|  |  |
| --- | --- |
| Business Plan |  |

**Table of Contents**

[Index of Tables iii](#_Toc31728091)

[Index of Figures iii](#_Toc31728092)

[1. EXECUTIVE SUMMARY 1](#_Toc31728093)

[1.1 Introduction 1](#_Toc31728094)

[1.2 Context 1](#_Toc31728095)

[2. THE BUSINESS 1](#_Toc31728096)

[2.1 The Products/Services or Business Processes 1](#_Toc31728097)

[2.1.1 Conceptual Description 1](#_Toc31728098)

[2.1.2 Key Technical Components and IPR 1](#_Toc31728099)

[2.1.3 Unique Features/Unique Benefits 1](#_Toc31728100)

[2.2 Products/Services Portfolio 1](#_Toc31728101)

[3. THE WORKPLAN 2](#_Toc31728102)

[4. THE BUSINESS MODEL 2](#_Toc31728103)

[4.1 Strategy 2](#_Toc31728104)

[4.2 Revenue streams 2](#_Toc31728105)

[4.3 Regulations and Permits 2](#_Toc31728106)

[4.4 Strategic Alliances 2](#_Toc31728107)

[5. THE MARKET 3](#_Toc31728108)

[5.1 Market Definition 3](#_Toc31728109)

[5.2 Market Research 3](#_Toc31728110)

[5.3 Market Segmentation 3](#_Toc31728111)

[5.3.1 Targeting 3](#_Toc31728112)

[5.3.2 Positioning 3](#_Toc31728113)

[5.4 Marketing 3](#_Toc31728114)

[5.5 Advertising, Promotion, Trade Shows 4](#_Toc31728115)

[6. COMPETITION & RISKS 4](#_Toc31728116)

[6.1 Competition 4](#_Toc31728117)

[6.2 Risks 4](#_Toc31728118)

[7. ORGANISATION AND HR 4](#_Toc31728119)

[7.1 Organisation 4](#_Toc31728120)

[7.2 Business Management 4](#_Toc31728121)

[7.3 Commercial/Sales Management 4](#_Toc31728122)

[7.4 Technical Management 4](#_Toc31728123)

[8. CAPITAL REQUIREMENTS 5](#_Toc31728124)

[8.1 Summary Financial Plan 5](#_Toc31728125)

[8.1.1 Assumptions 5](#_Toc31728126)

[8.1.2 Forecast Statements 5](#_Toc31728127)

[9. ANNEXES 8](#_Toc31728128)

[9.1 Annex 1: Company presentation 8](#_Toc31728129)

[9.2 Annex 2: Business Management 8](#_Toc31728130)

[9.3 Annex 3: Commercial/Sales management 8](#_Toc31728131)

[9.4 Annex 4: Technical management 8](#_Toc31728132)

[9.5 Annex 5: Detailed Financial Plan and Statements 8](#_Toc31728133)

[9.6 Annex 6 … : ….. 9](#_Toc31728134)

**Index of Tables**

[Table 1: Forecast Income Statement 5](#_Toc31728034)

[Table 2: Forecast Cost of Sales 6](#_Toc31728035)

[Table 3: Forecast Expenses 6](#_Toc31728036)

[Table 4: Forecast Sales Projection 7](#_Toc31728037)

[Table 5: Forecast Cash Flow Statement 7](#_Toc31728038)

**Index of Figures**

No table of figures entries found.

1. EXECUTIVE SUMMARY
   1. Introduction

[This section represents the introduction to the business plan and to the key aspects of the sub-project, purpose, main objectives. After reading this section, it shall be clear (for the evaluator) what outcome the sub-project is expected to generate and if the sub-project aims to introduce new products/services and/or aims to implement new business processes in order to bring additional competitive advantages to the current portfolio. This section will also have to indicate if the expected output of the sub-project is innovative for the Applicant and/or in Romania or on the target market.]

* 1. Context

[Within this section, the Applicant shall provide a description of the economical/business context in which the sub-project will be implemented and will produce results that may provide the evaluator with the indication of why the applicant wants to implement the sub-project as well as of the needs that will be addressed, gaps on the market, competitive advantage that is expected to be achieved.]

