The business plan consists of a narrative and several financial spreadsheets. The narrative template is the body of the business plan. It contains over 150 questions divided into several sections. Work through the sections in any order you like, except for the Executive Summary which should be done last. Skip any questions that do not apply to your business. When you are through writing your first draft, you will have a collection of small essays on the various topics of the business plan. Then you will want to edit them into a smooth flowing narrative.

The real value of doing a business plan is not having the finished product in hand; rather, the value lies in the process of research and thinking about your business in a systematic way. The act of planning helps you to think things through thoroughly, study and research when you are not sure of the facts, and look at your ideas critically. It takes time now, but avoids costly, perhaps disastrous, mistakes later.

The business plan narrative is a generic model suitable for all types of businesses. However, you should modify it to suit your particular circumstances. Before you begin, review the section entitled Refining the Plan, found at the end of the business plan. It suggests emphasizing certain areas depending upon your type of business (manufacturing, retail, service, etc.). It also has tips for fine-tuning your plan to make an effective presentation to investors or bankers. If this is why you are writing your plan, then pay particular attention to your writing style. You will be judged by the quality and appearance of your work as well as your ideas. For your guidance, we have included a document called Writing Guide. This is an example of an executive summary written in a clear and concise style suitable for this type of document.

It typically takes several weeks to complete a good plan. Most of that time is spent in research and re-thinking your ideas and assumptions. But then, that is the value of the process. So make time to do the job properly. Those who do, never regret the effort. And finally, be sure to keep detailed notes on your sources of information and the assumptions underlying your financial data.
Business Plan

OWNERS

Business name: Example Corporation
Address: Address Line 1
Address Line 2
City, ST 22222

Telephone: 222-333-4444
Fax: 111-222-3333
Email: xyz@example.com
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IX. Financial History and Analysis 3
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XI. Appendices 3
XII. Refining the Plan 3
Executive summary

Write this section last!

We suggest you make it 2 pages or less.

Include everything that you would cover in a 5-minute interview.

Explain the fundamentals of the business: what is your product, who are your customers, who are the owners, what do you think the future holds for your business and your industry?

Make it enthusiastic, professional, complete and concise.

If applying for a loan, state clearly how much you want, precisely how you are going to use it, and how the money will make your business more profitable, thereby ensuring repayment.
General Company Description

Mission Statement: Many companies have a brief mission statement, usually in thirty words or less, explaining their reason for being and their guiding principles. If you have a mission statement, this is a good place to put it in the plan. Followed by: company goals and objectives, business philosophy.

What business are you in? What do you do?

To whom do you market your products? Target market? (Briefly here - you will do a more thorough explanation in the Marketing section).

Describe your industry. Is it a growth industry? What changes do you foresee in your industry, and how is your company poised to take advantage of them?

Now give a detailed description of the business:

Form of ownership: Sole Proprietor, Partnership, Corporation, Limited Liability Corporation (LLC)?

Company History

Years in business, previous owners, successes, failures, lessons learned, reputation in community, sales and profit history, number of employees, and events which affected your company’s success. Discuss significant past problems and how you solved and survived them.

Most important company strengths and core competencies:

What factors will make the company succeed? What are your major competitive strengths?

Significant challenges the company faces now and in the foreseeable future. If you are asking for funding, go on to explain how the new capital will help you successfully meet these challenges.

What strengths do you personally bring to the business?

What are your plans for the future of the business? Growth? If so, at what rate and how will you achieve it?

Long term:

Are you developing strategies for continued growth, increased production, diversification, or eventual sale of business? What are your time frames for this?
Products and services

Describe in depth your products and/or services (technical specifications, drawings, photos, sales brochures, and other bulky items belong in the Appendix).

What factors give you competitive advantages or disadvantages? For example, level of quality or unique or proprietary features.

What are the pricing, fee or leasing structures of your products and/or services?
Marketing plan

Notes on preparation:

Market research: Why?

You spend so much time on marketing related matters — customers, competitors, pricing, promotion and advertising — that it is natural to assume you have little to learn. However, every small business can benefit from doing market research to make sure they are on track. Use the business planning process as your opportunity to uncover data and question your marketing efforts. It will be time well spent.

Market research - How?

