Index

A
Abrams method of flow-through financials, 271, 272–273
Accounting
  accrual-basis, 268, 377
  cash-basis, 268, 377
Accounts payable, 274
Accounts receivable, 274
Accrual-basis accounting, 268, 377
Accumulated depreciation, 274
Acid test, 360, 363
Acquisition, 261
Activity ratios, 360–361, 364
Adaptability, anticipating, 10
Advanced HR, 391
Advertising
  classified, 160–161
  cooperative, 156
  on Craigslist, 161
  direct mail, 155
  interstitial, 160
  media, 155
  online, 155, 160–161
  search engine, 159
  specialties in, 155
  strategic position as more than, 135–136
  website, 160
Advertising Age, 392
The Advertising RedBooks, 388
Advisory board, 377
Advisory committee, 222, 223
Affiliate auctions, 161
Affiliate programs, 161
Affordability in marketing, 153
Almanac of Business and Industrial Financial Ratios, 359
American Association of Retired People (AARP), 109
American Factfinder, 25
American Management Association, 389
American Marketing Association, 392
American Society for Quality, 391
Angel Capital Association, 381
Angel investors, 330–331, 334. See also Private investors
defined, 377
differences between venture capitalists and, 331
The Angels' Forum LLC, 381
Angie's List, 158
Anker, Andrew (venture capitalist), xiv, 4, 12, 29, 41, 43,
  47, 116, 117, 133, 136, 138, 140, 207, 209, 210,
  216, 252, 278, 324
Appendix, 311–313
  contents of, 312–313
defined, 311
guidelines for, 311
limiting, 43
management team in, 217
  in reinforcing business plan content, 311
  visuals in, 47, 49
ASAE & The Center, 31, 389
Assets, 274
current, 274
fixed, 275
intangible, 275
Association of Small Business Development Centers, 395
Assumption sheets, 271, 296, 300–302, 310
Attorney, consulting, 321
Average collection period ratio, 361, 364
B
Balance sheets, 289, 293, 308
defined, 271
time frame for, 274
Banks, as source of financing, 340
Bar graphs, 48
Barriers to entry
defined, 377
  for new competition, 124, 127
  websites in lowering, 121
Better Business Bureaus/Better Business Bureau Online, 396
Blogs, 158
BMO Capital Markets, 27
for class, 349
decision making in, 346
entrepreneurship and, 343
funding sources for, 382
identifying key issues, 347
improving chances for, 350–351
integrating the work in, 348–349
real world and, 344
reevaluating assumptions in, 348
special considerations for, 350–351
as team process, 344–349, 352
Business planning process
bottom-up/top-down, 358–359
gathering information in, 18–20
steps in, 17
Business strategists consultants, see Glaser, Nancy (business strategist consultant)
Business Week, 28
Buying sensitivities description of target market, 106–107, 108
Buy-out, 261
Buzzwords, 45

