Researching & Writing a Business Plan
– Finishing the Plan and Securing Financing
Small Business Development Center
University of Wisconsin Oshkosh College of Business
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*Business Planning Process Overview
– Step #1 – Market Assessment
– Step #2 – Financial Assessment
– Step #3 – Management Assessment
– Step #4 – Securing Start-Up/Expansion Financing

*Writing A Successful Business Plan
– Executive Summary (see sample business plan)
– Description of the Business and Legal Structure (Worksheet #1)
– Industry Analysis (Worksheet #2)
– Customer/Market Analysis (Worksheet #2)
– Competitive Analysis (Worksheet #3)
– Marketing Plan (based on Worksheets #1 thru 3)
  – Product/Service Strategy
  – Pricing Strategy
  – Place/Location Strategy
  – Promotion Strategy
  – Positioning Strategy
– Financial Plan (based on Worksheets #4 thru 10)
  – Estimated Start-Up/Expansion Costs (Worksheet #4)
  – Projected Profit & Loss Statements for First Three Years (Worksheets #5 and 6)
  – Projected Financial Statements for First Three Years (Worksheets #8 and 9)
  – Breakeven Analysis (Worksheet #10)
– Management Plan (Worksheet #11 and sample business plan)
– Critical Risk Assessment (see sample business plan)
Securing Start-Up/Expansion Financing (cont.)

*Critical Elements of a Successful Business Plan
   – Management of the Business
     – Mix of Personnel Knowledge/Experience and Outside Management Resources
   – Detailed Marketing Plan
   – Detailed Financial Plan
   – Supporting Financial Documents

*Organizing a Business Plan for a Successful Presentation
   – Cover or Title Sheet
   – Executive Summary
   – Table of Contents
   – Business Plan Details
   – Appendices with Supporting Information/Documents

*Common Sources of Equity Financing
   – Non-Professional Investors
     – Family and Friends
     – Suppliers and Customers
   – Professional Investors – Angel Investors or Venture Capitalist
     – Looking for higher-than-average returns
     – Looking for companies with rapid growth potential

*Common Sources of Debt Financing
   – Financial Institutions
     – Short-term loans for operations
     – Secured loans for buildings & equipment
   – U.S. Small Business Administration
     – SBA Loan Guarantee Programs
     – Guaranteed Loans for acquiring assets
     – Guaranteed Lines of Credit for operations
   – Non-Bank Financial Institutions
Securing Start-Up/Expansion Financing (cont.)

*Preparation & Eligibility – Questions to Answer before Seeking Financing
   – Can Cash Flow be managed more effectively?
   – Is funding for Expansion or Current Operations?
   – How urgent is the Need in terms of timing?
   – How great is Risk of loss or non-payment?
   – What Purpose will capital financing be used for?

*Preparation & Eligibility – More Questions to Answer before Seeking Financing
   – What is the Economic Condition of your industry?
   – Is Your Business Seasonal or Cyclical?
   – How Strong is Your Management?
   – How Does Financing Mesh with Business Plan?

*Elements of a Successful Business Loan Application
   – Business Plan
     – Supporting Documents
       – Loan Application form
       – Proposed Leases or Purchase Agreements for Business Location or Fixed Assets
       – Business Licenses and other legal documents
       – Proof of Insurance for business risks
       – Letters of Intent from suppliers, etc.
       – Detailed information on business principals (owners and/or major investors)
         – Resumes of all principals
         – Tax Returns of principals for last three years
         – Personal Financial Statements of principals
     – Additional Supporting Documents for Franchised Businesses
       – A copy of Franchise Contract
       – Additional Supporting Documents provided by franchisor
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Worksheet #16 – The Next Step

It’s time to come up with as many ideas as possible on how to start your business and give it a competitive advantage. One method of generating those ideas is brainstorming using techniques such as “The 10-Minute Solo Brainstorming Technique.”

Here’s how it works. In a 10-minute period, generate as many as ideas as you can. Write them down, sketch them out, talk into a tape recorder, whatever works for you. The goal is to generate ideas without editing or analyzing them. You want to quantity . . . the more the better.

Now take your ideas and ask your friends what they think of them. Ask them which ideas might work? Which ones would help you standout from the competition? Make sure to listen as they talk about your ideas – but don’t be afraid to ask questions and bring them into the brainstorm process and fun.