There are 2 kinds of market research: primary and secondary.

Secondary research means using published information such as industry profiles, trade journals, newspapers, magazines, census data, and demographic profiles. This type of information is available in public libraries, industry associations, chambers of commerce, vendors who sell to your industry, government agencies (Commerce Dept. and state and local development agencies), and the SBA Business Information Centers and One Stop Capital Shops.

Start with your local library. Most librarians are pleased to guide you through their business data collection. You will be amazed at what is there. There are more online sources than you could possibly use. A good way to start is at the SBA site, http://www.sba.gov/. Click the ‘Outside Resources’ button for a great collection of resource links. Your Chamber of Commerce has good information on the local area. Trade associations and trade publications often have excellent industry specific data.

Primary market research means gathering your own data. For example, you could do your own traffic count at a proposed location, use the yellow pages to identify competitors, and do surveys or focus group interviews to learn about consumer preferences. Professional market research can be very costly, but there are many books out that show small business owners how to do effective research by themselves.

In your marketing plan, be as specific as possible; give statistics & numbers and sources. The marketing plan will be the basis, later on, of the all-important sales projection.
The Marketing Plan:

Economics

Facts about your industry:
What is the total size of your market?
Do you know what percent share of the market you have? (This is important only if you are a major factor in the market)
Current demand in target market
Growth history
Growth potential and opportunity for a business of your size
What barriers to entry keep potential new competitors from flooding into your market?
High capital costs
High production costs
High marketing costs
Consumer acceptance/brand recognition
Training/skills
Unique technology/patents
Unions
Shipping costs
Tariff barriers/quotas
How could the following affect your company?
Change in technology
Government regulations
Changing economy
Change in your industry

Products

In the Products/Services section, you described your products and services as you see them. Now describe them from your customer's point of view.

Features and Benefits

List all your major products or services

For each product/service: Describe the most important features. That is, what does the product do? What is special about it?

Now, for each product/service, describe its benefits. That is, what does the product do for the customer?

Note the difference between features and benefits, and think about them. For example, a house gives shelter and lasts a long time; those are its features. Its benefits include pride of ownership, financial security, providing for the family, inclusion in a neighborhood. You build features into your product so you can sell the benefits.
What after sale services are supplied? For example: delivery, warranty, service contracts, support, follow-up, or refund policy.

**Customers**

Identify your customers, their characteristics, and their geographic locations; i.e., demographics.

The description will be completely different depending on whether you sell to other businesses or directly to consumers. If you sell a consumer product, but sell it through a channel of distributors, wholesalers and retailers, then you must carefully analyze both the end user and the middlemen businesses to whom you sell.

You may well have more than one customer group. Identify the most important groups. Then, for each consumer group, construct a demographic profile:

- Age
- Gender
- Location
- Income level
- Social class/occupation
- Education
- Other
- Other

For business customers, the demographic factors might be:

- Industry (or portion of an industry)
- Location
- Size of firm
- Quality/technology/price preferences
- Other
- Other

**Competition**

What products and companies compete with you?

List your major competitors:

- Names & addresses
- Do they compete with you in across the board, or just for certain products, certain customers, or in certain locations?

Compare your products/services with competition:

Use the table called Competitive Analysis below to compare your company with your three most important competitors. In the first column are key competitive factors. Since these vary with each market, you may want to customize the list of factors.

In the cell labeled “Me”, state how you honestly think you stack up in customers’ minds. Then check whether you think this factor is a strength or a weakness for you. Sometimes it is hard to analyze our own weaknesses. Try to be honest. Better yet, get some disinterested
strangers to assess you. This can be a real eye-opener.

Now analyze each major competitor. In a few words, state how you think they stack up.

In the final column, estimate how important each competitive factor is to the customer. 1 = critical; 5 = not very important.

