Business Plan Outline

Advanced Agribusiness Management

A. Cover Page
B. Table of Contents
C. Executive Summary
D. Background Information
   1. Business Concept
      a. Mission Statement
      b. Vision Statement
      c. Business Goals and Objectives
   2. Business Status
      a. Business Description
         1) Type of business, merchandising, manufacturing or production, wholesale, retail, service, etc.
         2) What is the nature of the product (s) or services (s)
         3) What is special about the business or how will this business be different from the competition?
      b. Is this a start-up business, an expansion of an existing business, or are you taking over an existing business?
      c. Add the following information for existing businesses:
         1) A brief history of the business.
         2) If you are buying the business, why is the owner selling it at this time?
         3) If the business is declining, why is it declining and how can you turn it around?
         4) What changes do you plan to make to the current business?
   3. Key Points to address:
      a. How and when did this venture get started?
      b. How did the participants become involved with this venture?
      c. What has been accomplished to date?

E. Description of Products and Services
   1. Features of proposed products or services.
   2. Describe the benefits to your customer.
   3. Include your production or manufacturing plan.
      a. If you will be doing any contract work, what are the terms? Reference any dependable contracts and include them as supporting documents.
      b. Do you have any letters of intent from any vendors? Reference any letters and include them as supporting documents.

4. Discuss any property and proprietary rights issues.
5. Key Points to address:
   a. What exactly is the product/service?
   b. What are the key features/benefits?
   c. How is it unique and/or different?
   d. Is the product proprietary and/or protected by patents?
   e. What are the obstacles and/or risks?
f. What are the sources of supply?
g. What are the critical steps, skills, equipment, etc. needed to complete the production plan?

F. Marketing Plan
1. Description of the industry.
   a. Background of the industry
   b. Current and future trends
   c. Where/how does your business fit in the industry? Or What market do you intend to serve?
2. Your target market/customer
   a. Description of the target market and/or customer profile
   b. Description of your trade area
   c. Size of the market - What is the total market?
   d. Market potential – What is your expected share?
   e. Market trends
3. Competition
   a. Direct Competition
   b. Indirect competition
   c. Evaluation of the competition: briefly describe your competition and tell how their operations are similar AND dissimilar to yours.
   d. What is your competitive advantage – How can you serve the market better than the competition? That is, what is your unique selling proposition and how will you use it to control your market share?
4. Market Strategies
   a. Marketing positioning
   b. Market tactics
   c. Pricing strategies
   d. Packaging
   e. Customer Service
   f. Distribution
   g. Advertising and Promotion strategies
   h. Public Relations
5. Key Points to address:
   a. How big is the market and how fast is it growing?
   b. How is the industry structured?
   c. What are your competitive strengths/weaknesses?
   d. How do you intend to sell your product/service?
   e. Who are your customers and why will they buy your product/service?
   f. How do you know they will buy your product/service at your price?
   g. Who are your competitors?
   h. What are your competitors’ strong points?
   i. How will you deal with the competition?

G. Management Structure and Organization
1. Legal form of ownership
2. Management and personnel
a. How will your background and business experience help you manage this business?
b. Describe your management team and identify their strengths and weaknesses.
c. Describe your organizational structure and include a brief description of who performs what function in the business. That is, what are the duties and responsibilities of the management team and include an organizational chart, if necessary.
d. Include any job description(s) that clearly define their duties in the supporting documents.
e. Will you have to train any personnel and if so, what are the costs?
f. List any advisers and/or additional resources.

3. **Key Points to address:**
   a. Who will run this business?
   b. Are they qualified?
   c. What are their strengths and weaknesses?
   d. What holes need to be filled?

H. Business Operations
   1. **Business location**
      a. What is your business address and why did you select this location?
      b. Will the facility be leased or owned?
      c. If the building is leased, what are the terms of the lease contract?
      d. What renovations, if any, will be needed and how much will the renovations cost?
      e. Describe the neighborhood, e.g. stable, changing, improving, deteriorating, etc.
      f. What other kinds of businesses are in the area?
   2. **Licenses and permits**
      a. Is your name registered with the Secretary of State and/or the local county Registrar of Deeds?
      b. How will you be affected by local zoning regulations?
      c. What licenses or permits will you have to obtain?

I. **Financial Plan**
   1. **Start-up requirements**
      a. Estimate of sales and expenses
      b. Assumptions
      c. Start-up costs
      d. Capital equipment list and costs
      e. Source and application of funds statement
   2. **Financial Statements**
      a. Projected income statement
         1) Detail by month for the first year
         2) Detail by quarter for subsequent years
         3) Continue quarterly statements until the breakeven years
         4) Include assumptions and notes of explanation
      b. Projected balance sheet with assumptions and notes of explanation
      c. Cash-Flow projections
1) Monthly
2) Quarterly/Annual

3. Cash-flow Analysis
   a. Break-even analysis – at what level of operation will your expenses equal your sales?
   b. Sensitivity analysis
   c. Net Present Value
   d. Internal Rate of Return

4. Summary of financial plans and needs.
   a. Short-term (Operating) loans
   b. Intermediate-term loans
   c. Long-term loans

5. Financial Statements for existing businesses – minimum of previous three years
   a. Income statements
   b. Balance sheets
   c. Tax returns

6. The financial plan should include appropriate explanations of
   a. Why the funds are needed.
   b. When the funds will be needed.
   c. The types of loans needed:
      1) Short-term (Operating) loans
      2) Intermediate-term loans
      3) Long-term loans
   d. How the funds will be used.
   e. When the funds will be paid back.

7. Key Points to address:
   a. What are the realistic revenue projections?
   b. When will the company reach breakeven?
   c. When will the company reach profitability?
   d. How much capital is needed, when will it be needed, and what will it be used for?

J. Conclusion
   1. Statement of feasibility
   2. Actions plan

K. Appendices and Supporting Documents

Note: This outline was developed from material provided by the NC Small Business & Technology Development Center