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# IDEABRIDGE



The IdeaBridge White Paper Series:  
Business Plan Template

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## BUSINESS PLAN TEMPLATE

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### Summary

Business planning is a vital component of running and building a successful company. While the planning process is arduous and requires a tremendous amount of time, once the investment has been made, it is quite easy to update the plan annually. This outline is by no means all-inclusive, and it will not apply equally to all businesses. Care should be taken to determine suitability for your particular situation prior to beginning the planning process.

### General Guidelines

The guiding principles for writing a sound business plan are:

- The plan must be succinct. It must also be written in a way that is easy to read and understand.
- Your plan has to communicate the strength and depth of your management team.

### Common Mistakes

The most common mistakes made in writing business plans are:

- Unrealistic assumptions (especially with respect to growth rate and expenses).
- Underestimating the difficulties in growing a business.
- Underestimating competitors.

### The Business Plan Outline

#### 1. Executive Summary

The executive summary is a vital page that gives an introduction to the entire business. Generally, the executive summary is written last, summarizing the salient points of the entire business plan.

Effective summaries will cover:

- The company's origins.
- The product or service and its uniqueness or competitive advantage.
- The concept and underlying business model.
- The company's goals.
- The market potential for the product or service.
- A three to five year summary of key financial forecasts.
- Results of market research.
- The management team.
- The financing required to grow the business.
- The exit strategy.

#### 2. Company Description

- Business History, Legal Status and Description.

#### 3. Mission / Vision Statement



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### 4. Product / Service Description

- Description of current or proposed product / service.
- Discuss how the product / service will penetrate the existing or developing market.
- Proprietary Features of your product, including any Trademarks, service marks, licensing agreements, distribution agreements or patents.
- Product Development Activities
- If the product is still under development, discuss in detail the current developmental stage of the product and what it will take (time, money, resources) to bring the product to the market.
- Potential Product Liability issues.
- Future products / services
- Discuss logical extensions of the company's product line.
- Discuss future product enhancements.

### 5. Industry Analysis

- Industry Overview: Global, national and local.
- Your Company's Niche within the industry.
- Industry Participants.
- Industry Trends and Growth Patterns.

### 6. Marketing Plan

- Target Market Demographics, Trends and Growth Patterns.
- Market Size and Potential.
- Pricing Strategy and Positioning.
- Advertising Strategy.
- Public Relations and Promotions.
- Marketing Budget.

### 7. Competition

- Direct Competitors.
- Indirect Competitors.
- Comparison of Strengths and Weaknesses of your company and key competitors.
- Your Competitive Market Niche.
- Market Share Analysis.
- Barriers to Entry.

### 8. Sales Strategy

- Sales Process Description
- Distribution Channels.
- Service and Warranty Policies.

### 9. Operations Plan

- Property Ownership / Lease Terms.



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- Purchasing Policies.
- Administrative Procedures and Controls.
- Staffing and Training Plan.
- Labor Considerations (Union/Non-union, labor shortages, etc)

**10. Management Team**

- Key Management and background.
- Board of Directors.
- Board of Advisors (if applicable).
- Organization Chart.

**11. Financial Plan**

- 3-5 Year Historical Financials (if applicable)
- Balance sheets/Income statements.
- 3-5 Year Projected Financial Statements
- Balance sheets/Income statements/Cash flow projections.
- Detailed Financial Assumptions are critical and they must be realistic.
- Break-Even Analysis.
- Current Ownership Summary.
- Funding Request / Terms of Investment.
- Sources and Uses of Funds.

**12. Appendices**

- Product Samples / Pictures.
- Management Resumes.
- Business Location Site Information.
- Legal Documents.
- Detailed Financials.
- Formal Marketing Plan
- Formal Sales Plan