Table 1: Competitive Analysis

<table>
<thead>
<tr>
<th>FACTOR</th>
<th>Me</th>
<th>Strength</th>
<th>Weakness</th>
<th>Competitor A</th>
<th>Competitor B</th>
<th>Competitor C</th>
</tr>
</thead>
<tbody>
<tr>
<td>Importance to Customer</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Products</td>
<td>Me</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Price</td>
<td>Me</td>
<td></td>
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<td></td>
</tr>
<tr>
<td>Quality</td>
<td>Me</td>
<td></td>
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<td></td>
<td></td>
</tr>
<tr>
<td>Selection</td>
<td>Me</td>
<td></td>
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<td></td>
</tr>
<tr>
<td>Service</td>
<td>Me</td>
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</tr>
<tr>
<td>Reliability</td>
<td>Me</td>
<td></td>
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<td></td>
</tr>
<tr>
<td>Stability</td>
<td>Me</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Expertise</td>
<td>Me</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Company Reputation</td>
<td>Me</td>
<td></td>
<td></td>
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<td></td>
</tr>
<tr>
<td>Location</td>
<td>Me</td>
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<td></td>
</tr>
<tr>
<td>Appearance</td>
<td>Me</td>
<td></td>
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<td></td>
<td></td>
</tr>
<tr>
<td>Sales Method</td>
<td>Me</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Credit Policies</td>
<td>Me</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Advertising</td>
<td>Me</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Image</td>
<td>Me</td>
<td></td>
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<td></td>
</tr>
</tbody>
</table>

Having done the competitive matrix, write a short paragraph stating your competitive advantages and disadvantages.

**Niche**

Now that you have systematically analyzed your industry, your product, your customers and the competition, you should have a clear picture of where your company fits into the world.

In one short paragraph, define your niche, your unique corner of the market.

**Strategy**

Now outline a marketing strategy that is consistent with your niche.

**Promotion**

How do you get the word out to customers?
Advertising: what media, why, and how often? Has your advertising been effective? How can you tell?
Do you use other methods: trade shows, catalogs, dealer incentives, word of mouth, network of friends or professionals?
If your have identifiable repeat customers, do you have a systematic contact plan?
Why this mix and not some other?
**Promotional Budget**
How much will you spend on the items listed above?
Should you consider spending less on some promotional activities and more on others?

**Pricing**
What is your pricing strategy? For most small businesses, having the lowest prices is not a good strategy. Usually you will do better to have average prices and compete on quality and service. Does your pricing strategy fit with what was revealed in your competitive analysis?
Compare your prices with those of your competition. Are they higher, lower, the same? Why?
How important is price as a competitive factor?
What are your payment and customer credit policies?

**Location**
You will describe your physical location in the Operational section of your business plan. Here in the marketing section, analyze your location as it affects your customers.
If customers come to your place of business:
Is it convenient? Parking? Interior spaces? Not out of the way?
Is it consistent with your image?
Is it what customers want and expect?
Where is the competition located? Is it better for you to be near them (like car dealers or fast food restaurants) or distant (like convenience food stores)?

**Distribution Channels**
How do you sell your products/services?
Retail
Direct (mail order, web, catalog)
Wholesale
Your own sales force
Agents
Independent reps
Has your marketing strategy proven effective?
Do you need to make any changes or additions to current strategies?

**Sales Forecast**
Now that you have described your products, services, customers, markets, and marketing plans in detail, it is time to attach some numbers to your plan. Use the Twelve-Month Sales Forecast spreadsheet to prepare a month-by-month projection. The forecast should be based upon your historical sales, the marketing strategies that you have just described, upon your market research, and industry data, if available.
You may wish to do two forecasts: 1) a “best guess”, which is what you really expect, and 2) a “worst case” low estimate that you are confident you can reach no matter what happens.
For this section, please refer to the Twelve-Month Sales Forecast Spreadsheet.
Remember to keep notes on your research and your assumptions as you build this sales forecast, and all subsequent spreadsheets in the plan. Relate the forecast to your sales history, explaining the major differences between past and projected sales. This is critical if you are going to present it to funding sources.

**Operational Plan**

Explain the daily operation of the business, its location, equipment, people, processes, and surrounding environment.

**Production**
How and where are your products/services produced?
Explain your methods of:
Production techniques and costs
Quality control
Customer service
Inventory control
Product development

**Location**
Describe locations of production, sales, storage areas, and buildings.
Are premises leased, or owned?
Describe access to buildings (walk in, parking, freeways, airports, railroads, shipping)
What are your business hours?
Include a drawing or layout of your proposed facility if you are trying for an expansion loan.

