** Guidelines: Writing the Complete Business Plan **

Students participating in the 2013-2014 SouthVenture Student Business Plan Competition are encouraged to e-mail their Business Plan in the format of their choice provided that the printed version is from 7-30 pages in length**.** Entries are to be sent to **Steve Craig, Director – Coop Education / External Relations, Faculty of Management University of Lethbridge, E-mail:** **steve.craig@uleth.ca**  **no later than Friday January 17, 2013.** The principal elements expected in the 7-30 page Business Plan are:

**Executive Summary**

The executive summary should tell your story. It should show your passion and get the reader’s attention. It describes what you do, how you are going to do it, how much money you will make and how much funding you need. This is the one section that every viewer will read. Consider the statement similar to that where you are verbally describing your proposal to someone in 30 seconds or less. Strive to make a lasting impression.

**Business Overview**

This explains the structure of the business and its history/profile.

**Products and Services**

What products and/or services are you selling? Why should customers buy them from you? What differentiates you from the competition? Don’t say things like, better service, better prices. Be specific. What is your real differentiator? It is important to note that your description of the innovation must be written in a fashion accessible to people not necessarily experts in the subject matter. Does the innovation represent a truly breakthrough advance or is it an improvement over existing solutions? Do you own the intellectual property for your technology? Student teams must ensure that they provide supporting evidence for their assertions.

**Market Overview**

Here is where your market research pays off. Be as specific as you can about your market. Don’t say something like “The domestic pharmaceutical industry is a $100 billion industry and we are a part of it.” Be specific in your business plan, for example: “We provide air fresheners that hang on the car’s rear view mirror. This is a $20 million market.” Quote your sources for any statistics.

Analyse your potential customers. Who is the primary market for your business? What are their demographics? Their psychographics? What is their profile?

[**Market Strategy**](http://www.amamanagement.ca/marketing-strategy.php)

How are you going to attract customers? What is your pricing policy? How will you distribute the product?

**Operating Plan**

How will the business actually run? Are there any specialized processes? Do you need an organization chart?

**Management**

Who are the managers of this new business? What expertise and experience will they bring to the business? This section is like a mini resume for each of the management team where you demonstrate how the various business roles will be filled. It is quite acceptable to have advisors or consultants listed.

**Objectives**

What are you aiming for and when will you do it. Be specific. Say things like: “We will have monthly sales of 1,000 units by the fourth month of operation and will be profitable by the sixth month.”

**Risks**

There are always risks, so it is best to explain the risks and your strategies to handle them. For example, technology based companies normally develop products with their innovations and existing technologies. How broad is your freedom-to-operate? Do you really own your innovation? Will your product infringe other’s intellectual property?

**Exit Strategy**

(If you are looking for equity investors) How and when do your investors make their money? How much will they make? A cautionary note: An “angel” investor tends to expect at least 10 times their investment. You might think that’s too much, but the reality is that many businesses fail completely and the investor gets nothing back.

**Financials**

This section is absolutely critical. At a minimum, you need:

* Funding Requirements
* Month by month [pro-forma income statement](http://www.amamanagement.ca/pro-forma-income-statement.php) for the first year
* Quarterly income statement for the first three years
* Month by month [cash flow forecast](http://www.amamanagement.ca/cash-flow-forecast.php) for the first year
* Balance Sheet

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