

Ba 260 Business Plan Summary

Part 1: Project Overview

The overall goal is to create a successful and compelling business plan based on a real idea that your team comes up with. You will have deadlines along the way with a number of smaller assignments, the main final project and one presentation. The final paper should be 14 to 17 pages double spaced size 12 font. The appendix can be any length.

This suggested format below can be followed exactly, but also there are two similar formats one from a major VC firm and one from the course textbook that you will be given. If you choose to follow a different format make sure you clearly demonstrate in your outline that you will hit all of the necessary components of a business plan. The outline you turn in will make sure you are on the right track. You do need to conduct some real world market analysis with at least 5 individuals about your idea and include this in the appendix.

If you have any questions please email me, see me during office hours or bring them up during class. It is up to your team to create a compelling, well researched and well written business plan. Finally, presentation is important; this includes things like layout, readability, grammar and punctuation.

Deadlines:

Project Assignment 1:

- Due Date: Tuesday, June 23
- Turn in list of project members

Project Assignment 2:

- Due Date: Wednesday, June 24
- Turn in summary of top three ideas

Project Assignment 3:

- Due Date: Thursday, June 25
- Turn in final project idea (you will have the weekend to think this over and can turn in an updated project idea on Monday, June 29 if you want to change)

Project Assignment 4:

- Due Date: Wednesday, July 1
- Turn in a business plan outline

Project Assignment Due:

- Due Date: Thursday, July 19
- Turn in a finalized business analysis/plan

Project in Class Presentation:

- Due Date: Monday, July 13 or Tuesday July 14

Part 2: Detailed Project Format

Section 1: The executive summary

- Executive Summary

Section 2: The opportunity description

- **Company purpose-** Define the company/business in a single declarative sentence.
- **Problem-** Describe the pain of the customer (or the customer's customer) and outline how the customer addresses the issue today.
- **Solution-** Demonstrate your company's value proposition to make the customer's life better. Show where your product physically sits.
- **Why now-** Set-up the historical evolution of your category. Define recent trends that make your solution possible.

Section 3: Market Analysis

- **Market size-** How large of an opportunity is this
- **Users-** Identify/profile the customer you cater to.

Section 4: Competition

- **Competitors-** List competitors and competitive advantages of your product

Section 5: Design and Development Plan

- How far along is the business, what needs to be done still.

Section 6: The Economics of the Business

- Include items that are important like Revenue model, Pricing, fixed and variable costs, startup costs
- Sell the reader on how this is going to make money

Section 6: Marketing Plan

- How are you going to get people to learn about your business

Section 7: Management Team

- Who will run and advise your company. Include Founders and Management, Board of Directors and/or Board of Advisors

Section 8: Financials

- Here you can include any pro forma financial statements or ratio analysis.

Appendix

Optional

Section X: Operations Plan

Section X: Overall Schedule

Part 3: Other Possible Layouts

Sequoia Capital

Summary: This is taken from Sequoia Capital a Venture Capital firm.

Company purpose

Define the company/business in a single declarative sentence.

Problem

Describe the pain of the customer (or the customer's customer).

Outline how the customer addresses the issue today.

Solution

Demonstrate your company's value proposition to make the customer's life better.

Show where your product physically sits and Provide use cases.

Why now

Set-up the historical evolution of your category.

Define recent trends that make your solution possible.

Market size

Identify/profile the customer you cater to.

Calculate the TAM (top down), SAM (bottoms up) and SOM.

Competition

List competitors and List competitive advantages

Product

Product line-up (form factor, functionality, features, architecture, intellectual property).

Development roadmap.

Business model

Revenue model and Pricing

Average account size and/or lifetime value

Sales & distribution model

Customer/pipeline list

Team

Founders & Management and Board of Directors/Board of Advisors

Financials

P&L

Balance sheet

Cash flow and Cap table

The deal

Entrepreneurship- Successfully Launching New Ventures

Summary: This is taken from the textbook and is a very detailed guide about all aspects of a Business Plan.

Section 1: Executive Summary

Section 2: Industry Analysis

- Industry size, growth rate, and sales projections
- Industry structure
- Nature of participants
- Key success factors
- Industry trends
- Long-term prospects

Section 3: Company Description

- Company description
- Company history
- Mission statement
- Products and services
- Current status
- Legal status and ownership
- Key partnerships (if any)

Section 4: Market Analysis

- Market segmentation and target market selection
- Buyer behavior
- Competitor analysis

Section 5: The Economics of the Business

- Revenue drivers and profit margins
- Fixed and variable costs
- Operating leverage and its implications
- Start-up costs
- Break-even chart and calculations

Section 6: Marketing Plan

- Overall marketing strategy
- Product, price, promotions, and distribution
- Sales process (or Cycle)
- Sales tactics

Section 7: Design and Development Plan

- Development status and tasks
- Challenges and risks
- Projected development costs
- Proprietary issues (patents, trademarks, copyrights, licenses, brand names)

Section 8: Operations Plan

- General approach to operations
- Business location
- Facilities and equipment

Section 9: Management Team and Company Structure

- Management team
- Board of directors
- Board of advisers
- Company structure

Section 10: Overall Schedule

- Incorporating the venture
- Completion of prototypes
- Rental of facilities
- Obtaining critical financing
- Starting production
- Obtaining the first sale

Section 11: Financial Projections

- Sources and uses of funds statement
- Assumptions sheet
- Pro forma income statements
- Pro forma balance sheets
- Pro forma cash flows
- Ratio analysis

SBA.gov

Summary: This is taken from the US Small Business Association site

Executive Summary

Your executive summary is a snapshot of your business plan as a whole and touches on your company profile and goals. Read these tips about what to include.

Company Description

Your company description provides information on what you do, what differentiates your business from others, and the markets your business serves.

Market Analysis

Before launching your business, it is essential for you to research your business industry, market and competitors.

Organization & Management

Every business is structured differently. Find out the best organization and management structure for your business.

Service or Product Line

What do you sell? How does it benefit your customers? What is the product lifecycle? Get tips on how to tell the story about your product or service.

Marketing & Sales

How do you plan to market your business? What is your sales strategy? Read more about how to include this information in your plan.

Funding Request

If you are seeking funding for your business, find out about the necessary information you should include in your plan.

Financial Projections

If you need funding, providing financial projections to back up your request is critical. Find out what information you need to include in your financial projections for your small business.

Appendix

An appendix is optional, but a useful place to include information such as resumes, permits and leases. Find additional information you should include in your appendix.