**Legal Environment**
Describe the following
Licensing and bonding requirements
Permits
Health, workplace or environmental regulations
Special regulations covering your industry or profession
Zoning or building code requirements
Insurance coverage
Trademarks, copyrights, or patents (pending, existing, or purchased)

**Personnel**
Number of employees
Type of labor (skilled, unskilled, professional)
Where do you find new employees?
Quality of existing staff
Pay structure
Training methods and requirements
New hiring in the coming year?

Who does which tasks? Are schedules and procedures in place? Do you have written job descriptions for employees? If not, take time to write some. Written job descriptions really help internal communications with employees.

Do you use contract workers as well as employees?
Inventory
What kind of inventory is kept: raw materials, supplies, finished goods?
Average value in stock (i.e., what is your inventory investment)?
Rate of turnover and how this compares to industry averages?
Seasonal buildups?
Lead-time for ordering?

Suppliers
Who are your suppliers?
Names and addresses
Type and amount of inventory furnished
Credit and delivery policies
History and reliability
Do you expect shortages or short-term delivery problems?
Are supply costs steady or fluctuating? If fluctuating, how do you deal with changing costs?
Should you be searching out new sources of supply, or are you satisfied with present suppliers?

Credit Policies
Do you sell on credit? If so, do you really need to sell on credit? Is it customary in your industry and expected by your clientele?

Do you carefully monitor your payables, what you owe to vendors, to take advantage of discounts and to keep your credit rating good?

You need to carefully manage both the credit you extend and the credit you receive.

Managing your Accounts Receivable
If you do extend credit, what are your policies about who gets credit and how much?
How do you check the creditworthiness of new applicants?
What terms will you offer your customers; i.e., how much credit and when is payment due?
Do you offer prompt payment discounts (It is best to do this only if it is usual and customary in your industry).
Do you know what it costs you to extend credit? This includes both the cost of capital tied up in Receivables and the cost of bad debts.
Have you built the costs into your prices?
You should do an aging at least monthly, to track how much of your money is tied up in credit given to customers, and to alert you to slow payment problems. A receivables aging looks like this:

<table>
<thead>
<tr>
<th>Total</th>
<th>Current</th>
<th>30 Days</th>
<th>60 Days</th>
<th>90 Days</th>
<th>Over 90 Days</th>
</tr>
</thead>
</table>

Collecting from delinquent customers is no fun. You need a set policy and you need to follow it.
When do you make a phone call?
When send a letter? When get your attorney to threaten?

Managing your Accounts Payable

You should also age your Accounts Payable, what you owe to your suppliers. Use this format:

<table>
<thead>
<tr>
<th>Total Current</th>
<th>30 Days</th>
<th>60 Days</th>
<th>90 Days</th>
<th>Over 90 Days</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accounts Payable Aging</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

This helps you plan who to pay and when. Paying too early depletes your cash, but paying late can cost you valuable discounts and damage your credit. (Hint: if you know you will be late making a payment, call the creditor before the due date. It tends to relax them.)

Are prompt payment discounts offered by your proposed vendors? Do you always take them?

Management and organization

Who manages the business on a day-to-day basis? What experience does that person bring to the business? What special or distinctive competencies? Is there a plan for continuation of the business if this person is lost or incapacitated? If you have more than about ten employees, do an organizational chart showing the management hierarchy and who is responsible for key functions. Include position descriptions for key employees.

Professional and Advisory Support

List board of directors and management advisory board. Attorney Accountant Insurance agent Banker Consultant(s) Mentors and key advisors in addition to the above

Personal financial statement

Owners will often have to draw on personal assets to finance the business, and these statements will show what is available. Bankers and investors usually want this information as well. Owners will be asked to cosign or personally guaranty any business loans.

Document your assumptions, notes, definitions, and any special financial situation. Include details of notes, securities, contracts and others on bottom of the Personal Financial Statement spreadsheet. Include one such spreadsheet for each principal.

Please refer to the Personal Financial Statement Spreadsheet.
Financial History and Analysis

A solid analysis of the past must precede any serious attempt to forecast the future. The Financial History and Ratios spreadsheet allows you to put a great deal of financial information from other statements on a single page for ease of comprehension and analysis. Your financial information is presented in dollars and percentages. Key financial ratios are calculated automatically. You may also enter industry average ratios for comparison.