1. THE BUSINESS
   1. The Products/Services or Business Processes
      1. Conceptual Description

[Within this section, the Applicant shall provide the conceptual description of the products/services/business processes/methods, etc. that are subject of the sub-project. This section shall outline also the innovative parts of the sub-project. References to existing EU initiatives in the field of the sub-project that may be addressed by the implementation of the sub-project may be included here. Clearly explain what is the problem/need that the sub-project aims to solve]

* + 1. Key Technical Components and IPR

[Within this section, the Applicant shall provide a summary of the key technical aspects/components of the sub-project. It shall be mentioned if the sub-project starts from an existing patent or any potential IPR registration shall be made as a result of the implementation of the sub-project may be included here]

* + 1. Unique Features/Unique Benefits

[Within this section, the Applicant shall provide a description of the unique features of the new products/services or of the competitive advantages added to the existing portfolio as a result of the implementation of the sub-project that will outline the innovative characteristic of the sub-project. Clearly describe how these features are resolving the identified problem/need]

* 1. Products/Services Portfolio

[Within this section, the Applicant shall provide a clear identification (table structure is preferred) of the new portfolio of products/services resulted after the implementation of the sub-project or improved as a result of the implementation of the new business processes/methods/etc. that are subject to the sub-project]

1. THE WORKPLAN

[clear description of the workplan for the implementation of the sub-project. the timetable of work, deliverables, quality criteria for outputs/deliverables, output validation/acceptance procedure (e.g. the logical framework matrix) shall be included here]

1. THE BUSINESS MODEL
   1. Strategy

[Within this section, the Applicant shall outline of the overall business strategy to be executed and of the business objectives (e.g. more than 80% recurring revenue, accelerated expansion to the market); operational objectives (e.g. focus on OPEX); technical objectives (e.g. use of AI technology, etc.)]

* 1. Revenue streams

[Within this section, the Applicant shall provide the identification of the main foreseen revenue streams. This section shall be drafted in direct connection with the portfolio (or the processes improvements) and with the strategic objectives and shall outline how the portfolio (or the processes improvements) will generate (or will contribute to) the revenue streams in order to meet the objectives mentioned in the strategy]

* 1. Regulations and Permits

[Within this section, the Applicant shall describe (if applicable) the list of the specific regulations and permits that needs to be obtained in order to conduct the business during and after the implementation of the sub-project. If no specific regulations and permits are needed, this aspect shall be clearly mentioned here.]

* 1. Strategic Alliances

[Within this section, if applicable, the Applicant shall describe the specific strategic alliances that may be appropriate to establish in order to maximise the outputs or expected results of the implementation of the sub-project. If no strategic alliances are not planned to be established, this aspect shall be mentioned within this section. A strategic alliance represents a long-term business agreement established in order to have access to technology and/or to specific expertise and/or established for optimising costs through outsourcing and/or established to increase sales through multiple channels such as distributors, franchise dealerships, etc.]

1. THE MARKET
   1. Market Definition

[Within this section, the Applicant shall provide a clear identification of the market that will be targeted as a result of the implementation of the sub-project. This section shall start (if applicable) from the current market and market share and shall outline what new markets will be entered and/or how the market share on the current market will be increased as a result of the implementation of the sub-project.]

* 1. Market Research

[Within this section, the Applicant shall provide references to market studies or description of own market research conducted in order to support the market definition above. This section shall provide the evaluator with confidence that the Applicant has good knowledge of the market and its predictions/projections of the potential commercial success of the sub-project is not based on just feelings and ideas]

* 1. Market Segmentation

[Within this section, the Applicant shall provide a clear identification of the segments on the target market. Where applicable, the market segmentation shall be made under more than one dimension (e.g. geographic dimension, demographic dimension, industry dimension, etc.)]

* + 1. Targeting

[Within this section, the Applicant shall provide a description of the actions, methods, priorities that will be used to attract customers from each market segment identified above]

* + 1. Positioning

[Within this section, the evaluator shall find clear information about how the applicant will position itself and/or its portfolio on the target market (e.g. high-end products with high margin, low/medium-end portfolio with high volume and low margin, etc.)]

* 1. Marketing

[Within this section, the Applicant shall provide a description of the marketing strategy that will be executed (as new strategy and/or adaptation of the existing marketing strategy) in order to introduce the new products/services on the market or to promote the competitive advantage resulted from the implementation of new innovative business processes/methods/etc. It should also outline and give brief information about the marketing budget. Comparations with benchmarks in the industry may be included here.]

* 1. Advertising, Promotion, Trade Shows

[Within this section, the Applicant shall provide a description of the advertising and promotion channels that are planned to be used within the marketing strategy. A provisional list of specific trade shows where the Applicant intends to participate may be included here.]

1. COMPETITION & RISKS
   1. Competition

[Within this section, the Applicant shall provide a clear identification of the main competitors on the target market together with a description of the main actions to be carried out to overcome the potential competition threats]

* 1. Risks

[Within this section, the Applicant shall provide a clear identification of the main risks (business, organisational and technical) together with appropriate prevention actions and mitigation measures]

1. ORGANISATION AND HR
   1. Organisation

[Within this section, the Applicant shall provide a description of the organisational structure needed to be in place for implementing the sub-project and conducting the business. It is advisable to present the organisational chart for implementing the sub-project and for post-implementation actions.]

