

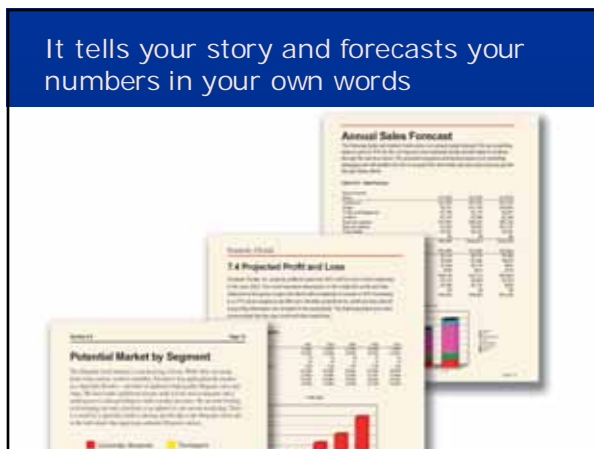
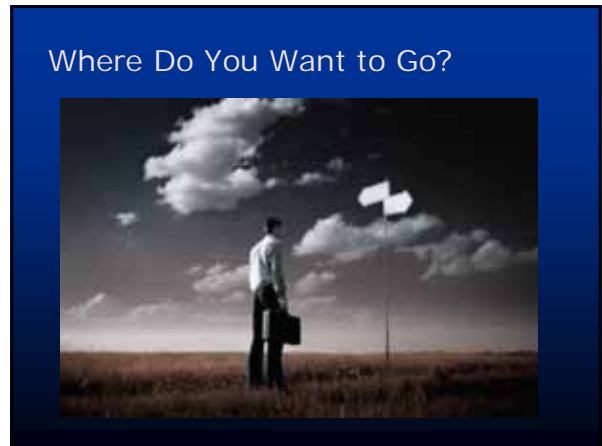
Developing a Successful Business Plan

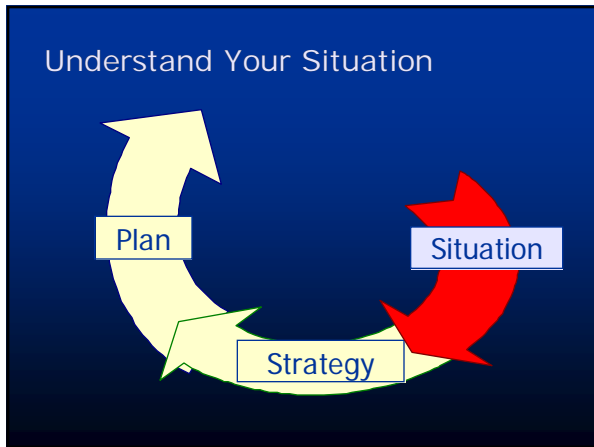
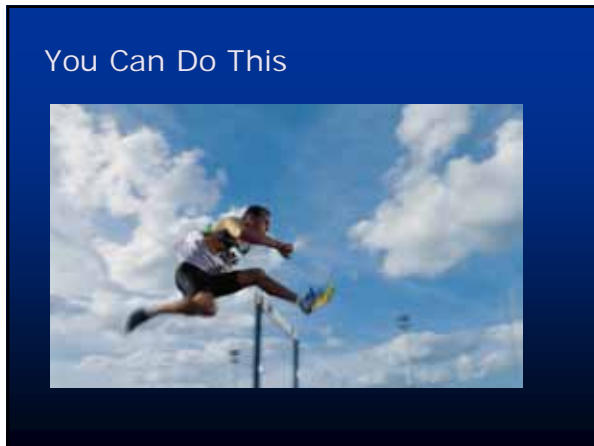
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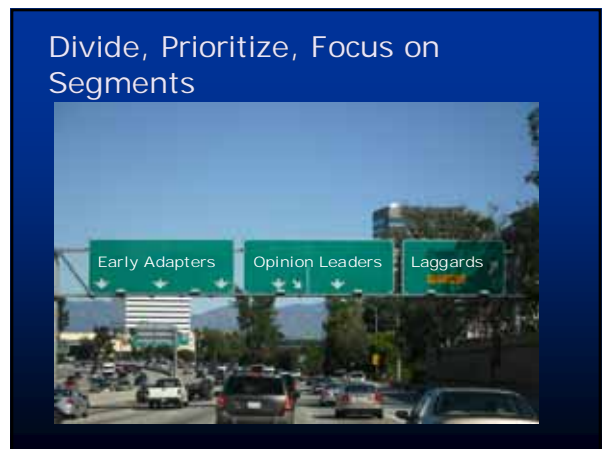
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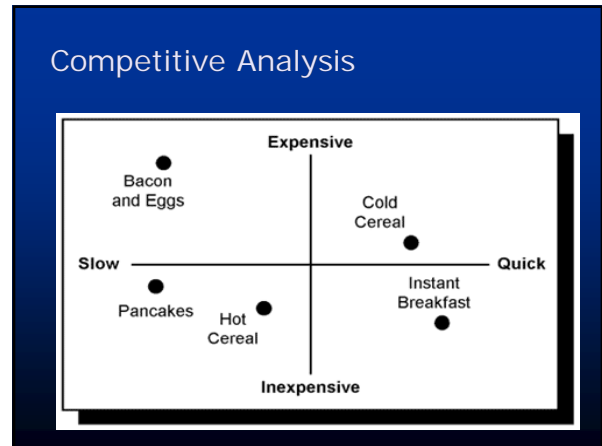
Develop a SWOT Analysis

