

Cover page

Business Plan

For

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Owners:

Your Name

Address

City, State, Zip Code

Telephone

Cell Phone

Fax

E-mail

## Table of Contents:

Contents:	Page
1) Executive Summary	
2) Business Information	
3) Market Research	
4) Marketing Strategy	
5) Daily Operations Plan	
6) Management and Employee Plan	
7) Financial Analysis & Assumptions	
8) Risk Management	
9) Supporting Documents	

## **1. Executive Summary**

- 1. Experience – how many years have you been in business?**
- 2. Talent – how much management experience do you have?**
- 3. Collateral – what is the loan to collateral value?**
- 4. Capacity – is there adequate debt service coverage?**
- 5. Bankruptcy Risk – what is the debt to your tangible net worth?**
- 6. Liquidity – what are cash and receivables compared to payables?**
- 7. Character – what are the FICO scores of principals?**

### **A. Business Description**

(Business name) is a new (or existing) business located in (or where it be located). The business is structured as a (sole proprietorship, LLC, Corporation). (Business name) will be a located at (address). (Business name) will (lease or purchase) ( list building size and use). A schematic of the floor plan and is attached in the appendices. The business specializes in (list product or service).

*Feeling Better Healing Center, LLC is a new business located in Show Low, Arizona. The business is structured as a Limited Liability Company and will be located at 1234 E. Deuce of Clubs. Feeling Better Healing Center, LLC will lease an existing 4000 square foot building on the major roadway through town. The business specializes in chiropractic services, massage therapy and nutritional guidance.*

### **B. Target Market**

We will be selling primarily to (private sector, wholesalers, retailers, government, etc). We will be targeting customers by (services/product line, geographic area, industry, sales).

*We will be selling to the private sector and will be targeting our customers by geographic location and demographic characteristics. We have identify our primary target market to be employed females, 35-60 years old, with at least a high school education, living within a one hour driving radius of Show Low, Arizona.*

### **C. Management**

(Owner's name) is the owner of the firm. (Owner's name) has a background in (give experience information). (Owner) has (number of years) working at (list previous job that relates to the business you are opening).

(List similar information for all management)

*Dr. Chuck Smith, M.D, is the owner of the firm. Mr. Smith has 10 years background in chiropractic therapy and has been a partner in a successful chiropractic firm in New Mexico. Mary Lewis, Massage Therapist, will be the manager over massage therapists. Mary has 12 years in clinical massage therapy experience. Ryan Seacrest, Nutritionist, will be the manager over Nutritional Therapy services. Ryan has seven years experience as a nutritionionist to several Hollywood stars. Resumes are attached.*

#### D. Industry Status

The current status of the industry is (growth, decline or stable).

The business owners foresee the following changes in the industry (list changing market place information, demographics)

The company will take advantage of the industry changes by (list strategies you will use to penetrate the market).

*The current status of the chiropractic industry is growing. Dr. Smith foresees continual growth in this industry as customers seek alternatives to traditional medical treatment and healthcare providers are continuing to recognize alternative medicine as an insurable option. The aging baby boomer population also creates demand for alternative medical treatment. Feeling Better Healing Center, LLC will accept major insurance payments and will target their services to the baby boomer age group.*

#### E. Competitive Advantage/Concept

We have identified the following tactics to gain market share. (Example: We will gain market share by (delivering great customer service). We will do this differently than existing competitors by providing (evening and weekend hours, free pick up and delivery and gifts with purchase).

*Many people experience daily aches and pains which go untreated because of healthcare costs, improper diagnosis and dissatisfaction with present services. The marketplace has a need for an alternative medical solution to meet the needs of people living with pain. We will gain 40% of the market share by delivery what the clients want. We will do this by offering:*

- *Dedicated 60 minute appointment times to fully address the patient's needs and to provide the patient value for the money spent.*
- *State of the art facility and training which assures the client they are getting the most modern care in a clean environment.*
- *A comprehensive blend of therapies including chiropractic, massage, vitamin and nutrition therapy to address the total health and well-being of the client in solving their unique problem.*
- *Reception area with waterfall and therapy chairs to give clients a sense of peace and to show the patient we care for their comfort.*
- *Organized, trained staff that strives to know the name of each patient, which builds a personal relationship with our client and maximizes our treatment capacity.*
- *Professional policy which requires full explanation of therapy strategies and provide a written plan and check points of progress to help patients understand their treatment and track results.*

#### F. Mission Statement

(Look at previous examples)

Our mission is to (put here).

