

**U.S. SMALL BUSINESS ADMINISTRATION  
8(a) BUSINESS PLAN**

OMB Approval No.: 3245-0331  
Expiration Date: 3/31/2014

NAME OF COMPANY: \_\_\_\_\_

ADDRESS OF COMPANY: \_\_\_\_\_

CONTACT PERSON: \_\_\_\_\_ TELEPHONE NO.: \_\_\_\_\_

**SBA STATEMENT ON REPRESENTATIVES AND FEES**

You are not required to use a representative to complete this business plan. If you chose to hire a representative for this purpose, the following information must be provided:

Names of Representatives and Addresses	Description of Services	Hourly Rate	Amount Paid	Amount Due
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____

\_\_\_\_\_  
Signature of Principal

\_\_\_\_\_  
Date

\_\_\_\_\_  
Signature of Representative

\_\_\_\_\_  
Date

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## **SECTION I - EXECUTIVE SUMMARY**

1. Briefly describe the fundamental elements of your business. Describe what business you are in, why you are in it, and what you hope to accomplish. For example, describe your business in terms of where it has come from, where it is now, where you want it to go, and how you plan to get it there. This is a complete summary of your business plan and should be referred to on occasion by you and your assigned Business Opportunity Specialist to get a quick overview of your plan. You should prepare the summary after you have completed all other major components, which follow.

## **SECTION II - BUSINESS HISTORY, BACKGROUND, AND OBJECTIVES**

2. Briefly describe when, how, and why you formed the company and its development so far.

3. List your short term (next 12 months) and long term objectives.

4. Describe your company's major successes or achievements to date including difficulties and/or obstacles that your company has overcome.

5. Describe how the company was initially capitalized, and how it has been funded since its founding.

6. Describe any important changes in the structure, ownership, management, or key personnel which have taken place in the past year.

### **SECTION III - BUSINESS ENVIRONMENT**

7. Describe how environmental factors such as the local or national economy, changes in population, interest rates, changes in levels of employment, climate for small disadvantaged businesses in your market, etc. may affect your business.

## **SECTION IV - PRODUCTS AND/OR SERVICES**

8. List and describe your present products/services. (This list is not necessarily the same products/services for which you are requesting SBA approval of NAIC codes for 8(a) contract support in item #50.)

9. Describe any planned changes or additions to your present line of products/services within the next year.



## **SECTION V - PRESENT MARKET**

10. Describe your present market. Give geographic location of your customers and types of customers you serve.

11. What is the growth potential in your market?

12. Identify major customers and include a brief description and explanation of any special relationship between your company and its customers.

13. Describe your current marketing approach. How do you sell your products/services? (Attach company brochure used as a selling tool, if any.)

14. Describe your pricing policy.

15. Describe your credit and collection policy.

16. If your business is seasonal, explain how the company adjusts to seasonal factors.

## **SECTION VI - COMPETITION**

17. List those firms you have identified as primary competitors in your market(s). Identify their strengths and weaknesses.

18. What advantages and disadvantages does your company have as compared with its primary competitors?

## **SECTION VII - MARKETING PLAN**

19. Describe the customers and geographic territory to be targeted for marketing efforts to generate non-8(a) revenue.

20. Describe the federal agencies and geographic territory to be targeted for marketing efforts to generate 8(a) revenue.

21. Describe the marketing techniques, strategies, and tools you will use in the future to promote your business. Address 8(a) market segments and non-8(a) market segments separately.

## **SECTION VIII - MANAGEMENT AND ORGANIZATION**

22. Describe your management team and list its strengths and weaknesses.

23. Describe your plan to further develop your management team.

24. Describe your management succession plan. Who will take over in the event of the incapacity or continued absence of any owner or key employee?

25. Describe the need for, and how you will obtain, additional management personnel based on present and projected sales.



