

Effective Business Plan for Raising Capital

If you are trying to raise capital to expand your business or purchase capital assets then you better have a written business plan. An effective business plan is a document that conveys the growth potential and objectives of your company. It should be viewed as a marketing or promotional piece that can successfully sell your business model to providers of capital by emphasizing the strengths of your company but, at the same time, not hiding any of the obstacles.

Executive Summary

- The Opportunity
- The Industry
- Company Overview
- Sales and Marketing Strategy
- Keys to Success
- Investment Required

Industry Overview

- <your product/service> Use
- The Global <your product/service> Industry
- The US <your product/service> Industry
 - *Market Size*
 - *Growth*
 - *Distribution*
 - *Customer Analysis*
 - *Competitive Analysis*

Company Overview

- Structure
- Mission/Goals
- Intellectual Property
- Company History (Start-up Summary)
- Board and Management
 - *Board of Directors*
 - *Advisory Board, Strategic Partners, etc.*
 - *Partnerships and Alliances*
 - *Management Team (and Current Gaps)*

Engineering and Product Development

- Core Competencies
- Status of research and development
- Technology innovation and competitive blocks
- Patent Status

Manufacturing

- Sourcing
- Costs
- Timeline

Market Summary

- Market Segmentation
- Target Market Segment Strategy
- Market Needs
- Market Trends
- Industry Analysis
- Main Competitors

Strategy Summary

- Competitive Edge
- Marketing Strategy
 - *Promotion Strategy*
- Pricing Strategy
 - *Pricing Structure*
 - *Additional Customer Services*
- Sales Strategy
 - *Selling Tactics*
 - *Sales Channels*
 - *International & Regional Strategies*
 - *Sales Forecast*

Financial Plan

- Introduction, General Discussion
- Capital Required
- Use of Funds
- Worst Case Scenario
- Competitive and Other Risks
- Summary of Financial Forecasts
 - *Important Assumptions*
 - *Projected Profit and Loss*
 - *Projected Cash Flow*
 - *Projected Balance Sheet*
- Exit Strategy

Appendices