

BUSINESS PLAN CHECKLIST

Applications must include a business plan. The business plan will help us know your business, where your business is headed and why you need financing. The checklist below describes the usual topics included in a plan. Not all the topics may be relevant or equally important to your business. You should decide what to emphasize and how to order the topics so we can best understand your business. For each topic, we have included questions we expect to be answered when we review your plan.

✓ **Financing Request**

What is the intended use of your loan request? What are all the sources of funds you will use? What is the expected effect of this loan? How do you expect to repay the loan? What will you offer as collateral and how did you value it?

✓ **Description of Business**

Under what form of ownership has the business been established? What is the nature of the business? How long have you been in business?

✓ **Description of Product or Service**

✓ **Production and Pricing**

Are there any challenges to producing your product or services? Are there any critical seasonal, expense, or cost factors in the business? Who are your suppliers? What are your suppliers' strength and weaknesses?

✓ **Market**

Who buys from you and why? What is the size of the market? Who are your largest customers? What percentage of your sales do they represent? Are there geographic concerns or restraints? How do you reach your customers? What are the historical trends? Is the market vulnerable to product changes? Obsolescence?

✓ **Competition Analysis**

What is your market share? Who else provides your product or service? How do you differentiate yourself? If you are the only provider, where could new competition come from? How do your products or services compare with others in terms of price? Quality?

✓ **Management Team**

Provide a list of the principals and / or managers responsible for the business activity. Provide a brief description of the experience, education, technical and business background of each; indicate their areas of responsibility within your company. Also, indicate any other resources from which the business may draw. Will revenues be generated in part through past associations? Include a copy of your resume along with others who are vital to the continued success of the business.

✓ **Areas of Concern**

Identify risks and potential problems. Discuss the biggest obstacles to accomplishing your plan - What is your strategy to minimize these risks? Explain how the debt would be repaid in the event of business failure.

Free business advisory services are available to loan applicants, contact brc@vclf.org.