**Business Plan Template for**

**Start-up Challenge**

Business Name

Group Name

Address Line 1

Address Line 2

City, State Zip Code

Phone Number

Email

## Table of Contents

[I. Table of Contents 2](#_Toc367831933)

[II. Executive Summary 3](#_Toc367831934)

[III. Company Overview 4](#_Toc367831935)

[V. Product / Services / Solutions\* – Current R&D 5](#_Toc367831936)

[VI. Product – Future R&D 6](#_Toc367831937)

[VII. Market Analysis 7](#_Toc367831938)

[VIII. Business Model and Growth Strategy 8](#_Toc367831939)

[IX. Competitive Analysis 9](#_Toc367831940)

[X. Operational Plan 10](#_Toc367831941)

[XI. Market Strategy and Plan 11](#_Toc367831942)

[XII. Risk / Mitigation 12](#_Toc367831943)

[XIII. Management Team 13](#_Toc367831944)

[XIV. Financial Analysis 14](#_Toc367831945)

[XV. Appendix 15](#_Toc367831946)

## Executive Summary

Teams should write this Section last.

It should be two pagers or fewer. Imagine this being what your team would be able to cover in your five minute “live” pitch. The executive summary should act as a strong opening statement to your business plan and should be able to stand alone as a document independent of the rest of the plan. You should attempt to intrigue your audience to learn more about your business with this section.

Explain the basic elements of the proposed business. Below are some things you may want to include (but are not limited to):

1. Company Overview
2. Product(s)
   1. Include information on ownership of the technology
3. Business Strategy / Model
4. R&D Path and Major Milestones
   1. R&D, Regulatory, Commercialization
5. Marketing and Sales
6. Competitive Analysis
7. Management
8. Financial Summary
   1. Include your projected positive cash flow vs. your burn rate

## Company Overview

Be very specific what area the company is working in. Give a concise but detailed description of your company and product area. Note that this is big picture and deep dive is later on. Be optimistic but realistic.

**Background:** An Introduction to your Company outlining what business/industry your company will be in and what it will do. Introduce the founders and their backgrounds as well.

**Mission Statement:** Many companies have a brief mission statement, usually in 30 words or fewer, explaining why your business exists and your guiding principles for conducting business. Your mission should be formulated relative to the unmet need in business/industry that you are planning to enter.

**Vision of Success:** Where do you imagine your company in 20 years? What constitutes success for your company and what will you do next once you achieve it?

**Goals and Objectives:** What does your business ultimately want to achieve? This can be in terms of financial performance, product commercialization, or other measures of business success. List out what objectives and milestones will need to be met and when they will be achieved.

**Market Analysis:** What is the current state of the industry you are entering? What is the current Market Size and how will your product fare with current and potential competitors?

**Business Strategy:** How will your company create economic value and sustain profit? What partnerships or licensing agreements will you require so that your company may flourish? Is the company’s business strategy one that has a high potential for success?

**Core Competencies:** Describe your most important company strengths and core competencies. What are your major competitive strengths? What background experience, skills, and strengths does your business have within this industry? List any additional assets and intellectual property your business may have (methodologies, etc.)

**Ownership:** Who are the stake holders in your business, what is the legal form of ownership (Partnership, Corporation, Limited Liability Corporation, etc.)? We understand that you have not formed a company yet, but propose what your company would do.

## Product / Services / Solutions\* – Current R&D

\*Solutions are a combination of a product and service

For this section remember that while being scientific, you must be descriptive and easily understood. Your audience will range from scientists, to CEOs, to KOLs in the field. Not all will have a Ph.D. background in your product’s background.

**Throughout this section keep in mind these metrics:**

* How do you envision your technology will be used?
* Field of Use
* Customer Segments
* R&D Stage
* How it works
* Differentiation – improvements, cost effectiveness
* Novelty - Does this technology bring anything unique to current products? Is this technology new?
* Statistical Significance
* Unmet Need – how does this fill an unmet need in the current/future market(s)? For example, if the current mammograms give a 50% false test, there may be a call for a better diagnostic.

