



guidant
FINANCIAL

A man with grey hair and glasses, wearing a maroon sweater, is sitting at a wooden desk in an office. He is looking at a large white computer monitor and has his chin resting on his hand. He is holding a green pen and writing in a notebook. The desk is cluttered with various items, including a pen holder, a mouse, and some papers. The background shows a blurred office environment with shelves and papers.

HOW TO WRITE A WINNING BUSINESS PLAN

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What's a business plan?

A business plan is a living document that provides a three- to five-year outlook into your company's projected revenue, as well as a summary of where the business is headed.

A well thought-out business plan should be part of every entrepreneur's to-dos when they start or buy a business, but it's especially important for those applying for a loan.

Businesses that write a business plan see a 30% increase in growth compared to those who don't have a formal written plan.



HOW A BUSINESS PLAN CAN HELP YOU GET A LOAN

The business plan is usually the first thing lenders analyze to determine your strength as a borrower. A well-constructed plan communicates to banks that you're ready to become an entrepreneur, have a clear vision of your business and can manage the financial responsibility of a business loan.



THE 10 ELEMENTS OF A BUSINESS PLAN

There are 10 fundamental components of every business plan that lenders expect to see:

- | | |
|--|---------------------------------------|
| 1 <i>Cover Page and Table of Contents</i> | 6 <i>Service or Product</i> |
| 2 <i>Executive Summary</i> | 7 <i>Marketing and Sales</i> |
| 3 <i>Company Description</i> | 8 <i>Funding Request</i> |
| 4 <i>Market Plan and Analysis</i> | 9 <i>Financing Projections</i> |
| 5 <i>Organization and Management</i> | 10 <i>Appendix</i> |

Need some help creating your business plan? Check out [these local resources](#) from the Small Business Administration to find an expert in your state.

1

COVER PAGE AND TABLE OF CONTENTS

The cover page should contain your business name, logo and your contact information as the owner. Also include a standard table of contents with page numbers to help organize your business plan.

Need help naming your business? Get tips from the professionals [here](#).



2

EXECUTIVE SUMMARY

The executive summary should be near the beginning of your business plan because it's one of the most important sections. It provides an in-depth overview of the current state of your company, plans for growth and why your business will be successful.

This section should spotlight your experience and background in business, as well explain why you chose to buy/build the business you did. Here, you can gain credibility by demonstrating that you've done thorough market research and understand the industry landscape.



Some people may only read your executive summary, so make sure it includes everything you want lenders to know about why you and your business are a safe bet.

3

COMPANY DESCRIPTION

The company description is your chance to provide more information about your business, its mission, business model and any strategic partners. If you found yourself in a long elevator ride with a lender, this company description would be your pitch. Be sure to include information about how you'll meet customer's needs, compete with similar companies in your space and what qualities make your business unique.



4

MARKET PLAN AND ANALYSIS

The market analysis section should review the current state of the industry your business is in, as well as identify the existing gaps that your business will solve. You should include:

- An industry overview and outlook.
- Information about your target market.
- Your marketing strategy.

When describing your target market, it's important to cite outside resources. If you can't afford a third-party analysis, Internet research from reputable sources and customer testimonies can make this section more robust.