For this section, please refer to the Financial History and Ratios Spreadsheet.

In the Appendix, put year-end balance sheets, operating statements, and business income tax returns for the past 3 years, plus your most current balance sheet and operating statement.

Debt Schedule

This table gives in-depth information that the financial statements themselves do not usually provide. Include a debt schedule in the following format for each note payable on your most recent balance sheet.

<table>
<thead>
<tr>
<th>To Whom Payable</th>
<th>Original Amt.</th>
<th>Original Date</th>
<th>Present Balance</th>
<th>Rate of Interest</th>
</tr>
</thead>
<tbody>
<tr>
<td>Maturity Date</td>
<td>Monthly Payment</td>
<td>Security</td>
<td>Current/Past Due</td>
<td></td>
</tr>
</tbody>
</table>

Financial plan

The financial plan consists of a 12-month profit and loss projection, a four-year profit and loss projection (optional), a cash flow projection, a projected balance sheet, and a breakeven calculation. If you are planning a major expansion with heavy up-front and capital expenses, then also add the Startup Expenses and Capitalization template which may be found in our accompanying Business Plan for Startup Businesses. It will help you budget the one-time costs associated with expansion.

Together, these templates constitute a reasonable estimate of your company’s financial future. More importantly, however, the process of thinking through the financial plan will improve your insight into the inner financial workings of your company.

Twelve Month Profit and Loss Projection

Please refer to the Twelve-Month Profit and Loss Spreadsheet.

Explain the major assumptions used to estimate company income & expenses. Your sales projection should come from the Annual Sales Forecast in the Marketing plan. Pay special attention to areas where historical performance varies markedly from your projections.
Four Year Profit Protection (optional)

Please refer to the Four-Year Profit Projection spreadsheet.

The 12-month projection is the heart of your financial plan. However, we provide this work sheet for those who want to carry their forecasts beyond the first year. It is expected of those seeking venture capital. Bankers pay more attention to the 12 month projection.

Of course, keep notes of your key assumptions, especially about things you expect to change dramatically over the years.

Projected Cash flow

Please refer to the Twelve-Month Cash Flow Spreadsheet.
The cash flow projection is just a forward look at your checking account.
Use the Projected Profit and Loss Statement for a starting point. For each item, determine when you actually expect to receive cash (for sales) or when you will actually have to write a check (for expense items).
The bottom section, “Essential Operating Data”, is not part of cash flow but allows you to track items that have a heavy impact upon cash flow.
The “Pre Startup” column is for cash outlays prior to opening (for new business ventures or major expansions).
Your cash flow will show you whether your working capital is adequate. Clearly if your cash on hand goes negative, you will need more. It will also show when & how much you need to borrow. New loans go on the “Loan / other cash inj.” line.
Explain your major assumptions, especially those which make the cash flow differ from the Profit and Loss Statement; i.e.:
If you make a sale in month 1, when do you actually collect the cash? When you buy inventory or materials do you pay in advance, upon delivery, or much later?
How will this affect cash flow?
Are some expenses payable in advance?
Are there irregular expenses, equipment purchase or inventory buildup which should be budgeted?
And of course, depreciation does not appear at all because you never write a check for it.

Projected Balance Sheet

This is an estimate of what the balance sheet will look like at the end of the 12-month period covered in your projections.

For this section, please refer to the Projected Balance Sheet table.

In the business plan section related to your projected balance sheet, state the assumptions you used for all major changes between your last historical balance sheet and the projection.

Breakeven Analysis

Please refer to the Breakeven Analysis Spreadsheet.

Include all assumptions upon which your breakeven calculation is based.
Here is what a breakeven does. It determines sales volume, at a given price, required to recover total costs.
Expressed as a formula, breakeven is:

Breakeven Sales = \frac{Fixed Costs}{1-Variable Costs}

(Where fixed costs are expressed in dollars, but variable costs are expressed as a percent of total sales.)

