

SBA Business Plan Template

The business plan consists of a narrative illustrating what your business goals are and how it intends on achieving them. It should answer questions that lenders or investors may have regarding the viability of your company's products or services.

A business plan is divided into multiple sections addressing various aspects of your company. Work through the sections in any order that you like, except for the *Executive Summary*, which should be completed last.

Each section of our business plan template contains questions you can answer. 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.

Much of the value you get from 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 evaluating 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, keep detailed notes on your sources of information and on the assumptions underlying your financial data.

Business Plan

Fit Small Business

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

You should write this section last, and we suggest that you make it two pages or fewer.

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

Provide a high-level overview of the fundamentals of the proposed business, such as:

- What is your company's mission statement?
- Does your team have the necessary background and experience?
- What will your product or service be, and what purpose will it serve?
- Who will your customers be, and how will you market to them?
- Who are your competitors, and how will your company be different or better?
- What do you think the future holds for your business and your industry?
- How will you implement your plan, and what will your funding needs be?

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.

Company Description

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

- Why does your company exist and what does it do?
- What problems does your business aim to address?
- What prompted you to start your business?
- What products or services do you offer?
- What organizations or individuals will benefit from your company's product or service?
- What makes your company different from others?
- What competitive advantages does your business offer?
- What would a successful product launch look like?
- Does your company have strategic partnerships with other vendors?

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

Market Analysis

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

- Who are the major competitors in the market?
- What are competitors doing well and are there areas for improvement?
- How does your company compare to the top competitors?
- How has the product or service evolved over time?
- Are there any trends for supply and demand throughout the year?
- What can your company do to stand apart from the top competitors?
- Does your company have any strategic advantages?

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.

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). Consider also addressing the following items:

- Description of what your product or service does
- How your product or service works
- How and why your product/service is unique, better, or worse than competitors
- How your customers will benefit from your product or service
- Illustration of the typical lifecycle
- If you offer a service, describe in detail the service process
- Pricing structure
- Plans for research and development
- Discuss plans for handling intellectual property, copyright, and patent filings

Marketing and Sales

In this section, describe who your target audience is and how you will market toward them.

Describe how you intend on attracting customers and where you expect most sales to be made.

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

How does your marketing strategy compare to competitors?

Provide details about your marketing budget and your marketing strategy.

Provide details about your sales budget.

Discuss your sales and marketing goals.

What metrics will you use to measure the effectiveness of your marketing and sales strategy?

Financial Data & 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:

- Personal and business tax returns for the last three to five years
- Balance sheets for the last three to five years
- Profit and loss statements for the last three to five years
- Cash flow statements for the last three to five years
- Documentation listing any hard and soft collateral owned by your business
- Business bank statements
- Financial projections for the next three years, including income statements, cash flow statements, balance sheets, and any budgeted capital expenditures
- Financial projections should include expected expenses from loan payments, rent, lease payments, marketing and advertising fees, employee salaries, benefits, legal fees, warranty expenses, and more
- Analysis of expected shifts in revenue or expenses as a result of seasonality or other factors affecting supply and demand

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.

Financing Request

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

- How much funding you need and why
- The type of funding you are seeking
- When you will use the funds over the next three to five years
- What you will use the funds for
- The expected impact this will have on your business and how it will help reach your business goals
- Clarify if you expect any recurring needs for additional funding
- Indicate your strategy for how you expect to pay off the loan
- 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.

Appendix

Include the following in this section:

- Business licenses
- Certifications or permits
- Letters of reference
- Photos of products
- Resumes of business owners
- Contractual agreements and other legal documents
- Patents