





You Own It Already



You Own It Already



<http://planasyougo.com>



Myrtle Creek 11-13-08

AGENDA

1. Attitude Adjustment
2. The Heart of the Plan
3. Flesh and Bones
4. Dressing and Growing
5. Planning as Management

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Start Anywhere. Get Going



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Not the Old Standby

- Executive Summary
- Company
- Product or Service
- Market Analysis
- Strategy and Implementation
- Management Team
- Financial Projections



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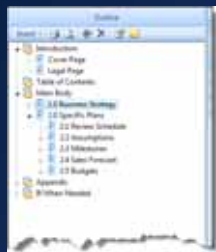
Builds Function, Not Form



Do Only What You Need



New Approach: Keep it Simple



Separates Plan from Background

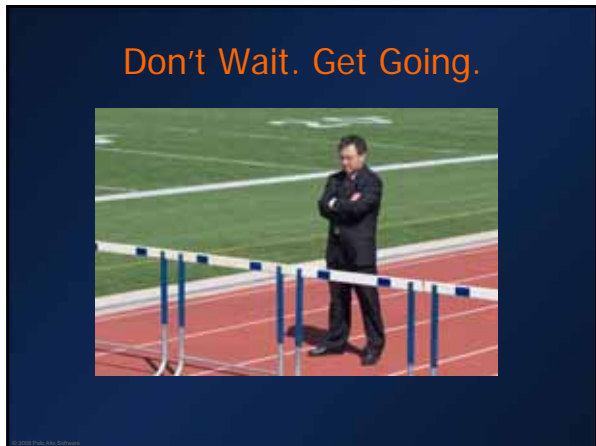


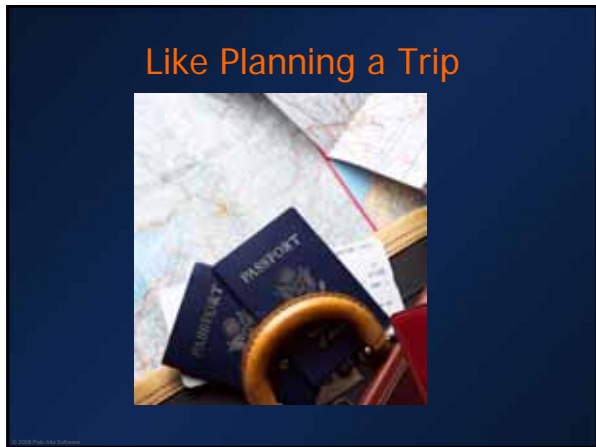
Inside Out from the Heart

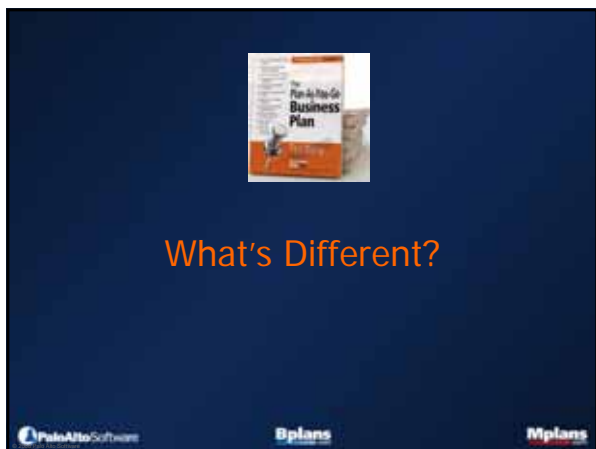


Planning not Accounting










Planning, not Just a Plan



seless,
ssential




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Plans Must Be Measurable



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Plans Must be Managed



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Appropriately Sized Planning





Why Is It Better?

