# SBA Business Plan Template

The business plan consists of a narrative and pages to insert several financial worksheets. The narrative template is the body of the business plan. It contains a series of questions that are divided into several sections. Work through the sections in any order that you like, except for the *Executive Summary,* which should be completed last.

Skip any questions that do not apply to your type of business. When you are finished writing your first draft, you’ll have a collection of small essays on the various topics of the business plan. Then you’ll want to edit them into a smooth-flowing narrative.

The real value of creating a business plan is not in having the finished product in hand; rather, the value lies in the process of researching and thinking about your business in a systematic way. The act of planning helps you to think strategically, study and research if you are not sure of the facts, and look at your ideas critically. It takes time now but avoids costly—perhaps disastrous—mistakes later.

This business plan is a generic model suitable for all types of businesses that are seeking SBA funding. However, you should modify it to suit your particular circumstances. It typically takes several weeks to complete a good plan. Most of that time is spent in research as well as thinking and re-thinking your ideas and assumptions.

We recommend that you take your time in preparing this plan. Save this document as you work through it. And finally, be sure to keep detailed notes on your sources of information and on the assumptions underlying your financial data.

# Business Plan

**OWNERS (Individual owner name(s) here)**

Your Business Name

Address Line 1

Address Line 2

City, ST ZIP Code

Telephone

Website

E-Mail

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### Executive Summary

Write this section last.

We suggest that you make it two pages or fewer.

Include everything that you would cover in a five-minute interview.

Explain the fundamentals of the proposed business: What will your product or service be? Who will your customers be? Who are the owners? What do you think the future holds for your business and your industry? How will you implement your plan?

Make it enthusiastic, professional, complete, and concise.

If applying for a loan, state clearly how much you want, precisely how you are going to use it, and how the money will make your business more profitable, thereby ensuring repayment.

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### Company Description

What business will you be in? What will you do? Include brief descriptions of:

* What your company does
* What products or services your business offers
* What problem your company solves
* Who your customers are
* What competitive advantages your business has
* Any strategic partnerships your business has

### Market Analysis

In this section, describe the competitive landscape. Provide details on:

* What other businesses in your industry are doing
* What the strengths of your competitors are
* What your competitors' weaknesses are
* Any market trends and themes that are occurring
* Why others are successful
* How you can do what the competitors are doing—and do it better
* Strategic advantages other businesses have, such as a great location

In some industries such as restaurants or retail, you should also discuss the number of direct competitors within your community that offer similar products or services. If there are no direct competitors, highlight this as a competitive advantage since your venture will be unique to the community.

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### Organization & Management

List the legal structure of your business, an organizational chart of key personnel, and how the management team of your business will contribute to its success.

Also, include additional support resources in this section, such as:

* Board of directors
* Management advisory board
* Attorney
* Accountant
* Insurance agent
* Banker
* Consultant or consultants
* Mentors and key advisors

### Service or Product

Describe in depth your products or services (technical specifications, drawings, photos, sales brochures, and other bulky items belong in the supplement at the end).

What factors will give you competitive advantages or disadvantages? Examples include level of quality or unique or proprietary features.

What are the pricing, fee, or leasing structures of your products or services?

If you offer a product, describe its life cycle.

If you offer a service, describe in detail the service process.

Discuss plans for handling intellectual property, copyright, and patent filings.

Explain any research and development efforts.

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### Marketing and Sales

### In this section, describe how you will market toward your target customers.

Describe your sales process, including your pricing strategy as it applies to sales and also to marketing.

Provide details about your marketing budget and your marketing strategy.

Provide details about your sales budget.

Discuss your sales and marketing goals.

### Financing Request

This section details your financing request. The funding request section of your SBA business plan should include details of:

* The amount of funding you will need
* How the funding will be used
* The type of funding you are seeking
* Any future financial plans for your business

In addition to your current financial needs, you should also use this section to describe future financial plans, including how you will repay debts. You should address repayment of existing debt as well as the repayment of the funding for which you are applying.

### Financial Projections

The financial projections section of your business plan will provide the reader with the current financial reports for your business and future projections. This section is intended to convince potential funders that your business is financially stable and projected to remain solvent.

The information that should be addressed in the financial projections portion of your business plan includes:

* Income statements for the last three to five years
* Balance sheets for the last three to five years
* Cash flow statements for the last three to five years
* Any collateral available
* Financial projections for the next three years, including income statements, cash flow statements, balance sheets, and any budgeted capital expenditures

When projecting future financial performance, we recommend you use monthly projections for the first two years and annual projections for the third year.

You will use this page to explain how you derived the information you are presenting in your projected financials, and how these projections are tied to your funding requests.

NOTE: The financial projections can be inserted as separate attachments and sent along with your loan application or can be placed in the following blank pages by copying from the original source and pasting into this document. If you attach the projections separately from this document, delete the blank pages that follow.

Resources:

[Microsoft Office Cash Flow Template](https://templates.office.com/en-us/cash-flow-statement-tm00000055https%3A//templates.office.com/en-us/cash-flow-statement-tm00000055) (Excel)

[Microsoft Office Income Statement Template](https://templates.office.com/en-us/income-statement-1-year-tm16410109) (Excel)

[Microsoft Office Balance Sheet Template](https://templates.office.com/en-us/balance-sheet-tm03934533) (Excel)

Income Statement Year 1

Income Statement Year 2

Income Statement Year 3

Cash Flow Statement Year 1

Cash Flow Statement Year 2

Cash Flow Statement Year 3

Balance Sheet Year 1

Balance Sheet Year 2

Balance Sheet Year 3

### Appendix

Include in this section the following:

* Resumes
* Product photos
* Letters of reference
* Licenses and permits
* Contractual agreements and other legal documents
* Patents