Strengths	Weaknesses
<ul style="list-style-type: none">• Location• Reputation• Chef Paul	<ul style="list-style-type: none">• Parking• Small size• No separate bar
Opportunities	Threats
<ul style="list-style-type: none">• Second location• New menus• Catering	<ul style="list-style-type: none">• New competition• Shopping mall• Hotel closures



Market Analysis Checklist

Customer	Market	Competition
<ul style="list-style-type: none"> ■ Needs ■ Pain Points ■ Present solutions ■ Attitudes ■ Benefits 	<ul style="list-style-type: none"> ■ How many potential? ■ Where are they? ■ How do you reach them? ■ Messages 	<ul style="list-style-type: none"> ■ Who's already there? ■ Offerings ■ Are they making money? ■ Strengths and weaknesses



Core Competency

 = Design

 = Online Sales

 = Customer Service

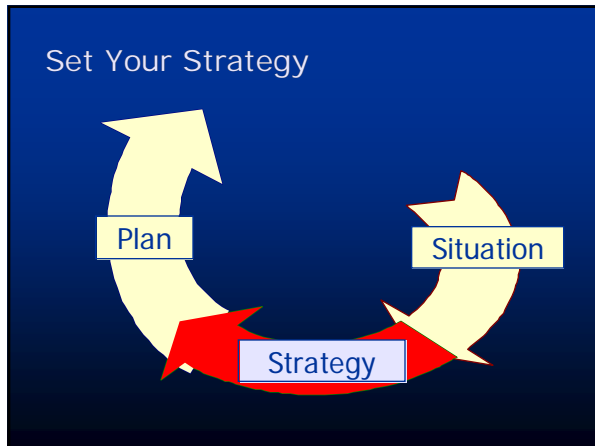
Competitive Advantage

Location

Design

Price

- ### Situation Analysis Summary
- SWOT
 - Market Analysis
 - Segmentation
 - Competition
 - Positioning
 - Keys to success
 - Core Competence
 - Competitive Advantage



Strategy is Tailored

- Growth
- Advantage
- Positioning
- Reality

Strategy is Long Term

- Better a consistently applied mediocre strategy than a series of brilliant strategies


Strategy is Realistic

Strategy Starts with Needs

Strategy Anticipates Market Demand



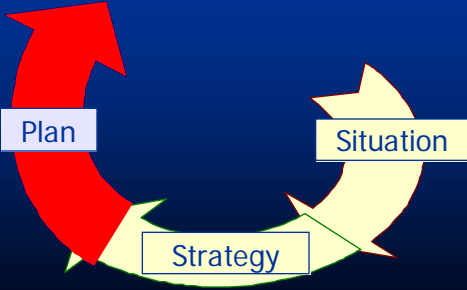
Strategy Recognizes Displacement



Strategy Checklist

- Is it focused
- Is it realistic?
 - Competitive advantage?
 - Core competence?
 - Knobs we can turn
- Can we stick to it?
- Is it built on market demand?
- Does it understand displacement?

