

Business Plan

Draft



SADC

Société d'aide au développement des collectivités
de la **Vallée-de-la-Gatineau**



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1.0. Presentation of the Project

1.1. Description of the Project

Briefly present your project, giving the corporate name, the anticipated date of start-up, the juridical status, the activity sector and a succinct description of its principal operations.

Name of project or corporate name :

Anticipated address of business office :

Telephone number: () _____ - _____

Anticipated date of start-up : _____

Sector of activity (commercial, industrial or services) :

Brief description of the project (field of activity, products or services, main clients, entrepreneurs, etc.) :



What are your competitive advantages ? (the advantages you will have over your competitors).

What made you choose that sector ?

1.2. Mission of the corporation.

Describe precisely the short, medium and long term missions of your firm:

Ex : Manufacturing of high quality furniture: Conception, manufacturing and distribution of exclusive furniture.

1.3. Objectives.

In a chronological order (from short to long term), describe the objectives you wish to reach.

Ex : To have, within three months, a 150 persons clients file.



2.0. The Entrepreneurs

2.1. Detailed asset structure.

What will be the financial participation and the percentage of asset of each of the partners ?

Partner	Financial worth	% of asset

Have you defined the aspects of your relation with your partners? (Task repartition, wages, conditions of departure, insurance, etc.)

Have you prepared a written convention between the partners ?

Yes

No

What kind of insurance will you be needing ?



2.2. Curriculum vitae (separate one for each partner).

Last name : _____ First name : _____

Address : _____

Postal Code : _____

Telephone number: _____

Date of birth : _____

Academic training:

Date	Institution	Diploma, Degree

Working experience:

Date	Employer	Position or duties

Personal achievements related to the project:



2.3. Personal assessment.

Name : _____ Date : _____

ASSETS	
Description	Amount
Cash on hand	\$
Deposits (Caisse, bank, other)	\$
Shares (Buying value)	\$
Bonds	\$
RRSP	\$
Automobile (retail value)	\$
Year: _____	
Brand: _____	
Furniture and personal effects	\$
Buildings (retail value)	\$
Others:	\$
	\$
	\$
	\$
	\$
Total of active	\$

LIABILITIES	
Description	Amount
Loans	
Caisse or bank	\$
Others	\$
Total of loans:	\$
Credit margin, credit card	\$
Credit card (s)	\$
Particular or others	\$
Total:	
Mortgage	\$
Others:	\$
	\$
	\$
	\$
	\$
Total of passive	\$

Total of assets:	\$
------------------	----

Signature : _____ Date : _____



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Credit experience:

Institution	Date	Nature of activities	Amount
			\$
			\$
			\$
			\$

Instalments :

Description	Amount
Rent or mortgage (residence)	\$
Other payments or settlements	\$
	\$
	\$
	\$
	\$
	\$
Total:	\$



2.4. Juridical status and regulations.

At this stage, you must choose the most appropriate juridical status for your project. Furthermore, you must be aware of the regulations related to your domain of activity.

- Juridical status :**
- Registered firm
 - Partnership
 - Corporation
 - Cooperative
 - Other

Join a copy of the incorporation chart if the incorporation is already done.

What are the governmental particularities that you have to submit to? (See appendix A)

Federal : _____

Provincial: _____

Municipal: _____



3.0. The Marketing

3.1. Description of the product or service.

Product line, services, installations, etc.

What are the strong and weaker sides of the product or service ?

Will you be offering any after-sale services or warranties ?



3.2. Retail service.

What retail services will you be offering ? (in terms of costs, time, quality, retail service of the competitors, etc.)

3.3. The sector.

This section is to present the actual situation and the anticipated evolution of the sector in which your business will operate. Note all the latest trends related to your product, research, the markets, the clientele, the specifications, the other businesses and indicate the economic and national factors and tendencies that could affect your business positively or negatively. Please note your information sources.

In which sector would you classify your business ?

Are you familiar with this sector ?

Yes

No

Describe this sector :

It's strong sides : _____

It's weaknesses : _____



What are the perspectives for the future of this sector ?

