

Business Plan Workbook

Immigrant Loan Program

Coastal Business Opportunities Incorporated

292 Charlotte St. Sydney NS, B1P 1C7 Phone: 902-539-4332 | Fax: 902-562-1016 www.cbdc.ca





1. Executive Summary

This section explains briefly what your business idea is about and what you want from the reader (i.e. a loan). It should highlight all necessary information to give the reader a brief overview of your idea. That means you give a very clear statement of the most important elements of the business and explain who you are, what you do, and why you can do it better than your competitors. Explain if this is a new venture or if you are expanding on an existing business. Give some background on the founders and how the business has performed to this point. Describe significant accomplishments and highlight how they have positively affected the company. Some of the following questions might help you:

- What is the nature of your business?
- When did the business start or when will it start?
- What is your product or service?
- Who is involved in the business?
- Where is the location of the business?
- What is the organizational structure of the business?

• What are other highlights of your business plan?

- What are you hoping to achieve with the business plan?

2. Proposed Business

The focus of this section should be on the description of your actual business. Describe what your business idea is and how you make money with it. Focus on your products and/or services that you plan to offer. Describe why the product or service brings a value to your customers and what makes your product/service attractive for them. It is important that you have a clear understanding of your products and services because this will help you identify who your target customers are. Include any photographs, drawings, lists, menus, or other supporting documents that display your products and services.

Some of the following questions might help you:

- What is the company structure?
- What are the products and/or services you offer?
- How will you make your money? (Selling a product, service, commissions, or other forms of revenue)
- What makes your idea unique and sets you apart from others like you?
- How you will stay ahead of the competition?

• What are your goals for the company?

3. Industry

It is important that you understand the industry in which you plan to operate. It is equally important that you demonstrate the potential in this industry to the reader. Give an overview of the whole industry and try to find some statistics to support your statements.

Industry examples:

You want to offer boat tours -> tourism industry You want to sell running shoes -> clothing industry (retail) You want to open a restaurant-> food service industry

Some questions to help you through will include:

- How much money was spent in this industry in all of Canada? In your Province? In your city?
- Where is this industry going (trends, changes)?
- How is the industry structured? Does it consist of different market segments?
- Are you going after the entire industry or a segment?
- How much is spent in this industry by your target market?

• What is the structure of other companies in this industry?

- Where will your company fit (supplier, end user, etc.)?

4. Market Analysis

Your market analysis is different from your industry analysis. Now that you have helped the reader understand the big picture, you need to show what part of that picture you will be targeting. For example, you own a shoe store that specializes in running shoes. Your industry would be the clothing industry, the market would be footwear and your target market segment are running shoes.

This section of your plan needs to include information on the following:

4.1. Customers

This section is used to describe your ideal and most-likely customer. Think of your customer base as a single person or a business and describe them. Knowing your target customer enables you to develop an effective market strategy and will help as you estimate your revenues. Describe your target customers by certain characteristics, such as age, gender, location, income, etc.

• What are the customers buving habits, what is their behavior and what are the trends?

Some of the following questions might help you to define your target customer:

Are they trend-setters or trend-followers?Why do they buy these products or services?	
	Ī
	_
	_

4.2. Market Size

Your target market is a part of the industry you described before. Show how many potential customers are out there for your product or service. Depending on your business, this may need to be defined geographically. If you were a Sydney-based landscaping company, market information from Texas would not do you any good, but market information from the Cape Breton Regional Municipality will help you understand your market. Include information on population, age, and income. Describe trends (social, economic, or cultural) which take place in your market.

Some questions to help you through will include:

- What does your market look like?
- How many potential customers are out there for your product or service?
- Can you estimate the market share of your company?
- What trends (social, economic, or cultural) are taking place in your market?
- Can you take advantage of these trends?

4.3. Competitor Analysis
The reader of your plan never wants to see that there is no competition for your company. If you canno find direct competition, find a suitable alternative that your customer would choose. For example, if he cannot find coffee, he may choose tea as an alternative. Don't worry about overestimating the number of competitors, its underestimating that will cause you trouble. Try to describe briefly at least $3-5$ of you strongest competitors.
Consider the following questions to help you to list your competitors:
Who are your strongest competitors?
Where are they located?
How long have they been in business? What is the instance of a large transport of the second s
What is their market share? Our way actimate their sales and arouth notartial?
 Can you estimate their sales and growth potential? What are their strengths and weaknesses?
 What can you do better than they do?
what can you do better than they do:

4.4. Marketing Mix

In the following four sub-sections (**Product, Placement, Price and Promotion**), describe how you target your customers and how you make them aware of your product or service.

4.4.1. Product

Describe all your products and services and why you are offering them. Explain why your product/ service is more attractive than others and what your competitive advantage is.

more attractive than others and what your competitive advantage is.
What customer need will your product/service fulfill?
What is unique about your product/service?
Does your product need to be patented or trademarked?