Develop the Plan



Just Tell Your Story

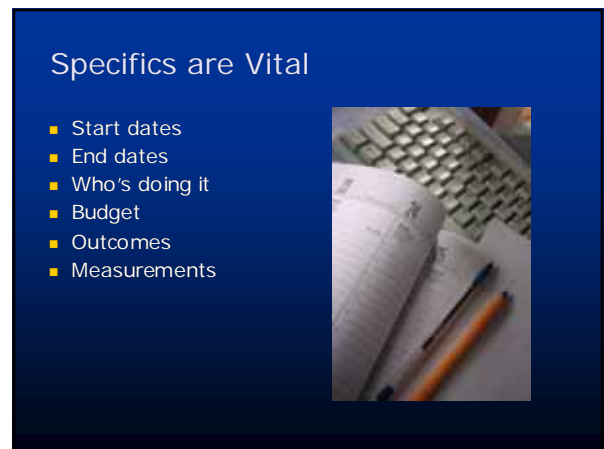
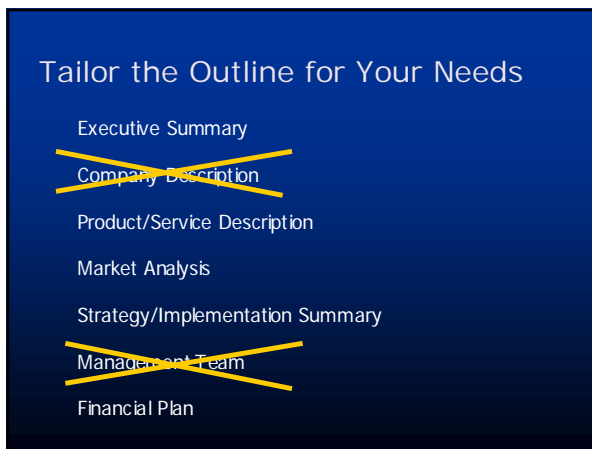
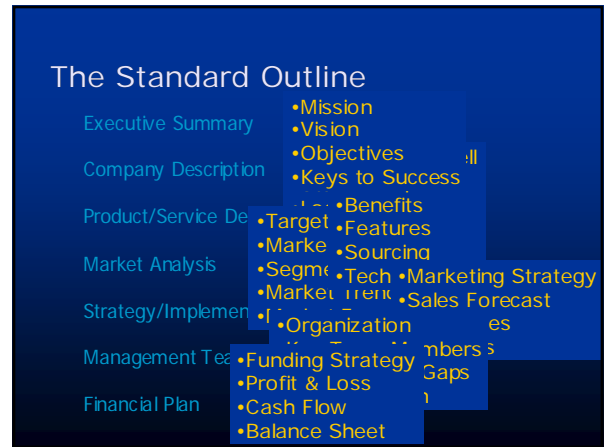
Studio67 is a single-unit, medium-sized restaurant. We focus on organic and creative food. The restaurant will be located in a prime neighborhood of Portland. It will be a greasy food.

Our primary financial objectives are:

1. Sales of \$350K the first year, more than half a million the second.
2. Personnel costs less than \$300K the first year, less than \$400K the second year.
3. Profitable in year two, better than 7.5% profits on sales by year three.

Jump Around the Outline

- Executive Summary
- Company Description
- Product/Service Description
- Market Analysis
- Strategy/Implementation Summary
- Management Team
- Financial Plan



