Business Plan

**Company Name:**

**Owner Name(s):**

**Date:**

**Phone Number:**

**Email:**

**Website:**



# INTRODUCTION

**READ THIS PAGE BEFORE STARTING ON THE BUSINESS PLAN TEMPLATE**

Why write a business plan?

* To test the feasibility of your business idea
* To give your business the best chance of success
* To make ongoing business planning manageable and effective
* To secure funding

This interactive business plan will help to simplify the process of writing this business plan for you. Read through the business plan template thoroughly once. We suggest filling in the basic information that you already know first. Then concentrate on the more complex sections.

**Assume the reader knows nothing about you, your business, or your industry**. Include enough information that they will understand what you do. Try not to repeat yourself, aside from the Execuitive Summary, it unnecessarily lengthens your business plan when you are repetitive.

Use the prompts and questions to guide you along. We will be deleting the prompts (and questions) once the business plan is finished so please do not use a question & answer format, these are purely here to help you with what the section needs. **PLEASE DO NOT DELETE SECTIONS OR PROMPTS UNTIL THE BUSINESS PLAN IS 100% FINISHED.**

This template also includes web-links for you to complete most of your research. We cannot emphasize enough that you need to put time into researching your customers, industry and your competition.

Think of a business plan as a blueprint for your business. You know you have the skill set, but there is a long way to go and by knowing which steps to take first and what requirements you have to satisfy from the get-go, you will build strong foundations that will benefit you long term.

**Check out the Government of Canada website for information on Starting a Business here:**

<https://www.canada.ca/en/services/business/start.html>

**Business Link is a great resource when starting a business. Check out this link for a business start-up checklist:**

<https://businesslink.ca/starting-a-business/startup-checklist/>

# EXECUTIVE SUMMARY

Although this is the first page of the Business Plan it is the last page to be completed.

This section should be short, concise and sufficiently interesting to motivate the reader to read the rest of the business plan.

Things to include:

An introductory paragraph that describes your business;

* Paint a picture of how this venture will work to someone who does not know
* The most vital information from your business plan
* Your experience as it pertains to your business
* What will set you apart from the other players in your industry

Financial summary

* Are you seeking financing? If so, from who and how much?
* A conclusion that describes what you want from the reader

## FINANCIAL SNAPSHOT

|  |  |
| --- | --- |
| Project Financing | Amount |
| For Existing Businesses $ Amount already injected | $ |
| $ Amount injected or to be injected by Bank/Credit Union | $ |
| $ amount requested from Community Futures Highwood | $ |
| Amount you are putting into the project (10% of the **total** will be required if financing from CFH is needed) | $ |
| $ Amount injected or to be injected by an Investor | $ |
| TOTAL  | $ |

# BUSINESS DESCRIPTION

This section is a description of your business. It includes basic information about your company, and information about you – the owner(s).

### Business Description

Give a brief description of your business below.

### Business Address

Legal Address:

Mailing address if different:

### Legal Structure

Delete the options that don’t apply.

Proprietorship - a business owned, managed and controlled by one person.

Partnership - a business where two or more people share ownership.

Corporation (limited company) - a company that is legally separate from its owners.

### Owner Background/Experience

Describe each owner’s background, education & training **as it relates to the business**. **Be thorough.**

### Business Goals

Where do you want your business to be at in 5 years?

### Personal Goals

What do you want your personal life to look like in 5 years?

# BUSINESS MARKET

## PRODUCTS OR SERVICES

***Be sure to provide a brief description of your products or services*** *that will help the reader of your plan better understand your business.*

*It is crucial that you have a clear understanding of the different products/services you offer as this will help you identify who your customers are and what need they are filling for your customers.*

*List your products/services separately as:*

* *Different types of customers will have different needs*
* *You may want to promote/advertise each area of your business in a different way since advertising that reaches one market may not reach others (example: newspaper advertising only reaching the older population, social media advertising reaching the younger generations)*

*Concentrate on major products/services rather than every single item; by grouping them together it makes it easier to project expected sales. You will be using these categories later in your cash flow projections.*

### Product/Service #1 –

Description:

### Product/Service #2 –

Description:

### Product/Service #3 –

Description:

### Product/Service #4 –

Description:

## MARKET AREA

**Where do your customers live?** Focus on your main geographical market areas.

Primary: (ie Okotoks)

Secondary:

Other:

# OPERATIONS

## GENERAL OPERATIONS

Describe below how your business will operate; what is your business mission statement; how will customers be treated; what can customers expect? Give a snap shot of a customer’s experience.

