

EDC Business Plan Executive Summary Worksheet New Business

- **WHO YOU ARE & WHAT YOU DO** - Description of your business / product / service.
 - What it is
 - What it does
 - What benefits it provides

- **WHO IS YOUR MARKET** - Description of your target market(s):
 - Type of business(s) / market segment / user
 - Profession of business decision maker / user (Engineer, doctor, etc)
 - Size of total market opportunity, annually (Current or projected w/ validation)
 - Geographic scope of the market (local, state, regional, nationwide, global)

NOTE: Market focus is essential – the market(s) you select must be reachable with the marketing, distribution, and talent resources outlined. Investors must believe you have the capability to reach and execute within your target market. A sure plan killer is to say that you will be marketing to “everyone” when you have resources to market to a fraction of that number.

- **WHY THEY WILL BUY IT FROM YOU** - Explanation of the compelling reason(s) that will cause your target client to purchase your product or service. Include your position regarding the following factors:
 - Explain YOUR market / sales opportunity - what it is & why it exists
 - Explain how you compare to competition – benefits, price points, brand equity, etc. and summarize why they will buy from you instead of them.
 - Explain how you will defend your product or service. Do you have intellectual property? Will you be first to market? Will you be closer to your market? Etc.
- **HOW YOU WILL MAKE IT HAPPEN** – Summary of the strategies and tactics you will use to attain the projected revenue goals:
 - Product Development / Production / Operations – items you will produce, how you will produce them, and what it will cost to do so.
 - Pricing / Promotion / Advertising / Public Relations – how you will price your product. How you will get your target market to know it is available. And how you will create product interest.
 - Sales / Distribution / Support – how you will actually sell the product (Web, direct reps, dealers, distributors, etc.) and how you will support it after the sale.



- **WHO WILL DO IT?** – Description of the organizational structure and the leadership team that will execute the plan. It is essential that personnel outlined have valid experience and can demonstrate success in the related area. **Successful businesses come from well-balanced teams.** Include a short bio on each team member that validates his or her area of expertise. Key competencies include:
 - Marketing:
 - i. Product management – directing a product from the market need stage through the market introduction stage successfully
 - ii. Marketing communications - advertising, promotion, and public relations
 - Sales: direct and / or channel management
 - Product Development / engineering: related development experience
 - Operations / manufacturing: related production experience
 - Financial:
 - i. Strategic financial guidance
 - ii. Budgeting and monthly financial statement management
 - iii. Banking and investors
 - iv. Benefits and legal

- **ESTIMATED REVENUE, GROSS MARGIN, EXPENSES, and NET PROFIT** – top-level outline of the projected financials over the first 24 months. Include support / validation for your projected sales figures, i.e. why they are likely to be met. Include:
 - Projected income statement
 - Projected balance Sheet
 - Projected cash flows

- **INVESTMENT OPPORTUNITY** – Investors want to know clearly what you want, what they are going to get for it, and when they can expect to cash out of the deal. Include:
 - Funding required
 - What you will use the funding for specifically – development, marketing, etc.
 - Current funding sources used
 - Type funding desired (Optional)
 - i. Equity:
 - 1. Previous equity / valuation established / shares issued
 - 2. Current equity / valuation & shares offered
 - 3. Exit strategy – buy back, sale of company, IPO?
 - ii. Debt:
 - 1. Bank - Term note, line of credit
 - 2. Convertible notes

NOTE: Anything you write in your summary must be quantifiable based upon research you have acquired or conducted. Conjecture, unfounded estimates / assumptions or related puffery detracts from the seriousness of the plan and should not be used. Your summary must stand up to an inquisition without you in the room to defend it. Investors and / or bankers do not get caught up in “cool” – they get interested in viable, supportable business plans. If your summary flows smoothly and makes logical business sense to the average reader, you will likely get the opportunity to meet the appropriate contacts and build a more detailed business plan.