

**How to Write a Business Plan ..... Week Two of Seven**

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**2021 Fall Entrepreneurs Academy**  
**" Starting and growing a new small business in 2021"**

- Week One Start business. 24 things you must and do before starting a small business. Gain knowledge about marketable profit centers, easy lesson about becoming : legal; LLCs, etc".
- Week Two Business Plan. How to create a simple business plan designed to prevent pitfalls, give confidence and estimate potential earnings before taking any risk. How to price your products and services,**
- Week Three Marketing. Make your ads pay for themselves and create future business opportunities with our Golden Goose Marketing Plan.
- Week Four How to find customers. By helping them find you.
- Week Five Cash Flow, Fund and Finance Bus. Learn various way to help find the funds
- Week Six Bookkeeping. Learn the many ways understanding your bookkeeping system Learn basic forecasting and "Yes if - No But" negotiating skills.
- Week Seven Taxes. A comprehensive overview of the various taxes, fees and license you Professional sales tips o help you plan, negotiate and close deals while creating a long-term sustainable base of RFCs "Raving Fan Customers." The RFC will help keep your business successful for many years.

**Graduation Award** - Certificate will be presented to attending major portion of classes and demonstrating to presenter a good working knowledge of the basic information covered.

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Thursdays ..... 5:55 PM

**live ----- on – line**

Dial-in number (US): (425) 436-6300

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**Entrepreneurial Strategies** for success in every new start up business that apply to all start-up businesses.

## Skills Drill

### Week One

1. A great business plan will help you avoid unexpected pitfalls and expenses and tell you..... *What's Left!*
2. A great marketing plan will provide you "the golden egg – sell" and golden goose when you know ..... *What's Next!*
3. Three types of marketable profit centers are
  - a. *new customers/daily.*
  - b. *traffic builders, repeat continuous business at higher margins.*
  - c. *big ticket / grouped product-service sells.*
4. RFC is Raving Fan Customer
5. NDCP is No Demand Change Plan
6. ABCD is Always be Connecting Dots

### Week Two

7. By the Way is password to UP-SALES and CROSS-SALES and Stacking Profits.
8. 3 important rules for catching fish are 1, 2, and 3. Keep fresh bait in the water.  
Catch customers: Keeps sending continuous promotions.
9. The best way to find customers is \_\_\_\_\_. Help them find you.
10. Our business cannot be all things for all people.  
However, it must be EVERYTHING to some people. \_
11. Do not plan to pay off long term debts with short term cash flow. Why?  
You'll go broke very quickly.
12. What is the difference in marketing and advertising?  
Marketing: Long term, Big picture. Advertising: Targeted, short term.

### **Business Plan Guide for a start-up business provided by** **NC Small Business Center Network:**

Click: [https://www.ncsbc.net/images/Biz\\_Plan\\_Start\\_Up\\_Guide.pdf](https://www.ncsbc.net/images/Biz_Plan_Start_Up_Guide.pdf)

### **Why have a business model and /or plan?**

To give:

You the information needed before investing time, talents and treasure.

Your investors the information needed before investing. A document to help your chart a course for all future years in business. **Help avoid expedited pitfalls and expenses.**

**Goal:** Create a simple, easy to understand and explain **individual models** for each **marketable** profit center / revenue generator and each type of expense / short- and long-term financial liability.

When the models are complete, connect them together in a manner to create a startup business plan reflecting overall revenue, expenses, marketing plan with budget, cash flow and hopefully sustained profit projections.

## **Business Models. What is a business model?**

1. A **design** for the successful operation of a business, identifying revenue sources, customer base, products, and details of financing.
2. The **plan** implemented by a company to generate revenue and make a profit from operations. The model includes the components and functions of the business.
3. It may be as **simple or complex** as its creator desires.  
Example: Writing a plan to buy a box of peanuts for \$10. Sell it for \$20. Stating you are making \$10. profit from the enterprises.