# SECTION IX - BUSINESS RESOURCES

26. List the major operating equipment that your company owns or leases:

<u>Quantity</u>	<u>Description</u>	<u>Age</u>	<u>Condition</u>	<u>(Check One)</u>		<u>If Owned Cost</u>
				<u>Owned</u>	<u>Leased</u>	
				<input type="checkbox"/>	<input type="checkbox"/>	
				<input type="checkbox"/>	<input type="checkbox"/>	
				<input type="checkbox"/>	<input type="checkbox"/>	
				<input type="checkbox"/>	<input type="checkbox"/>	
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				<input type="checkbox"/>	<input type="checkbox"/>	

27. List major suppliers, location, and payment terms.

28. Identify other outside resources used/or needed to fulfill customer requirements.

29. Describe your quality control procedures. If you do not have quality control procedures, outline your plans to put them in place.

30. Describe the availability of skilled labor necessary to meet your company needs.

31. Describe the type and extent of necessary training that will be required to upgrade the skills of labor and administrative employees and the estimated cost. (You may be eligible to receive financial assistance for skills training from SBA. Your BDS can explain.)

32. Number of Employees: Full-Time \_\_\_\_\_ ; Part-Time \_\_\_\_\_

## **SECTION X - FINANCIAL PLAN/DATA**

33. Describe the company's sales and profit trends.

34. Outline your strategy and timing for obtaining additional capital for expansion and/or to meet current needs.

35. Explain the assumptions used in the development of your two year projected operating statement and cash flow projection in items 45 and 46.

36. If you have a bank line of credit, provide name of bank, amount of line, amount owed, amount available, and how secured.

37. Explain any debt and its purpose that the company and/or the owner has guaranteed on behalf of others, and include a copy of the documents creating the guarantee.

38. Describe your method of financial accounting (cash or accrual); how quarterly and annual financial statements are prepared (in-house or outside independent accountant). Note if accounting system is manual or computerized.

39. Explain all abnormal, nonrecurring, and unusual items on the most recent fiscal year-end financial statement.



40. Provide details on all outstanding company loans to officers, directors, stockholders, and employees (name, purpose, original loan amount, current balance, terms and conditions, collateral, interest rate, and date of loan(s)).

41. Describe any outstanding contingent liabilities, warranties, litigation, claims, etc.

42. Describe any delinquent company state or federal payroll and income taxes (amount due, period of delinquency, and payment agreements).

43. If construction or other type of company requiring bonding, describe your company's current bonding capacity (single job or aggregate) and source. Indicate if source is corporate or individual surety. If individual surety, indicate if surety has ever been accepted by a federal agency on a government contract. Indicate if you are required to have third party indemnification on corporate bonds or an SBA guarantee.

44. Schedule of Compensation of Officers & Directors.

<u>Name</u>	<u>Title</u>	<u>% Ownership</u>	<u>Annual Salary</u>

45. Provide below a projected operating statement for the next two company fiscal years.

<u>Projected Operating Statement</u>	<u>(Name of Business)</u>
<u>Net Sales</u>	
8(a)	
non-8(a) Gov't	
Commercial	
TOTAL SALES	
<u>Cost of Goods Sold</u>	
Material Purchases	
Direct Labor	
Subcontractors	
Other Direct Costs	
GROSS PROFIT	
<u>Variable Expenses</u>	
Salaries-Officers	
Gross Wages	
Welfare & Pension	
Repairs and Maintenance	
Auto and Truck	
Bad Debts	
Administrative	
Advertising	
Operating, Supplies, & Other	
TOTAL VARIABLE EXPENSES	
<u>Fixed Expenses</u>	
Rent	
Utilities	
Insurance	
Taxes & Licenses	
Interest	
Depreciation	
TOTAL FIXED EXPENSES	
NET PROFIT (before income taxes)	

46. Estimate below cash flow projections for a twelve-month period for the applicant's next full fiscal year. Indicate the year and the beginning month.

