

BUSINESS PLAN FORMAT

I. Organizational Information

- Proponent
- Address
- Beneficiaries
- Funding Requirement
- Fund Source
- Contact Person
- Project Title

II. Background Information

III. Objectives

- General objectives
- Specific objectives

IV. Background / Brief Description of the Project

V. Marketing Plan

- Description of the Product
- Monthly sales target
- Bulk buyers and volume requirement
 - Bulk buyer volume requirement = monthly sales target
 - Who are the alternative bulk buyer
- Overall demand/supply situation
 - Location of consumers (*local/foreign*)

Selling Strategies (4Ps)

- Product
 - Unique feature/s of the product that will make the buyer prefer it over the competitor (*utility, nature of the product – special ingredients, packaging*).
- Price
 - Is the price lower/higher than the competitor? If higher, why? (*high-end consumer*). If lower, why? (*bulk buyers/distributor/low-end consumer*)
- Promotion
 - How will the product be made known to target bulk buyers and consumers?
 - How will the information about the product be conveyed? (*brochure, radio, tv, etc.*)
- Place
 - Where are the target bulk/buyers consumers (*retailing*) located?
 - How will the product reach them?
 - (What is the budget per month? What are the cost items in the budget?)

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VII. Financial Plan

■ Working Capital

○ Components

- Direct raw material cost
- Direct labor cost
- Overhead cost (utilities/power, administrative, marketing)

○ How many months?

- Cash turn-over from sales (*terms of payments*)
- Credit from suppliers (*terms of payment*)

■ Unit Costing

- Direct material and labor cost
- Overhead cost accounting

■ Total Project Cost

- Building
- Land
- Equipment
- Working Capital
 - Direct RM
 - Direct Labor
 - Overhead cost (*administrative, marketing, utilities*)
 - Development cost (*pre-operational*) expenses: trainings, etc.
 - Business licenses/permits

■ Monthly Cash Flow Statement

- Components
 - Cash inflow
 - Cash outflow
- Pre-operational cash flow
 - Beginning cash balances (*Total project cost*)
 - Cash inflow and outflow (*building, land, etc.*)
 - Net cash ending
- Monthly operational cash flow
 - Beginning cash balance
 - Cash inflow
 - Cash outflow
 - Net cash ending

VIII. Organizational and Management Plan

■ Organizational Structure

■ Project Management Team (PMT)

■ Duties and Responsibilities of PMT

■ Commitment of Program Partners

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VI. Production Plan

■ Raw material (RM) requirement

- What is the raw material?
- Description/specification of raw materials, why they were chosen?
- What are the sources of RM, their availability and continuity and supply?
- How many hectares are cultivated to source of RM
- The volume required at various phases of the operation must be presented.
- How much RM can be harvested/made available per month? Can it supply the three 8-hr operation of the CCE?
- If inadequate, where will the additional RM be sourced?

■ Technology: Process and Equipment

- What are the steps in the production process?
- What are the equipment/tools that will be used in each step?
- What is the capacity of each equipment? (*the quantity of input that can be processed per unit of time?*)
- Consider maintainability of equipment (*availability of spare parts, skills needed for repair, cost of maintenance, life expectancy*)
- If no equipment will be used in certain steps, or if the capacity of the process depends on the worker (*with or without equipment/tools*), what is the capacity of input can one worker process per unit of time?
- Balance of equipment capacities and manpower requirement (production plan itself).

■ Project Site and Plant Lay out

- Specification: consider possibility of future growth expansion
- Description: how far from the RM, workers and markets (bulk buyer)?
- What are the attendant costs?
- Total area
- Arrangement / sequence of production process (*steps*) and equipment and work area per process (*step*)
- Allocation of space to various production processes

■ Space (*area*) for inventories of RM, supplies, intermediate products, final products

■ Administrative office

■ Characteristics of a good lay out

- Minimal handling of materials
- Maximum utilization of available space
- Comfortable and safe for workers
- Flexible arrangement of facilities