C
Canada, statistics for, 26–27
Canada Business, 26
Canadian Census, 388
Canadian Industry Statistics (CIS), 26
Canadian research sources, 23
Capacity
in business strategy, 252, 253
debt ratio and, 360
defined, 377
excess, 184
in operations, 181, 184, 187
in staffing budget, 276
Capital expenditures, 88, 296
Capitalization risk, assessment of, 141
Cash, 274
personal satisfaction and, 14
Cash advances, 340
Cash-basis accounting, 268, 377
Cash flow, 377
net, 280
opening, 289
time frame for, 274
Cash-flow analysis, 280
Cash projections, 278, 282–283
Cash sales, 280
CENSTATS, 25
Certification(s)
in industry analysis and trends, 90–91
socially responsible, 241
Challenge, personal satisfaction and, 13
Chamber of Commerce Locator, 31
Change
anticipating, 10
competitive, 10
sociological, 10
technological, 10, 89–90
Charts, 49, 322
flow, 48, 227–229
line, 48
pie, 48
SWOT, 142, 145
Christmas season, 89
Classes, business plan competition for, 349
Closing as exit option, 261
Cold-calling, 167
Collateral, 378
Collections, 280
Columbia Books National Trade and Professional Associations of the United States, 389
Commercial real estate agents, 180
Commissions, 220
Common stock, 294
Communication
power of indirect message in, 151
in team building, 229
Community involvement, 237, 238, 239
Company
historical performance of your, 32–33
as market driven, 99
message of, 150–151
morale in, as internal operational factor, 120
positioning, 7
values and integrity of, 10
website for, 153
Company description, 67–82
business location in, 76
company name in, 68
conveying basics of business in, 67–77
development stage and milestones achieved to date in, 76–77
financial status in, 77
globalization and, 72, 75
legal issues in, 69, 72, 73–75
management/leadership in, 76
Mission Statement in, 69, 70–71
preparation form for, 79–80
products and services in, 72, 76
sample segment on, 81–82
Competition, 115–132. See also Business plan competitions
barriers to entry for new, 124, 127
characteristics of, 115–116
competitive position of, 116–120
customer perception in, 117, 118, 120
evaluating strength of, 117
first mover advantage in, 120
future, 123–124, 127
global, 121, 122
inertia in, 121
installed user base in, 120–121
learning from, 116
market share distribution in, 123, 125
preparing segment on, 124, 126, 128
in responding to global opportunities and trends, 11
sample segment on, 129–132
talking to, 35
websites in, 121
Competitive change, 10
Competitive position, 116–120
Competitive risk, assessment of, 141
Computer Professionals for Corporate Responsibility, 392
Computer/slide presentation, 323–325
bullets in, 46
Concept paper, 53
Confidentiality
in disclaimer, 321
market research and, 34
in non-disclosure agreements, 318, 319
statement of, on cover sheet, 320
Construction-related industries, 89
Consultants, 35, 222, 225
Control
financial, 9–10, 198, 199
personal satisfaction and, 13
Convenience in customer perception, 136
Conventional financing, 328, 378
Convertible debt, 296, 378
Copy number, 321
Corporate citizenship, 238–239
Corporate image, need for strong, 7
Corporations, 237
large, 358
Costs. See also Price
fixed, 275
of goods, 274, 280
indirect/ peripheral, in customer perception, 117
of sales, 275
start-up, 124, 180, 200, 202, 271
County Business Patterns, 24
Cover letters, 336–337
sample, 342
Cover sheet, 320
Craigslist, 161
Creativity, personal satisfaction and, 13
Credit cards, 340
Credit information sources, 390–391
Credit unions, 328
C’s, four, 12–15
Current assets, 274
Current liabilities, 275
Current ratio, 360, 363
Customer-based marketing, 156
Customer perception
in competition, 117, 118, 120
in defining strategic position, 136–137
Customer relationships in customer perception, 120
Customers
analysis of key, 361, 365
five F’s in wants of, 150–151, 152
knowing, in target market, 99–100
reaching and capturing, 149–150
as source of financing, 333
Customer service, 192–193
in customer perception, 136
Data
in business plan, 321
evaluating collected, 36
Dataquest, 392
dba (doing business as), 378
Debt, 275
Debt financing, 294, 328, 378
source of, 340
Debt ratios, 360, 364
Debt retirement, 296
Debt service, 378
Debt to assets ratio, 360, 364
Debt to equity ratio, 360, 364
Decisions, numbers as reflection of, 267
Deferred compensation, 378
Delivery system, 4
Demographic description of target market, 101, 102
Demographic trends, 9
Depreciation, 275
accumulated, 274
Designers, 222
Development, milestones, and exit plan, 249–265
exit plan in, 259–260
future milestones in, 254, 256, 257
globalization in, 257–258
goals in, 250–252
milestones achieved to date, 254, 255
preparing section on, 260, 262
priorities in, 253, 254
risk evaluation in, 257
sample section on, 263–265
strategies in, 252–254
Development stage, 76–77
Dialog, 389
Direct mail, 155
Directories, online, 160
Disaster plan, devising, 198
Disbursements, 378
Disclaimer, 321
Distribution
importance of reliable, 189
preparing business plan for, 318, 320–323
Distribution agreement, 157
Distribution channel, 4
in industry analysis and trends, 91–92
Distribution sector, 378
Distributor, 378
Diversification, 252
Doe, Damon (managing partner, Montage Capital), xiv, 11, 19, 83, 109, 124, 184, 227, 267, 268, 357
Doerr, John, xiii
Dow Jones Financial Information Services, 382
Downside risk, 378
Due diligence, 378
Dun & Bradstreet, 29, 359, 390
Durability in customer perception, 117

Earnings per share ratio, 360, 363
eCommerce, 378. See also Internet, Websites
Economic Census, 24
Economic cycles, sensitivity to, 87–88
Economic sectors
  distribution, 84
  manufacturing, 84
  retail, 84
  service, 84
Economies, globalization and, 242
Economies of scale as internal operational factor, 120
The Economist, 28
Edgar Database, 25
Edison, Thomas, 4
Education of management team, 217
80-20 rule, 361
Electronic financial worksheets, 271
Electronic presentation, making compelling, 47
Elevator pitch, 338–339
Email mailings, 153, 337–338
Email newsletters, 159–160
Employees. See also Key employees
  ability to attract, motivate, and retain, 9
  compensation for, 165
  morale of, 9
  training for, 165, 192
Endorsements, 312
EnergyStar certification, 241
Entrepreneur.org, 396
Entrepreneurs
  business inspiration for, 4
  in choosing people, 215
  community involvement and, 237
  sources of information for, 395–398
Entrepreneurship, 343
Environmental field, government regulation in, 90
Epinions.com, 158
Equipment, 185
  schedule for, 188
Equity, 220, 275, 378
Equity financing, 294, 328–329
  sources of, 341
Ethics, social responsibility and, 239