**Appendices**

The spreadsheets required for this template in order of appearance are:

<table>
<thead>
<tr>
<th>Name of spreadsheet</th>
<th>Filename</th>
</tr>
</thead>
<tbody>
<tr>
<td>12-month Sales Forecast</td>
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</tr>
<tr>
<td>Personal Finance Statement</td>
<td>TBD</td>
</tr>
<tr>
<td>Financial History and Ratios</td>
<td>TBD</td>
</tr>
<tr>
<td>12-month Profit and Loss</td>
<td>TBD</td>
</tr>
<tr>
<td>4-year Profit projection</td>
<td>TBD</td>
</tr>
<tr>
<td>12-Month Cash Flow</td>
<td>TBD</td>
</tr>
<tr>
<td>Projected Balance Sheet</td>
<td>TBD</td>
</tr>
<tr>
<td>Breakeven Analysis</td>
<td>TBD</td>
</tr>
</tbody>
</table>

Include details & studies used in your Business Plan; for example:
- Brochures & advertising materials
- Industry studies
- Blueprints & plans
- Maps & photos of location
- Magazine or other articles
- Detailed lists of equipment owned or to be purchased
- Copies of leases & contracts
- Letters of support from future customers
- Any other materials needed to support the assumptions in this plan
- Market research studies

**Refining the Plan**

The generic business plan presented above should be modified to suit your specific type of business and the audience for which the plan is written.

**For Raising Capital**

**For Bankers**
Bankers want assurance of orderly repayment. If you intend using this plan to present to lenders, include:
- Amount of loan
- How the funds will be used
- What will this accomplish (how will it make the business stronger?)
- Requested repayment terms (number of years to repay). You will probably not have much negotiating room on interest rate, but may be able to negotiate a longer repayment term,
which will help cash flow.
Collateral offered, and list of all existing liens against collateral

**For Investors**
Investors have a different perspective. They are looking for dramatic growth, and they expect to share in the rewards.
Funds needed short term
Funds needed in 2 to 5 years
How company will use funds, and what this will accomplish for growth.
Estimated return on investment
Exit strategy for investors (buyback, sale, or IPO)
Percent of ownership you will give up to investors
Milestones or conditions you will accept
Financial reporting to be provided
Involvement of investors on the Board or in management

**Refine for type of business**

**Manufacturing**
Present production levels
Present levels of direct production costs and indirect (overhead) costs
Gross profit margin, overall and for each product line
Possible production efficiency increases
Production/ Capacity limits of existing physical plant
    Of expanded plant (if expansion is planned)
Production/ Capacity limits of existing equipment
    Of new equipment (if new equipment is planned)
Prices per product line
Purchasing and inventory management procedures
Anticipated modifications or improvements to existing products
New products under development or anticipated

**Service Businesses**
Service businesses sell intangible products. They are usually more flexible than other types of business, but they also have higher labor costs and generally very little in fixed assets.

Prices
Methods used to set prices
System of production management
Quality control procedures
    Standard or accepted industry quality standards
How is labor productivity measured?
What percent of total available hours are actually billed to customers?
Breakeven billable hours
Percent of work subcontracted to other firms
    Profit on subcontracting?
Credit, payment, and collections policies and procedures
Strategy for keeping client base
Strategy for attracting new clients
High Technology Companies

Economic outlook for the industry
Does company have info systems in place to manage rapidly changing prices, costs, and markets?
Is company on cutting edge with its products and services?
What is the status of R&D? And what is required to:
Bring product/service to market?
Keep the company competitive?

How does the company:
Protect intellectual property?
Avoid technological obsolescence?
Supply necessary capital?
Retain key personnel?

If your company may is not yet profitable or perhaps does not yet even have sales, you must do longer-term financial forecasts to show when profit take-off will occur. And your assumptions must be well documented and well argued.

Retail Business

Company image.
Pricing:
   Explain markup policies.
   Prices should be profitable, competitive and in accord with company image.
Inventory:
   Selection and price should be consistent with company image.
   Calculate your annual inventory turnover rate. Compare this to industry average for your type store.
Customer service policies: should be competitive and in accord with company image.
Location: Does it give the exposure you need? Is it convenient for customers? Is it consistent with company image?
Promotion: methods used, cost. Does it project a consistent company image?
Credit: Do you extend credit to customers? If yes, do you really need to, and do you factor the cost into prices?