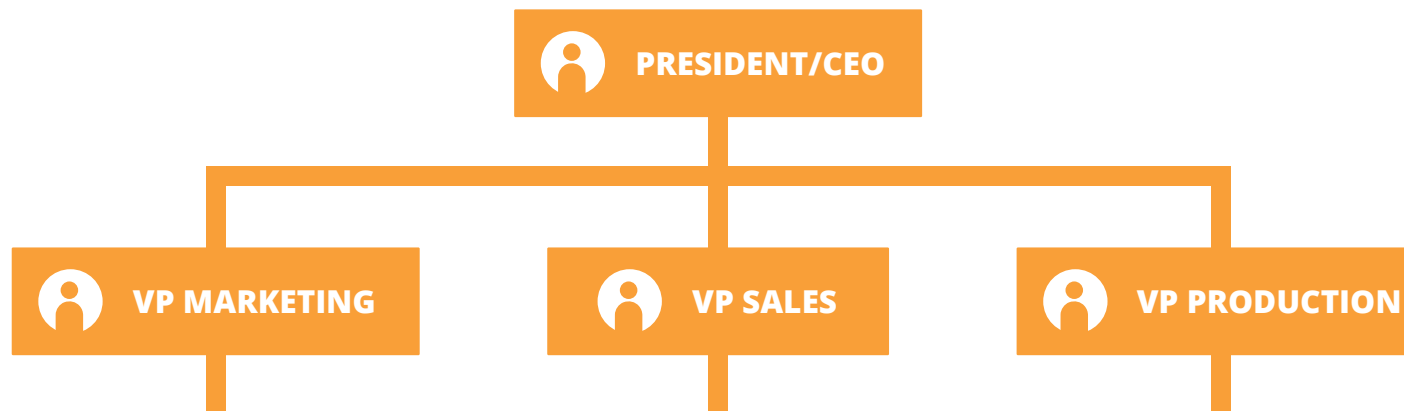


5

ORGANIZATION AND MANAGEMENT

This section provides information about the management structure of your company. An effective way to communicate this information is to create an organizational chart along with a detailed description.

List each management position, the name of the person filling the role, what their qualifications are and what their responsibilities will be. Also include information about your Board of Directors and any relevant experience they have that will contribute to the success of the business.



6

SERVICE OR PRODUCT

Describe the service or product your business will sell in more detail. Be sure to emphasize how your particular service will target your customer base and fill a need for them. Include any information you have regarding:

- Intellectual property rights.
- Your product's lifecycle.
- Any product research and development you've completed or have planned.



7

MARKETING AND SALES

How is your company going to acquire new customers through its sales and marketing efforts? In this section, explain how your business will communicate with potential customers and advertise its product or service. Is it in your budget to advertise on TV or online? Does your company already have a social media following? Answer these questions here.

Make sure the sales section of your outline addresses how you'll build up your sales force and your sales activities. Discuss whether you'll be hiring internal salespeople or contract external staff, how they'll be trained and how you developed your sales goals.



8

FUNDING REQUEST

Your funding request should very clearly outline why you're seeking additional business financing and how it will be used. Here's an effective way to structure your funding request:

- Your current funding needs.
- Any future funding requirements over the next five years.
- How you intend to use the funds you receive.
- Any strategic financial plans for the future.



9

FINANCIAL PROJECTIONS

This is your chance to show what you expect your company will be able to do within the next five years. The financial projections should give a quantitative value to your marketing and organizational strategies. But before developing your financial projections, you must first analyze your market and set clear objectives.

For the first three years of projections, include forecasted income statements, balance sheets, cash flow statements and capital expenditure budgets (feel free to incorporate graphs, especially if they show positive growth). If you own an existing business, this section should also contain historical data about the company's performance.

Many lenders require monthly projections for the first three years of your business.

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APPENDIX

The appendix is the final section of the business plan. Any extra documents that didn't have a specified place should be attached here. This includes tax returns, your resume, real estate documents, etc.



MORE TIPS FOR SECURING A BUSINESS LOAN

Outside of your business plan, lenders will determine your attractiveness as a borrower by the 5 C's:

CAPITAL: Your equity injection into the business.

CREDIT: Your personal credit score and credit history.

CAPACITY: Your current and anticipated cash flow.

CHARACTER: Your business experience.

COLLATERAL: The “worthwhile assets” you have to guarantee the loan.

To learn more about the 5 C's, read Guidant CEO David Nilssen's article about securing an SBA loan [here](#).

WHY PARTNER WITH GUIDANT?

Once you have your business plan in hand, the next step to ensuring loan approval is to work with a company who can guide you through the process. Here's what working with Guidant can do for you:



SIMPLIFIED APPLICATION PROCESS:

Rather than filling out multiple loan applications for every bank, Guidant can shop a single application to multiple lenders.



BETTER LOAN TERMS:

The ability to apply to several lenders at once often means receiving several loan offers, so you'll have more choices when selecting your terms and conditions.

WHY PARTNER WITH GUIDANT? (continued)



FASTER TIMELINE:

We've established relationships with a vast network of lenders, which means your application goes directly to banks who are most likely to approve your loan.



Applying for an SBA loan with Guidant is risk-free thanks to our money-back guarantee. If you aren't approved for a loan, we'll give you a full refund of your packaging fee.





*Randy B.
Eveningside Vineyards
Cambria, N.Y.*

Take Control of Your Future

For over 10 years, Guidant has been helping entrepreneurs make their dreams of small business ownership come true with our full suite of financing options. By helping 11,000 small business owners secure \$3 billion in financing, we're fueling the American dream – one small business at a time.

Ready to get started?

PRE-QUALIFY TODAY