PaltoSoftware

Bplans

Mplans

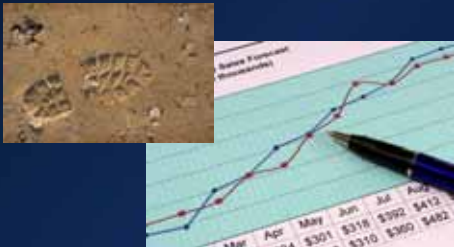
Separates Plan From Output



Separates Supporting Information



Gets Better Business Results



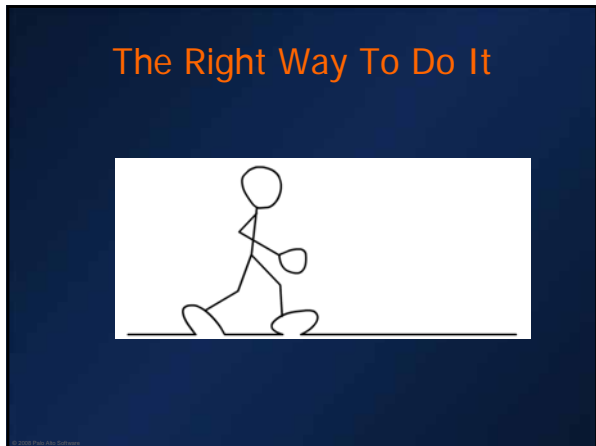
Faster And Easier











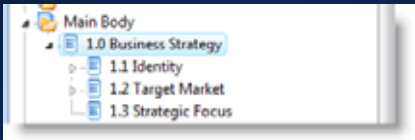
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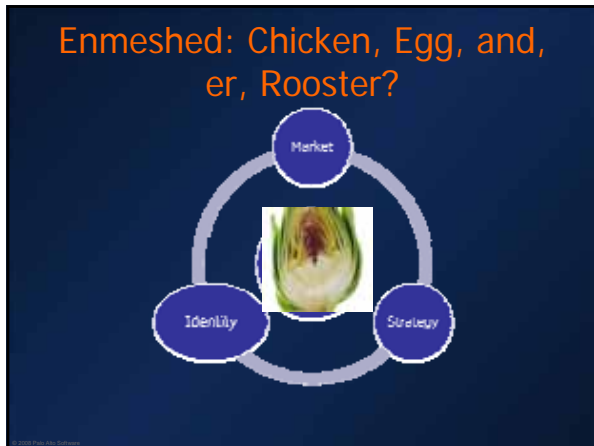
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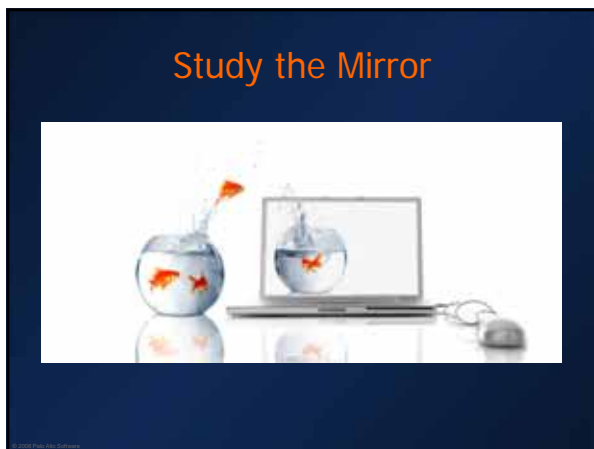
The Heart of the Plan



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graph TD; MainBody[Main Body] --> B1[1.0 Business Strategy]; B1 --> B11[1.1 Identity]; B1 --> B12[1.2 Target Market]; B1 --> B13[1.3 Strategic Focus];
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Core Competence



Your Specific Keys to Success



SWOT



Market Who and Why



Profile Your Ideal Customer



Tell the Story





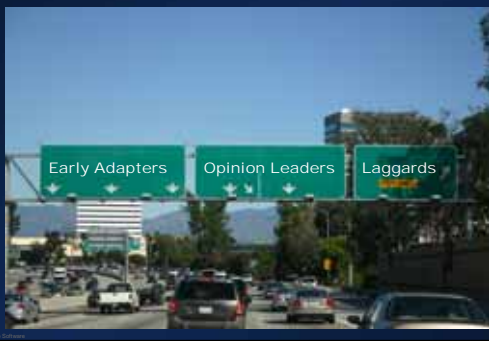




Strategy Is Tailored



Divide & Conquer



Pop Quiz

I don't know the secret to success; please even



Tough Decisions



Understand Displacement



Knobs You Can Turn



Identify Important Assumptions



Spell Out Assumptions

Basic Assumptions

- Why? We open our family business with open and honest eyes.
- What? We spend the first 6 months of our business with open and honest eyes.
- How? We spend the first 6 months of our business with open and honest eyes.
- Where? We spend the first 6 months of our business with open and honest eyes.
- When? We spend the first 6 months of our business with open and honest eyes.
- Who? We spend the first 6 months of our business with open and honest eyes.
- What assumptions and metrics for the rest of the year?

