

BUSINESS PLAN OUTLINE

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EXECUTIVE SUMMARY

COMPANY OVERVIEW

- Background
- Company name
- Legal form of business
- Brief company history
- Management/leadership (names).
- Business location
- Development stage (where you are currently at).
- Financial status.
- Distinctive Competencies
- Mission and Management Vision
- Mission/Vision/Values
- Strategy

MARKET ANALYSIS

- Market Definition and Opportunity
- Description of primary industry
- Size and growth rate of industry
- Trends
- Major customer groups
- Sensitivity of economic cycles
- Seasonality
- Technological change
- Regulation/certification
- Supply and distribution channels

- Market research/target market
- Define your market
- Critical needs (current satisfaction)
- Demographics
- Psychographic description (psychological factors)
- Primary target market size
- Market Penetration (rationale for estimates)
- Pricing/Margin targets
- Media through which target markets can be reached
- Purchasing cycle
- Trends and anticipated changes within target
- Secondary target markets

- Competition
- Identification (product/service and segment)
- existing
- potential (window of opportunity)
- direct vs. indirect
- Strengths and weaknesses

Competitive Position
Importance of target market to competition
Market share distribution
Barriers to entry
Regulatory environment

PRODUCTS AND SERVICES

Description of products or services.
Benefits (needs satisfied)
Competitive advantages
Present stage (concept, development, prototype, testing)
Technology Adoption Life Cycle
Copyrights, Patents, Trademarks, Licenses
R&D Activities (current and future)
Follow-on products (new products and upgrades)

TECHNOLOGY

Description of Underlying Technology
Intellectual Property

MARKETING AND SALES PLAN

Overall Marketing Strategy
Market Penetration (margins vs. market share)
Growth Strategy
Internal
Acquisition
License
Horizontal
Vertical
Distribution Channels
Communications
Promotion
Advertising
Collateral
Sales Strategy
Sales Force (internal vs. external)
Prospecting
Sales Activities
Current Customers
Target Customers
Strategic Partnerships

MANAGEMENT AND ORGANIZATION

Management team/principals (describe briefly, leave resumes as attachments)
Position
Responsibilities
Unique skills and experiences
Planned additions
Position and timing
Board of directors

Background and involvement
Advisors
Attorney, CPA, Consultants
Organizational chart
Management structure and style
Policy and strategy
In-house vs. Outsource

OPERATION PLAN

Operational Objectives/Milestones
Facilities
Product Development
Technology utilization
Manufacturing or production
Supply and distribution
Order fulfillment and customer service
Financial Control

LONG-TERM DEVELOPMENT AND EXIT PLAN

Goals
Strategies to meet goals
Priorities
Milestones
Risk evaluation
Exit plan; how do investors get their money back

STRUCTURE AND CAPITALIZATION

Business structure
Legal form
Current capitalization table

Capital requirements
Current funding requirements
Projected Future Funding
Expected Source of Funds

Use of Funds

Product development
Sales and marketing
Working capital
Capital expenditures
Acquisitions/Licensing

The deal: (what you want and what you will give)

Terms of transaction
Debt or equity
Type of security

FINANCIAL PLAN: 3 TO 5 YEARS AND HISTORICAL

Business Model
Assumptions

Financial Projections
Income statements
Balance Sheet
Cash Flow

ATTACHMENTS

Letters of intent/key contracts
Testimonials
Product Demos
Market research results
Resumes of management team
Technical information
Detailed Financials
Marketing material

Note: This is a generic sample business plan outline and is intended to show the types of items that could be included in a business plan. Many areas will not apply to specific companies. Also, the most effective plans are short (10 pages or less) and do not have room for much of the information included above.

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