**Current Research & Development:**

* What is the product? Provide a detailed description
* What is the current stage of development on this product? Outline key points from R&D. Were these findings statistically significant? Can and have the experiments been reproduced?
* What differs from other products in development?
* Applicability: What is the character of your product that can be applied, relevant, or appropriate to be used in practice?
* Market Differentiation: How will your product compare to other products in price, availability, and/or effectiveness? See Above
* Explain any strengths and weaknesses of the technology keeping in mind the metrics above

**Please make sure you answer the following questions from SBIR Requirements:**

* Does the product address an important problem, and have commercial potential? Is there a market pull for the proposed product?
* Are design and methods well-developed and appropriate? Are problem areas addressed?
* How novel is the product and the approaches proposed to test its feasibility?
* Does the scientific environment contribute to the probability of success? Is the environment unique?

## Product – Future R&D

**Future Research and Development:** What are the next steps for developing this technology? What stages will your technology need to go through to up to production. Also include R&D that you may undergo post commercialization including any additional products you may be developing. What will your R&D consist of after your first product is on the market?

**Milestones and Timeline:** Provide a detailed timeline of your proposed milestones and dates. Include your go / no-go decisions on major objectives.

**Development Complexity:** What challenges are there in further developing your product? Is there a precedent in developing similar technology? Are there similar technologies currently being researched? Is the customer segment large enough? How will these and other factors affect your product’s development?

**Regulatory Paths:** Define a clear regulatory path for any regulatory body

**Intellectual Property:** Include in your plan suggested dates for product patenting, licensing, and/or other technology commercialization. Please include guidance for executing your License

**Collaborations:** Please include any collaborations you plan to have in all phases of product development

## Market Analysis

**Target Market:** Define your target market. Will your product be formulated for individual use, research and development, industry use, or other? Start out being very precise about your particular market area. There may be several markets that your product may have the ability to enter, but be realistic and focused. What is the main market(s) you plan to enter? If there are additional opportunities for your product you may state them in the last sections below.

**Current Market Size and Market Opportunity:** Total size and demand of the current market. Also include the addressable market size and demand, where addressable is the size aftermarket limiters such as adoption rate, user applicability, etc.

**Market Trigger Points:** Events that will create your market opportunity “here are the 3 things that will bring it to a bigger opportunity”

**Potential Market Penetration:** What percent share of the market will you have? How will this percentage change down your timeline?

**Market Growth Potential:** Growth rate past and current. Current and past trends in product development in this market. How will the current market remain sustainable by the time your product reaches the market? What market factors are keeping it from evaporating?

**Unmet Customer Needs:** What important customer need(s) is the market not currently fulfilling? Specify which audience and why.

**Industry Trends:** What trends relative to your industry do you see and what are the key drivers?

**Additional Market Opportunities for your Product(s)**

**Additional Market or Geographic Market Factors**

## Business Model and Growth Strategy

**Business Strategy/Model:** Describe your strategy for creating economic value for your company. Write “a statement of how [your] firm will make money and sustain its profit stream over time.” Some things to consider when designing your business model:

* Value proposition
* Target customer segments
* Revenue Model
* Cost Structure
* Partnerships
* Licensing Model
* Core Capabilities

**Growth Strategy:** How will your company sustain profit and growth? Although your target market may see positive growth, how will your company remain differentiated from the competition? Will you create additional products or seek additional markets for existing ones? Consider trigger points as patent expiry, future R&D milestones, future competition, generics, etc.

**Exit Strategy:** Does your business have an exit strategy? What is your endgame for your company in 20 years? Will your company continue to exist or will your business model set up you company for eventual mergers and acquisition?

## Competitive Analysis

**Definition of competition:** How do you define direct vs. indirect competition for the business? What kinds of products and companies will be in competition with you? Competition can come from anywhere. Competition does not mean is there any product like your own, but means are there products that currently and could potentially fill your specified target market.

**Overview of competition**: Will this competition affect your business across the board, or for certain products, or for certain facets of your product (customers, location, etc.)? What is the current competition and future competiton?

**Direct Competition:**

* Products in the market
* Products in the pipeline
* National / International competitors

**Indirect competitors:** What potential indirect competitors are there?

**Competitor matrix:** By product, by price, by company, or other important dimensions

**Competitive Advantages:** What advantages does your product possess and how will your business/product react to current and future competition?

## Operational Plan

Detail the daily operations of your business, including facilities, personnel, and processes. Note that this section will be entirely virtual as you have not established this side of your business yet.