(Changes of the products/services, of the markets, of the clientele, of the specifications, of the other firms or changes in research; economical and national factors or tendencies that could affect your business positively or negatively; is it a market in development, in expansion or matured ?)

3.4. Trading area.

Identify the type of market you are aiming at:

Actual market

- Local
- Regional
- National
- International

Future market

- Local
- Regional
- National
- International

Identify the geographical limits of the territory you want to cover :

Describe your potential customers (Appendix D) :



Show that there is sufficient clientele interested in buying your product or service at a given price.:

Identify your sources of information:

Do you have any market surveys available ? If yes, join a copy.

Yes No

What is the total population of your trading area ?

What percentage of that population would be your potential customers ?

What are the market trends (rise, status quo, decline) ?

What have been the fluctuations of the demand over the last couple of years ?

Have you already made contact with your potential customers ?



What are the buying frequencies of your products or services by that same customer ?

What are your customer's buying criteria ?

Price	<input type="checkbox"/>	Habits	<input type="checkbox"/>	Quality	<input type="checkbox"/>
Reputation	<input type="checkbox"/>	Service	<input type="checkbox"/>	Other:	_____

3.5. Competition.

- Establish a list of your direct competitors by order of importance ?
- Where are they located ?
- Since when are they in business ?

- Indicate your indirect competitors that offer a product meeting the needs of the customer in a different way ?
- Are there any competitors who have closed their doors recently ?
- Why ?



3.6. Analysis of the competition and share of the market.

Are the products or services you want to offer available in the sector in which you want to operate? If so, analyse your main competitors very carefully and name them.

Determine their strong points, their respective share of the market and the percentage (%) of the market that you could capture.

Competitor	Strong points	Weak points	Share of market (%)

Share of the market that the entrepreneur hopes to capture: _____ %

Identify the dissatisfactions felt by your competitors' clientele :

What advantages will you have over your competitors ?



3.7. Marketing strategies

3.7.1. Publicity and promotion.

What means and methods will you use to make your product or service known ?
(publicity on television, on the radio, in news papers, promotional pamphlets, special display shelves, samplings, Yellow pages, exhibitions, fairs, etc.)

What will be your promotional budget? _____

1st year : _____ \$

2nd year : _____ \$

Enumerate your promotional activities and indicate the cost and the broadcasting or publication frequency for each one of them.

Promotional activities	Cost	Frequency

What is the chosen advertising message (slogan) ?



3.7.2. Sales.

How will the sales be made ? (directly, salesman, catalogue, manufacturer, etc.)

What will be your politic concerning your salesmen commissions ?

What commission is usually given to the salesmen in your type of business ?

3.7.3. Pricing.

How have you established your prices ? (on a profit margin, costs, competitors)

What is the costing price of every fabricated product ? (if applicable)

- What will be your politic on credit, payment conditions, rebates ?
- What are your competitors politics ?



3.7.4. Distribution.

What will be your distribution network ?

What will be the shipment delays ?

Will you be using a manufacturing agent or a distribution network ?

What arrangements will you have with your agent or your distributor ?
(commissions, etc.)



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Specify the chosen way of transportation:



What specialised equipment will you need ? (Annexe B-2)

Equipment you already have (retail value)

Description	Value
	\$
	\$
	\$
	\$
	\$

Equipment you will have to acquire (compare purchase - new or used - and rental)

Description	Cost	Condition (purchase or rental)
	\$	
	\$	
	\$	
	\$	
	\$	
	\$	

Describe the technology (ies) used, patents, industrial agreements, technology transfer, licensed productions, etc.

What is the life expectancy of the specialised equipment ? Will it meet your present and future need ?



What raw materials will you need ? (Appendix B-3)

Who will be your suppliers ?

Name	Localisation	Transport	Delivery deadlines	Selling conditions	Other

What type of quality control do you plan to use ?

4.1. Environmental Evaluation.

What dangerous products will be used during production ?



What equipment will be used to control pollution ?

