

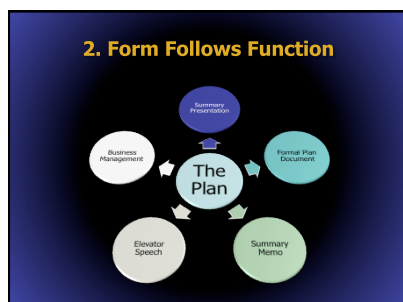
Your Business Plan

1. Fundamentals
2. The Heart of the Plan
3. Flesh and Bones
4. Dressing and Growing

1. It's About Results

Same Phrase, Lots of Meanings

- Classic
- Strategic
- Investors
- Lenders
- Academic
- Operations
- Partners
- Growth
- Contest



Not the Old Standby

Necessity

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

* ... and if you're in a business plan contest ... ?

Blocks. Modules

Do Only What You Need

* ... and if you're in a business plan contest ... ?

Separates Plan from Background

* ... and if you're in a business plan contest ... ?

Pop Quiz:

- What kind of market data validates sales?
- What's the investors' favorite validation?
- What's the best kind of initial financing?

Answer: Sales

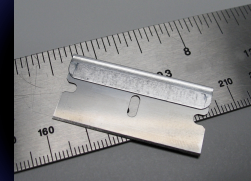


3. Planning is Management



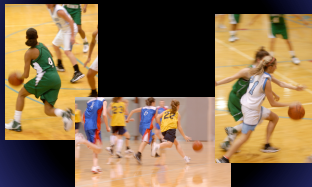
* ... and if you're in a business plan contest ... ?

Metrics & Tracking



* ... and if you're in a business plan contest ... ?

4. Planning Manages Change



5. Planning not Accounting



Pop Quiz: Who Said This?

The plan is useless, but
planning is essential

5 Planning Fundamentals

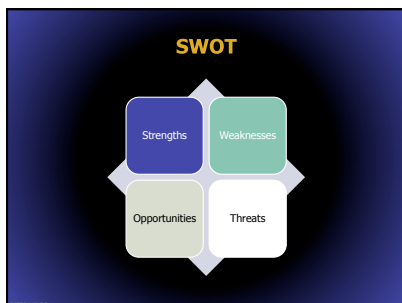
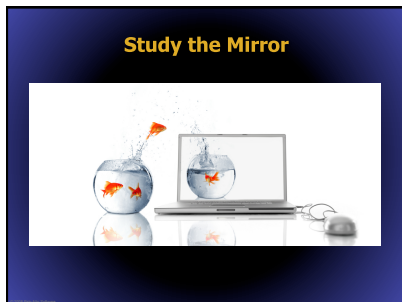
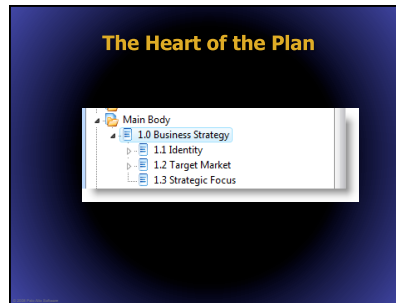
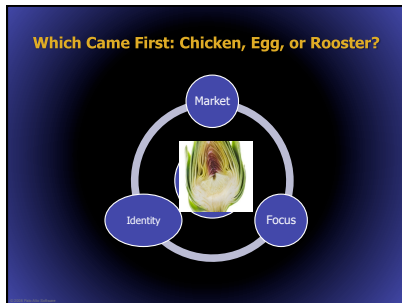
1. It's About Results
2. Form Follows Function
3. Planning is Management
4. Planning Manages Change
5. It's Planning Not Accounting

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Tell the Story



Target Needs and Wants



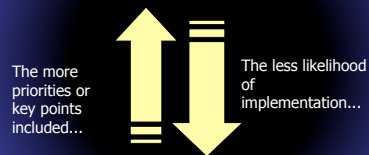
Divide & Conquer



Strategy is Focus



Strategy is Focus



Strategy Is Tailored



Knobs You Can Turn



Tough Decisions



Understand Displacement



Pop Quiz: Who Said This?

I don't know the secret to success; but I do know that the secret to failure is trying to please everybody

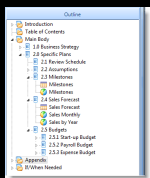
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Action Plan: What? When?



