

# Sample Business Plan

## Enter Farm Name

Contact Information  
Date Prepared

## Proposal/Business Need

Clearly define what you are proposing or the need of your business.

For example, “ABC Business needs a term loan of \$500,000 to purchase replacement equipment for our operation”.

## Benefit/Solution

Explain how the proposal will affect your business and operations.

For example, “The replacement equipment will allow us to increase sales by 20% to \$1,000,000 for the year. It will also allow us to reduce our expenses by 15% within the first 8 months, resulting in a projected net profit of \$400,000 for the year.”

## Business Profile

- **Type of Business**
  - Summarize what business you are in
  - Ex.) Dairy Farmer, Sawmill Operation, Contract Hog operation, Crops, etc.
  
- **Production and Market Summary**
  - Define the specifics of your operation and summarize what is your market?
  - Ex.) Dairy – cow numbers, type of cows, average lbs./day/year, price per CWT, where you sell milk
  - Ex.) Sawmill – board feet/year, source of logs, market for lumber
  - Ex.) Contract Hogs – integrator used, number of buildings, animals per building
  - Ex.) Crops – acres of each crop grown, contract price, average yield per acre, who you contract with/sell crops to
  
- **Business Objectives** – what are your business objectives in the coming years?
  - Objective 1
    - Goals set to accomplish objective
  - Objective 2
    - Goals set to accomplish objective
  
- **Management/Labor Summary**
  - Describe the ownership structure (Partnership, LLC, S-Corporation, Proprietorship)

- Describe management team
  - List key members and their roles
  - Identify the strengths and weaknesses of your management team
    - Ex.) John Smith – herd manager
      - Strengths – 25 years experience managing large herds
      - Weakness – Could be ready to retire in next 5 years
  - Describe any gaps or weaknesses in management
    - Ex.) Need to have a succession plan in place in anticipation of herd manager retirement
  
- Describe labor pool
  - Do you employ full time salaried employees, hourly employees, migrant labor, etc?
  
- **Business Influences**
  - What do you view as the most important internal and external influences on your business right now?
  - Ex.) The housing market continues on a downward trend, and this has a direct affect on the prices I get for lumber
  - Ex.) Volatile milk prices mean that I may show little or no profitability next year
  - Ex.) I am part of a family business, and my parents are ready to transition into retirement
  - Ex.) I board horses, and 2 new boarding barns were just constructed within 50 miles of my operation
  
- **Future Plans**
  - Describe your long-term strategy for your business. Where do you see your business going in the future?
  - How will you best capitalize on the strengths and opportunities for your business?
  - How will you mitigate the threats and weaknesses in your business?
  - Do you have plans to grow the business?
  - What are your future management or ownership plans?

## SWOT Analysis

Use this to summarize the strengths, weaknesses, opportunities, and threats you see for your business. Strengths and weaknesses should focus on characteristics of your business (internal focused). Opportunities and threats should identify outside areas that can affect your business (external focused)

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|---|---|
| <p><u>Strengths:</u></p> <ol style="list-style-type: none"><li>1. List the strengths of your business here</li></ol>                  | <p><u>Weaknesses:</u></p> <ol style="list-style-type: none"><li>1. List the weaknesses of your business here</li></ol>    |
| <p><u>Opportunities:</u></p> <ol style="list-style-type: none"><li>1. List the opportunities you see for your business here</li></ol> | <p><u>Threats:</u></p> <ol style="list-style-type: none"><li>1. List the threats you see for your business here</li></ol> |