

Creating Your Business Plan

Presented by Al Gohary
Great Falls, Montana SBDC Director/Business Advisor
Great Falls Development Alliance

Al Gohary
AGohary@GrowGreatFalls.org
406-750-0314



Funded in part through a Cooperative Agreement with the U.S. Small Business Administration.

GrowGreatFallsMontana.org

1

Agenda

- Why a Business Plan
- Business Model
- Business Plan Outline
- Market Research.
- Cash Flow Projections



Funded in part through a Cooperative Agreement with the U.S. Small Business Administration.

GrowGreatFallsMontana.org

2

Why a Business Plan?

- Consider why you are writing a business plan
 - Funding sources.
 - Partners.
 - Rich uncle.
 - Self.
- Four major benefits of a business plan
 - Road map
 - Determines feasibility
 - Determines financials, and capital requirements
 - Serves as a management tool
 - Rules to follow



Funded in part through a Cooperative Agreement with the U.S. Small Business Administration.

GrowGreatFallsMontana.org

3

1st Step - Business Model

- One page bird's eye view on your idea.
- Assess all aspects of the idea.
- Helps transition to the business plan.



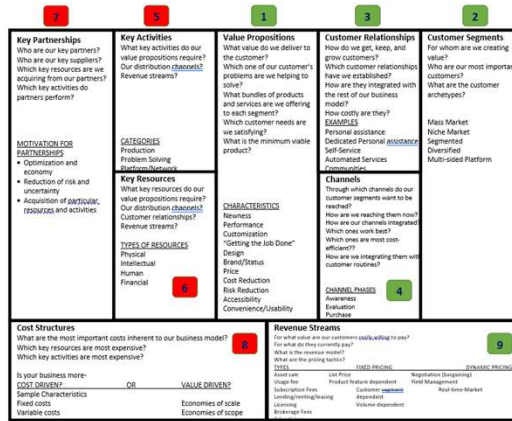
Funded in part through a Cooperative Agreement with the U.S. Small Business Administration.

GrowGreatFallsMontana.org

4

1st Step - Business Model

Business Model Anatomy



Funded in part through a Cooperative Agreement with the U.S. Small Business Administration.

GrowGreatFallsMontana.org

5

2nd Step - Business Plan

Business plan Outline Anatomy

I COVER SHEET	V. ORGANIZATION PLAN
II TABLE OF CONTENTS	<i>A. Owner's Info</i>
III EXECUTIVE SUMMARY	<i>B. Key Management Members</i>
<i>A. Summary of plan</i>	1. List key managers
1. Major objectives	2. Duties and responsibilities
2. Product/service(s) description	3. Qualifications and experience
3. Marketing strategy	<i>C. Outside resources, attorney, and accountant</i>
4. Management strengths	VI MARKETING PLAN
5. Financial projections	1. Demographic and Market Segmentation
IV BUSINESS DEVELOPMENT	2. Market Analysis/Targeted customer groups
<i>A. Description of the business</i>	3. Products/Service Mix
1. Industry Analysis (SIC/NAICS Code Search)	4. Competitor Analysis
2. Nature of the firm	5. Budget for promotion
3. Major business objectives	6. Advertising plan: media selection, schedules
4. Legal form of organization (include documents)	VII FINANCIAL PLAN
<i>B. Product/Service</i>	<i>A. Historical Financial Data</i>
1. What is your product or service?	1. Aging of A/R and A/P
2. Initial inventory required	2. Income Tax Returns and Financial Statements for the past 3 years
3. Methods of inventory management, planning and control	<i>B. Financial Projections</i>
4. Licenses, permits or regulatory requirements	1. Sources / applications of financing
<i>C. Location</i>	2. Pro Forma balance sheet
1. Description of location	3. Income Statement projections
2. Advantages to business development	a. 3-year summary
3. Building description, condition, renovation needed	b. Financial Assumptions
4. Licenses and permits required (zoning - CLUP)	4. Monthly cash flow projection for one year
5. Terms of lease or sale	<i>C. Supporting Financial Data</i>
6. Interior layout and design	1. Capital equipment list (existing and needed)
	2. Inventory list (existing / needed)



Funded in part through a Cooperative Agreement with the U.S. Small Business Administration.

GrowGreatFallsMontana.org

6

How to conduct market analysis? Online Sources –Secondary Market Research

UNTAME
YOUR ENTREPRENEURIAL
SPiRiT



Industry research reports

[US Census](#)

[GFDA Website](#)

[US Bureau of Labor Statistics](#)

[Google Trends](#)

[Facebook](#)

[www.virticallQ.com](#)

[www.bizstats.com](#)

[www.bizminer.com](#)

[www.profitcents.com](#)

(let an SBDC center closest to you help!)

GROW
Great Falls
MONTANA

AMERICA'S
SBDC
MONTANA

MONTANA

POWERED BY
SBA

Funded in part through a Cooperative Agreement with the U.S. Small Business Administration.

[GrowGreatFallsMontana.org](#)

7

How to conduct market analysis Primary market research

UNTAME
YOUR ENTREPRENEURIAL
SPiRiT



Sit outside the competitor and count heads

Secure letter of intent from early adopters (aka:
the first five customers)

Facebook or social media surveys

Ask questions of friends and family

GROW
Great Falls
MONTANA

AMERICA'S
SBDC
MONTANA

MONTANA

POWERED BY
SBA

Funded in part through a Cooperative Agreement with the U.S. Small Business Administration.

[GrowGreatFallsMontana.org](#)

8

3rd Step - Cash Flow Projections



- Streams of income
- Expenses
 - Fixed cost
 - Variable cost



Funded in part through a Cooperative Agreement with the U.S. Small Business Administration.

GrowGreatFallsMontana.org

9

3rd Step - Cash Flow Projections



Cash Flow Projections

Cash Flow Projection Year 1												
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
CASH IN												
Beginning Cash Balance	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Net Cash Injection for Working Capital	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Cash Received from Operations												
Total Sales (Cash and Account)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other as Account	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Change Asset Receivables Collections	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL CASH-IN	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CASH OUT												
Cost of Goods Sold	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Prepaid Exp. Account	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Payable of Credit Account Payable	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Fixed (Equipment) Asset Purchase	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Operating Expenses												
Advertising Expense	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Advertising and Marketing	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Bank Fees	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Credit Card Charge (Including Equipment)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Business Liability and Property	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Interest on New Loan	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Lease	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Legal Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Insurance and Benefits	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Maintenance	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Miscellaneous	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Office Expense	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Printing	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Payroll	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Payroll Taxes	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Security System	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Supplies	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Telephone Expense	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Utilities	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Vehicle	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Vehicle Compensation Insurance	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Vehicle Drive	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Interest on New Loan	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL CASH-OUT	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Net Cash Flow	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Ending Cash Balance	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0



Funded in part through a Cooperative Agreement with the U.S. Small Business Administration.

GrowGreatFallsMontana.org

10

Next Step



- » One-on-One consultations with SBDC consultant

Find the closest SBDC Regional Center.

<https://sbdc.mt.gov/About/Our-Locations>



Funded in part through a Cooperative Agreement with the U.S. Small Business Administration.

GrowGreatFallsMontana.org

11

Thank You For Attending



We appreciate you taking the time to complete your evaluation form.

Al Gohary

Agohary@GrowGreatFalls.org

406-750-0314



Funded in part through a Cooperative Agreement with the U.S. Small Business Administration.

GrowGreatFallsMontana.org

12