Evaluational plan, 356
Event, 378
Exchange rate, 275
Execution risk, assessment of, 141
Executive Summary, 53–65, 254
  bullets in, 56
  design of, 56
  goal of, 54
  importance of, 53–54
  length of, 56
  management team in, 217
  narrative-style
    preparation form for, 59–60
    sample, 64–65
  synopsis-style, 55
    preparation form for, 57–58
    sample of, 61–63
  tailoring order of, 42
  targeting, 54
  writing, 56
  timing in, 53–54
Exit plan, 259
  defined, 378
  developing, 259–260
  options in, 260, 261
Expansion, 252
Experience, 8
  of management team, 217
Expertise as barrier to entry, 124
Export.gov, 27, 388

Facebook, 157
Facilities, 180–183, 289
Facts, getting right, 43
Fair trade certification, 241
Family, as source of financing, 332, 340, 341
Feasibility analysis, 36–37
  worksheet for, 39–40
Features in customer perception, 136
Federal Citizen Information Center, 387
Fedstats, 25
Fee-based online resources, 28–29
Feelings, customer wants and, 151
FIFO (first in, first out) inventory, 189
Finances
  characteristics of, in industry analysis and trends, 92, 95
  customer wants and, 150
  getting control of, 267–268
  improving chances of getting, 333–336
  Financial control, 9–10
    in operations, 198, 199
Financial forms. See also specific
  time frames covered by, 274
  types of, 271
  Financial resources as internal operational factor, 120
Financials, 267–310
  Abrams method of flow-through, 271, 272–273
  assumption sheet, 296, 300–302, 310
  balance sheet, 281, 293, 308
  break-even analysis in, 297–298
  cash-flow projections, 280–281, 290–292, 294,
  306–307
  cash projections in, 278, 282–283
  dealing with numbers and financial forms, 267
  general terms, 274–276
  getting control of finances, 267–268
  globalization and, 269–270
  guidelines for preparing forms, 276
  income statements, 278–279, 284–288, 303–305
  sample plan, 303–305
  sources and use of funds, 294, 295–296, 309
  staffing budgets, 276–277, 280–281
  time frames for, 274
  types of forms, 271
Financial statements. See also specific
  reading, 268
Financial status, 77
Financial symbols, 276
Financing
  conventional, 328, 378
  debt, 328, 340, 378
  elevator pitch for, 338–339
  equity, 328–329, 341
  following up on, 337–338
  long-term, 294
  mortgage, 296
  short-term, 296, 328
  sources of, 329–333
First mover advantage
  in competition, 120
  in strategic position, 139
Fit in marketing, 153
Five F’s, customer wants and, 150–151, 152
Fixed assets, 275
  utilization ratio, 361, 364
Fixed costs, 275
Flexibility, 8
Floor plan, 313
Flow charts, 48
  organizational structure, 227–229
Focus, increasing, 252
Focus groups, 34
Follow-up efforts, 167, 337
Forbes, 28
Forrester Research, 29, 392
Forum for Women Entrepreneurs (FWE), 396
Four C’s, 12–15
Four P’s of marketing, 150
Franchises, 261
Freedom, customer wants and, 151
Friends as source of financing, 332, 340, 341
Friendster, 157
Functions, customer wants and, 150
Funding, sources of, 381–386
Funding rounds, 294, 378
Furniture, 185
Future, customer wants and, 151
G
Galante’s Venture Capital and Private Equity Directory, 385
Gale Research Encyclopedia of Business Information Sources, 389
Gale’s Business and Company Resource Center, 30
Gale’s Encyclopedia of Associations, 32
The Garage, 382
Gartner Group, 29, 392
Geographic description of target market, 101, 103
Glaser, Nancy (business strategist consultant), xiv, 56, 100,
  116, 151, 181, 335
Globalization
  as business strategy, 252
  competition in, 121, 122
  financials and, 269–270
  funding sources and, 381–382
  future development and, 257–258
  industry analysis and trends in, 92, 93
  international sales and, 167, 169, 171
  legal issues in, 72, 75
  management and, 230–231
  marketing and, 161, 163, 164
  operations in, 194–196
  opportunities and trends in, 10–11
  research sources and, 388
  risks in, 141, 144
  social responsibility and, 11, 242–243
  target market and, 101, 103, 110
  technology and, 210–211
Global risk, assessment of, 141
Goals
  future, 250–252
  sales, 167
Goal-setting plan, 356–357
Going public, 261, 378
Gore, Mark (venture capitalist), xiv–xx, 109, 240, 297,
  323, 325, 327, 338, 344, 345, 350
Government Printing Office, 387
Government regulation, sensitivity of industry to, 90–91
Government sources and statistics, North American
  Industry Classification System (NAICS) codes, 22
Graphs, 322. See also Charts
  bar, 48
Gross domestic product (GDP), 85
Gross profit, 275
Gross profit margin ratio, 360, 363
Guide to Canadian Government Statistics, 388
Guide to International Statistics, 388
Hand down, 261
Help, getting, 35
Historical performance of your company, 32–33
Hoover’s Online, 29, 391
Hoover’s Publications, 29
Humane certified, 241