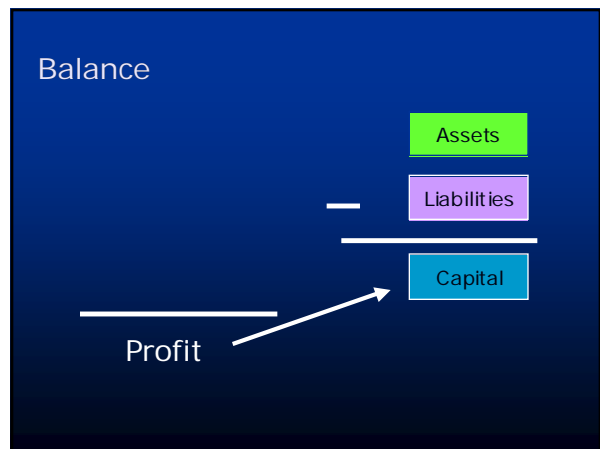
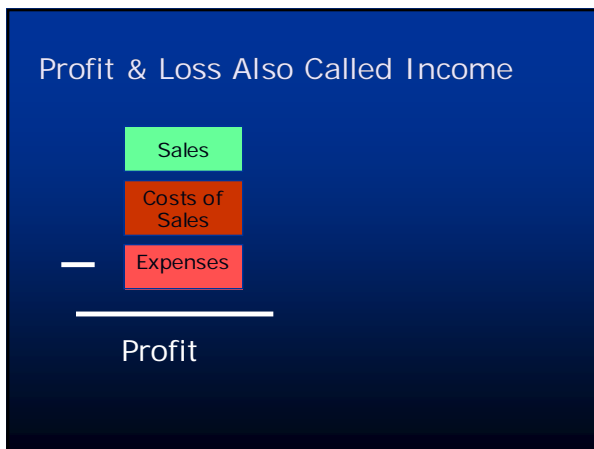
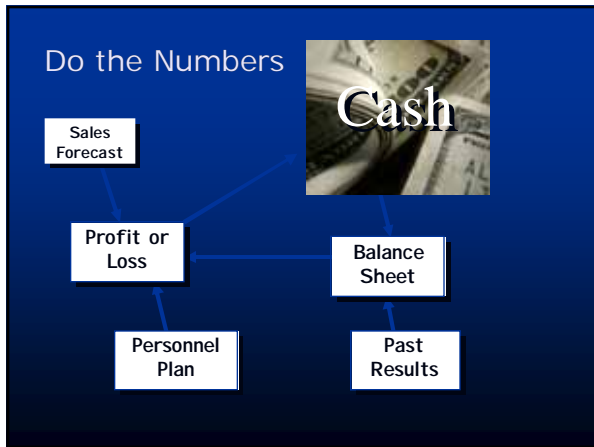
Objectives Must be Measurable