(Ex : Dust removal equipment, soundproof building, ...)

Of what nature will be the wastes of the business ? (liquid, solid, gaseous, dust, etc.)

What will be the quantity and the destination of every type of waste ?

(Ex : municipal sewers, water plan, atmosphere, recycling, fondry, ...)

Waste	Destination

4.2. Localisation (Appendix C).

What is the required surface ?

Choice of the municipality :

Municipality	Link with the market ⁽¹⁾	Advantages	Disadvantages

¹ Does this place have any direct link with your business ?



Choice of a land or premises :

Location	dimensions	Cost	Amount of taxes	Advantages	Disadvantages

For the advantages and disadvantages, consider the following points:

- Circulation
- Parking and access
- Proximity of public transportation
- Image the neighbourhood (Has there been shops recently closing their doors ?)
- Availability of energy
- Costs of insurance
- The necessity and proximity of certain services
- Modifications to be brought to the premises

Are you planning on renting or buying ?

Advantages et disadvantages of buying:

Advantages	Disadvantages



Advantages and disadvantages of renting:

Advantages	Disadvantages

Will the size of your premises meet your present and future needs ?

What alterations need to be made to the premises and what are their costs ?



5.0. Human Resources

5.1. Management.

Describe the administrative positions, with their inherent responsibilities and tasks, the experience, strong and weak points of the administrators and the means used to offset the weak points.

Describe every management position indicating the tasks and responsibilities and the name of the entrepreneur who will fill that position:

Position	Tasks and responsibilities	name of entrepreneur

What are the strong and weaker points of the management team ?



What means will you use to offset the weak points ?

5.2. Manpower.

Description of the jobs created by the project :

Position	number of persons	Hourly wage	number of hours per week	Cost

Description of the positions :

Position	Task and responsibilities	Qualifications needed.	Seasonal job	Time
			<input type="checkbox"/>	
			<input type="checkbox"/>	
			<input type="checkbox"/>	
			<input type="checkbox"/>	
			<input type="checkbox"/>	

Will your employees need formation ?

Yes No

If so, which one : _____



Possible places of formation :

5.3. External help.

This part helps an outside reader of your business plan learn more about your advisers who helped you.

Who are your advisors ?

Expert accountant : _____

Legal advisor : _____

Banker : _____

Insurance specialist: _____

Government representative: _____

Other : _____

If you will be forming a management comity or a board of administrators, mention its composition:



6.0. Financial Information

6.1. Objectives.

- Demonstrate the profitability and viability of your project
- Determine your financial needs
- Plan your financial activities

6.2. Content.

- Cost and financing of your project.
- Provisional statement of results (2 or 3 years).
- Basic Hypothesis allowing the preparation of the provisional statement of results

6.3. Appendix (add the following elements if needed)

- Financial statements of the last three years. .
- Financing confirmation.



Cost and financing of your project.

Cost of project	
1. Cash flow	
Cash on hand	\$
Starting inventory	\$
Others:	\$
_____	\$
_____	\$
2. Immobilisation	
Equipment and tooling	\$
Buildings	\$
Lands	\$
Furniture	\$
Office supply	\$
Vehicle	\$
Leasehold improvements	\$
Others:	\$
_____	\$
_____	\$
3. Other constitution fees	
_____	\$
_____	\$
_____	\$
Total cost of project	
	\$

Financing sources	
1. Short term loans	
Short term load	\$
Credit line	\$
Others:	\$
_____	\$
_____	\$
2. Long term loans	
Long term loans	\$
Mortgage	\$
Others:	\$
_____	\$
_____	\$
3. Personal contribution	
Cash on hand	\$
Transfer of assets	\$
4. Grants	
_____	\$
_____	\$
_____	\$
Total financing	
	\$