• Are there any training requirements associated with selling your product?

4.4.2. Placement

This section describes the placement or distribution of your product and it refers to how the product/service will get to the customer.

•	How do you sell your products?
•	What kind of distribution channel will you use?

4.4.3. Price

This section is about the pricing strategies for your products and services.

• How much money will you charge for your products? (You can attach a price list in the appendix)

What do you charge for your services (per hour, per day or per visit)?

	quantity discounts or discounts for certain customers (seniors, students,
etc.)? Do you offer any tern	ns of credit?
	rross margin or mark-up percentage?
	your mark-up percentage?
-	in compare to your industry average?
4.4.4. Promotion	
	an be difficult to break in and have customers consider you as an alternative
	how you will market and promote your business and your products/ services
	gies to penetrate an existing market. It is very important to choose the one
that best suits your business	model.
Key points to consider when a	developing your marketing strategy are:
_	atives and what kind of advertising will you use?
How much will these	
, ,	ional events such as grand openings to attract customers?
*	nal media to get the word out (TV, Radio, Print)?
*	ated promotional budget?
	etitors' promotional activities?
	ny's strategic advantage?
How Will this davanto	age continue to help in the future?

5. Business Operations
This section describes how the business will operate in the marketplace. Describe all internal and external processes and people that are important for your business to operate.
5.1. Key Personnel
Describe the people that will be responsible for achieving the company's goals through implementation the business plan. Talk about the roles each person will play within the company. Highlight each manager skills, experience, and education. Identify what makes them ideal for the position they will be filling. Include each key person's resume as an appendix and refer to it in this section.
In addition to hiring the right people, there is also great value in having a business mentor. Mentoring coaid with developing innovative solutions for your business and expanding your network to identify relevant partners or providers.
How and by whom will this company be managed?
What type of business are you proposing (sole proprietorship, partnership, or corporation)? How many full-time and/or part-time employees will the company have (what experience is required)?
Who will be your mentor and what experience do they have?

5.2. Operating Processes

Describe the company's day-to-day operating processes. Talk about your suppliers, the inventory you will carry, how will you handle your sales and if there are any permits required, regulations or necessary insurances.

5.2.1.	Suppliers
	Who are your suppliers?
	Where are they located?
	Are there any concerns with importing international products?
	Do you have any alternative suppliers if needed?
	bo you have any alternative suppliers if needed.
5.2.2.	Inventory
J	How will you store your inventory?
	Where will it be stored?
	Do you have a tracking system?
	How much will you carry?
5.2.3.	Sales
J.Z.J.	How will sales be tracked?
	What kind of payment methods do you use (cash, credit card or debit)?
	If selling on credit, what terms will be offered?
	Do you have plans for non-payers?

5.2.4.	Permits, regulations and insurances Do you need certain permits to run your business? Are there certain regulations, which are important and must be considered? What kind of insurances do you have (i.e. general liability insurance, workers compensation, etc.)? Is the property zoned for commercial activities?
Describ that w	ocation/ facilities be the location for the business and if it requires a facility or storefront, discuss the physical structure ill be used. If renovations are required, give reasons and detailed plans on what will be done. Provide ut of your space if applicable.
•	Where will your business be located and why did you choose this location? How important is location for your business?
•	How much will this location cost? Will you lease or purchase?
•	What is the appraised value of structure (if buying)?

5.4. Equipment

If you have specific equipment you need to operate your business, describe it in this section.

- What equipment do you already have?
- What kind of equipment do you need?
- How much does the new equipment cost?
- Do you have quotes for the equipment?
- Do you lease or purchase your equipment?

6. Financial Information

This section shows your reader that your business is viable. Explain what you need the funding for and list all your **start-up costs**. Also, provide the reader with **financial projections**.

6.1. Start-up costs and Financing

List all costs associated with starting the business and how you plan to finance it: (Example below)

Start-up costs		Financing	
Land/Building	\$ 90,000	Coastal CBDC Loan	\$ 80,000
Leasehold Improvements	\$ 13,000	Chartered Bank	\$ 20,000
Equipment/ Machinery	\$ 7,000	Line of Credit	\$ 10,000
Marketing	\$ 3,000	Owner's investment	\$ 5,000
Inventory	\$ 3,000	Personal Loan	\$ 1,000
Working Capital	\$ 2,000	Other	<u>\$ 2,000</u>
Total Project Costs	\$118,000	Total Financing	\$118,000

Start-up Costs		Financing	
	\$		\$
	\$ \$		\$ \$
	\$		\$
	\$		\$
	\$		\$
	\$		\$
	\$		\$
	\$		\$
Total Projected Costs	\$	Total Financing	\$
6.3. Projected Financial	Statements		
Templates attached.			
It is important for the rea	der to know how	nptions made in the projections of you came to your number, especial a quote for an expense or if it is esting	ly the revenues and th
Additional information: (please use extra s	heets if necessary)	