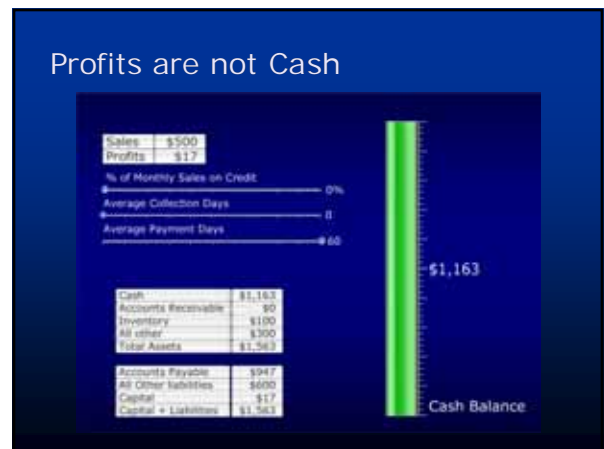
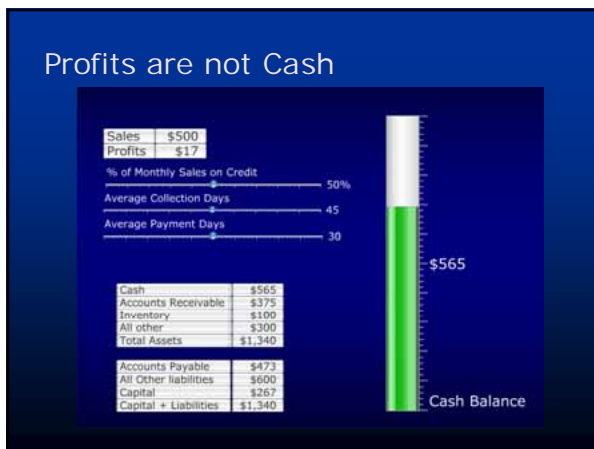
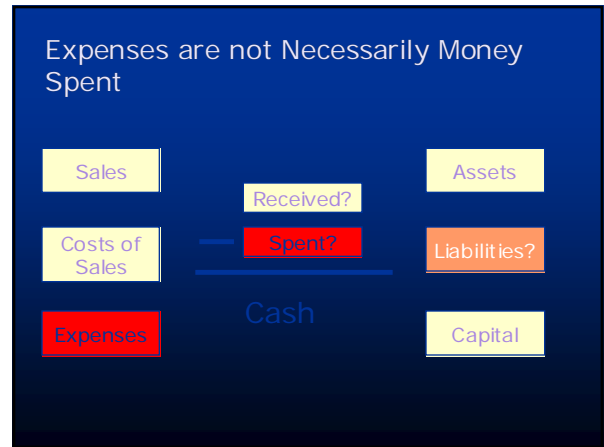
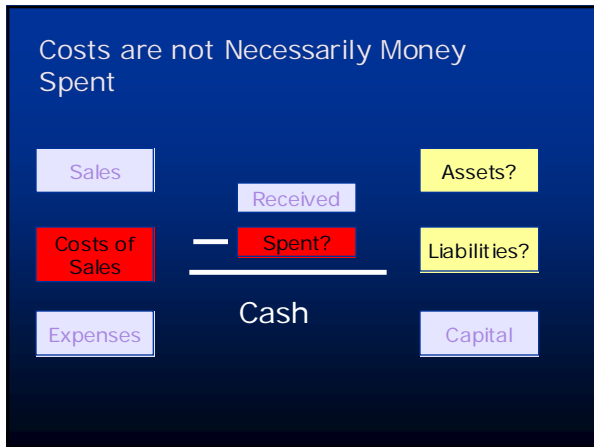
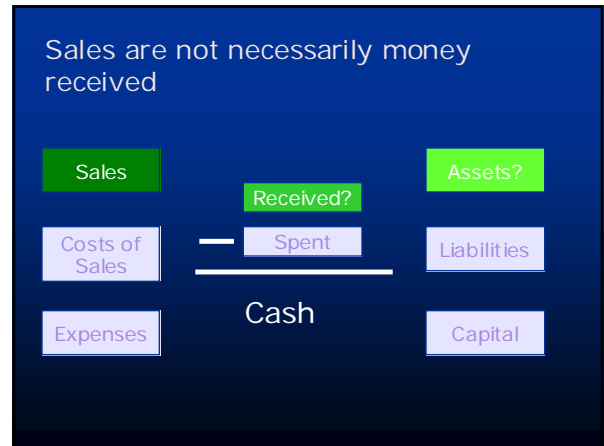
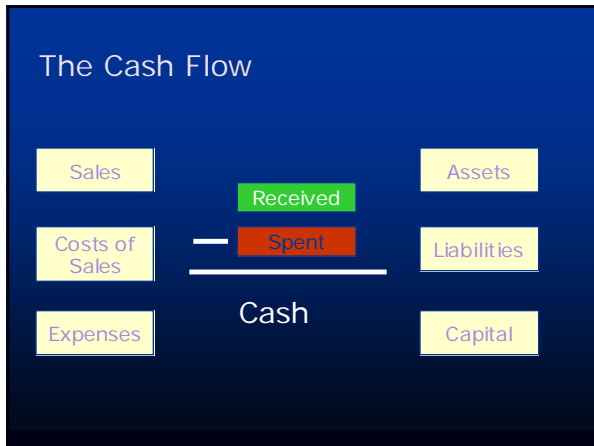
- Dollars
- Units
- Percentage
- Calls
- Presentations
- Complaints
- Transactions
- Contacts
- Messages
- Volume