Illustrations, 47
  need for quality in, 47
Image in customer perception, 117
Impact, using numbers for, 46
Improvements, 181
Inc. Magazine and Website, 396
Income and expense statement. See Income statements
Income statements, 278–279, 284–288, 303–305
defined, 271
time frame for, 274
Incorporation, 69
In-depth analysis, 355
Indirect message, power of, 151
Industry analysis and trends, 83–98
  business and industry in, 83–84
  economic sector in, 84
  financial characteristics in, 92, 95
global concerns, 92, 93
  industry in, 84
  industry maturity in, 86–87
  preparing section on, 92, 96
  regulation/certification in, 90–91
  sample segment on, 97–98
seasonality in, 89
sensitivity to economic cycles in, 87–88
  size and growth rate of industry in, 75–86
  supply and distribution channels in, 91–92
  technological change in, 89–90
Industry associations, 31–32
Industry health and trends, 6–7
Industry life cycle, stages of
  declining, 86, 87
  expanding, 86, 87
  new, 86, 87
  stable, 86, 87
Industry specialists, 224
Industry trade shows, 31
Inertia in competition, 121
Informal marketing, 155
Informal relationships, 227, 229
Information
  buying sensitivities, 106–107, 108
demographic, 101, 102
determining amount needed, 18–19
gathering, 18–20
geographic, 101, 103
  manufacturing, 313
proprietary, 380
  purchasing patterns, 106, 107
psychographic, 104, 106
sources of, 20, 22
technical, 313
Informational interviews, 33, 335
Info Trac, 30
Initial public offering (IPO), 378
Inside sales personnel, 165
Installed user base in competition, 120–121
Intangible assets, 275
Integrity, company, 10
Interest income, 280
Intermediary, finding an, 335–336
Internal operational factors in competition, 119, 120
Internal planning, 355
  ongoing, 355
  purpose of, 355–357
Internal Revenue Service, 26
International Data Base (IDB), 27
International Organization for Standardization, 184
International research sources, 23
International sales, 167, 169, 171
International statistics, 27
Internet. See also Websites
  advertising on, 155, 160–161
  classifieds on, 60–161
  effects of, on industry changes, 89–90
  as information source, 22–29
  marketing tactics on, 157–161, 162
  putting business plan on the, 325–326
  research resources on, 22–30
  fee-based, 28–29
  non-governmental free, 27–28
  sales on sales, 165
Internet Public Library, 32
Internet service provider (ISP), 379
Interstitial advertising, 160
Interviews, informational, 33, 335
Intuit Community, 397
Inventory, on balance sheet, 289
Inventory control, 185, 189
  methods of, 185, 189
  technology in, 209
Inventory to net working capital ratio, 360, 363
Inventory turnover ratio, 361, 364
Inventory units turnover ratio, 361, 364
Inventory utilization ratio, 361, 364
Investment from principals, 296
Investors’ Circle, 383
ISO 9000, 184
ISO 9001 International Quality Standards, 391
Just-in-time inventory control, 185
K
Key contracts, 312
Key employees, 216–219
  adding additional, 226
  evaluation of, 218–219
Key factors, 183
Key managers, resumes of, 312
Key Ratio Analysis, 359, 363–364
Kleiner, Eugene (venture capitalist), xiii, 3, 7, 13, 42, 43,
  44, 47, 56, 85, 100, 101, 121, 124, 249, 260, 271, 318, 330, 335
Knowledge as power, 18