6.5. Predicted statement of results.

From: _____ To: _____



	Year 1:	Year 2:
Sales (goods or services)	\$	\$
Cost of sold merchandise or cost of goods.		
Stock at the beginning	\$	\$
Purchases	+ \$	+ \$
Stock at the end	- \$	- \$
Total cost of merchandise:	\$	\$
Gross profit:	\$	\$
Expanses		
Banking fees	\$	\$
Consultants' fees	\$	\$
Electricity, heating	\$	\$
Insurance	\$	\$
Maintenance	\$	\$
Office supplies	\$	\$
Publicity and promotion	\$	\$
Rent	\$	\$
Representation's fees	\$	\$
Taxes, permits	\$	\$
Telephone	\$	\$
Vehicles expanses	\$	\$
Wages	\$	\$
Fringe benefits	\$	\$
Other:	\$	\$
Total expanses:	\$	\$
Profit/loss net before income tax	\$	\$
Profit/loss net after income tax	\$	\$

Appendix A

Technical Information

Do I need this information ?	Where can I find it ?
Legislation, regulation	
<ul style="list-style-type: none"> • Exploitation Permit • Zoning regulations • Construction permits and norms • Business, water, school and residential Taxes 	<ul style="list-style-type: none"> • City Hall
<ul style="list-style-type: none"> • Provincial Sales Tax (TVQ) • Goods and Services Tax (GST) 	<ul style="list-style-type: none"> • Revenu Québec * • Revenue Canada *
<ul style="list-style-type: none"> • Employer's Numbers • Employer's contributions (provincial and federal income tax, R.R.Q, Employment insurance, Health insurance) 	<ul style="list-style-type: none"> • Revenu Québec ou Revenu Canada *
<ul style="list-style-type: none"> • Federal income tax for businesses or corporations 	<ul style="list-style-type: none"> • Revenu Canada *
<ul style="list-style-type: none"> • Provincial income tax for businesses or corporations and capital gain. 	<ul style="list-style-type: none"> • Revenu Québec *
<ul style="list-style-type: none"> • Laws on health and security in the workplace. 	<ul style="list-style-type: none"> • Commission de la santé et de la sécurité du travail (C.S.S.T.) *
<ul style="list-style-type: none"> • Laws on norms in the workplace 	<ul style="list-style-type: none"> • Commission des normes du travail *

* You will find the Internet address of these organisms in Appendix E



Do I need this information ?**Where can I find it ?**

Legislation, regulations

- | | |
|--|--|
| • Collective agreement | • Ministère du travail, direction des décrets* |
| • Environment protection laws (industrial processes, toxic waste transportation, etc.) | • Ministère de l'environnement et de la faune (provincial) * |
| • Patent, Trade marks, Industrial drawings, copyrights,... | • Office de la propriété intellectuelle du Canada. * |
| • Exportation or importation licences | • Développement économique Canada. * |
| • Alcohol permit | • Régie des alcools, des courses et des jeux du Québec. * |

To obtain the addresses or phone numbers of Governmental ministries or organisms, see the Blue pages of your phone book or contact Communication Quebec (1-800-363-1363).

* You will find the Internet addresses of these organisms in Appendix E



Appendix B

Technical information

Do I need this information ?

Where can I find it ?

Fabrication processes

- | | |
|---|--|
| <ul style="list-style-type: none"> • Industrially used technologies, the possibilities they offer and the evolution they follow
 • New technology implantation and possibilities of technology transfers
 • Necessary available energy sources | <ul style="list-style-type: none"> • CRIQ (Centre de recherche industrielle du Québec. * • MICST
(Ministère de l'industrie, du commerce, de la science et de la technologie. * • Industrial comities • MAPAQ (Ministère de l'agriculture, des pêcheries et de l'alimentation) * • Institut du tourisme et d'hôtellerie du Québec. *
 • CRIQ* • CNRC (Centre national de recherches du Canada.) * • Exhibitions • Congress • University Research Centres • Specialised magazines. • Industry Canada. *
 • Hydro-Québec • MER (Ministère de l'énergie et des ressources) * |
|---|--|

* You will find the Internet addresses of these organisms in Appendix E.