*Our mission is to improve patient's lives by providing alternative, affordable medical attention that considers the patient's overall health and wellness in diagnosis and treatment of pain without the use of prescriptions or surgery.*

**G. Financial Outlook**

(List profits for the first five years, refer to attached projection)

The before tax profit for the first five years is as follows:

Year  
1 \$  
2 \$  
3 \$  
4 \$  
5 \$

**H. Specific Request of the Plan**

The specific request of this plan is to solicit funds in the amount of (list dollar amount from lender/investor)

Loan Amount	\$	
Purpose (need):		
Repayment source:		
Sources of funds:		
Equity by owner/investors	\$	
Loan Secured by	\$	
TOTAL SOURCES		\$
Uses of funds:		
Purchase Land	\$	
Construction Costs	\$	
Fixtures, Furnishings & Eq	\$	
Startup Expenses	\$	
TOTAL USES		\$

(How will the funds be repaid?) We will repay the funds through company cash flow. We will provide (name assets) as collateral against borrowing these funds.

***2. Business Information***

**A. Name**

The business will be known as (put name of business). The name (will be or is) protected by filing with the Secretary of State and the (list County) County Recorder. The business will operate as a (sole proprietorship, partnership, corporation, LLC).

**B. History**

The business is an (existing) business and has been in operation for (X years). The company was previously owned by (name of seller) for the past (X years owned.) Historical financial information is provided in the financial section.

### C. Location

The proposed business will be located at (list location). The location is zoned (list current zoning). (Business name) intends to (lease or purchase) the property. The cost of the (lease or purchase) is (list cost here).

### D. Hours

The business hours will be from (List hours and days here). The business will be closed (nights, weekends, holidays).

### E. Requirements

(Name of your business) will be required to obtain the following tax, license and registrations:

(Local ) Business License  
(State License if applicable)  
Federal Employee Identification Number  
State Sales Tax Number ( TPT)  
Unemployment and Worker's Compensation Insurance  
Business Liability Insurance  
Sales Tax Exemption Certificate for Wholesaling  
Any other permits required will be obtained.

### F. Purpose

The purpose of this business is to provide (list what you are providing).

### G. Products

1. Description: We will offer the following products, services and amenities:
  - a)
  - b)
  - c)
2. Proprietary Position [brands, trademarks, unique features]
3. Future Products and Services [if appropriate, showing progression of business]
  - a)

### H. Inventory

We will keep (\$ amount) of inventory on hand. Our inventory will turn (# times per year) and this is comparable to industry standards.

### 3. Market Research

#### A. Customers

1. We will be selling primarily to (private sector, wholesalers, retailers, government). (If you are in business list who you are selling to currently and the trends) The basis of the purchasing decision is (price, quality, service, personal contacts, political pressure, or some combination of these factors).

2. The White Mountain area is rapidly expanding through residential and commercial development. (Business name) targets the (List target market). Potential exists for (list other potential targets). We will target specific customers by (list specific target such as income, age, field of employment, etc).

- a) Geographic area (list geographic area)
- b) Target sales of ( list item you are using to target customers)

#### B. Competition

At the present time, there is (list the number of competitors) that offer direct competition. The market is (high, medium or low) in terms of direct competition.

Comparative Competitor Analysis							
Business	Product Service	Quality	Price	Service	Location	Marketing Program	Other

Note: Range 1-5 (5 being highest/best possible score.)

#### C. Industry Analysis (use research data to complete)

- 1) Current industry conditions
- 2) Industry leaders
- 3) Industry research and technology
- 4) Marketing Strategy

#### D. Ongoing Market Evaluation

(Business name) will evaluate the target markets to access customer need by (surveying customers, collecting data on sales, watching trends of top selling items, other)

## ***4. Marketing and Promotional Strategies***

### **A. Overall Marketing Strategy**

The business will begin by targeting (list target market here). (Business name) will be promoted in various (national or local) media. The product or service will be introduced featuring (quality, price, delivery, warranty). Formal advertising is planned to begin (give date) before the business is scheduled to open.

The business is expected to be (seasonal, year round). In the off season, the business will be promoted by (list what you will do to bring in customer in an off season, if applicable).

### **B. Product Features**

Our products/services fill an unmet need in the marketplace. We will emphasize the following features of each of our products to gain a competitive advantage in our marketplace. (list what features of your product or service that give you a competitive advantage. List what makes your product unique)

### **C. Pricing Strategy**

We will use ( see below for choices) pricing structure.

Markup on cost ( list % mark up)

Suggested retail price

Competitive

Below Competition

b) Our pricing will be consistent with our business image of ( low cost, high quality, best service)

c) Our prices will cover our operating costs and leave a margin of ( list net profit)

### **D. Sales Distribution**

(Business name) will use its( own sales force; sales representatives; or distributors) to make sales and distribute products.

