

***There is no substitute for accurate knowledge.  
Know yourself, know your business, know your men.  
– Randall Jacobs***

## **BUSINESS OVERVIEW**

This is the first section of your business plan. It provides the basic information that defines your business, sets the tone of your business, and illustrates your ability to run the business. It is comprised of the following sections:

- **Description of the Business**

The description of your business is a concise summary of where your business is at the present time. This is a very important section because the words that you use here are the same words that you will be using to describe your business to family, friends, suppliers, customers, and sources of financing. For example, you must tell:

- *The complete name of the business.*
- *Who owns it (include everyone applicable)?*
- *The legal structure of the business (sole proprietorship, partnership, corporation, limited liability company, etc.).*
- *The location of the business (Be sure to include the address, city state and zip code. If it is going to be a home-based business, state that also).*
- *If it has already started, state how long has it been in operation. If it hasn't stated yet, provide an anticipated start date.*
- *The type of business it is (retail, service, manufacturing, construction, non-profit, etc.).*
- *A thorough description of the products and/or services your business will offer. Make sure it is written in a way that the average reader will understand it.*
- *A brief statement explaining why this business will be successful.*

Explain how your company is doing if it is already in operation. This can be done with one or two exhibits that illustrate significant financial accomplishments such as total revenue and profit.

- **Vision Statement**

There is a phrase that is repeated frequently in business: If you do not know where you are going, any road will take you there. This is why pilots are required to file a flight plan that has starting and ending points with a route along the way. A vision statement is a paragraph describing where your business should be in five years. Think about your business five years from now. Describe, in writing, what you see. Your vision statement will be a powerful force encouraging you to achieve your dream.

- **Vision Trigger**

A vision trigger is a brief four to seven word phrase (or slogan) that summarizes what the business is all about, e.g., "Ready to wear when promised" is the vision trigger for a dry cleaning chain. It is the business' commitment to customers that their garments will

be "ready to wear" at the time both the customer and the business agreed upon. The vision trigger is also a description of the essence of the business that promotes easy recall by customers. Many companies are now including their vision trigger in their marketing and promotion materials.

- **Mission Statement**

Your vision statement is your five-year goal. Your vision trigger is a brief summary of your business. Your mission statement is your path to your goal. Your path is constructed with paving blocks that together comprise essential elements of your business. For example, your customer-market, product-service, geographic area that you will serve, business philosophy, concern for public image, and other elements that are important. Write a brief sentence or two about each of these elements.

- **Business Objectives**

Business objectives are mile markers along your path to your goal. They are measures of your progress toward your goal. Each business has different objectives and strategies. You should identify objectives for your business that address revenues, profits, product innovations, employment, and business growth. For example:

- *A profit of 20% by the end of year three.*
- *Gross revenues of \$100,000 at end of first year.*
- *Create one new product each year.*
- *Hire an experienced manager by year four.*
- *Expand sales to western states by year five.*

One way to check to see that you have well written objectives is to ask if they are SMART objectives:

**S** = Specific  
**M** = Measurable  
**A** = Attainable  
**R** = Realistic  
**T** = Timeline

- **Management Capability**

This is where you explain why you are a good candidate to run this business. You should review the following areas of your life and state specific elements that help support, justify and/or explain why you have the "right stuff" to successfully operate the business:

- *Personal history - Do you want to start your particular business because you acquired the skills and training through a hobby or an activity outside of work? For example, a personal history (i.e., "I've been doing this since I was a child," or "This activity has been a tradition in my family for three generations.") is a common training ground for many kinds of businesses including food preparation, arts & crafts, carpentry, and automotive repair & restoration.*

- *Education and training - Did you ever receive a degree, certificate or any type of specialized training that would help you run this particular type of business?*
- *Related work experience – Does your employment history include working for a similar business and/or business management duties?*
- *Duties and responsibilities of partners (if you have/are going to have partners).*
- *Don't forget to mention that you will use the services of the entrepreneur's three best friends: a banker, an accountant, and an attorney. Also mention any other business resource agencies (Colleges/universities, Business Incubators, Small Business Development Centers, Chambers of Commerce, etc.) that you will use as resources for assistance in running and growing the business.*

- **Support Personnel**

You should discuss your support personnel (if any). What are your needs? Are personnel available? Is seasonal, temporary, full-time or part-time help needed?

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**THE BOTTOM LINE:**

***This section must provide the reader with a clear and complete understanding of the overall structure of your business, the products/services of your business provides and demonstrate your ability to run the business.***