



# Business Plan Guidelines

## Business Plan Submission Rules

The main text of the business plan is limited to 10 pages, not including Cover Page, Executive Summary, Table of Contents and Appendix. The Appendix should be no more than five pages. The Appendix will not be graded, and thus the judge has no obligation to read it.

In the second round of the MIT-CHIEF Pitch to China Business Plan Contest, teams are required to provide a more detailed and comprehensive plan of the business. The following issues and topics are may be helpful:

## 1 Business Description

### 1.1 Problem and Product Overview

- Provide a snapshot of your company/prototype, explaining who you are, what you do and why?
- What problem do you try to solve? What is your solution for the problem mentioned?
- How will the customers benefit from your solution? What is the compelling advantage of your solution?
- At the current stage of your company/prototype, what important milestones have you achieved? (history of the company)
- What is the current goal of your company/prototype? How about 3 5 year goal?

### 1.2 Industry and Market Overview

- What industry and sector is the business involved in? What stage is the industry in? (Emerging, Growing, Maturing, or Declining?)
- How big is the market? Whats the annual growth rate?
- What are the barriers to entry in this industry? Who are the major players?
- Provide a general profile of your targeted market. (Who are the customers?)

### 1.3 Risk and Regulation

- Do you have any patent for your solution? Is there any IP or regulation issue with the project? Who owns the IP?
- What are some special licenses and / or permits your business operates requires?
- What are the risks you anticipate for your business? Provide your strategy for dealing with them.

## 2 Solution / Technology (required)

- What is your solution for the problem stated?
- Is it a painkiller for a bottleneck? Or a vitamin that is nice to have?
- How will the customers benefit from your solution?
- What is the compelling advantage of your solution?
- Do you have any patents for your solution?
- Are there any intellectual property or regulation issues related to your project? Who owns the intellectual property?

## 3 Operations

- How do you position your product?
- What's your product/services cost structure? Do you have cost advantages compared with your competitors?
- What are your channels of distribution to the market? Are those channels stable?
- Who are your suppliers and collaborators in along the value chain? How can you approach to them?
- Provide a chart for flow of operation.

## 4 Marketing

- Specify a general profile of your targeted market. (Who are the customers?)
- How much market share is the business currently holding or anticipating holding?
- What's your pricing strategy? Are customers sensitive to your price?
- Provide your marketing strategy or specific plans of how the business is going to capture the customers. (You can use 4Ps: Promotion, Price, Place, Product)

## 5 Organization and Management

- Provide a description of how your company is organized? (organization chart)
- Provide a brief bio description of your key team members. What are their functions or responsibilities? Who is the leader?
- Do you have any recruiting plan? For what kind of people?

## 6 Competition

- Who are the competitors in the market? What are their market shares?
- What is your most compelling advantage over your competitors?
- SWOT Analysis, which includes Strength, Opportunities, Weakness and Threat.

## **7 Finance / Investment**

### **7.1 For existing businesses**

- Provide previous years' Income Statements, Balance Sheets and Statement of Cash Flow
- Provide a projection of Income Statement, Statement of Cash Flow, and Balance Sheet for the following three fiscal years
- Explain the financial structure of the business: Who are the shareholders? Whats the debt structure?
- If the business will raise capital, how much money will the business need? In return of how much equity? Provide any fund raising plan that you may have.
- Where will the money put into use? (What is the percentage allocated to in R&D, market, etc)

### **7.2 For conceptual stage businesses**

- Provide a start-up cost estimation table
- Explain the financial structure of the business: Who are the shareholders? Whats the debt structure?
- Provide a projection of Income Statement, Statement of Cash Flow, and Balance Sheet for the following three fiscal years
- When will the business breakeven? When will the business turn cash flow positive?
- If the business will raise capital, how much money will the business need? In return of how much equity? Provide any fund raising plan that you may have.
- Where will the money put into use? (What is the percentage allocated to in R&D, market, etc)

## **8 Others / Supplementary materials**

- Please feel free to list any other key aspects of your company not mentioned above.