



Tempus



TEMPUS Project CREATE

Stimulating Croatia's Entrepreneurial Activities and
Technology Transfer in Education



TEMPUS CREATE CROATIA Business Plan Competition 2007

A business plan has dual purpose. It should be a living document to help you to start and grow your new venture. It is also a sales tool that should help you gain credibility and funding for your idea.

Your business plan should explain in outline how your business will work and why this particular operating model will work. Potential investors who read the plan will be experts in new venture creation but are unlikely to be experts in your technical field. For this reason you should minimise the number of technical terms you use and ensure you define and explain those you do use.

For the TEMPUS CREATE Business Plan Competition your Plan should no be longer than **20 pages**. This limit includes any appendices. *The judges will not read past page 20.*

A Business Plan usually has the following sections:

Section	Typical content
Executive Summary	One page summarising the business. What is your idea? What does the product, process or service do? What market opportunity does it meet? What finance are you seeking to raise? What is the investment opportunity?
Company history and Status	One paragraph explain the origins of the company and what legal status it presently has i.e. pre formation or d.o.o.
Product, Service or Process	Several paragraphs explaining your business idea. Briefly outline the technology if appropriate. Explain the USPs (Unique Selling points).
The Market	Define the target segment market for your business. Who are your potential customers? What is the size of the market? What are the important trends and drivers? Who are your main competitors?
Business Model	What strategy will you adopt to best fit your business to the market opportunity?
Marketing Plan	How will you reach your target market (sales channels etc).
Operations	How will your product or service be produced, delivered and supported?
Team	Who are the people who will be managing the business? Is your existing team credible to investors? Will you be seeking more people for the team to fill gaps in the experience and skills needed to run the business?
Finance and Financing	Estimated how much time and money will be needed to get your product to the market? Estimate your sales growth and when the business might "break even" and start to be profitable. How much money will be needed at each stage What form will your financing take? Debt or equity or a mixture of both?
Risks and exit strategy	Explain the main risks including those relating to protecting your Intellectual Property. Describe the main barriers to entry to the target market. Outline the threats from your competitors.



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Notes.

1. This is not a definitive outline for the business plan. The issues above should be covered but each business plan will be slightly different and the importance of each section will vary depending on the business opportunity.
2. "Investors invest in teams not technology". An individual entrepreneur should demonstrate that they understand how their team will need to grow to cover all areas of expertise required by the business.
3. It is a common mistake to focus too much on the product or underlying technology: the plan should clearly demonstrate an understanding of the market opportunity and benefit to the customers.
4. Investors are seeking a "Return on Investment" (ROI). Ensure that the "exit route" is adequately explored.

The Judges will be looking for evidence of "investability" (Would a real investor put money into your idea). They will want to see evidence that you understand your target market and how to reach it. They will want to be convinced that you can exercise financial control. They will examine your team for credibility and coverage of the major functional areas.

For more details on the judging assessment and breakdown of the marks see the document "Business Plan Judging Criteria".