

Executive Summary

There are many different opinions about exactly what should go into an Executive Summary. The Executive Summary is preferably about 2 pages long. It is usually meant to be a motivational piece - transfer the "sizzle" of your business plan into a few concise paragraphs. It should review the current status of the company, and where it may be headed. You can use narrative or bullet points (usually best if it is a combination of both). Remember that this may be the only section of your business plan that a potential investor may read.

1) Cover Page

On the cover page, simply put the name of the business and the desired funding level/investment

2) Description of business

- a) **Business Name** - Indicate the company name and vital contact information
- b) **Primary Product or Service** - Here you should ADD SIZZLE. Make your business sound exciting, as an opportunity! Back in the first section of this plan, you were asked to identify what it is that you really sell - this might be a good time to use that description. You may not have a unique product or service, but you can sure make "we sell widgets" to sound more exciting.
- c) **Customer segments & how you'll meet their needs** - Here you want to define the total market size for your products or services. This is where that number which represents the total market size comes in handy - you can define your market potential. You might also wish to state your projections for growth. It is also important here to indicate briefly how you will fill their unmet needs. Identify how your business is unique from your competitors. In the Product/Service Plan you identified the unique aspects of your product or service - this might be a good time to use that description.
- d) **Status** - (new or existing business - if existing brief history) It is beneficial in establishing credibility if you mention that your company has been in existence, and profitable for five years. This section should be a brief sentence or two about how long you have been in business and if you are profitable.
- e) **Legal form** - Here you would want to state whether your business is a sole proprietorship, partnership, limited liability company, or corporation.

3) Mission and Goals

- a) **Mission statement** - Please limit the length of your mission statement here to a sentence or two, with, perhaps, a few bullet points.
- b) **Key objectives quantitatively stated** - (sales, market share, growth rate) You may wish to indicate annual objectives for sales, market share and growth rate, or you may wish to state your objectives for only one or two of the items.

4) Key financial projections

- a) **Investment/ loans required and what used for (matching)** - When stating how much money we need, we need to also state how much the owners have infused into the company as well. A chart here, perhaps using a stacked bar chart, may clearly communicate where investments and monies will go, and how much owners have contributed. Government loan programs may not want to see their moneys going into working capital, but putting those funds to work in securing machinery might appear to be a more prudent use of the funds.
- b) **Sales projections (figure for the first year)** - Here it is important to note that lenders and investors might compare your projections to industry standards, such as those obtained from publications such as Robert Morris Associates (R.M.A.) Annual Statement Studies. Your local SBDC will have this publication in their resource library. This publication is organized by business type based on a four-digit SIC code, and presents profit/loss, balance sheet, and ratio information. Those data are presented relative to the size of the firm in sales volume, and also relative to the year of operation. These data provide a general yardstick for comparison - if our projections indicate a certain sales volume and certain level of profitability that are contrary to the industry norm, it might become apparent that our numbers are overly optimistic.
- c) **Profit and loss projections (figure for the first year)** - Indicate your annual projection, but, as above, compare your figures against the industry standard to establish reasonableness.