### **Start with a two-page Pre-Planner**

**One for timeline.**

**One for each model.**

### **One for Timeline.**

1. Feb 15 Determine products and services.  
Create list of what you don't know and need to learn.  
Create menu with prices and details.
2. Mar 15 Start data base w/ targeted customer groups.  
Search for location and survey markets.  
Determine start-up cost.
3. April 15 Secure banking and funding source.  
Select location. Secure insurance.  
Plan Marketing Campaign and budget.  
Negotiate, forecast and order products for sale.
4. May 15 Start Marketing. Prepare location, add furniture-fixtures.  
Meet codes and secure licenses and tax numbers.
5. June 15 Add stock, Enhance merchandising and pricing skills.  
Training staff.  
Soft opening. Do some business. Test everything.
6. July 15 Grand Opening. Starting follow ups. Add RFCs

# One for each Income and Expense Model

First 6 months - **Products**

Selling what? \_\_\_\_\_ Product

## Income

Each will sell for: \$ \_\_\_\_\_

Unit sales each X \_\_\_\_\_

Revenues estimate: \$ \_\_\_\_\_

## Expense

Unit cost... each \$ \_\_\_\_\_

Unit sales each X \_\_\_\_\_

Expense estimate: \$ \_\_\_\_\_

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Revenues estimate: \$ \_\_\_\_\_

Expense estimate: < \$ \_\_\_\_\_ >

**What's Left?..... \$ \_\_\_\_\_**

What do we call this number?

Revenue, Profit, Margin, Deposits, Earnings?

**EXAMPLE - SAMPLE**

Selling: Pre-Owned, Used Autos

**Income**

Each will sell for: \$ 6,000.00

Unit sales each : X 90 ( 15 per month)

Revenues estimate: \$ 540,000.00

**Expense**

Unit cost... each.....: \$ 4,000.00

Unit sales each : X 90

Expense estimate: \$ 360,000.00

\*\*\*\*\*

Revenues estimate: \$ 540,000.00

Expense estimate: < \$ 360,000.00 >

What's Left?..... \$ 180,000.00

MODEL: Pre-Owned, Used Autos.

**Marketable Profit Center Margin.**

Start with two-page pre planner.  
 First 6 months – **Service Time for Money**

Selling: What service?

4 days x 4 weeks x 6 months: 96 work days

Each day: 4 appointment slots

Each appointment value: \$ \_\_\_\_\_ x 4

Each day will sell for: \$ \_\_\_\_\_

\*\*\*\*\*

### **Income**

Each day will sell for: \$ \_\_\_\_\_

4 days x 4 weeks x 6 months

Unit sales each : x 96 days

Revenues estimate : \$ \_\_\_\_\_

### **Expense**

Unit cost... each.....: \$ \_\_\_\_\_

Unit sales each : x 96 days

Expense estimate: \$ \_\_\_\_\_

\*\*\*\*\*

Revenues estimate: \$ \_\_\_\_\_

Expense estimate : < \$ \_\_\_\_\_ >

What's Left?..... \$ \_\_\_\_\_

What do we call this number?

Revenue, Profit, Margin, Deposits, Earnings?