Assumption	Q1	Q2	Q3	Q4
Revenue	10000	12000	15000	18000
Expenses	8000	9000	10000	11000
Profit	2000	3000	5000	7000
Net Income	1500	2500	4000	5500
Operating Cash Flow	1000	1500	2500	3500
Free Cash Flow	500	1000	1500	2000

Develop Metrics



Estimate Payroll

Personnel Plan	Jan	Nov	Dec	Year 1	Year 2
Partners	\$12,000	\$12,000	\$12,000	\$144,000	\$175,000
Consultants	\$0	\$0	\$0	\$0	\$50,000
Editorial/graphic	\$0	\$6,000	\$6,000	\$18,000	\$22,000
VP Marketing	\$0	\$5,000	\$5,000	\$20,000	\$50,000
Sales people	\$0	\$0	\$0	\$0	\$30,000
Office Manager	\$0	\$2,500	\$2,500	\$7,500	\$30,000
Secretarial	\$0	\$1,750	\$1,750	\$5,250	\$20,000
Other	\$0	\$0	\$0	\$0	\$0
Total People	3	7	7	7	14
Total Payroll	\$12,000	\$27,250	\$27,250	\$194,750	\$377,000


Startup Plan

Start-up Plan	
Requirements	
Start-up Expenses	
Legal	\$1,000
Stationery, etc.	\$3,000
Brochures	\$5,000
Consultants	\$5,000
Insurance	\$350
Expensed Computer Equipment	\$3,000
Other	\$1,000
Total Start-up Expenses	\$18,350
Start-up Assets	
Cash Required	\$25,000
Other Current Assets	\$7,000
Long-term Assets	\$0
Total Assets	\$32,000
Total Requirements	\$50,350

Cash Traps







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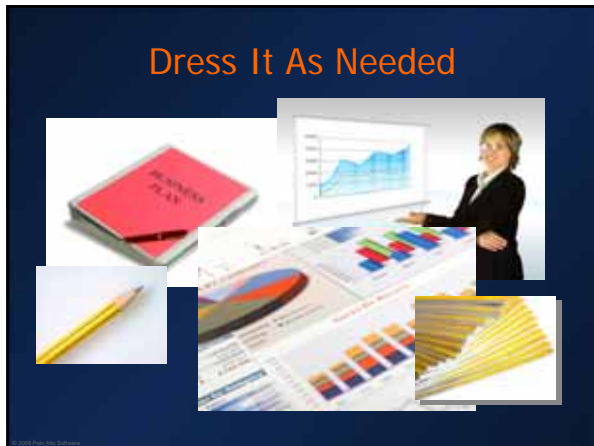
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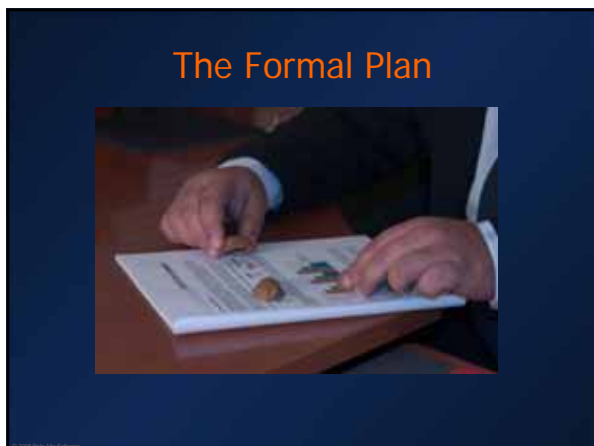


