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BUSINESS PLAN STRUCTURE

1. **Cover page - 1 page**
2. **Summary - 1 page**
3. **Product description - 1-2 pages**
4. **Manufacturing process - 1-2 pages**
5. **First segment of clients 1 page**
6. **Price argumentation 1 page**
7. **Financial projections 1 page**
8. **Starting Costs and Requested funds - 1 page**

COVER PAGE - 1 PAGE

- * Name of Author,
- * Name of the idea,
- * Name of the Product and photo,
- * Educational Institution,
- * Name of the teacher/mentor,
- * Date of submission,
- * Contact details - telephone and email of the author.

SUMMARY - 1 PAGE

The executive summary goes near the beginning of the plan but is written last. It should provide a short, concise and optimistic overview of your business that captures the reader's attention and gives them an interest in learning more about it.

The summary is going to cover:

- * The product description with a photo and price
- * Manufacturing description (requested equipment)
- * First segment of clients
- * Monthly production, sales and profit
- * Requested starting costs

PRODUCT DESCRIPTION

Provides customers with details around features of the product. What problem the product helps to solve. What are the benefits of the product.

- ✦ Who is the product for?
- ✦ What are the product's basic details? (dimensions, materials, product features and functions.)
- ✦ Where would someone use this product? (indoor or outdoor, for your car or your home, office, school, etc)
- ✦ When should someone use the product? Is it meant to be used during a certain time of day, seasonally or for a specific type of occasion?
- ✦ Why is this product useful or better than its competitors? This can be anything from quality to value to features.
- ✦ How does the product work?
- ✦ Photos of the product.
- ✦ How or why did you come with this product idea (personal story/experience).

Evaluation criteria

How clear is the description of the product.

MANUFACTURING PROCESS

Explain the production process:

- ✦ Describe the physical location /necessities of the production (how many square meters do you need and what are the requirements).
- ✦ Describe the equipment you need. Each equipment should be described separately (including its technical performance, price and supplier).
- ✦ Describe what types of raw materials you need for production (including prices, quality features of the materials and supplier)
- ✦ Describe prototypes produced and results of each testing
- ✦ Describe/draw the scheme of the production process
- ✦ How many people are required to be involved in production process? At minimum production? At maximum production scale?
 - ✦ Production capacity with minimum number of people (per 8 hours and per month).
 - ✦ Production capacity with maximum number of people (per 8 hours and per month).

Evaluation criteria

At least 3 prototypes were made (evidence)

There are technical improvements after each prototype (evidence)

How did you increase the cost-efficiency (materials, less time to produce, number of people involved)

There are improvements to prototype made based on clients needs assessment (evidence)

FIRST SEGMENT OF CLIENTS

Explain the marketing process:

- Describe your first segment of clients.
 - What are the results of the first segment of clients needs assessment (interviews)? How many did you interview? What did they answer to your questions?
- What ideas for the next segment of clients do you have?
- How will you present your offer to the first segment of clients.
 - Describe the offer and price.
 - Describe the communication channels. Visits to clients or telephone calls? Other tools to present/explain your offer?
- What are the results of the first trial selling attempts?
 - How many clients did buy the product? Why?
 - What feedback they gave?

Evaluation criteria

Clients Need Assessment managed to identify specific requirements regarding the product

At least 5 clients bought the product with the final price (the proposed price)

The first segment of clients is clearly described (not too large/broad - maximum 100 clients)

The communication tool with the first segment of clients is clearly described

There are ideas for the next segments of clients

PRICE ARGUMENTATION

Explain the reasons behind the price of your product:

Direct costs (apr. 50% from price)

- Materials (per unit)
- Labour (per unit)
- Depreciation of the equipment (амортизация оборудования) (per unit)
- Transportation, others (per unit)

Indirect Costs (apr. 30% from price)

- Marketing costs (per unit)
- Administration costs (per unit)
- Other (per unit)

Profit (apr. 20% from price) (per unit)

Sample table

Description	Quantity	Unit Price	Cost
Materials (per unit)			
Labour/salary (per unit)			

Description	Quantity	Unit Price	Cost
Depreciation of the equipment (амортизация оборудования) (per unit)			
Transportation, others (per unit)			
Marketing costs (per unit)			
Administration costs (per unit)			
Other (per unit)			
Total			

What are the competition prices for similar products of similar quality? (provide evidence).

