

## Creating a Business Plan

Lenders and Investors see countless Business Plans. You will want to make sure your plan stands out. Most business plans are 6-10 pages long, depending on the size and type of company. You can receive help on-line (usually for a cost) or you can buy a book such as the "Business Plan Kit for Dummies" to help you out. To get you started in the right direction, CMI has found a government web-site that offers free help for developing a business plan at <http://www.sba.gov>. Remember, no one knows your business or your intentions better than you do. It may seem quite tasking in the beginning, but if you are like most new business owners your enthusiasm will help you accomplish your goal. It is also important to remember that the lender is not interested in lending a helping hand to be Mr. Nice Guy. The lender is interested in investing in your company to make money. Think of some reasons why your company will stand out against its competition. Every company has distinctive characteristics. Your uniqueness may be something others can't duplicate. The bottom line is the investor/lender wants to know that you have the expertise and the know-how to make your company a success. Your loan officer at CMI Commercial Investment is accustomed to reviewing business plans and he/she will be able to review your plan with you personally and advise you on your presentation. Many people think that a business plan is only for start-up businesses applying for business loans. However, a good business plan is fundamental for running any business efficiently (whether or not that business is in need of a new loan or new investment). Businesses need plans to optimize growth and development. A business that stays on top of their plan will make sure they are hitting their goals and reevaluate their old plan if new goals are necessary for success. Basic Business Plan Outline (this outline has been taken from [www.smallbusinessnotes.com](http://www.smallbusinessnotes.com))

Cover Sheet Statement of Purpose Table of Contents The Business Description of  
 BusinessMarketingCompetitionPricing & SalesAdvertising & Public RelationsManagementFinancial Management  
 Financial DataLoan applicationsCapital equipment and supply listBalance SheetBreakeven analysisPro-Forma income  
 projections (Profit & Loss statements) Three-year summary · Detail by month, first year · Detail by quarters, second  
 and third years · Assumptions upon which projections were based Pro-forma cash flow (follow guidelines for e.)  
 Supporting DocumentsTax Returns of principals for last three yearsPersonal Financial Statement In the case of a  
 franchise business, a copy of franchiseCopy of propped lease or purchase agreement for building spaceCopy of  
 licenses and other legal documentsCopy of resumes of all principalsCopies of letters of intent from suppliers Marketing  
 Financial Statements Information Resources

When making your plan be sure to address these questions:

- Is your product or service new or unfamiliar?
- How will you overcome problems in the market?
- Do you have your own capital to invest?
- If not, how will you provide expansion?