### Location & Delivery

*Location can be a vital part of your success. It can be crucial for retail sales and consumer services, along with some business-oriented services.*

How the product or service is delivered to customers often plays a more important role for home based businesses.

Where will your business be located? Why have you chosen this location? Is it easily accessible?

### Six Months Operations Plan

*Describe what the next* ***SIX*** *months will look like. Include a rough timeline for all actions and businesses activities to be* completed. **Use point form but be thorough**. This section is a great place to show the reader that you know exactly what it will take to start/run your business.

Name the months, so the reader knows when you intend to start your business/project and activities.

**Month 1:** (example June 2023)

**Month 2:**

**Month 3:**

**Month 4:**

**Month 5:**

**Month 6:**

### Facility and Equipment Required

List below the facilities and/or equipment you will require to make your product or provide your service and if renovations will be necessary.

### Products & Supplies

List your suppliers and the payment terms will they give you.

### Technological Innovations in Your Field

Are you in a field where technology is rapidly changing? If so, what are the changes, and how can they affect you? If your products or equipment can become outdated quickly, you need to be aware of this and make plans accordingly.

## CUSTOMERS

**DEFINE YOUR IDEAL CUSTOMERS!**

For each of your products/services listed above define who your ideal customer is (unless it is the same for more than one category). List their age range, average income, average family size, average expenditure, leisure activities, etc.) **Show the reader that you know your customer base.**

The better you can describe your customers the better you will be able to plan how you are going to sell to them. Why do they buy your type of product - what need does it fulfill? How/where do they shop for your product or service?

### Customers of Product/Service #1

### Customers of Product/Service #2

### Customers of Product/Service #3

### Customers of Product/Service #4

## THE INDUSTRY

REMEMBER NOT TO USE QUESTION/ANSWER FORMAT BELOW. RESEARCH YOUR INDUSTRY USING THE QUESTIONS LISTED. SHOW THE READER THAT YOU UNDERSTAND YOUR INDUSTRY AND REMEMBER TO REFERENCE YOUR RESEARCH SOURCES/LINKS

What is happening in this industry locally; provincially; nationally; globally?

What is the impact of technology and global markets?

Is your market growing, shrinking, or stable?

Now focus on the overall demand for your type of product/service…

Is there a demand for your product/service? (using research, not just a yes or no)

Is there room in the market for your business?

Is the market being challenged?

Consult the following websites/organizations for your research:

**Business Link:** [www.businesslink.ca](http://www.businesslink.ca) – they will provide the data for you free of charge

Industry Canada: <http://www.ic.gc.ca/eic/site/icgc.nsf/eng/h_07063.html> or

<https://www.ic.gc.ca/app/scr/app/cis/search-recherche?lang=eng>

Alberta Economic Dashboard: <https://economicdashboard.alberta.ca/>

Also consider contacting:

*Any associations / groups that specialize in your industry*

*Internet search on industry trends specific to your industry*

# OTHER PLAYERS (aka COMPETITION)

**KNOW WHO ELSE OPERATES IN YOUR INDUSTRY!**

One key to your success will be in establishing a market niche for your business. But first you must understand who else is in operation in your industry, their strengths, **and their weaknesses.**

Include everyone who sells to the same target market as you. (Who else can your potential customer buy from?)

Pay careful attention to the other players’ market “niche”- what need are they filling?

* *Are they appealing to certain types of customers?*
* *Why do people buy from them?*
* *Why would people change and buy from you?*

You may wish to **group similar competitors together.**

### Business:

**Strengths:**

**Weaknesses:**

### Business:

**Strengths:**

**Weaknesses:**

### Business:

**Strengths:**

**Weaknesses:**

# SWOT Analysis

The purpose of a SWOT Analysis is to get you thinking about what you and your business have to offer and the factors that can potentially impact your business. Think of your business as a whole, not just the benefits of your products or services. Understanding these components will help you to make better business decisions now and in the future.