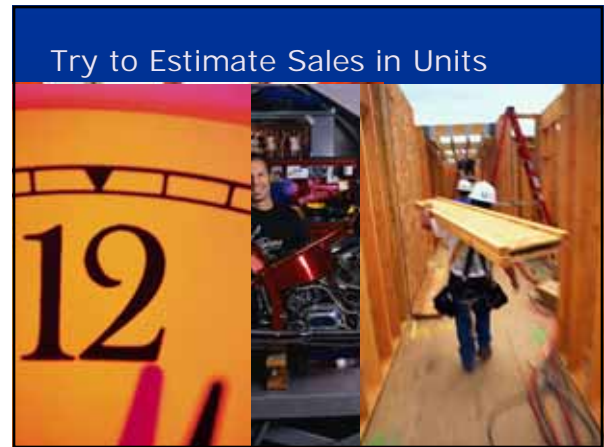
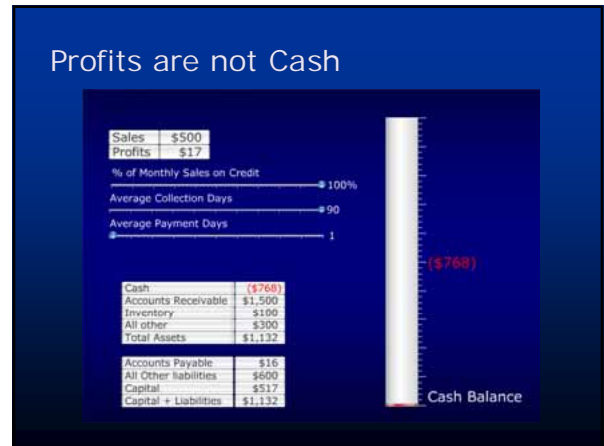
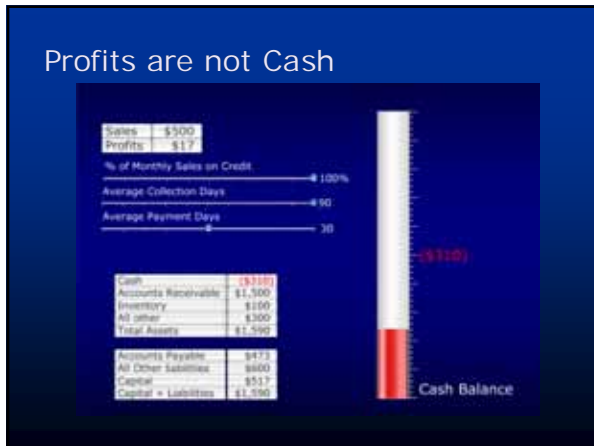


Sample Milestones

Milestone	Start Date	End Date	Budget	Manager	Department
Corporate Identity	12/1/2006	12/17/2006	\$10,000	TJ	Marketing
Samurai implementation	1/1/2007	1/10/2007	\$1,000	IR	Sales
Business Plan Review	1/2/2007	1/11/2007	\$0	RJ	GM
Upgrade mailer	1/2/2007	1/17/2007	\$5,000	IR	Sales
New corporate brochure	1/2/2007	1/17/2007	\$5,000	TJ	Marketing
Delivery vans	1/1/2007	1/25/2007	\$12,500	SD	Service
Direct mail	2/2/2007	2/17/2007	\$2,500	IR	Marketing
Advertising	2/2/2007	2/17/2007	\$115,000	RJ	GM
V4 Prototype	2/1/2007	2/25/2007	\$2,500	SC	Product
Service revamp	2/1/2007	2/25/2007	\$2,500	SD	Product
6 Presentations	2/2/2007	2/26/2007	\$0	IR	Sales
V4 Testing	3/1/2007	3/6/2007	\$3,000	SG	Product
3 Accounts	3/1/2007	3/17/2007	\$0	SD	Sales
L30 Prototype	3/1/2007	3/26/2007	\$2,500	PR	Product
Tech99 Expo	4/1/2007	4/12/2007	\$15,000	TB	Marketing
VP. S&M hired	6/1/2007	6/11/2007	\$3,000	JC	Sales
Mailing System	7/1/2007	7/28/2007	\$5,000	SD	Service
Totals			\$101,500		







Estimate Unit Sales

Unit Sales	Jan	Dec	2007	2008	2009
Meals	779	3,835	22,822	35,000	45,000
Drinks	390	1,918	11,415	17,500	22,500
Other	20	20	240	500	1,000
Total Unit Sales	1,189	5,773	34,477	53,000	68,500

