

Business Plan

Along with your group, you will develop a business plan for a fictional business you would open the Tampa Bay area. Your business plan will include an executive summary, company background, an operations plan (including a monthly budget projection), a marketing plan, and an evaluation plan. You should create a board of directors, business logo, and letterhead in addition to a brochure advertising your products and/or services as well as a PowerPoint for potential investors.

Steps

- 1. Do initial research.** Identify competing businesses and their markets. Get information about pricing. Use information to differentiate their business from competition. You may use the internet, interviews, and/or the yellow pages to research competition.
- 2. Decide on a location.** Remember that your location is an integral part of appealing to a potential customer base.
- 3. Develop a Marketing Plan.** Gather information on cost and effectiveness of different marketing methods and choose one best suited to business. Explain how you would apply the marketing plan. What are the different methods of advertising?
- 4. Develop a Budget.** Design a spreadsheet to calculate start up costs and operational expenses for one year. Include a breakdown of one month's expenses.
- 5. Make a business plan.** Using word templates, create a business plan that contains an executive summary, industry background (from your initial research), an operations plan, a financial plan (including a description of initial capital investment), and a marketing plan.
- 6. Create a letterhead and business cards.**
- 7. Develop a PowerPoint aimed at investors.**

Business Plan Sections

Letter of Transmittal (1 page): Like a cover letter, a letter of transmittal prepares a reader for the enclosed document, in this case a business plan. You should address the following points:

- Who you are
- Why you are writing
- What you expect from your reader

Title page (1 page)

- Title of proposal
- Name of company, writer, writers, submitting proposal
- Date on which the proposal was completed

Table of contents (1-2 pages): Provide complete, clear listing of contents

List of illustrations (1 page): Include below the TOC or on a separate page; Provide enough detail so that the reader can determine the content of each illustration or figure

Executive Summary (1-2 pages): The traditional way to begin the executive summary is with a statement of purpose, perhaps by integrating a mission statement and a few sentences about the product or service the business will provide. Once again, your audience will be potential investors or loan officers. Try to highlight a key point from each section of the plan. Because of length restrictions, you may not have room for everything, so a section that doesn't offer anything important or interesting to the reader may be skipped. Conclude the executive summary with the purpose of the business plan and a specific statement of what you expect from the reader. Clearly state your capabilities and needs in the executive summary, and you will have a greater chance that the reader will turn the page.

Company Background (2 pages): This section should include

- A business concept, which gives the reader the big picture about what the business will do and how it will succeed
- An industry analysis, which defines the industry in which the business will operate (e.g., retail, information distribution, financial services),
- A mission statement, which will, with the big industry picture in the reader's mind, narrow the focus to your business. What will your business do/offer that other businesses like it don't?
- Business goals: In addition to stating what you are going to do, you must also indicate how you are going to do it. To do that you need to set some business goals (products, timing, etc).
- Value proposition: What is consumer's need that is being fulfilled? In other words, why should a customer buy your product or service?

Operations Plan (3-4 pages): This section should include

- **Business location:** Although your business may be an e-business, most businesses will have some sort of physical space that makes them accessible to their customer base.
- **Operating facilities and equipment:** Concurrent with the discussion of location, or immediately following, is a description of the operating assets the business will require, including buildings, equipment, fixtures, vehicles, and software.
- **Procedures:** Will there be any special procedures for purchasing, inventory management, quality control, or customer service?
- **Management plan:** Complementing the organization structure section is information about the background, skills, and expected contributions of each of the leaders and employees of the business.

Financial Plan (2-3 pages): This section should include a start-up budget, an income and expense statement, and the capital required. Based on your financial plan, how much money will you need to start up the business? Where is the money going to come from? How will you spend it? How will you earn it back? **(BE SPECIFIC!)** This section should include graphs and charts as well as written explanations.

Marketing Plan (2-3 pages): What are the target markets? How will you reach the target markets? What kinds of advertising/marketing programs will you have to make your business succeed? I encourage you to include some drafts of print ads or flyers for your company.

Evaluation Plan (2-3 pages): How will you evaluate the success of each of these sections? What steps will you take to ensure the success of your endeavor? As this is the final section of your plan, create a strong persuasive argument that tells investors why your plan deserves to be funded.

Qualifications (1-2 pages): This section is an opportunity to convince the reader that your group is the best equipped to implement your proposed solution. Think of this as an extension of our resume and cover letter project. What training, coursework, or experience makes your group well-suited to the task at hand.

Glossary: If you use any technical terms or other jargon, be sure to provide an alphabetized glossary

Works cited page: You should cite at least 5 sources.

Investor Presentation (10-15 minutes): This will contain many of the elements from your business plan, but with the audience of an investor in mind. Play up how you will corner a particular part of the market. What makes your business better or more profitable than other businesses like it? This presentation should include visuals and each member of your group should participate.