* 1. Business Management

[Within this section, the Applicant shall provide a description of the management structure that will be responsible with the implementation of the sub-project and further conducting business. short professional profiles of key persons may be included here]

* 1. Commercial/Sales Management

[Within this section, the Applicant shall provide a description of the commercial/sales structure that will be responsible with the performance of the business, sales of the new products/services on the target market or exploit the competitive advantages of the implementation of the new business processes/methods/etc. short professional profiles of key persons may be included here]

* 1. Technical Management

[Within this section, the Applicant shall provide a description of the technical structure that will be responsible with the operational part of the implementation of the sub-project (e.g. engineering, design, prototyping, production, logistics, supply chain, etc.) short professional profiles of key persons may be included here]

1. CAPITAL REQUIREMENTS

[Within this section, the Applicant shall summarise the capital (financing) needs of the sub-project. It may be considered relevant to outline the capital needs and CAPEX/OPEX structure in the phase of the implementation of the sub-project as well as post-implementation]

* 1. Summary Financial Plan
     1. Assumptions

[Within this section, the Applicant shall provide a brief description of the assumptions made as base for the financial plan (e.g. stability of taxation level, potential evolution of the exchange rate, etc.)]

* + 1. Forecast Statements
       1. Income Statement

[Within this section, the Applicant shall present the summary of the forecast income statement for at least 5 years from the year of the actual start of the sub-project implementation. The income statement shall be presented in the format required by the PFI. If PFI does not require a specific format, the following format shall be used, a new column shall be added for each year. All amounts shall be in EURO unless otherwise indicated by the PFI and/or agreed with the PFI.]

Table 1: Forecast Income Statement

|  |  | **Y1** |
| --- | --- | --- |
| 1 | Total Sales |  |
| 2 | Other External Financing Source (if applicable) |  |
| 3 | Other External Financing Source (if applicable) |  |
| 4 | Sub-Loan |  |
| 5 | Total Cost of Sales |  |
| 6 | Gross Profit | 1+2+3+4-5 |
| 7 | Sales Expenses |  |
| 8 | Admin Expenses |  |
| 9 | R&D / R&I |  |
| 10 | Depreciation and Amortization |  |
| 11 | Interest |  |
| 12 | EBT | 6-7-8-9-10-11 |
| 13 | TAX |  |
| 14 | NET EARNINGS | 12-13 |
| 15 | EBITDA | 14+11+13+10 |

* + - 1. Cost of Sales

[Within this section, the Applicant shall provide the summary of the forecast cost of sales statement for at least 5 years from the year of the actual start of the sub-project implementation. The cost of sales statement shall be presented in the format required by the PFI. If PFI does not require a specific format, the following format shall be used, a new column shall be added for each year. All amounts shall be in EURO unless otherwise indicated by the PFI and/or agreed with the PFI.]

Table 2: Forecast Cost of Sales

|  |  | **Y1** |
| --- | --- | --- |
| TA1 | Tangible Asset Purchase 1 |  |
| TA2 | Tangible Asset Purchase 2 |  |
| .... | ..... |  |
| TAn | Tangible Asset Purchase n |  |
| 1 | Total Tangible Assets Costs | TA1+TA2+ ... +TAn |
| IA1 | Intangible Asset Purchase 1 |  |
| IA2 | Intangible Asset Purchase 1 |  |
| .... | ..... |  |
| IAm | Intangible Asset Purchase m |  |
| 2 | Total Intangible Assets Costs | IA1+IA2+ ... +IAm |
| 3 | Direct Labour Wages |  |
| 4 | Services/utilities (if applicable) |  |
| 5 | Office Rent (if applicable) |  |
| 6 | TOTAL COST OF SALES | 1+2+3+4+5 |

* + - 1. Expenses

[Within this section, the Applicant shall present the summary of the forecast expense statement for at least 5 years from the year of the actual start of the sub-project implementation. The expenses statement shall be presented in the format required by the PFI. If PFI does not require a specific format, the following format shall be used, a new column shall be added for each year. All amounts shall be in EURO unless otherwise indicated by the PFI and/or agreed with the PFI.]