L
Labor, 186
  in responding to global opportunities and trends, 11
  variable, 183, 184
Language, 323
  being positive in, 45
  being specific in, 44
  business terms in, 45
  buzzwords in, 45
  in conveying success, 44–45
  superlatives in, 44
Leader pricing, 157
Lead investor, 379
Leads, 167
Lease, 181
Leasehold improvements, 379
LEED certification, 241
Legal issues
  in company description, 69, 72
  worksheet for, 73–75
  globalization in, 72, 75
  in responding to global opportunities and trends, 11
Leigon, Larry (founder, Ariel Vineyards), xv, 6, 32, 35, 91,
  92, 99, 101, 120, 189, 222, 250, 289, 329
Length of Executive Summary, 56
Letters of intent, 312, 379
Lewis, Pauline (owner, oovoo design), xv, 27, 45, 69, 90,
  108, 150, 183, 328, 329, 358
LexisNexis, 29, 389
Liabilities, 275
  current, 275
  long-term, 275
  other current liabilities, 289
Libraries, 29–30
Licensing, 156, 379
Lifestyle/business-style description of target market, 104, 105
  buying sensitivities description in, 106–107, 108
  purchasing patterns description in, 106, 107
  psychographic description in, 104, 106
LIFO (last in, first out) inventory, 189
Limited partnership, 379
Line charts, 48
Lines of authority, 227
LinkedIn, 157

Liquid, 379
Liquidation, 360, 363
List of locations, 312
Loan proceeds, 280
Loans. See Financing
Local offices of business or economic development, 384
Local sources, 26
Location, 181
Long-term liabilities, 275
Long-term loans, 294
Louisiana State University, 28, 388
Love, Edward, Foundation, 396

M
Mahoney, Robert (corporate banker), xv, 9, 44, 54, 279,
  317, 322, 332, 336
Maintenance
  in customer perception, 117
  in operations, 183
Management and organization, 215–236
  compensation and incentives for, 220, 221
  competence in, 8–9
  management team in, 216–224
  preparing section on, 231, 233
  role of people in determining success, 215–216
  sample section on, 234–236
  structure and style, 224, 227–229
Management consultants, 222
Management Information System (MIS), 185
Management team, 216–224
  advisory committee on, 216, 222, 223
  board of directors on, 216, 220, 223
  communication in, 229
  compensation and incentives for, 220, 221
  consultants and specialists on, 216, 222, 224
  education of, 217
  experience on, 217
  key employees, evaluation of, 218–219
  key employees on, 216–219
  needs of, 224
  strengths of, 217
  success of, 217
Manufacturing companies, 379
Manufacturing information, 313
Manufacturing sector, 84
Market(s). See also Niche markets; Target markets
  understanding, 4, 6
Market analysis, difference between marketing plan and, 99
Market demand, evaluating, 6
Marketing
  activities in, 149
  budget for, 172–173
  customer-based, 156
  four P’s of, 150
  global, 161, 163, 164
  informal, 155
  online tactics in, 157–161, 162
resources on, 392
search engine in, 159
traditional tactics in, 155–157
vehicles for, 154–155
Marketing consultants, 222
Marketing material, 313
Marketing plan, 149–151
company's message in, 150–151
differences between market analysis and, 99
in feasibility analysis, 37
preparing section on, 169–170, 172–176
reaching and capturing customers, 149–150
sample section on, 177–178
Marketing program and budget as internal operational factor, 120
Marketing tactics, traditional, 155–157
Market penetration, 252
Market readiness, 6
Market research
accessible sources for, 34–35
conducting own, 33–34
methods of, 6
results of, 312
Market risk, assessment of, 141
Market saturation as barrier to entry, 124
Market segment in strategic position, 137
Market share
defined, 379
distribution of, in competition, 123, 125
obtaining sufficient, 123, 125
in strategic position, 138
Market strategy, 151, 153–155
Material, staying on top of, 20
Media advertising, 155
Mergers, 261
Mid-Atlantic Capital Alliance, 383
Mid-Atlantic Venture Association, 383
Milestones
achieved to date, 76–77, 254, 255
defined, 379
future, 254, 256, 257
Mind share
defined, 379
market share and, 138
Mission Statement, 8, 69, 70–71
developing, 67–68
using superlatives as part of goal in, 44
worksheet for, 70–71
MIT Entrepreneurship Competition, 382
Mix in marketing, 153
Monroe, Marilyn, 367
Morale, employee, 9
Mortgage loans, 296
Motivation, of employees, 9
Mullis, Deborah (entrepreneur), xvi, 26, 104, 257, 333
Myers, Gib (venture capitalist), xvi, 231, 237, 238, 239, 240, 242