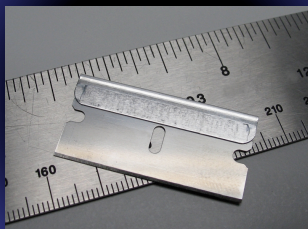
Do the Review Schedule First



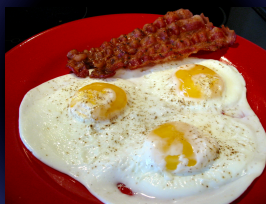
Identify Important Assumptions



Develop the Metrics



Match Tasks to Owners



Milestones Make a Plan Real

Milestone	Start Date	End Date	Budget	Manager	Department
Corporate Identity	1/1/2007	2/1/2007	\$10,000	JR	Marketing
Internal implementation	1/1/2007	1/1/2007	\$1,000	JR	Sales
Business Plan Review	1/1/2007	1/1/2007	\$0	JR	Ops
Upgrade mail	1/1/2007	1/1/2007	\$5,000	JR	Sales
New corporate brochure	1/1/2007	1/1/2007	\$5,000	JR	Marketing
Delivery card	1/1/2007	1/1/2007	\$15,000	JR	Sales
Direct mail	1/1/2007	1/1/2007	\$5,000	JR	Marketing
Advertisements	1/1/2007	1/1/2007	\$115,000	JR	Ops
1A Prototype	1/1/2007	1/1/2007	\$2,500	JR	Product
Service review	1/1/2007	1/1/2007	\$1,500	JR	Product
1A Presentations	1/1/2007	1/1/2007	\$0	JR	Sales
1A Testing	1/1/2007	1/1/2007	\$1,000	JR	Product
1A Accounts	1/1/2007	1/1/2007	\$0	JR	Sales
1A Prototype	1/1/2007	1/1/2007	\$2,500	JR	Product
1A Tech Support	1/1/2007	1/1/2007	\$15,000	JR	Marketing
1A Sales	1/1/2007	1/1/2007	\$1,000	JR	Sales
1A Sales System	1/1/2007	1/1/2007	\$5,000	JR	Sales
Total			\$197,500		

Forecast Your Sales



Sample Sales Forecast

	2010	2011	2012	2013	2014	2015
Sales Forecast						
Unit Sales						
Units	100	100	100	100	100	100
Revenue	\$100	\$100	\$100	\$100	\$100	\$100
Unit Prices						
Units	100	100	100	100	100	100
Revenue	\$100	\$100	\$100	\$100	\$100	\$100
Cost of Sales						
Units	100	100	100	100	100	100
Revenue	\$100	\$100	\$100	\$100	\$100	\$100
Net Profit						
Units	100	100	100	100	100	100
Revenue	\$100	\$100	\$100	\$100	\$100	\$100

Forecast From Recent Past



Expense Budget

	Jan	Feb	Nov	Dec	Year 1
Payroll	\$12,000	\$12,000	\$27,250	\$27,250	\$184,750
Advertising	\$13,500	\$13,500	\$13,500	\$13,500	\$162,000
Leases	\$500	\$500	\$500	\$500	\$6,000
Utilities	\$1,000	\$1,000	\$1,000	\$1,000	\$12,000
Insurance	\$300	\$300	\$300	\$300	\$3,600
Rent	\$1,500	\$1,500	\$1,500	\$1,500	\$18,000
Payroll Tax	\$1,680	\$1,680	\$3,815	\$3,815	\$27,265
Other	\$0	\$100	\$200	\$300	\$1,000
Total	\$30,480	\$30,580	\$46,065	\$46,165	\$424,615

Estimate Payroll

	Jan	Nov	Dec	Year 1	Year 2
Personnel Plan					
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

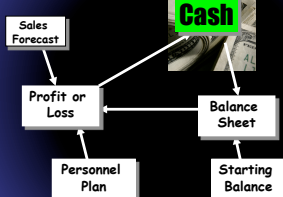
Startup Plan

Start-up Plan	
Requirements	
Start-up Expenses	
Legal	\$1,000
Stationery, etc.	\$3,000
Brochures	\$5,000
Consultants	\$5,000
Insurance	\$3,000
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

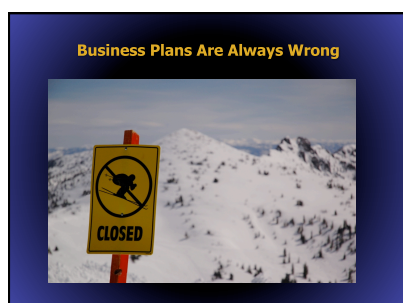
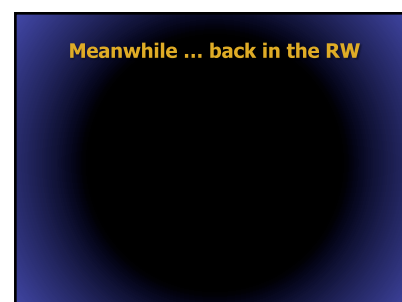


Plan Cash Flow



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Plan vs. Actual

Unit Sales		Unit Sales		Jan	Feb	Mar
Meals	278	1,053	Meals	35	(140)	(55)
Drinks	390	527	Drinks	(114)	(112)	138
Other			Other	47	36	101
Total Unit	1,150	Total Unit Sales		(31)	(216)	184
Unit Price	Unit Sales	Unit Prices				
Meals	278	Meals	\$3.96	\$2.65	\$4.34	
Drinks	390	Drinks	\$0.45	\$0.63	\$0.51	
Other		Other	(\$2.51)	(\$1.59)	(\$0.89)	
Total Unit Sales	1,150	Total Unit Sales				
Meals	1,150	Meals	\$3,711	\$502	\$6,193	
Drinks	1,150	Drinks	(496)	\$37	\$730	
Other	1,150	Other	\$302	\$271	\$902	
Total Sales	\$16,581	Total Sales				
Meals	\$16,581	Meals	\$16,297	\$20,768		
Drinks	\$16,581	Drinks	\$1,091	\$2,236		
Other	\$16,581	Other	\$502	\$471	\$1,102	
Total Sales	\$16,581	Total Sales	\$17,859	\$22,107		

A Good Business Plan is Never Done