Section 5

DRESSING AND GROWING





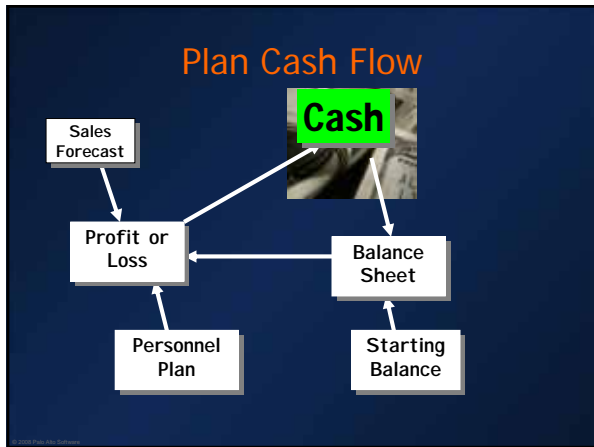












Standard Income Statement

	Jun	Feb	Mar
Sales	\$70,000	\$71,000	\$72,500
Direct Cost of Sales	\$15,000	\$15,000	\$15,000
Other	\$1,000	\$1,000	\$1,000
Total Cost of Sales	\$16,000	\$16,000	\$16,000
Gross Margin	\$54,000	\$55,300	\$56,600
Gross Margin %	77.14%	77.56%	77.96%
Expenses			
Payroll	\$29,750	\$29,750	\$29,750
Advertising	\$14,000	\$14,000	\$14,000
Depreciation	\$0	\$0	\$0
Leases	\$500	\$500	\$500
Utilities	\$1,100	\$1,100	\$1,100
Insurance	\$300	\$300	\$300
Rent	\$1,600	\$1,600	\$1,600
Payroll Tax	\$4,500	\$4,500	\$4,500
Other	\$0	\$0	\$0
Total Operating Expenses	\$51,750	\$51,750	\$51,750
Interest Expenses	\$617	\$617	\$617
Taxes Incurred	\$408	\$733	\$1,058
Net Profit	\$1,225	\$2,200	\$3,175

Collections at 90

Receivables Detail			
	Mar	Apr	May
Estimated Collection Period in Days	90	90	90
Sales on Credit %	85.00%	85.00%	85.00%
Receivables			
Beginning Receivables Balance	\$651	\$865	\$1,233
Plus Sales on Credit	\$353	\$596	\$547
Less Cash from Receivables	\$139	\$228	\$291
Ending Receivables Balance	\$865	\$1,233	\$1,489

Cash Spent

Cash Flow			
	Jan	Feb	Mar
Expenditures from Operations			
Cash Spending	\$47	\$47	\$47
Bill Payment	\$225	\$36	\$59
Subtotal Spent on Operations	\$272	\$83	\$106
Additional Cash Spent			
Non Operating (Other) Expense	\$0	\$0	\$0
Sales Tax, VAT, HST/GST Paid Out	\$0	\$0	\$0
Principal Repayment of Current Borrowing	\$0	\$0	\$90
Other Liabilities Principal Repayment	\$0	\$0	\$0
Long-term Liabilities Principal Repayment	\$3	\$3	\$3
Purchase Other Current Assets	\$0	\$0	\$0
Purchase Long-term Assets	\$25	\$0	\$15
Dividends	\$0	\$0	\$0
Subtotal Cash Spent	\$300	\$86	\$213

Payment Detail

Payment Detail			
	Jan	Feb	Mar
Payment Delay in Days	30	30	30
Payables			
Beginning Payables Balance	\$224	\$34	\$49
Plus New Payment Obligations	\$82	\$97	\$346
Less Cash Spending	\$47	\$47	\$47
Less Bill Payments	\$225	\$36	\$59
Ending Payables Balance	\$34	\$49	\$290

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Section 6

PLANNING PROCESS

Management and Accountability







Plan vs. Actual

		Jan Feb Mar			
Unit Sales		Unit Sales			
Meals	776 1,053	33	(140)	(55)	
Drinks	390 527	(111)	(112)	138	
Other	70 70	47	36	101	
Total Unit	Jan	Total Unit Sales	(31)	(216)	184
Unit Price		Unit Prices			
Meals	942	Jan	Feb	Mar	
Meals		\$3.96	\$2.85	\$4.84	
Drinks	279	\$0.45	\$0.63	\$0.51	
Other	87	(\$2.51)	(\$1.59)	(\$0.89)	
Total U	1,158	Sales			
Sales		Unit Pri			
Meals	Jan	Meals	\$3,711	\$502	\$6,193
Meals	\$18.96	Drinks	(\$96)	\$37	\$730
Drinks	\$2.45	Other	\$302	\$271	\$902
Other	\$7.49	Total Sales	\$3,916	\$810	\$7,826
Total Sale	Sales				
Meals	\$15,396	\$16,297	\$28,768		
Drinks	\$684	\$1,091	\$2,236		
Other	\$502	\$471	\$1,102		
Total Si	\$16,581	\$17,859	\$32,107		

Business Plans Are Always Wrong



... but Vital



A Good Business Plan is Never Done