

Updating Your Plan

Your quest for financing may take many months, and your plans for your company may change during that time, especially if yours is a new enterprise. You want to make certain that your written plan is always reasonably current with your actual business strategy and position.

So, before sending out a plan to a new financing source, review its contents and update it. Bring your financial information up to the close of the last month or quarter, revise your financial projections to reflect recent developments, and add descriptions of any new members of management.

“
If you put your plan in a secure area on a website, then it’s a convenient way to get the plan to potential people to read. It’s easy to read it, to print it, but it’s much more accessible than paper. It’s a lot less for me to carry if I want to read it at home or on the road. I can download it to my flash drive and read it on a plane. I could print it and throw it away, knowing it’s always there for me to read.”

Mark Gorenberg
Venture Capitalist

Chapter Summary

The appearance of your business plan should be of the same high quality as its contents. It should be a good representation of you and your company. Prepare your plan with care, and include active language, graphs and charts, and attractive page layouts and businesslike typefaces. Pay attention to the final touches such as the cover sheet and table of contents. Once you have completed your written plan, review and edit it carefully — and update it as needed. Before you distribute it, you may want to draw up a Nondisclosure Agreement for less sophisticated investors, potential employees, suppliers, and the like to sign.

Consider preparing a slide presentation, as more-sophisticated investors will want to see one before even looking at the written plan. You may also want to put your plan online on a password-protected site.

12 CRITICAL SLIDES



Title slide: your company's name, a short company description, name of presenter(s) if presenting in person.

A content slide with a white background and a thin blue double-line border. The title 'What We Do' is centered at the top in a black, sans-serif font. Below the title is a horizontal line. The main content area contains a bulleted list of services in black text: 'Business software training services for corporate clients', 'Classes conducted on-premise or online', 'B2B and B2C target markets', and 'First 9 months: \$171K revenue'. At the bottom is a teal horizontal bar containing the 'ComputerEase' logo with its sun and cursor icon.

Your elevator pitch: a succinct description of your products or services, market, and competitive advantages. Use vibrant language, and if possible, embed audio or video to demonstrate your product or service.

The Opportunity

- Corporate training in No. America
= \$130 billion industry
- 42% of training outsourced
= \$54.8 billion
- No market leader
- Huge growth in online training
- Franchise opportunities



Size of opportunity: this is what investors — VCs even more so than angels — want to know. To what size can your company potentially grow and what are your plans for future development?

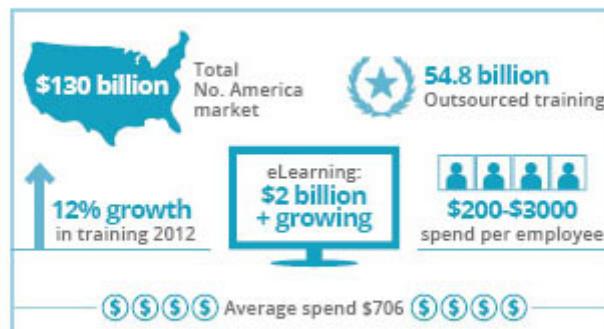
Target Market

- Corporations with 50+ employees
- Government, insurance, financial, health care, engineering, colleges
- 2,000+ corporations in Vespucci area
- Online market includes U.S. and other English-speaking countries



Your specific target customers: who they are and the customer needs that your product or service will meet.

Market Size



The market size: numbers and dollars, past growth, growth forecasts.

Competition

Current competition:

- Heavily fragmented, no leader
- 3 national training companies
- Online colleges & universities
- Small companies & individual trainers

Competitive advantages:

- Strong team; experienced trainers
- Outstanding training materials
- Corporate market focus
- Certified training



The competition: division of market share, how your product compares to theirs, your value proposition in comparison to the competition's, and barriers to entry.

The Team

Founders:

Scott E. Connors: President

- Experience selling tech services

Susan Alexander: VP, Marketing

- Experience selling to target market

Advisory Committee Includes:

- Top customer targets
- Dr. A. A. Arnold, Instructional Design



Your team: who they are, their past successes and experience, and why they are qualified to do the job.

Business Model

- B2B: Top pricing for customized training
- B2C: Top pricing for certification training
- In-house sales team
- Per-seat annual subscription



The business model: how you will distribute your product, pricing strategies, how you will reach your customers.

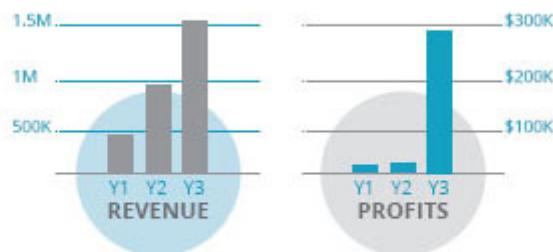
Milestones

- January, 2014 – launched
- August, 2014 – opened first center
- To date
 - \$171K revenue
 - 184 training sessions
 - 11 key corporate clients
- 2015 – second center opens
- 5 years
 - \$5 million annual online sales
 - 5 locations
 - \$8 million total annual sales



Milestones: a time line that outlines when you expect to reach key achievements.

Financials



Financials: a brief summary of key points from your income statement, balance sheet, and/or cash flow projections.

Funding

- Funds sought: \$160,000
 - Training Center, staff, marketing
- Funding to date
 - \$60K investment – Connors
 - \$70K loans – Connors/family
- No future funding rounds



Funding: how much you are asking for in this round, how many future rounds are expected, how much you will request during those rounds, and how the funds will be used.

The Upside

- High projected annual sales & ongoing profitability
- Proven business concept
- Key customers secured: RockSolid Insurance, Vespucci National Bank, Vespucci State University
- No significant local/regional competition
- Strong potential franchise opportunity



The investment opportunity: potential exit strategies and financial return for investors.