Table 3: Forecast Expenses

|  |  | **Y1** |
| --- | --- | --- |
| 1 | Selling Salaries |  |
| 2 | Traveling |  |
| 3 | Advertising |  |
| 4 | Shipping & Delivery |  |
| 5 | Total Sales Expenses | 1+2+3+4 |
| 6 | Management Salaries |  |
| 7 | Office Salaries |  |
| 8 | Professional Fees |  |
| 9 | Telecommunication |  |
| 10 | Office Expenses |  |
| 11 | Insurance |  |
| 12 | Sub-Loan Principal |  |
| 13 | Total Admin. Expenses | 6+7+8+9+10+11+12 |
| 14 | Research & Development |  |
| 15 | TOTAL EXPENSES | 5+13+14 |

* + - 1. Sales

[Within this section, the Applicant shall present the summary of the forecast sales statement for at least 5 years from the year of the actual start of the sub-project implementation. The sales statement shall be presented in the format required by the PFI. If PFI does not require a specific format, the following format shall be used, a new column shall be added for each year. All amounts shall be in EURO unless otherwise indicated by the PFI and/or agreed with the PFI.]

Table 4: Forecast Sales Projection

|  |  |  |
| --- | --- | --- |
|  |  | **Y1** |
| 1 | Revenue Stream 1 |  |
| 2 | Revenue Stream 2 |  |
| ... | ... |  |
| n | Revenue Stream n |  |
|  | TOTAL SALES | 1+2+ ... +n |

* + - 1. Cash Flow Statement

[Within this section, the Applicant shall present the summary of the forecast cash flow statement for at least 5 years from the year of the actual start of the sub-project implementation. The analysis shall demonstrate that the Applicant is capable to ensure a positive cash flow during the sub-project implementation, until the maturity of the sub-loan. The cash flow statement shall be presented in the format required by the PFI. If PFI does not require a specific format, the following format shall be used. All amounts shall be in EURO unless otherwise indicated by the PFI and/or agreed with the PFI.]

Table 5: Forecast Cash Flow Statement

| **Month** | **Opening Balance** | **Income in Month** | **Expenses in Month** | **Closing**  **Balance** |
| --- | --- | --- | --- | --- |
| 1 | opbM1 | inM1 | outM1 | clbM1=opbM1+inM1-outM1 |
| 2 | opbM2=clbM1 | inM2 | outM2 | clbM2=opbM2+inM2-outM2 |
| 3 | opbM3=clbM2 | inM3 | outM3 | clbM3=opbM3+inM3-outM3 |
| … | ... | … | … | … |
| 60 | opbM60=clbM59 | inM60 | outM60 | clbM60=opbM60+inM60-outM60 |

* + - 1. Break-even analysis

[Within this section, the Applicant shall present a breakeven analysis of the sub-project. This analysis shall reflect the above statements and shall demonstrate the capacity of the Applicant to reach the breakeven point within the sub-loan maturity period. There is no specific required format for this analysis.

1. ANNEXES
   1. Annex 1: Company presentation

[Within this section, the Applicant shall present the detailed company profile, expertise, experience, history, main projects, R&D/R&I experience and results. If available/applicable, Previous involvement in EU R&D/R&I initiatives/projects shall be included here. If available/applicable, reference letters, documentary proofs of R&D/R&I previous experience, R&D/R&I awards references, etc. shall be included here.]

* 1. Annex 2: Business Management

[Within this section, the Applicant shall present the CVs of the top management/executives involved in the implementation of the sub-project, no more than 1 (one) page per CV in a format of Applicant’s choice. The CVs shall outline the relevant experience and expertise in the field of the sub-project.]

* 1. Annex 3: Commercial/Sales management

[Within this section, the Applicant shall present the CVs of the key salespersons involved in the implementation of the sub-project, no more than 1 (one) page per CV in a format of Applicant’s choice. The CVs shall outline the relevant experience and expertise in the field of the sub-project.]

* 1. Annex 4: Technical management

[Within this section, the Applicant shall present the CVs of the key technical persons involved in the implementation of the sub-project, no more than 1 (one) page per CV in a format of Applicant’s choice. The CVs shall outline the relevant experience and expertise in the field of the sub-project.]

* 1. Annex 5: Detailed Financial Plan and Statements

[Within this section, the Applicant shall present the details of the forecast financial statements for at least 5 years from the year of the actual start of the sub-project implementation, in a form of an Excel workbook with formulas. This section will allow the evaluator to verify the accuracy and the level of detail of the statements presented in the main body of the business plan and also to run (if needed) various simulations on the financial statements. Failing to provide this annex may lead to a zero (0) score for INNO17 to INNO21 eligibility criteria. There is no specific format required unless the PFI requires a format and the summary statements from the main body of the business plan are calculated and presented in the required format.]

* 1. Annex 6 … : …..

[Within this section, the Applicant may present any other information that is considered as being relevant for the sub-project. This information may include product sheets, description of other technologies used for the implementation of the sub-project, etc. The information presented in this section has no direct impact on the evaluation of the eligibility criteria but may influence this evaluation in a positive manner.]