### **E. Estimated Sales**

Based upon our assessment of the advantages of our product or service; the market size and trends; customers; the competition and their products, we made the following sales projection for the next five years list years and sales amount)

- 1.
- 2.
- 3.
- 4.



5.

#### F. Service and Warranty Policies

(Business name) will offer a warranty with the following terms:

- 1) list term of warranty 30 days, 1 year, etc.)
- 2) The warranty will ( cost how much or will be include with the purchase)
- 3) Service will be (profitable, breakeven).

#### G. Advertising and Promotion

The primary marketing strategies include:

- Paid advertising
- Billboards
- Direct marketing
- Classified advertising
- Display advertising
- Yellow page advertising
- Direct Mail
- Client referrals
- Word of mouth
- Web-site

### ***5. Daily Operations Plan***

#### A. Location

(Business name) will be located at (address). (Business name) will (lease or purchase) a ( list building size and use). A schematic of the floor plan is attached. The (advantages or disadvantages) of the site are (list advantages such as highway frontage or disadvantages such as tax laws or access to transportation, or closeness to competitor).

#### B. Strategy and Plans

The opening inventory requirement is estimated to be (list dollar amount of inventory). Inventory turns for the industry are (list RMA turns number). To ensure inventory is available for sale, the inventory will be (tracked manually, point of sale, performed monthly, performed weekly).

#### C. Client Acquisition and Tracking Process

The typical transaction between (Business Name) and the customer is (describe process). A typical timeline of attaining a customer through collection of payment is (describe timeline). We will track our customers transactions by (describe tracking plan)

### ***6. Management and Employee Plan***

A. Organization

Organizational Structure [include Organization Chart if needed]

B. Key Management Personnel

1. The owners of the business are [names & roles]  
(List name) will be responsible for the overall operation. (List name) will be responsible for (administration, recordkeeping) The selection of employees as well as expenditure of funds will be jointly managed by (list names).

C. Management Compensation

The following is the salary that will be paid for each key position:

President/owner – (list dollar amount of salary)

Manager - (list salary)

D. Personnel and Labor Force

The local labor force (does or does not) have the necessary skills in sufficient quantity and quality to supply the services of our company.(If the skills of the labor force are inadequate to the needs of the company, describe the kinds of training that your will use to upgrade their skills such as paying for training, on-the job training). We will minimize employee turn-over by (describe incentives). Our personnel chart is enclosed with pay and benefits for each level of personnel. We will recruit employees from (describe). We will provide the following employee training (describe).

E. Supporting Professional Services

- |                        |  |
|------------------------|--|
| 1. Accountant          | Name<br>Address<br>Attn: Name & Phone                          |
| 2. Lawyer              | Name<br>Address<br>Attn: Name & Phone                          |
| 3. Banker              | Name<br>Address<br>Attn: Name & Phone                          |
| 4. General Assistance: | Northland Pioneer College<br>Small Business Development Center |

P.O. Box 610, Holbrook, AZ 86025  
Attn: Name & Phone

## ***7. Financial Analysis and Assumptions***

The five year financial spreadsheet projections containing the following information are attached. The assumptions are based on [describe overall basis of projections, based on owners estimates, using historical as basis, etc.]

- a. Balance Sheet
- b. Income Statement
- c. Cash flow Projections
- d. Breakeven Analysis
- e. Ratios
- f. RMA analysis
- g. Assumptions
- h. Loan information and amortization

## ***8. Risk Management Plan***

This industry has a risk in production (delivery, service, etc.) because of (describe) we plan to prepare for this risk by (insert solution). If our market changes we plan to combat this risk by (insert solution). To prepare for legal risks we have hired (attorney, accountant, advisors, etc.) We have taken on the following insurance policies from (insurance company and type of policy). To prevent human resource risks we have completed an employee policy manual, and have established hiring and firing procedures, and we will conduct routine evaluation meetings.

Insert licensing and insurance requirements:

## ***9. Supporting Documents are Attached***

PERSONAL FINANCIAL STATEMENT  
TRAFFIC STUDIES  
RESUME OF THE PRINCIPALS  
VISITATION STATISTICS  
FRANCHISE APPLICATION  
COST ESTIMATES  
PROJECT ELEVATIONS & DRAWINGS  
FRANCHISE AGREEMENT  
FIXTURES, FURNITURE & EQUIPMENT ESTIMATES  
SITE MAP  
ARIZONA MAPS

## ***Financial Analysis***

***(Provide the following information to use in creating financial projections)***

### A. Start Up Costs

In the Getting Started Booklet you should have identified your Initial Set Up/Start Up Costs

### B. Income and Expenses Worksheet

In the Getting Started Booklet you should have identified your expected income and expenses for the first twelve months of business.