**Executive Summary**

**Operational Plan**

Name of Business:

Type of Business:

Business Description (i.e. wholesale, retail, service, etc.):

Location

(Address, telephone number, and explain why it makes sense to locate there)

Management and Personnel

(Who is involved and what do they do)

Key Advocates

(Who can you turn to for business help: attorney, accountant, mentor?)

Owner’s Background and Experience

1. Technical:

2. Marketing/Sales:

3. Financial:

4. Planning/Organizing:

Legal Structure

(What it is and why you chose that legal structure)

Permits and Licenses

(Write down all the permits you have/need and the name and address of the where you received them)

Accounting and Record Keeping

(What records are necessary to keep and how you are going to keep your records)

Insurance

(Describe your business insurance needs)

**Cash Flow**

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  | Month | Month | Month | Month | Month | Month | Total |
| **Beginning Cash Reserve** |   | 0 | 0 | 0 | 0 | 0 |   |
| Earned Income  |   |   |   |   |   |   |   |
| Other Income |   |   |   |   |   |   |   |
| Spousal Income |   |   |   |   |   |   |   |
| **Total Income** | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Rent |   |   |   |   |   |   |   |
| Mortgage |   |   |   |   |   |   |   |
| Homeowners or rental insurance |   |   |   |   |   |   |   |
| Home telephone |   |   |   |   |   |   |   |
| Property taxes |   |   |   |   |   |   |   |
| Water |   |   |   |   |   |   |   |
| Electricity |   |   |   |   |   |   |   |
| Gas/Oil/Kerosene |   |   |   |   |   |   |   |
| Auto loan |   |   |   |   |   |   |   |
| Fuel |   |   |   |   |   |   |   |
| Vehicle Repairs |   |   |   |   |   |   |   |
| Auto Insurance |   |   |   |   |   |   |   |
| Public Transportation |   |   |   |   |   |   |   |
| Groceries/Tobacco/Alcohol |   |   |   |   |   |   |   |
| Clothing |   |   |   |   |   |   |   |
| Dining Out |   |   |   |   |   |   |   |
| Cable TV/Satellite/Internet |   |   |   |   |   |   |   |
| Entertainment |   |   |   |   |   |   |   |
| Hobbies |   |   |   |   |   |   |   |
| Dues/Subscriptions |   |   |   |   |   |   |   |
| Gifts/Donations |   |   |   |   |   |   |   |
| Travel |   |   |   |   |   |   |   |
| Medical |   |   |   |   |   |   |   |
| Cell Phone |   |   |   |   |   |   |   |
| Other |   |   |   |   |   |   |   |
| Savings |   |   |   |   |   |   |   |
| **Total Cash Out** | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| **Gain/Loss** | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| **Ending Cash Reserve** | 0 | 0 | 0 | 0 | 0 | 0 |  |

**Financial Plan**

Start Up Costs

|  |  |  |
| --- | --- | --- |
| **Item Description** | **Where you will buy it?** | **Cost** |
|  |  |  |
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|  |  |  |
|  |  |  |
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|  |  |  |
|  |  |  |
|  |  |  |
|  |  | Total Cost: |

Overhead/Fixed Costs

|  |  |
| --- | --- |
| **Item Description** | **Cost** |
| Travel |  |
| Rent |  |
| Utilities |  |
| Salaries |  |
| Insurance |  |
| Marketing |  |
| Professional Fees |  |
| Loan Payments |  |
| Everything Else |  |
|  | Total Cost: |

Variable Cost

(Define what one unit is for your business and what it costs to produce one unit. If you have more than one very different, repeat this calculation.)

|  |  |
| --- | --- |
| **My Unit (One typical sale) is:** | **Cost** |
| Cost of materials (per unit) |  |
| Cost of Packaging (per unit) |  |
| Cost of Transport (per unit) |  |
| Cost of Labor (per unit) |  |
| Cost of payroll tax (Self-employment) 10% of salary per unit |  |
| Other costs/unit |  |
| Total Variable Cost/Unit |  |

Gross Profit

(Gross profit = Price – Variable Cost)

Break Even Point

(Break-even point = overhead costs/gross profit

**Sales and Profit Goals**

(1 year sales, 1 year profit, 3 year sales, and 3 year profits)