Cash Flow Projection

(Name of Business) _____													
Year _____													
Months													
	1	2	3	4	5	6	7	8	9	10	11	12	TOTAL
<u>Receipts</u>													
Cash on hand (beginning)	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
Receipts-Sales	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
Other Receipts	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
Total	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
 <u>Disbursement</u>													
Purchases	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
Gross Wages	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
Payroll Exp. (taxes, ect.)	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
Outside Svcs.	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
Accounting & Legal	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
Rent	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
Utilities & Telephone	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
Insurance	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
Taxes (real est.) (etc.)	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
Interest	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
Repairs & Maint.	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
Auto, Trucks & Travel	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
Equipment	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
Purchases	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
Loan	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
Repayments	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
Other Cash Payments	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
Specify	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
 <u>Total Cash Paid Out</u>													
Cash Balance (end of month)	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____

47. Report of Jobs in Progress

\_\_\_\_\_  
(Name of Business)

Effective Date

<u>Job #</u>	<u>Project Name</u>	<u>Total Contract Amt.</u>	<u>% Completed</u>	<u>Amount Earned</u>	<u>Amount Billed</u>	<u>(Over/Under) Billed</u>	<u>Payments Received</u>	<u>Amount Due</u>	<u>Est. Compl. Date</u>

48. Schedule of Notes and Loans Payable

<u>To Whom Payable</u>	<u>Original Amount</u>	<u>Balance</u>	<u>Interest Rate</u>	<u>Maturity Date</u>	<u>Monthly Payment</u>	<u>Security</u>	<u>Current/ Past Due</u>
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____

Date of this Schedule \_\_\_\_\_

**SECTION XI - CONTRACT SUPPORT TARGETS**

49. Forecast the aggregate dollar value of contracts to be sought under the 8(a) program and non-8(a) competitive basis for the next program year and the succeeding program year. The forecast should be realistic and based on your management, technical, and financial capability. Keep in mind that your company cannot rely totally on 8(a) contract support .

	<u>Program Year</u>	<u>Program Year</u>
8(a) Support	_____	_____
Non 8(a) Support	_____	_____
Total Support	_____	_____



50. Identify the type of 8(a) contract opportunities being sought by description and corresponding North American Industry Classification System (NAICS) Code. This will constitute your request for approval of NAICS codes in which you are seeking 8(a) contract support. You should request approval of only those NAICS codes for which you have current capability and which are a logical progression of your primary industry classification. As you develop new capability, you may request approval of additional NAICS codes. Your BDS may question or require documentation of capability in certain NAICS codes outside of your primary industry classification.

Description of Products/Services

Primary NAICS Code

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Description of Products/Services

Secondary NAIC Codes

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51. Describe any assistance your company may need from SBA during the next 12 months, other than 8(a) contract support, to help achieve its business development objectives, i.e., business loan, surety bond, counseling in specific areas, training in specific areas, etc.

52. Describe any other information which you feel is pertinent to understanding your company's past, present, and projected operations.

1. \_\_\_\_\_  
Signature of preparer if other than 8(a) Firm

\_\_\_\_\_  
Print or type name of preparer

2. If 8(a) Firm is Sole Proprietor, Sign Below

By: \_\_\_\_\_ Date

3. If 8(a) Firm is partnership, all Partners Sign Below

By: \_\_\_\_\_ Date

By: \_\_\_\_\_ Date

By: \_\_\_\_\_ Date

By: \_\_\_\_\_ Date

By: \_\_\_\_\_ Date

4. If 8(a) Firm is Corporation, Affix Seal

Corporate Seal

By: \_\_\_\_\_  
President's Signature

Please Note: The estimated burden for completing this form is 10 hours per response. You are not required to respond any collection of information unless it displays a currently valid OMB approval number. Comments on the burden should be sent to U.S. Small Business Administration, Chief, AIB, 409 3RD St., S.W., Washington D.C. 20416 and Desk Officer for the Small Business Administration, Office of Management and Budget, New Executive Office Building, Room 10202, Washington, D.C. 20503. OMB Approval (3245-0331) **PLEASE DO NOT SEND FORMS TO OMB.**

For SBA's use in determining burden, please state amount of time necessary to complete this business plan.

\_\_\_\_\_ Hour \_\_\_\_\_ minutes