The Business Plan should include the following:

1. *The business and its industry.* This section should describe the nature and history of the business and provide some background on its industry.

a. *The Business:* As a legal entity; the general business category;

b. *Description and Discussion of Industry:* Current status and prospects for the industry;

2. *Products and Services:* This section deals with the following:

a. *Description:* Describe in detail the products or services to be sold;

b. *Proprietary Position:* Describe proprietary features if any of the product, e.g. patents, trade secrets;

c. *Potential:* Features of the product or service that may give it an advantage over the competition;

3. Market Research and Evaluation: This section should present sufficient information to show that the product or service has a substantial market and can achieve sales in the face of competition;

a. *Customers:* Describe the actual and potential purchasers for the product or service by market segment.

b. *Market Size and Trends:* State the size of the current total market for the product or service offered;

c. *Competition:* An assessment of the strengths and weaknesses of competitive products and services;

d. *Estimated Market Share and Sales:* Describe the characteristics of the product or service that will make it competitive in the current market;

4. *Marketing Plan:* The marketing plan should detail the product, pricing, distribution, and promotion strategies that will be used to achieve the estimated market share and sales projections. The marketing plan must describe what is to be done, how it will be done and who will do it. The plan should address the following topics— Overall Marketing Strategy, Packaging, Service and Warranty, Pricing, Distribution and Promotion.

5. Design and Development Plans: If the product, process or service of the proposed venture requires any design and development before it is ready to be placed on the market, the nature and extent and cost of this work should be fully discussed. The section should cover items such as Development Status and Tasks, Difficulties and Risks, Product Improvement and New Products, and Costs.

6. *Manufacturing and Operations Plan:* A manufacturing and operations plan should describe the kind of facilities, plant location, space, capital equipment and labor force (part and/or full time and wage structure) that are required to provide the company's product or service.

7. Management Team: The management team is the key in starting and operating a successful business. The management team should be committed with a proper balance of technical, managerial and business skills, and experience in doing what is proposed. This section must include a description of: the key management personnel and their primary duties; compensation and/ or ownership; the organizational structure; Board of Directors; management assistance and training needs; and supporting professional services.

8. Overall Schedule: A schedule that shows the timing and interrelationships of the major events necessary to launch the venture and realize its objectives. Prepare, as part of this section, a monthby-month schedule that shows the timing of such activities as product development, market planning, sales programs, and production and operations. Sufficient detail should be included to show the timing of the primary tasks required to accomplish each activity.

9. Critical Risks and Assumptions: The development of a business has risks and problems and the Business Plan should contain some explicit assumptions about them. Accordingly, identify and discuss the critical assumptions in the Business Plan and the major problems that will have to be solved to develop the venture. This should include a description of the risks and critical assumptions relating to the industry, the venture, its personnel, the product's market appeal, and the timing and financing of the venture.

10. Community Benefits: The proposed project must contribute to economic, community and human development within the project's target area. A section that describes and discusses the potential economic and non-economic benefits to low-income members of the community must be included as well as a description of the strategy that will be used to identify and hire individuals being served by public assistance programs and how linkages with community agencies/organizations administering the JOBS program will be developed. The following project benefits must be described:

## Economic

- —Number of permanent jobs that will be created for low-income people during the grant period;
- —Number of jobs to be created for lowincome people that will have career development opportunities and a description of those jobs

- Number of jobs that will be filled by individuals on public assistance;
- Ownership opportunities created for poverty-level project area residents;
  Specific steps to be taken to promote the self-sufficiency of program participants. Other benefits which might be discussed are:

## Human Development

- New technical skills development and associated career opportunities for community residents;
- Management development and training.

## Community Development

- Development of community's physical assets;
- Provision of needed, but currently unsupplied, services or products to community;
- Improvement in the living environment.

11. The Financial Plan: The Financial Plan is basic to the development of a Business Plan. Its purpose is to indicate the project's potential and the timetable for financial self-sufficiency. In developing the Financial Plan, the following exhibits must be prepared for the first three years of the business' operation:

a. Profit and Loss Forecasts-quarterly for each year;

- b. Cash Flow Projections-quarterly for each year;
- c. Pro forma balance sheets-quarterly for each year;
  - d. Initial sources of project funds;
  - e. Initial uses of project funds; and

f. Any future capital requirements and sources.

## Applicable to Sub-Priority Area 1.4 Only

An applicant in this priority area must document its experience and capability in two or more of the following areas:

- -Business/Development;
- —Micro-Entrepreneurship
- Development;
- -Commercial Development;
- —Organizational and Staff
- Development;
- -Board Training;
- –Business Management, including Strategic Planning and Fiscal Management;
- -Finance, including Business Packaging and Financial/Accounting Services, and/or
- –Regulatory Compliance including Zoning and Permit Compliance

The applicant must document staff competence or the accessibility of third party resources with proven competence. If the work program requires the significant use of third