**REMEMBER NOT TO USE QUESTION/ANSWER FORMAT BELOW. START ON THE BULLET POINTS BELOW THE QUESTIONS.**

### Strengths

Strengths are internal, positive attributes of your company and team. These are things that are within your control.

What assets do you or your team have, such as knowledge, education, network, skills, and reputation?

What physical assets do you have, such as customers, equipment, technology, cash, and patents?

What competitive advantages do you have over your competition?

Please use bullet-point format starting below...

### Weaknesses

Weaknesses are negative factors of your company and team that detract from your strengths. These are things that you might need to improve on to be competitive.

Are there tangible assets that your company needs, such as money or equipment?

Are there gaps on your team? Missing skills?

What business processes need improvement?

Please use bullet-point format starting below...

### Overcoming Weaknesses

This is a crucial area, and one that should be looked at very closely. It may be linked to your marketing plan, it may involve changes in your product or service, or it may involve changes to how you are operating your business.

How will you overcome the weaknesses **you just identified** / what are your plans to improve your weak areas?

Please use bullet-point formatstarting below...

### Opportunities

Opportunities are ideas and possibilities for future growth of your company, such as expanding your market/geographic reach, offering new products/services, etc.

What future plans do you have that will expand your business?

Are you planning on offering other products/services in the future that you are not currently offering?

Are you planning on opening another location?

Please use bullet-point formatstarting below...

### Threats/Critical Risks

Threats are external factors that you have no control over. Consider putting contingency plans in place to deal with these issues should they occur.

Do you have potential competitors who may enter your market?

Will suppliers always be able to supply the materials you need at the prices you need?

Could future developments in technology change how you do business?

Is consumer behavior changing in a way that could negatively impact your business?

Are there market trends that could become a threat?

What is the overall economic situation like?

Please use bullet-point formatstarting below...

# THE MARKETING PLAN

### Promotion Strategy

Explain below how you will tell your customers about your products (ie website, social media, radio, print, etc.) and convince them to buy from you. Marketing is more than just advertising. It also includes pricing strategies, and how your product or service will be distributed to the ultimate consumer. Try to create a perception of value among your customers. This could include customer service, collaboration with other businesses, community involvement, local suppliers, charities your business may support, ease of purchasing and advertising.

Describe your strategy, including selling methods, advertising planned, etc.

### Pricing Strategy

REMEMBER NOT TO USE QUESTION/ANSWER FORMAT. STARTING ON THE BULLET POINTS BELOW EXPLAIN YOUR PRICING STRATEGY.

*How will your pricing compare to your competitors?*

* more expensive than your competitors, explain why will your customers pay the extra price?
* cheaper than your competitors, can that affect your customers perspective of value, is it enough to cover your expenses?
* same price as your competitors, what plans do you have to set yourself apart?

How do you determine your prices? How do your prices compare with competitors? How do your customers perceive your prices?

*

# BUSINESS TEAM

Your skills and those of your **key staff/advisors** play a vital part in your success. There is far more to running a business than providing goods or services. Who are the people that will be supporting you in your business?

## KEY MANAGEMENT

Who are the people that are making management decisions in your business? List them below and include yourself.

|  |  |
| --- | --- |
| Individual |  |
| Position |  |
| Responsibilities  |  |
| Skills and Experience as they directly relate to the business |  |

|  |  |
| --- | --- |
| Individual |  |
| Position |  |
| Responsibilities |  |
| Skills and Experience as they directly relate to the business |  |

|  |  |
| --- | --- |
| Individual |  |
| Position |  |
| Responsibilities |  |
| Skills and Experience as they directly relate to the business |  |

## KEY ADVISORS / SUPPORT / MENTORS

An effective entrepreneur knows their weak areas and has plans for compensating for those weaknesses. Who else is available to support you or help you build your business (mentors, important industry contacts, bookkeeper/accountant, lawyer, etc.)? List them below.

|  |  |
| --- | --- |
| Individual |  |
| Position |  |
| Responsibilities |  |

|  |  |
| --- | --- |
| Individual |  |
| Position |  |
| Responsibilities |  |

|  |  |
| --- | --- |
| Individual |  |
| Position |  |
| Responsibilities |  |

### Staffing Requirements

Will you need staff for sales, tech or other functions? What staff do you need? Include yourself, all members of ownership and management, seasonal staff, contracted staff, etc.