## Sample - Example

First 6 months – **Service Time for Money**

**Selling: Graphic Designs and Marketing Services**

4 days x 4 weeks x 6 months : 96 work days

Each day: 4 appointment slots

Each appointment value: \$ 150.00 x 4

Each day will sell for: \$ 600.00

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### **Income**

Each day will sell for: \$ 600.00

4 days x 4 weeks x 6 months

Unit sales each : x 96 days

Revenues estimate : \$ 57,600.00

### **Expense**

Unit cost... each.....: \$ 200.00

Unit sales each : x 96 days

Expense estimate: \$ 19,200.00

\*\*\*\*\*

Revenues estimate: \$ 57,600.00

Expense estimate : < \$ 19,200.00 >

What's Left?..... \$ 38,400.00

**MODEL: Graphic Design Services.**

**Marketable Profit Center Margin.**

# MY BUSINESS PLAN

\$ REVENUES      <\$ EXPENSES>



### Why create models before creating comprehensive business and marketing plans?

1. Business model can usually be completed **within several hours**. A “stand alone” comprehensive business and marketing plan may take several months to complete.
2. The information gained while creating a business models will **be easier to understand** and adjust while looking at only one revenue source at a time.
3. The business model will provide **estimate profit and/or losses projections** for the marketable Profit center being examined. Therefore, non-profitable items can be revealed earlier in the process.
4. The entrepreneur will be able to **estimate and list the expense** for staffing, trainings, marketing, and floor - display space requirements for the profit centers. The information /data from all the models can easily be transferred into the designated blanks within the comprehensive business plan document.
5. Each model will include the investment cost for stock - inventory - advertising - labor – freight and other **monetary disbursements** needed to complete the mini-enterprise.

The model will include the estimate of **sales revenues** to be generated by the individual profit center. Therefore, the cash flow, profit - loss, turns ratios and **return on investment** information will be provided to the business owner.

After several models have been completed, the entrepreneur will be better able to understand and predict the **total funding requirements projections for the business operation**.

**Starting now** to write MODELS for each marketable profit center and expense group. All to combine into and become your:

## Business Plan with 7 Essential Sections

### 1. Executive summary:

The first section should be a concise overview of your business plan. While the summary should be short, it must be well written: Your goal is to draw readers in so they want to read more about your company. Though this section appears first, consider writing it last, after you've worked out the details of your plan and can summarize your thoughts succinctly and accurately. The executive summary for a standard business plan should include:

Your business name and location  
 The products and/or services offered  
 Your company's mission statement  
 The purpose of your plan (to secure investors, set strategies, etc.)

### Let's start here and now: **Start up. Business Plan - Model**

Your Name: \_\_\_\_\_  
 Business name: \_\_\_\_\_  
 Domain name: www. \_\_\_\_\_  
 Income Goal \$ \_\_\_\_\_.  
 How many hours each week will you work? ..... hours

## 2. Company description:

This high-level view of your company should explain who you are, how you operate and what your goals are. The company description should feature.

The legal form of your business (corporation, sole proprietorship, etc.)

The nature of your business, and the needs you plan to satisfy

A brief history

An overview of your products/services, customers and suppliers

A summary of company growth, including financial or market highlights

A summary of your short-term and long-term business goals.

**The nature of your business, and the needs you plan to satisfy.**

Write in on paper now: \_\_\_\_\_

## 3. Products: Selling Merchandise

### **Services: Selling Time for Money.**

Clearly describe what you are selling, focusing on the customer benefits.

Incorporate details about suppliers, product, service costs and the net revenue expected from the sale of those products or services.

Consider adding pictures or diagrams. In general, this section should include:

An in-depth description of your products/services, emphasizing the specific benefits. An explanation of the market role of your product/service and advantages it has over the competition. Information about the product or service's life cycle. Relevant copyright, patent or trade secret data.

Research and development activities that may lead to new products and services.

**The big question for each profit center and the business plan:**

**What's Left?                  Black Ink?                  Or Red Ink?**

**Keep it Simple.**

**The model for each revenue generator – marketable profit center model will:**

1. Estimate the cost and related expenses to bring the product / service to the retail market including CODB, targeted marketing expenses, investments.
2. Project the gross sales/income/revenue the product / service will generate within a period of time.
3. When you deduct the expense estimates from the gross revenues generated, you will see **What's Left.**

**If black ink, roll on...**

If red ink: add profit centers that do produce black ink, add margins, reduce expenses. Then re-calculate.

If you keep it as simple as you can you may arrive at the “bottom lines” with good, reasonable and explainable numbers.

**Example EXPENSES Model: Trucking company**  
**One-time start-up investments**

*Estimates*

DOT and Motor Carrier Numbers	\$ 500.
• Unified Carrier Registration (URC)	\$ 90.
• License Tags pro-rated calendar	\$ 2,000.
• BOC3 process agent fee	\$ 120.
• Load Board registration first month	\$ 50.
• Decals, min.	\$ 110.
• Insurance	\$ 8,500.
• LCC set up	\$ 700.
• Fuel: first roll out	\$ 800.
• Maintenance: truck-trailer first month	\$ 300.
•	

Investment to get started and running \$ 13,170.

