

- Copies of letters of intent from suppliers, etc.
-

THE BUSINESS PLAN - WHAT IT INCLUDES

What goes in a business plan? This is an excellent question to ask. And, one that many new and potential small business owners should ask, but oftentimes don't ask. The body of the business plan can be divided into four distinct sections: 1) the **description of the business**, 2) the **marketing plan**, 3) the **financial management plan** and 4) the **management plan**. Addenda to the business plan should include the **executive summary**, **supporting documents** and **financial projections**.

Description of the business

In this section, provide a detailed description of your business. An excellent question to ask yourself is: "What business am I in?" In answering this question include your products, market and services as well as a thorough description of what makes your business unique. Remember, however, that as you develop your business plan, you may have to modify or revise your initial questions.

The business description section is divided into three primary sections. Section 1 actually describes your business, Section 2 the product or service you will be offering and Section 3 the location of your business, and why this location is desirable (some franchisors assist in site selection).

1. Business Description

When describing your business, generally you should explain:

1. Legalities - business form: proprietorship, partnership, corporation. What licenses or permits you will need.
2. Business type: merchandizing, manufacturing or service.
3. What your product or service is.
4. Is it a new independent business, a takeover, an expansion, a franchise?
5. Why your business will be profitable. What are the growth opportunities? How will franchising impact on growth opportunities?
6. When your business will be open (days, hours)?
7. What you have learned about your kind of business from outside sources (trade suppliers, bankers, other franchise owners, franchisor, publications).

A cover sheet goes before the description. It includes the name, address and telephone number of the business and the names of all principals. In the description of your business,