N
Narrative Executive Summary, 55–56
preparation form for, 59–60
sample, 64–65
National Association for the Self-Employed (NASE), 397
National Association of Government Guaranteed Lenders, 383
National Association of Manufacturers, 28, 391
National Association of Seed and Venture Funds, 383
National Association of Small Business Investment Companies, 384
National Association of Women Business Owners (NAWBO), 397
National Venture Capital Association, 384
Net cash flow, 280
Net profit, 275
Net profit margin ratio, 360, 363
Networking, 155
social, 155, 157–158
Net worth, 275, 379
Newsletters, email, 159–160
Niche markets, 4
size of, 107
strategic position in, 137
Non-Disclosure Agreement, 76, 318, 319
Non-governmental free online resources, 27–28
Numbers
as reflection of decisions, 267
using, for impact, 46
O
Observation, personal, 33
Offshoring, 194, 195, 379
Online, See Internet
Opening cash flow, 289
Operating expenses, 280
Operations, 179–206
advantages, in strategic position, 138
contingency planning in, 198, 200
customer service in, 192–193
describing, 179–180
efficiencies in, as internal factor, 120
facilities in, 180–183
in feasibility analysis, 37
financial control in, 198, 199
global issues in, 194–196
inventory control in, 185, 189
order fulfillment in, 192–193
preparing section on, 200, 203
production in, 183–185, 186–188
research and development in, 196–197
sample plan on, 204–206
supply and distribution in, 189, 191
Opportunities, balancing risks and, 142
Options, 379
Order fulfillment, 167, 192–193
technology in, 209
Organic certification, 241
Outside sales personnel, 165
Outsourcing, 183, 194, 379
Owner's draw, 280

Page numbers, 320
Paid research services, 32
Paige, Satchel, 115
Partnerships, 69, 380
strategic, 120, 156–157, 165
Partners in responding to global opportunities and trends, 11
Patents as barrier to entry, 124
People, ability to work well with, 8
Perceived value in customer perception, 117
Personal observation, 33
Personal satisfaction, 12–15
Photographs, 47, 312
Picasso, Pablo, 207
Pie charts, 48
Place in marketing, 150
The Planning Shop, 31, 194, 395
Podcasts, 158
Point-of-purchase promotions, 156
Points of style, 45–47
Policies, setting, and sticking with, 268
Portal sites, 160
Positive comments, using, from third-party sources, 45
Positive image, social responsibility and, 238
Power, knowledge as, 18
Powerpoint presentation, bullets in, 46
Pratt's Guide to Private Equity and Venture Capital Sources, 385
Predicasts F&S Forecasts and Predicasts PROMT, 30
Preferred stock, 294
Premiums, 157
Price. See also Costs
in customer perception, 136
in marketing, 150
Pricing, leader, 157
Principals, investment from, 296
Print media, 155
Priorities, setting, 253, 254, 367
Private Equity and Venture Capital Association, 382
Private investors, 330–331, 334, 381. See also Angel investors
as source of equity financing, 341
Problem-solving plan, 357
Production, 183–185, 186–188
assembling plan for, 184–185
quality in, 184
worksheet on, 186–188
Productivity, 167, 184, 187
Product line breadth as internal operational factor, 120
Product risk, assessment of, 141
Products
in customer perception, 117
description of, in business plan, 72, 76
in marketing, 150
objective features of, 116
proprietary, in strategic position, 138
Profit, 275
gross, 275
net, 275
Profitability ratios, 360, 363
Profit and loss statement. See Income statements
Profit margin, 380
Profit sharing, 220
Profit to sales ratio, 360, 363
Pro forma, 275
Promotions
as business strategy, 252
as marketing strategy, 150, 157
Proprietary products, in strategic position, 138
Proprietary technology or information, 380
Public relations, 155
Purchasing patterns, in description of target market, 106, 107
Psychographic description of target market, 104, 106

Q
Quality, in customer perception, 117, 136
Quality control, 184, 187
customer service and, 192
Questions
most-asked, 42
starting research, by answering, 19–20, 21
Quickfacts, 25
Quick ratio, 360, 363
QWERTY keyboard, 121

R
Ratio analysis, 359–361
Reader
increasing interest of, 42
targeting Executive Summary to, 54
Realism, 8
Receipts, 380
Recipients
researching, 333–335
tailoring business plan for, 336–337
Recruitment, social responsibility and, 238
The Red Herring, 28, 386
Redundancy, avoiding, 47
Refocusing, 252
Regulation in industry analysis and trends, 90–91
Repetition in marketing, 153
Research, starting, by answering questions, 19–20, 21
Research and development, 196–197
Social consciousness in customer perception, 120
Socially responsible companies, 240
Social media, 380
Social networking, 155, 157–158
Social responsibility
activities and projects, 245
benefits of, 241
certifications and, 241
corporate citizenship and, 238–239
ethics and, 239
globalization and, 11, 242–243
planning section on, 244
resources on, 392–393
sample plans on, 246–247
social ventures and, 240–241
sustainability and, 237–247
triple bottom line in, 240
Social Venture Network (SVN), 393
Social Venture Partners, 393
Social ventures, 240–241
Societal impact in customer perception, 136
Society for Human Resource Management, 28, 391
Sociological change, 10
Software Developers’ Forum, 398
Sole proprietorships, 69, 380
Sources and use of funds, 271, 294, 295–296, 309
Special Interest Groups (SIGs), 35
Specialists, 222, 225
Specialized Small Business Investment Companies, as source
of financing, 332
Special offers, 157
Sponsorships, 160
Spreadsheet, using, 369
Staffing budget, 276–277, 280–281
Standard Industrial Classification (SIC) codes, 22
Standard & Poor’s Industry Surveys, 30, 390
Standard Rate and Data (SRDS), 390
Stanford University, 382
Start-up companies, record of accomplishments for, 76–77
Start-up costs, 180, 200, 202
as barrier to entry, 124
defined, 271
State Department Country Background Notes, 27
Statement of Mission. See Mission Statement
States
data centers in, 26
offices of business or economic development in, 384
Statistics Canada, 26
Stock options, 220
Strategic partnerships, 156–157, 380
as internal operational factor, 120
seeking, 165
Strategic position, 133–140. See also Risk assessment
branding in, 140
customer perception in, 136–137
defined, 7–8, 134, 135

