**Study Questions:**

1. A business plan is a long document containing a plan that will carefully articulate the merits, requirements, risks, and potential reward of the opportunity and how it will be seized. It is mainly prepared for potential investors with hopes that it will convince them to provide the startup with initial funding.

4. The business plan is used by investors to gauge the potential the business has, and whether or not it would be economically feasible to provide the finding for the company. The four anchors that venture capitalists look to validate are merits, requirements, risks, and potential reward.

5. A dehydrated business plan is an abridged plan that only covers key points similar to those usually found in the executive summary. It is mostly an analysis of information about the heart of the business opportunity. It can be used in the process of raising or borrowing money, and can also be a very useful compass to keep you on track.

**Mind Benders:**

3. Three of the most prominent businesses worth over $10 million whom were started without business plans are Apple, Microsoft, and Facebook. These businesses didn’t need a plan because the opportunity was so huge and the leadership had a vision and could convince other people that the vision was the truth, without any of the paperwork traditionally believed necessary to starting a successful business. I learned from these companies, that even though a business plan is in most cases a place to start, it isn’t so necessary that the startup will falter without one, as long as the circumstances are right.