our market area. The following describes our Product Offering.

Product & Services Description

Define the offering from a customer's perspective and indicate how and where customers will gain access to the offering.

Example

Maddy's will operate an upscale pet supplies store for pet owners that consider their pet as a family member. Our inventory selection will include the following product categories:

- Pet Food: dry, canned, raw & dehydrated
- Treats: biscuits, meat jerky, chew, catnip, bonito
- Supplies: collars, leashes, harnesses, litter, pans, carriers, beds, bowls, cookie jars
- Toys: fetch, chew, tug, snuggle, chase
- Pet Care: brushes, shampoo, flea control, skin & nail care, cones, digestive aids
- Accessories: ID tags, rain wear, outfits
- Family: T-shirts, magnets, key fobs, pet memorial items

From personal experience, pet owners tend to think of products in broad categories. As such, the following describes how they are likely to envision Maddy's Paw.

- Premium brands of natural pet food
- Good selection of natural treats
- Broad selection of pet supplies
- Helpful employees

Customers will find Maddy's Paw in the heart of the Burien business district. Our convenient location, store ambiance and helpful employees are core elements of the Maddy's offering.

Features & Benefits

If selling products, there is a phrase that is passed around the marketing community – features tell but benefits sell. A product may have features that are important to customers. Does it resolve their problem or save them time or money? That sounds simple enough but it is not smart to presume

that customers are always aware of the offering benefits. Further, if the marketing message is limited to features, the customer has to do all the work figuring out why they want the product.

Citing benefits helps the customer perceive the value of buying the product. The challenge is to think in terms of their point of view and not your own. It may be easier to imagine benefits when using the term “results.” The benefit or result should provide the answer to – What’s in it for me?

Example

The Maddy’s offering features the following:

- Premium brands of natural and well researched pet food;
- Broad selection of high quality pet supplies;
- Convenient location with easy access and parking;
- Welcome environment for children and pets;
- Fun events for children and their pets.

Customers who treat their pet as a family member will value Maddy’s offering because they believe that natural pet foods and safe pet products will enhance the well-being and life experience of their pet. Customers with children will appreciate our family and pet friendly environment and fun events.

Supplemental Services

The addition of supplemental goods, services and after sale services can add dimension to the offering. For example, an upscale pet store can take photos of kids with pets and post them on website so Grandma in Amsterdam can see them on the web. No names of course.

Example

Maddy’s will provide a variety of services that will enhance the family experience of pet owners. Our supplemental services menu includes the following:

- Canine CPR classes;
- Photo area for family pictures with their pet;
- Family pictures displayed in the store and on our website;
- Pet birthday tracking program;
- A board for pictures of dogs that have recently passed away;
- Photo area for customer dogs.

[End of Business Plan Writing Sample]