S
Salary, 220
Sale as exit option, 261
Sales activities, 149, 165
international, 167, 169, 171
Sales channels in strategic position, 138–139
Sales force, 163, 165, 166
Sales process, 167, 168
Sales projections, 174–175
Sales structure, 163, 165–169
Sampling, 155
SBDC Directory Online, 31
Schweitzer, Albert, 237
Search engine marketing (SEM), 159, 380
Search engine optimization (SEO), 159, 380
Seasonality, 89
Sensitivity to economic cycles, 87–88
Service Corps of Retired Executives (SCORE), 35, 397
Services
in business plan, 72, 76
in customer perception, 117
objective features of, 116
Service sector, 84
Shah, Premal (president, Kiva), xvi, 10, 42, 151, 241, 359
Short-term financing, 296, 328
Short-term notes payable, 289
Size of target market, 107–108, 110
Small Business Administration, 384, 397
as source of financing, 332
Small Business Development Centers (SBDCs), 30–31, 35
Small Business Investment Companies, as source of
financing, 332

need for ongoing, 196
Research plan, developing, 368
Research sources, 387–398
Reserve, 280
Resourcefulness in marketing, 153
Resumes of key managers, 312
Retail sector, 84
Retained earnings, 276
Retention of employees, 9
Return on assets ratio, 360, 363
Return on equity ratio, 360, 363
Risk assessment, 140–142, 143. See also Strategic position
balancing opportunities and, 142
capitalization risk in, 141
competitive risk in, 141
execution risk in, 141
global risk in, 141, 144
market risk in, 141
product risk in, 141
sample section on, 147–148
technology risk in, 141
Risk evaluation, 257
Risk Management Association, 390

successful business plan: secrets & strategies, 5th edition
page 11 of 19
first mover advantage in, 139
market segment in, 137
market share in, 138
as more than advertising, 135–136
operational and/or technological advantages in, 138
preparing section on, 146
proprietary products in, 138
sales channels in, 138–139
sample section on, 147–148
types of, 136–140
Strengths of management team, 217
Style in customer perception, 117
Subcontracting, 183
Success
language in conveying, 44–45
of management team, 217
of meetings, 153
Superlatives, 44
Suppliers
in responding to global opportunities and trends, 11
selecting, that understand needs, 189
Supply and distribution, 189, 191
Supply channels in industry analysis and trends, 91–92
Support, 252
Surveys in spotting trends, 33–34
Sustainability. See under Social responsibility
SWOT (strengths, weaknesses, opportunities, and threats)
chart, 142, 145
Synopsis Executive Summary, 55, 56
preparation form for, 57–59
sample, 61–63

T
Table of contents, 320–321
Target markets, 99–114
buying sensitivities description of, 106–107, 108
competition and, 117
defining, 100–103
demographic description of, 101, 102
geographic description of, 101, 103
globalization and, 101, 103, 110
knowing customers in, 99–100
lifestyle/business-style description of, 104, 105
market size and trends in, 107–110
preparing section on, 109, 111
psychographic description of, 104, 106
purchasing patterns description of, 106, 107
in responding to global opportunities and trends, 10
sample plan on, 112–114
Titouhouet, Andre (founder, Aston Hotels), xvi–xvii, 88, 165,
167, 192, 229
Technical information, 313
Technological advantages in strategic position, 138
Technological change
anticipating, 10
in industry analysis and trends, 89–90
Technology
budget for, 212
choosing, 209–210
global concerns with, 210–211
proprietary, 380
uses of, 209–210
Technology businesses, planning for, 208
Technology plans, 207–214
in feasibility analysis, 37
preparation of, 213
reasons for having, 207–208
sample, 214
Technology risk, assessment of, 141
Technology specialists, 224
Television commercials, 160
Term sheet, 380
Third-party sources, using positive comments from, 45
ThomasNet, 28, 153, 180
Thomas Register, 28
Time
guidelines for business plan, 43–44
value of, 41
Time frames, for financial forms, 274
Time-saving tips, 367–370
Total amount, 294
Total asset utilization ratio, 361, 364
Tourism-related industry, 89
Trade associations, 31–32, 180
Trade shows, finding, 153
Trends
demographic, 9
global, 10–11
industry, 6–7
surveys in spotting, 33–34
in target market, 109, 110
Triple Bottom Line, 240
TSNN.Com, 32, 153
24/7, 377
Twitter, 157
Typeface, choosing, 322–323