Plus, equipment investments.

**Example EXPENSES Model: Trucking company**  
**Truck number 1 : Projected annual revenues**

Truck # 1: Peterbilt Tri-Star V, 2014, ABD Trailer # 205

140,000 Cargo Paid Miles Rate Revenue

Jan. – Mar. ... 30,000. @ \$ 2.00 \$ 60,000.

Apr. – Sept. .. 80,000. @ \$ 2.00 \$ 160,000.

Oct. 25,000. @ \$ 3.00 \$ 75,000.

Nov. – Dec. 5,000. @ \$ 2.00 \$ 10,000.

Revenues generated..... \$ 305,000.

Less:

Driver's compensation..... < \$ \_\_\_\_\_ >

Fuel cost..... < \$ \_\_\_\_\_ >

Insurance ..... < \$ \_\_\_\_\_ >

Tires ..... < \$ \_\_\_\_\_ >

Maintenance..... < \$ \_\_\_\_\_ >

Truck and trailer loan payments. < \$ \_\_\_\_\_ >

CODB ..... < \$ \_\_\_\_\_ >

**WHAT'S LEFT..... \$ \_\_\_\_\_ .00**

## Building the Business Plan Using the Revenue and Expense Projection Models

Revenues generated by + /-

+ Marketable Profit Center to increase daily TRAFFIC \$ \_\_\_\_\_

+ Marketable Profit Center bringing in NEW CUSTOMERS \$ \_\_\_\_\_

+ Marketable Profit Centers with HIGH MARGINS and turns \$ \_\_\_\_\_

+ Marketable Profit Center to promote REPEAT BUSINESS \$ \_\_\_\_\_

+ Marketable Profit Center to create BIG TICKET sells \$ \_\_\_\_\_

Total Projected Revenues and Profits ..... + \$ \_\_\_\_\_

+ Other Invested or Borrowed Funds ..... + \$ \_\_\_\_\_

Less expenses grouped as:

One-time start-up cost and fee ..... <- \$ \_\_\_\_\_ >

Marketing Plan's Budget..... <- \$ \_\_\_\_\_ >

Cost of Doing Business (CODB) expense... <- \$ \_\_\_\_\_ >

Staffing and Employment Related Costs.....<- \$ \_\_\_\_\_ >

Other expense grouped models.....<- \$ \_\_\_\_\_ >

Debt payments ..... <- \$ \_\_\_\_\_ >

**Projected Cash Flow, Return on Investment What's Left?**

**Sustainability Indicators ..... \$ \_\_\_\_\_ .00**

## 4. Market analysis:

Show your industry knowledge, and present conclusions based on market research. (Place detailed findings of any studies in an appendix.) Your market analysis should include: A sketch of targeted customer segments, including size and demographics of the groups

An industry description and outlook, including statistics

Historical, current and projected marketing data for your product/services

A detailed evaluation of your competitors, highlighting their strengths and weaknesses

### Write about “The Market”.

Describe the area / region you will serve. \_\_\_\_\_  
\_\_\_\_\_

### List your target customer groups.

The “low hanging fruit”. \_\_\_\_\_  
\_\_\_\_\_

List your competitors. \_\_\_\_\_  
\_\_\_\_\_

## 5. Strategy, implementation, business location.

Summarize your sales and marketing strategy and your operating plan. This section should include:

- An explanation of how you will reach target customers and penetrate the market
- Details about pricing, promotions and distribution
- An explanation of how the company will function, following the operations' cycle from acquisition of supplies through production to delivery
- Information on sources of labor and number of employees
- Data on operating hours and facilities

### Operational details.

List your primary marketing tools: \_\_\_\_\_  
\_\_\_\_\_

Describe your planned promotions: \_\_\_\_\_  
\_\_\_\_\_

List the job titles and number of your staff \_\_\_\_\_  
\_\_\_\_\_

Describe operating hours \_\_\_\_\_  
\_\_\_\_\_

## Business location Details.

Address and type of structures on the property.

