

# Entrepreneur Development Program

## Business Plan Template



### **Some points to remember when preparing your business plan:**

- Be honest- do not try to hide limitations or weaknesses
- Write in easy-to-understand terms. Avoid jargon and “puffery”
- The plan is to convince your lender(s) that you understand all aspects of your business
- The plan should provide information on how you will use your loan
- Be sure to explain the company’s management team
- A good plan answers three questions: Where are we now? Where do we want to be? How do we get there?

The business plan is an important document both for the entrepreneur and for potential lenders or investors. It acts as communication regarding the inner workings of your business to others who do not understand it as well as you do. It will allow our loan committee members to understand your business project and it will help them to make an informed decision on your loan request. If you are new to business ownership, preparing a business plan helps you answer questions and make decisions prior to opening the doors.

The sections in **red** are meant to be replaced by your information and/or serve as an example of how you might start writing the section. If a section does not apply to your business, you can disregard it.

We understand that not everyone is naturally talented at writing. All we expect is that you put your best effort forth and the program specialist you are working with will help you and will be available to meet as needed.

# Business Plan

Your Business Name

Your City, MN

Owner(s) name

Current Date

Phone Number

EmailAddress@yahoo.com

## Executive Summary:

This section is a condensed version of your whole plan. This should fill the page or be near to one page. It is easiest if you write this section last because you are just summarizing the entire plan so that someone could read this first page and understand your entire project. The rest of the document is to provide details. Consider this page your “elevator speech”.

## **Business Description:**

What type of business do you have? What kind of goods or services do you provide? Explain the business and how it works as if you are telling someone who knows nothing about it. Explain why you are seeking the financing and how it will be used. Be sure to add information about being part of a franchise, a new start up, or expansion etc. Add details like how many locations you have, etc

Example of start:

(My business name here) is a full service sit-down restaurant that specializes in breakfast and lunch with dinner options available. The business is currently located at 1235 Business Plan Dr NW Bemidji, MN....this business is presently owned under the corporate entity Paul and Babe LLC of Bemidji by Ole and Lena Josephson, who have owned since...

## **Location:**

What is the current or intended location of your business? What is the address? Will you be buying or renting? Do you already own the space? Why will you be located there?

## **Structure:**

How is your business legally organized? Are you a sole proprietorship? Are you incorporated? Explain that in this section and why you chose that form of ownership.

Example: (My business name) will be organized as an LLC in the State of Minnesota. Owners will be....

## **Management Team:**

Explain who will be responsible for management of the company, if it is just you then explain your ownership and what duties you will perform.

**Staff:** Explain how many staff members you will have and what their duties will be. Also add shift information and wage ranges and if you plan to alter this in the future.

## **Supporting Professional Services:**

Will you or do you have an accountant, attorney, or business consultant from the SBDC? What will they each help you with or what will their duties be?

## **Industry and Market:**

Explain the industry you are involved with as a whole. You might want to do some web searches and find information. Just be sure to say where the information is from when you add it to your

plan. Also talk about who typically patronizes your business (your market), who you expect to be your customers and who you will target with advertising.

### **Advertising:**

How will your customers find you? How do you stay in touch with your existing customer base? Will you rely on word of mouth and referrals? Will you buy radio advertising or use newspaper or social media? Explain that in this section. Please attach samples if available.

### **Competition:**

Who do you compete with in your town or region? Start with obvious examples but also talk about businesses that provide similar services. Are there any online competitors?

After you talk about your competition talk about your competitive advantages you have over them. Do you have a better location? Better service, prices, or menu options? Try to back things up with examples. Be sure to explain changes you want to make in the future or ways you will look to change that will make the business even better.

### **Financials:**

This section you will use to explain how you will use the loan you are requesting, what cash or other equity you are putting into your project, and if other lenders will be involved. You will also reference your one year cash flow statement that you will be attaching to this plan. Please be sure to explain your financial assumptions you used in your cash flow projections.

Once you fill out all of these sections you will be close to a completed business plan. When you are finished filling in the sections where the instructions are written in red, then forward your draft to the NMF staff you are working with. It can then be reviewed and he or she will meet with you to help review and strengthen the plan.