U
U.S. Census Bureau, 19, 24, 108
list of foreign statistical websites, 27
U.S. research sources, 23
Utilities, 183

V
Values, company, 10
Variable labor, 183, 184
Venture Capital Investing Conference, 384
Venture capitalists, 330, 380, 382–385. See also Anker,
Andrew (venture capitalist); Gorenberg, Mark
(venture capitalist); Kleiner, Eugene (venture
capitalist); Myers, Gib (venture capitalist);
Winblad, Ann (venture capitalist)
on board of directors, 220, 330
business strategy and, 252
defined, 380
differences between angel investor and, 331
elevator pitch for, 338
exit plan and, 259
looking for, 329, 330
need for electronic presentation, 323
non-disclosure agreements and, 318
social responsibility and, 240
as source of equity financing, 341
Visibility, social responsibility and, 238
Vision
in assessing business concept, 250–252
in feasibility analysis, 37
Visuals, 47–49
charts as, 48, 49
graphs as, 48, 49
illustrations as, 47
photographs as, 47
Voicemail, 337–338
VolunteerMatch, 393

W
Wall Street Journal, 28
Walsh, Bill (former coach and president, S.F. 49ers), xvii, 17, 115, 120, 149, 163, 180, 220, 224, 231, 254
Websites. See also Internet
advertising on, 160
company, 153
in competition, 121
optimizing, 167
U.S. Census Bureau list of foreign statistical, 27
Wedding-associated industry, 89
Western Association of Venture Capitalists, 385
Westlake Securities, 385
Wilson Business Full-Text, 30
Winblad, Ann (venture capitalist), xvii, 46, 53, 55, 77, 257, 259, 294, 296, 311, 313, 330, 334, 336
Women in Technology International, 398
Working capital, 296, 380
Work schedule, 313
World Bank, 27, 388
Writing style for Executive Summary, 56

Y
Yelp.com, 158
YouTube, 158
GET YOUR PLAN _FINISHED FASTER WITH_ Electronic Financial Worksheets

Designed for readers of this book!

Now you can easily complete the financial worksheets for your business plan on your computer! The Planning Shop has developed this Excel-based package of worksheets and financial statements to work hand in hand with your copy of this book.

True “Flow-Through Financials”

Taking the flow-through technique Rhonda uses in this book one step further, now you can enter your financial figures just once,
and they’ll automatically flow through to all the other relevant statements, performing necessary calculations along the way!

Compatible with both Mac and Windows.

Download your copy today at our lowest price:

www.PlanningShop.com

Successful Marketing = Successful Sales Make More Money!

Successful Marketing: Secrets & Strategies, Deluxe Binder Edition

Includes CD with Complete Excel Marketing Budget Templates

Do you want to grow your business? Are you launching a new business? Do you want to make sure you’re getting the most bang for your marketing buck?

You’ve come to the right place! This much-anticipated book from the creators of the No. 1 business plan guide — Successful Business Plan: Secrets & Strategies — provides entrepreneurs, small business owners, practicing marketing professionals, and students with everything they need to know to create a successful marketing plan, increase sales, and make more money!

Successful Marketing: Secrets & Strategies includes:

MARKETING ESSENTIALS

• Branding, company identity, and effective marketing messages
• Information on acquiring and retaining customers

• Complete marketing plan template

• Worksheets, checklists, and charts
28.1.5 IN-DEPTH SECTIONS ON THE FULL RANGE OF MARKETING TACTICS AND VEHICLES

- Traditional media — print, radio, TV
- Print collateral — brochures, business cards, direct mail
- Networking, person-to-person, and word-of-mouth marketing
- Other marketing techniques — signs, sampling

28.1.6 UNIQUE FEATURES

- First-ever exclusive “Affordability Scales”
- “Lingo” gives you must-know marketing terms
- ROI (Return on Investment) calculators
- “Mythbuster” sidebars

28.1.7 COMPLETE ONLINE MARKETING SECTION

- Effective websites
- Search engine optimization and search engine marketing
- Social networking
- Banner, portal & other ads
- Email communications
- Blogs, videos, more!
Grow Your Business with The Planning Shop!

We are your partner in building your business *successfully*.
Check out our full line of books and tools at

www.PlanningShop.com