How many jobs will be:

Created/New:

Maintained: (if the business is already operating, how many jobs will be continued)

How many of the above positions will be:

(Needs to add up to the same total number as above)

Full-time:

Part-time:

Seasonal:

Contracted:

How many of the above jobs are family?

Recruitment:

Where will you find them?

Staff Training:

How will you train them?

# EXIT STRATEGY

It’s a good idea to think about how you plan to eventually exit your business, as that determines how you are going to set up your business. Without planning an exit strategy you risk limiting your future options. We suggest you think about the following questions, and what you need to do to set your business up accordingly:

* Are you planning on being bought out or selling the business?
* Are you planning on passing it on to the next generation or have an employee take it over?
* Are you planning to set it up, so that you don’t have to work in it, but still receive income from it?
* Are you planning to close the business when you no longer want to continue working in it?

# ADMINISTRATIVE

## LICENSES AND PERMITS

### Business License

Do you have your current business license for the appropriate town, county or MD? What is the cost? Will you be doing business in multiple areas? Do you need business licenses for more than one town, county or MD?

### Permits

Are there any special licenses that are required for your business?

Check this website to find out what you need: <http://www.servicealberta.ca/bizpal.cfm>

or contact your local government.

### Name Search/Registration with Alberta Registries

If you are incorporating your business you will have to register your name at your local registries office. If you are a sole proprietorship there is no obligation to register, however you can. You can find more information here [*https://www.alberta.ca/register-business-name.aspx*](https://www.alberta.ca/register-business-name.aspx) or go into your local Registries office.

### Canada Revenue Agency

In order to file taxes for your business you will need a Business Number with CRA. Find more information at the link below or you can call *1-800-959-5525.*

[*https://www.canada.ca/en/revenue-agency/services/tax/businesses/topics/registering-your-business/register.html*](https://www.canada.ca/en/revenue-agency/services/tax/businesses/topics/registering-your-business/register.html)

### GST

If you expect revenues of $30,000 or more it is required to register for a GST account, otherwise it is voluntary. Find more information at [*https://www.canada.ca/en/revenue-agency/services/tax/businesses/topics/gst-hst-businesses/account-register.html*](https://www.canada.ca/en/revenue-agency/services/tax/businesses/topics/gst-hst-businesses/account-register.html)

Payroll

If you have employees you will require an Employer Registration number? Find more information at [*https://www.canada.ca/en/revenue-agency/services/tax/businesses/topics/payroll/How-open-payroll-account.html*](https://www.canada.ca/en/revenue-agency/services/tax/businesses/topics/payroll/How-open-payroll-account.html)

### WCB:

Do you require a Worker’s Compensation Board assessment number? How much will the premiums be?

Check the WCB Alberta website for information on your industry and industry rate: <https://rm.wcb.ab.ca/WCB.RateManual.WebServer/AlphaIndex.aspx> or the list of exempt industries: <https://rm.wcb.ab.ca/wcb.ratemanual.webserver/exemptindustries.aspx>

### Zoning:

What zoning regulations apply to your business? How will you be affected?

## **Things to consider:**

### Insurance:

What types of insurance will you need for your business? Liability? Vehicle? Equipment? Product? Property? How much does each type cost?

### Administration:

Who will handle your bookkeeping, year-end accounting / taxes, and legal matters?

It is also a good idea to set up accounting/bookkeeping software (ie Quickbooks, Sage, FreshBooks) to track income, expenses, do invoicing etc.

### Banking:

Keeping your business and personal finances separate is a must. Consider opening a business bank account before you start making an income.