Business Cash Flow – First Six Months

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| Business Cash Flow | Start-Up |   |   |   |   |   |   | Totals |
| **Monthly Cash In** |   |   |   |   |   |   |   |   |
| 1. Units Sold |   |   |   |   |   |   |   |   |
| 2. Total sales=Line 1 X Unit Price |   |   |   |   |   |   |   |   |
| 3. Owner's Investments |   |   |   |   |   |   |   |   |
| 4. Loans Received |   |   |   |   |   |   |   |   |
| 5. Other |   |   |   |   |   |   |   |   |
| **6. Total Cash In (Add lines 2-5)** |   |   |   |   |   |   |   |   |
| **Monthly Cash Paid Out** |   |   |   |   |   |   |   |   |
| Variable Costs |   |   |   |   |   |   |   |   |
| 7. Materials |   |   |   |   |   |   |   |   |
| 8. Packaging |   |   |   |   |   |   |   |   |
| 9. Transportation |   |   |   |   |   |   |   |   |
| 10. Labor + Payroll Tax |   |   |   |   |   |   |   |   |
| 11. Other |   |   |   |   |   |   |   |   |
| 12. Other |   |   |   |   |   |   |   |   |
| 13. Total Variable Cost (Add lines 7-12) |   |   |   |   |   |   |   |   |
| Overhead Costs |   |   |   |   |   |   |   |   |
| 14. Travel |   |   |   |   |   |   |   |   |
| 15. Rent |   |   |   |   |   |   |   |   |
| 16. Utilities |   |   |   |   |   |   |   |   |
| 17. Salaries + Payroll Taxes |   |   |   |   |   |   |   |   |
| 18. Insurance |   |   |   |   |   |   |   |   |
| 19. Marketing |   |   |   |   |   |   |   |   |
| 20. Professional Fees |   |   |   |   |   |   |   |   |
| 21. Loan Payments |   |   |   |   |   |   |   |   |
| 22. Other |   |   |   |   |   |   |   |   |
| 23. Other |   |   |   |   |   |   |   |   |
| 24. Other |   |   |   |   |   |   |   |   |
| 25. Total Overhead Cost (Add lines 14-24) |   |   |   |   |   |   |   |   |
| **26. Total Cash Spent=Line 13 + Line 25** |   |   |   |   |   |   |   |   |
| 27. Cash on Hand at start of month (ending cash from the month before) |   |   |   |   |   |   |   |   |
| 28. Cash Gained or lost during the month=Line 6 - line 26 |   |   |   |   |   |   |   |   |
| 29. Cash on hand at end of month= line 27 + line 28 |   |   |   |   |   |   |   |   |

Business Cash Flow – Last Six Months

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| Business Cash Flow |   |   |   |   |   |   | Totals |
| **Monthly Cash In** |   |   |   |   |   |   |   |
| 1. Units Sold |   |   |   |   |   |   |   |
| 2. Total sales=Line 1 X Unit Price |   |   |   |   |   |   |   |
| 3. Owner's Investments |   |   |   |   |   |   |   |
| 4. Loans Received |   |   |   |   |   |   |   |
| 5. Other |   |   |   |   |   |   |   |
| **6. Total Cash In (Add lines 2-5)** |   |   |   |   |   |   |   |
| **Monthly Cash Paid Out** |   |   |   |   |   |   |   |
| Variable Costs |   |   |   |   |   |   |   |
| 7. Materials |   |   |   |   |   |   |   |
| 8. Packaging |   |   |   |   |   |   |   |
| 9. Transportation |   |   |   |   |   |   |   |
| 10. Labor + Payroll Tax |   |   |   |   |   |   |   |
| 11. Other |   |   |   |   |   |   |   |
| 12. Other |   |   |   |   |   |   |   |
| 13. Total Variable Cost (Add lines 7-12) |   |   |   |   |   |   |   |
| Overhead Costs |   |   |   |   |   |   |   |
| 14. Travel |   |   |   |   |   |   |   |
| 15. Rent |   |   |   |   |   |   |   |
| 16. Utilities |   |   |   |   |   |   |   |
| 17. Salaries + Payroll Taxes |   |   |   |   |   |   |   |
| 18. Insurance |   |   |   |   |   |   |   |
| 19. Marketing |   |   |   |   |   |   |   |
| 20. Professional Fees |   |   |   |   |   |   |   |
| 21. Loan Payments |   |   |   |   |   |   |   |
| 22. Other |   |   |   |   |   |   |   |
| 23. Other |   |   |   |   |   |   |   |
| 24. Other |   |   |   |   |   |   |   |
| 25. Total Overhead Cost (Add lines 14-24) |   |   |   |   |   |   |   |
| **26. Total Cash Spent=Line 13 + Line 25** |   |   |   |   |   |   |   |
| 27. Cash on Hand at start of month (ending cash from the month before) |   |   |   |   |   |   |   |
| 28. Cash Gained or lost during the month=Line 6 - line 26 |   |   |   |   |   |   |   |
| 29. Cash on hand at end of month= line 27 + line 28 |   |   |   |   |   |   |   |

**Marketing Plan**

**Marketing Needs**

(What are you selling? What benefits will your customers gain?)

**Target Markets**

(Overview of demographics of key target markets – income, age, gender, ethnicity, family status, etc.)

**Market Potential**

**Mission Statement**

(1-2 sentences that describe the core purpose of your business)

**Competitive Strategy**

Plus/minus competition matrix

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Competitor | Price | Service | Location | Quality |  |
|  |  |  |  |  |  |
|  |  |  |  |  |  |
|  |  |  |  |  |  |
|  |  |  |  |  |  |
|  |  |  |  |  |  |

+ Your business has a clear advantage

- Your business doesn’t have a clear advantage

**Market Position**

(Based on above matrix where do you distinguish yourself from your competitors)

**Promotional Strategy**

(Methods used to reach target market)

**Pricing Strategy**

(What is your price? How did you decide on it? Does it match your image?)

**Marketing Goals**

(Describe what you will initially offer and how you will expand)

**Marketing Plan and Budget**

|  |  |  |
| --- | --- | --- |
| **Marketing Action Step** | **When will you do it?** | **Cost** |
|  |  |  |
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|  |  |  |
|  |  |  |
|  |  |  |
|  |  |  |
|  |  |  |
|  |  |  |
| Total Cost |  |

**Sources of Financing**

|  |  |  |
| --- | --- | --- |
| **Source** | **Investment** | **Loan** |
| Personal Savings |  |  |
| Relatives |  |  |
| Friends |  |  |
| Loan |  |  |
| Others |  |  |
| Total (Must equal or exceed total start-up costs) |  |  |

**Appendix**

Please include any other relevant information (letters of reference, market surveys, completed loan application, most recent credit report, etc.)