Sq. footage of building(s). Acreage outside parking and fenced in spaces.

Lease - rental projected monthly, annual cost.

Estimated daily vehicle count and list retail attractiveness for shoppers.

### Business Location Expenses

Real Estate Agent commissions, etc.

Attorney and court fees.

Site preparation cost.

Utility deposits.

Security or Escrow deposits.

Contractors.

Repairs.

Inspections.

Upgrades.

Security.

Rental payments.

How much will it cost to get ready to open? \$ \_\_\_\_\_

## 6. Organization, management team.

Outline your company's organizational structure, and identify the company owners, management team and board of directors. Include the following:

- An organizational chart with descriptions of departments and key employees
- Information about owners, including their names, percentage of ownership, extent of involvement within the company and a biography listing their background and skills
- Profiles of your management team, including their names, positions, main responsibilities and past experience
- List of any advisors, such as board members, accountants and attorneys.

### Ownership – Investors

List the stock holders and officers of the business, their individual investment to date and promised future investments.

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List the managers, directors, seniors' advisors.

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## 7. Financial plan and projections:

Important financial statements that should be part of your plan are:

- Historical financial data, if you own an established business, including income statements, balance sheets and cash flow statements for the past three to five years
- Prospective financial information, including forecasted income statements, balance sheets, cash flow statements and capital expenditure budgets for the next five years
- A brief analysis of your financial data, featuring a ratio and trend analysis for all financial statements

## Financial History / Records

### For an established business:

Historical financial data, if you own an established business, including income statements, balance sheets and cash flow statements for the past three to five years.

Prospective financial information, including forecasted income statements, balance sheets, cash flow statements and capital expenditure budgets for the next five years

A brief analysis of your financial data, featuring a ratio and trend analysis for all financial statements

### For a new business:

Financial History / Records

Personal and Business financial history and past three year's federal tax returns for the stock holders.

Financial Statement. Including:

tangible assets, intangible assets, record of income and disbursements, current debt / liabilities this year, long term liabilities.

### 51 a very important number.

If you own less than 51% of the company stock, you can be fired and banned from your business, denied access to records and lose all of your investments and security.

### *How much money (cash-capital) is needed?*

1. To get to the business start date?                   \$ \_\_\_\_\_
2. The two weeks between start date and  
the Grand Opening date including promo?   \$ \_\_\_\_\_
3. Four weeks after the Grand Opening?           \$ \_\_\_\_\_

### Of that total:

How much money (cash-capital) have you already invested? \$ \_\_\_\_\_

How much money (cash-capital) do you need to find?           \$ \_\_\_\_\_

## Believe and Trust in Yourself.

"Don't wait until everything is just right. It will never be perfect.

There will always be challenges, obstacles, and less than perfect conditions.

**So, what? Get started now.**

With each step you take, you will grow stronger and stronger, more and more skilled, more and more self-confident, and more and more successful."

Credit: Mark Victor Hansen, Author, current book "The Miracles in You."

## THANK YOU

### Anthony Steven Carver.. "Coach Steve", President

Fast Forward Services, Inc. DBA

360 Business Training and Consulting.

[www.fastforwardservices.net/](http://www.fastforwardservices.net/) Training Events Calendar, Testimonials

[www.CarverEquipment.Com](http://www.CarverEquipment.Com) Nationwide Equipment Sales, Since 1959

www. [journeyforalifetime.com](http://journeyforalifetime.com) Business books and Steve's Bio

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#### **Disclaimer.... Summarized Free Advice**

The information offered here is **general in nature**, based on years of small business experiences and observations and interactions with many thousand entrepreneurs when presenting over eight hundred seminars and helping hundreds to start new businesses over a fifty-year period of time.

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Respectfully submitted with Best Wishes,

Anthony Steven Carver