

## Current State Analysis (Brief but thoughtful; bullets are fine)

### ***Mission and Vision***

- Describe the business and what it stands for (i.e. mission statement).
- Define specific goals and objectives.
- Include any history that is necessary to understand in order to put the above in context.

### ***Products and Services***

- Describe core competencies and competitive differentiation
- Provide a description of your business's key products and services.
- Address the following for each core product/service: i) percentage of revenue; ii) profitability (%); and iii) key market trends/dynamics.

### ***Target Market***

- Who is your target customer?
- Define the critical needs of customers in this market.
- How does your product/service meet critical need?
- Current trends, opportunities, and risks with target market?

### ***Finances***

- Briefly analyze historical (generally 3 years): i) revenue; ii) revenue by core product/service; iii) gross margin; iv) gross margin %; v) SG&A; vi) operating income; vii) operating margin (%); viii) margins by core product/service (if able); and ix) trends.
- Include 5 years of financial projections, including detailed key assumptions.

### ***Management***

- Provide a thumbnail sketch of how your business is organized.
- Define key talent strengths as well as potential gaps.

### ***Sales and Marketing***

- Describe your approach to marketing and sales—how you decide where to put your limited resources.
- What are the key channels through which you sell your products and services?
- Describe your approach to pricing.
- How do you position your products relative to the competition?

### ***Growth Strategy***

- Summarize your key growth initiatives.
- Analyze revenue growth (dollars and percent) by core product/service.
- How does growth compare to plan?
- How do margins (gross and operating) compare to plan?
- Sources of capital to finance growth plans?

## Creating Your Business/Strategic Plan: Key Ingredients

### ***Cover Page***

- Business/project name, logo, etc.
- Include your contact information.

### ***Executive Summary***

- What does your business/project do?
- Why is your business/project unique?
- Key success drivers.
- What is your ask?

### ***Company Overview (if for External Use)***

- Company location.
- Corporate organization.
  - When founded?
  - Organizational form (LLC, LLP, C-Corp, etc.)
  - Relevant history
- What is the business/project?
- What is its significance/purpose?

### ***Industry Analysis***

- Define your market (segment and target).
  - Market size?
  - Growth rates?
  - Relevant demographics and trends.
  - How does business/product/service fit (i.e. position)?

### ***Customer Analysis***

- Who are your target customers?
- How does your product/service value proposition address your target customers' needs?

### ***Competitive Analysis***

- Who are key competitors (direct, substitutes, others)?
- What do they do well?
- What advantages do they have over you?
- What are your advantages over them?

## ***Business Model***

- Key elements:
  - Revenue generation.
  - Other important points necessary for success.
- Discuss points of differentiation.
- What are relevant business risks?
- How can those risks be mitigated?

## ***Management Team***

- Who are the key people on the team?
- What skills do they have that will mitigate risks/position the venture for success?
- What is the team's track record (i.e. what have they accomplished together)?
- Are there any identifiable gaps that will need to be filled to execute plan?

## ***Financial Plan***

- Include historical financial statements (typically 3 years), if relevant.
- What are your financial projections?
- Provide key assumptions and supporting details (i.e. why are the assumptions reasonable?).
- What are the sources and uses of funds for this plan?
- Based upon the above, what are the projected returns for this investment?

## **Other Content for Consideration**

### ***Making it Strategic***

- Describe resources required:
  - People
  - Capital
  - Other
- What are the important milestones/benchmarks?
- Detail the timing necessary with the execution of the plan (Gantt charts or other visuals are great)
- What are your key measurables?
- When will you measure?
- What are your key “go/no-go” points and decision levers?

### ***Investment Merits***

- Describe “why” this is a good opportunity.

### ***Proposed Security Terms***

- Debt
- Equity
- Hybrid