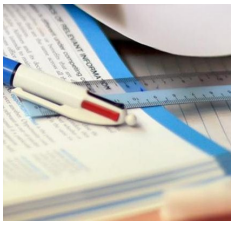
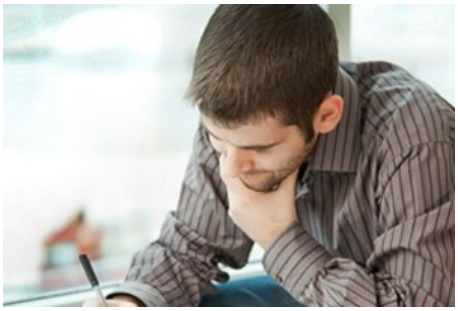
Montana Small Business Development Center NETWORK



SBDC START-UP SERIES: THE BUSINESS PLAN



About the Montana SBDC

The Montana Small Business Development Center (SBDC) Network is a strategic partnership between the Montana Department of Commerce, U.S. Small Business Administration, regional economic development organizations and institutions of higher education.

The Montana SBDC Network consists of ten centers throughout the state that provide free, confidential, one-on-one business counseling and low-cost training programs to small businesses and entrepreneurs.

The SBDCs are dedicated to helping small businesses throughout Montana achieve their goals of growth, expansion, innovation and success. Our Network combines the resources of federal, state and local organizations with that of the education system and private sector to meet the specialized and complex needs of the small business community.

Visit www.sbdc.mt.gov and contact the SBDC nearest you to learn more about what counseling services and training programs are available in your area.

"Why should I write a business plan?"

The preparation of a well thought-out business plan should be one of the primary goals of any and every business (existing or start-up). The formal business plan process can sometimes seem intimidating, but it is actually quite straightforward. Here are five good reasons why you should write a business plan:

To test the feasibility of your business idea.

Writing a business plan is the best way to test whether or not an idea for starting a business is feasible (other than going out and doing it). In this sense, the business plan is your safety net; writing a business plan can save you a great deal of time and money if working through the plan reveals that your business idea is unsustainable.

To give your business the best possible chance of success.

Writing a business plan will ensure that you pay attention to both the broad operational and financial objectives of your business AND the details, such as budgeting and market planning. Taking the time to work through the process of writing a business plan will make for a smoother start-up period and fewer unforeseen problems as your business becomes established.

To secure funding.

If you're going to need both operating and start-up capital to start a new business, your chances of getting money from established financial institutions are slim without a well-developed business plan. An established business often needs money, too, to do things such as buy new equipment or property or because of market downturns.

To make business planning manageable and effective.

A business plan is essential if you're thinking about starting a business, but it's also an important tool for established businesses. Viable businesses are dynamic; they change and grow. Reviewing your business plan can help you see what goals have been accomplished, what changes need to be made or what new directions your company's growth should take.

To attract investors.

Whether you want to shop your business to venture capitalists or attract angel investors, you need to have a solid business plan. A presentation may pique their interest, but they'll need a well-written document they can take away and study before they'll be prepared to make any investment commitment. Be prepared for your plan to be scrutinized.

For more information about the business planning process, contact your local SBDC Business Advisor!

MONTANA DEPARTMENT OF COMMERCE

SBA U.S. Small Business Administration

AMERICA'S SBDC ACCREDITED MEMBER

Funded in part through a Cooperative Agreement with the U.S. Small Business Administration. All opinions, conclusions or recommendations expressed are those of the author(s) and do not necessarily reflect the views of the SBA.