Evaluation criteria

All costs are covered

The price respects the 50-30-20 rule

The price of the competition is equal or lower (evidence)

Financial projections are realistic

MONTHLY FINANCIAL PROJECTIONS

Description	Quantity	Unit Price	Cost
SALES			
PRODUCT 1			
PRODUCT 1 PRICE WITH DISCOUNT			
PRODUCT 1			
PRODUCT 1 PRICE WITH DISCOUNT			
DIRECT COSTS			
MATERIALS			
LABOUR/SALARIES			
EQUIPMENT			
TRANSPORTATION			
INDIRECT COSTS			
ADVIRTISEMENT			

Description	Quantity	Unit Price	Cost
ADMIN			
OTHER			
Total			

Evaluation criteria

Prices and costs are realistic

All costs are included

At least 20% profit

50-30-20 rule is respected

RESOURCES AND COSTS NEEDED TO START-UP

Description	Quantity	Unit Price	TOTAL OR IN-KIND	WHO IS GOING TO COVER
Total starting costs				
Location/space - renting				
Equipment - leasing/renting/buying				
Raw materials for production of the first lot				
Advertisement expences				
Labour for production of the first lot				
Total				
Requested starting costs				
Location/space - renting				
Equipment - leasing/renting/buying				
Raw materials for production of the first lot				
Advertisement expences				
Labour for production of the first lot				
Total				

Evaluation criteria

Prices and costs are realistic

All costs are included

Requested starting costs are according to Small Grants Program limits

Other starting costs are covered by partners or family

PROPOSED STRUCTURE OF A BP PRESENTATION DURING BP CHALLENGE

Product idea

- Introduction of the product and the need is intended to meet, or the problem it is intended to solve.
- Demonstration of its efficiency / performance
- Describe the materials and costs needed to produce the product.
- Describing the process of production (problems /successes) and materials it was made from
- Describing the qualities of the ideal product and how close they managed to produce the prototype.
- Are they going to continue to improve the prototype? How? Ideas for future.

Clients

- Describe the first segment of clients and the needs were identified during survey
- How the ideas of clients had an influence on the product design?
- Did analysis of the materials and costs had any impact on product design?
- Demonstration of the ways the product meets the expectations of the first segment of clients
- What are the results of first attempts to sell the products.

Price and Financial Projections

- What is the price of your product and explain how did you reach this price.
- Monthly production, sales, costs and profit
- Starting Costs and requested costs/funds

BUSINESS PLAN EVALUATION TABLE

Criteria	Max Points	Points
Team player		
Minimum 2 members of the team		
At least 2 members of the team are involved in Business Plan Presentation	5	
Prototyping		
At least 3 prototypes were made (evidence)	10	
Performance - the prototype solves the problem it was designed to solve. (or fulfills the need it was designed to fulfill).	10	
How did you increase the cost-efficiency (materials, less time to produce)	5	
There are technical improvements after each prototype (evidence)	5	
There are marketing improvements after prototyping based on clients needs assessment (evidence)	5	
Sales		
Needs Assessment - what specific clients requirements the product meets	5	
At least 5 clients bought the product with the final price	10	
The first segment of clients is clearly described (not too large/broad)	5	
The communication tool with the first segment of clients is clearly described	5	
There are ideas for the next segments of clients	5	
Profit		
The price respects the 50-30-20 rule	5	
The price of the competition is equal or lower (evidence)	10	
Financial projections are realistic	10	
Presentation		
Quality of the presentation	5	
Confidence of the Presenter(s)	5	
Total points	100	