**Location / Facility:** Keep in mind the below before answering this section. Where will your product be produced? Where will you keep your inventory? How many facilities will be needed and where? What equipment will you need at each location?

**Manufacturing:** How you will manufacture your product. Include your methods of production, quality control, and product development. If you will be outsourcing your manufacturing provide these details as well.

**Supply, Distribution, and Inventory:** Outline how you will keep inventory of your product. Who are the key suppliers and your distribution processes?

**Back Office Operations / Overhead:** Administration, Accounting, Technical Support, Customer Service, etc. Include approximate personnel as well as any training requirements that will be needed.

**Strategic Partnerships:** For any of the above list strategic partnerships you will be entering in order to execute your operational plan (e.g. outsourced manufacturing, etc.)

**Operational Costs:** What are the costs of each step in your operational plan? What financial resources will be needed to conduct your plan?

## Market Strategy and Plan

**Product Pricing and Commercialization**

**Pricing of product/service:**

* What is the price of your product? What is your strategy in pricing your product and how does this compare to the competition?
* How does contracting, hedging, forward pricing, options, insurance, government regulations or other pricing factors affect your strategy? Hedging, forward pricing, and options are investment positions used to reduce losses/gains by future market changes.

**Licensing:**

* What is your licensing schema like? How will your revenue be split amongst your business and the owner(s) of the licenses?

**Payors:**

* Who will pay for your product and why would they want to pay?
* How will your product be worth the switch? Consider what is on the market now and whether your product will allow a smooth transition from the current products, without a significant increase in cost or inconvenience to the payor.

**Strategy**

**Marketing Strategies:**

* Advertising, promotions, public relations, brand strategy
* Marketing Alliances
* Marketing Goals
* Marketing Action Plan and Timeline
* Marketing Budgets

**Sales Strategies:**

* Outlet which you will conduct your sales (direct to customer, hospitals, pharmaceuticals, etc.)
* Sales Goals
* Sales Action Plan and Timeline

## Risk / Mitigation

**Dependencies:** Are there any dependencies for your product in terms of R&D, distribution, or product use? What are the costs if any?

**Operational Feasibility:** Recruiting, funding, non-market forces, legal, political, failure rate, mortality rate, development complexity, media etc.

**Other Risks:** Other risks or barriers to entry

**Mitigation:** How will you face and mitigate any of the risks above? Outline each risk and your mitigation plan for each.

## Management Team

* **Officers**
* **Key Employees / Management Team**
* **Board of Advisors -** gives professional and knowledgeable advice to the organization in individual areas of expertise.
* **Professional Support:** Legal, Accounting, Consulting, Mentors & Key Advisors

**Organizational Chart:** Provide an organizational chart displaying the management hierarchy

**Core Competencies:** What experience does each person bring to the business? With your proposed management team, outline the company’s core competencies

**Recruitment:** How will your company recruit new employees? Is there a plan for continuation of the business if this person is lost or incapacitated?

**Compensation:** What is the proposed compensation for your management team

**Ownership:** What is the ownership structure for the company? Who are the primary stakeholders of your company? What is the legal form of ownership (Partnership, Corporation, Limited Liability Corporation, etc.)?

## Financial Analysis

Explain your research and how you arrived at your forecasts of revenue and expenses. Give sources, amounts, and terms of proposed loans. Additionally outline any and all partnerships or ventures you have entered, how much has been contributed by these partnerships, and what percent ownership each will have.

Remember to be clear about all your assumptions. All of your data and assumptions should be properly sourced. Be as specific as possible.

**Financial Summary**

* Sales Projections – should have sales per population channel and with penetration rates
* Income Projections
* Manufacturing and Distribution Costs
* Research and Development Costs
* Sales and Administration Costs
* Partnership costs (from licensing agreements, royalties, etc.)
* Cash Requirements
  + Start-up Costs
  + Milestone requirements
* Sources of Financing
  + Personal
  + Venture / Private Equity
  + Partnerships
  + Licensing
  + Grants
* Additional notes on Financial Statements

**Required Financial Statements (can be placed in Appendix)**

* Profit and Loss Sheet
  + 1- Year
  + Multi-Year
* Cash Flow Statement
* Balance Sheet
* Break Even Analysis

## Appendix