



How to Write a Business Plan

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Many companies, like Sequoia, like business plans that present lots of information with the fewest words possible.

Hence, the Sequoia team has made a business plan format that will only need 15-20 slides to lay out all your information!

Step n°1 | **Company Purpose**

Define the company in a single, declarative sentence.

Step n°2 | **Your Problem**

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

- Outline how the customer addresses the issue today

Step n°3 | **The Solution**

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

- Show where your product physically sits.

- Provide use cases.

Step n°4 | **Why now?**

Set up the **historical evolution of your category**.

- Define recent trends that make your solution possible.

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Step n°5 | **Market Size**

- *Identify/profile the customer you cater to.*
- *Calculate the TAM (top-down), SAM (bottoms up), and SOM.*

Step n°6 | **Competition**

List competitors

- *List competitive advantages*

Step n°7 | **Product**

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

- *Development roadmap*

Step n°8 | **Business model**

Revenue model - Pricing

- *Average account size and/or lifetime value*
- *Sales and distribution model*
- *Customer/pipeline list*

Step n°9 | **Your Team**

Founders and management

- *Board of Directors/Board of Advisors*

Step n°10 | **Financials**

P&L (Profit & Loss Statement)

- *Balance sheet*
- *Cash flow*
- *Cap table*
- *The deal*