Appendix C

1. Questions to be answered before any step is taken.

- Is it better to be alone or in a Shopping centre ?
- What kind of space do I need for: the office, the waiting room, the conference room, the inventory, the kitchen, the dining room, the parking, etc.

2. How to find the ideal place ?

Information sources:

- City maps, demographic statistics, zoning regulations, traffic, crowd gathering factors (apartments, schools, Universities, etc.)

Economical information:

- Unemployment, main employers, expansion of the chosen geographical sector.

3. If you decide to establish yourself on the street:

- In the choice of a specific site, you must watch competitors, similar products and complementary products that could be found close by.

Traffic: Local circulation is more interesting than passing circulation as are pedestrians over cars.

Accessibility is another important factor (easy entrance and exit, parking, etc.) Avoid establishing yourself in a curve, in a steep hill or where there is fast moving or heavy traffic.

Visibility: Pedestrian visibility is usually more important than major road visibility. Commercial signs are an important aspect of visibility.

4. If you choose to establish yourself in a shopping centre:

You must obtain information on the popularity of that particular shopping centre and the recent closure of any shops. As far as interior localisation is concerned, stay away from competitors. Try establishing yourself in the centre of the shopping centre rather than at its extremities. It is preferable to be near the major stores. The visibility of your commercial sign is once again crucial.

Appendix D

If your potential client is an individual, try to answer the following questions:

- Who are they ? Age, revenue, family situation, etc.
- What do they buy ? Types of products, brand, style, etc.
- Where do they live ? City, suburb, house owner, tenant, etc.
- Where do they work ? In the city, outside the city,
- Where do they buy?
- Why do they buy ? essential needs or luxury needs.
- How do they buy ? By catalogue, in person. Do they pay cash or with a credit card ?

Even though there are thousands of interesting questions, you must limit yourself only to the information that will help you in your business project.

If your potential client is an organisation, indicate:

- The kind of organisation (private firm, public firm, governmental organisation, non-profit organisation, association, industrialist, retailer, supplier).
- The size of the business (es)

Appendix E

Useful Internet addresses :

Quebec commercial directory : <http://sipnet.com/canweb/rgadmqc.htm>

Info entrepreneurs : <http://www.infoentrepreneurs.org>

(info entrepreneur offers various information on the Governmental services, programs and regulations.)

Sites coming under the Quebec Government

Commission de la Santé et de la sécurité du travail (CSST) : <http://www.csst.qc.ca>

Commission des normes du travail : <http://www.cnt.gouv.qc.ca>

CRIQ (Centre de recherche industrielle du Québec) : <http://www.criq.qc.ca>

Institut du tourisme et d'hôtellerie du Québec : <http://www.ithq.qc.ca>

Ministère de l'agriculture, des pêcheries et de l'alimentation : <http://www.agr.gouv.qc.ca>

Ministère de l'environnement et de la faune : <http://www.mef.gouv.qc.ca>

Ministère de l'industrie, du commerce, de la science et de la technologie :

<http://www.micst.gouv.qc.ca>

Ministère des ressources naturelles : <http://www.mrn.gouv.qc.ca/intro.asp>

Ministère du travail : <http://www.travail.gouv.qc.ca/dd.html>

Régie des alcools, des courses et des jeux du Québec :

<http://www.secpub.gouv.qc.ca/francais/organism/regie/regie.htm>

Revenu Québec: <http://www.revenu.gouv.qc.ca>

Sites coming under the Government of Canada.

Canadian Business Services Centre : <http://cbsc.org>

Canadian Economical Development : <http://www.dec-ced.ca>

Canadian Intellectual Protection Office : <http://cipo.gc.ca>

Canadian Tourism Commission : <http://info.ic.gc.ca/tourisme>

Human Ressources Development of Canada : <http://www.hrdc-drhc.gc.ca>

Industry Canada : <http://strategis.ic.gc.ca>

National Research Centre : <http://www.nrc.ca>

Revenue Canada : <http://www.rc.gc.ca>

Standardisation Counsel of Canada : <http://www.scc.ca>

Statistic Canada : <http://www.statcan.ca>

Personal Notes