Add Estimated Prices

Unit Sales	Jan	Feb	Mar
Meals	779	1,051	1,505
Drinks	390	527	753
Other	20	20	20
Total Unit Sales	1,189	1,600	2,278
Unit Prices	Jan	Feb	Mar
Meals	\$15.00	\$15.00	\$15.00
Drinks	\$2.00	\$2.00	\$2.00
Other	\$10.00	\$10.00	\$10.00

Then Calculate Sales

	Jan	Feb	Mar
Unit Sales			
Meals	779	1,053	1,505
Drinks	390	527	753
Other	20	20	20
Total Unit Sales	1,189	1,600	2,278
Unit Prices			
Meals	\$15.00	\$15.00	\$15.00
Drinks	\$2.00	\$2.00	\$2.00
Other	\$10.00	\$10.00	\$10.00
Sales			
Meals	\$11,685	\$15,795	\$22,575
Drinks	\$780	\$1,054	\$1,506
Other	\$200	\$200	\$200
Total Sales	\$12,665	\$17,049	\$24,281

Finally, Estimate Costs

	Jan	Feb	Mar
Unit Sales			
Meals	779	1,053	1,505
Drinks	390	527	753
Other	20	20	20
Total Unit Sales	1,189	1,600	2,278
Direct Unit Costs			
Meals	\$2.00	\$2.00	\$2.00
Drinks	\$0.50	\$0.50	\$0.50
Other	\$1.00	\$1.00	\$1.00
Direct Cost of Sales			
Meals	\$1,558	\$2,106	\$3,010
Drinks	\$195	\$264	\$377
Other	\$20	\$20	\$20
Subtotal Direct C	\$1,773	\$2,390	\$3,407

More Art than Science

	Jan	Feb	Mar	Nov	Dec	2007	2008	2009
Unit Sales								
Meals	779	1,053	1,505	3,835	22,822	35,000	45,000	
Drinks	390	527	753	1,918	11,415	17,500	22,500	
Other	20	20	20	20	240	500	1,000	
Total Unit Sales	1,189	1,600	2,278	5,773	34,477	53,000	68,500	
Unit Prices								
Meals	\$15.00	\$15.00	\$15.00	\$15.00	\$15.00	\$15.00	\$15.00	
Drinks	\$2.00	\$2.00	\$2.00	\$2.00	\$2.00	\$2.00	\$2.00	
Other	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00	
Sales								
Meals	\$11,685	\$15,795	\$22,575	\$57,525	\$342,330	\$525,000	\$675,000	
Drinks	\$780	\$1,054	\$1,506	\$3,836	\$22,830	\$35,000	\$45,000	
Other	\$200	\$200	\$200	\$200	\$2,400	\$5,000	\$10,000	
Total Sales	\$12,665	\$17,049	\$24,281	\$61,561	\$367,560	\$565,000	\$730,000	
Direct Unit Costs								
Meals	\$2.00	\$2.00	\$2.00	\$2.00	\$2.00	\$2.00	\$2.00	
Drinks	\$0.50	\$0.50	\$0.50	\$0.50	\$0.50	\$0.50	\$0.50	
Other	\$1.00	\$1.00	\$1.00	\$1.00	\$1.00	\$1.00	\$1.00	
Direct Cost of Sales								
Meals	\$1,558	\$2,106	\$3,010	\$7,670	\$45,644	\$70,000	\$90,000	
Drinks	\$195	\$264	\$377	\$959	\$5,708	\$8,750	\$11,250	
Other	\$20	\$20	\$20	\$240	\$2,400	\$5,000	\$10,000	
Subtotal Direct Cost of Sales	\$1,773	\$2,390	\$3,407	\$8,649	\$51,992	\$79,250	\$102,250	

A Simple List of People

	Jan	Feb	Mar	Nov	Dec	2007	2008	2009
Manager	\$5,000	\$5,000	\$60,000	\$65,000	\$70,000			
Hostess	\$3,500	\$3,500	\$42,000	\$45,000	\$50,000			
Chef	\$4,500	\$4,500	\$54,000	\$60,000	\$65,000			
Cleaning	\$2,500	\$2,500	\$30,000	\$35,000	\$40,000			
Waiters	\$6,000	\$6,000	\$72,000	\$100,000	\$130,000			
Other	\$2,000	\$2,000	\$24,000	\$52,000	\$55,000			
Total Payroll	\$23,500	\$23,500	\$282,000	\$357,000	\$410,000			

Profit & Loss

	Jan	Feb	Mar	Nov	Dec	2007	2008	2009
Sales	\$12,665	\$17,049	\$24,281	\$61,561	\$367,560	\$565,000	\$730,000	
Direct Cost of Sales	\$1,773	\$2,390	\$3,407	\$8,649	\$51,992	\$79,250	\$102,250	
Production Payroll	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Total Cost of Sales	\$1,773	\$2,390	\$3,407	\$8,649	\$51,992	\$79,250	\$102,250	
Gross Margin	\$10,892	\$14,659	\$20,874	\$52,912	\$315,568	\$485,750	\$627,750	
Gross Margin %	86.00%	85.99%	86.00%	86.18%	86.16%	85.96%	85.97%	85.99%
Operating Expenses								
Advertising	\$200	\$200	\$2,400	\$2,400	\$2,400	\$10,000	\$15,000	
Rent	\$2,000	\$2,000	\$24,000	\$24,000	\$24,000	\$120,000	\$180,000	
Payroll	\$23,500	\$23,500	\$282,000	\$357,000	\$410,000	\$387,000	\$410,000	
Promotion	\$2,250	\$2,250	\$27,000	\$27,000	\$27,000	\$110,000	\$12,000	
Depreciation	\$0	\$0	\$1,000	\$1,000	\$1,000	\$1,000	\$1,100	
Utilities	\$100	\$100	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	
Payroll Taxes	\$3,500	\$3,500	\$42,000	\$45,000	\$50,000	\$110,000	\$140,000	
Other	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Other	\$50	\$50	\$600	\$600	\$600	\$2,500	\$2,500	
Total Operating Expns	\$29,375	\$29,375	\$356,000	\$440,000	\$510,000	\$440,000	\$542,500	
Profit Before Interest & Taxes	(\$10,483)	(\$10,483)	(\$10,483)	(\$10,483)	(\$10,483)	(\$10,483)	(\$10,483)	
Interest Expense	\$833	\$833	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	
Taxes Incurred	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Net Profit	(\$10,483)	(\$10,483)	(\$10,483)	(\$10,483)	(\$10,483)	(\$10,483)	(\$10,483)	
Net Profit/Sales	-152.53%	-152.53%	-152.53%	-152.53%	-152.53%	-152.53%	-152.53%	

Business Plans vs Tax Accounting

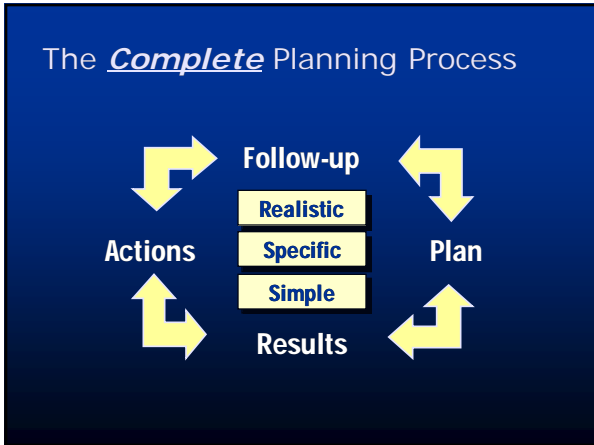


Make it Happen



Keep Your Plan Alive

		Jan	Feb	Mar
Unit Sales				
Meals	770	1,050		
Drinks	390	520		
Other	20	30		
Total Unit Sales		1,640	1,600	1,680
Unit Price				
Meals	\$4.45	\$3.96	\$2.85	\$4.84
Drinks	\$2.79	\$0.45	\$0.63	\$0.51
Other	\$0.67	(\$2.51)	(\$1.59)	(\$0.89)
Total Unit Sales		(31)	(216)	184
Sales				
Meals	\$18.96	\$3,711	\$502	\$6,193
Drinks	\$2.45	(\$96)	\$37	\$730
Other	\$7.49	\$302	\$271	\$902
Total Sales		\$3,916	\$810	\$7,826



More Information

(click the links below)

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