
Business Plan Requirements

A business plan provides a view of the future for a new or existing business. The business plan will clarify the business idea, assess the market and determine if the business will be profitable. A Sample Business Plan is found in this Appendix. Low-cost assistance and training in preparing a business plan is available from Small Business Development Centers (SBDC) located throughout the United States. Although a complete business plan as found in this Appendix is recommended, additional requirements for the Business Plan are as follows:

1. Documentation of Business, Company, or Organization
2. Narrative Description of Who Will Perform Work
3. Description of Business Experience and Past Performance Evaluations
4. Financial Resources (Financial Statement, Form FS-6500-24, and Request for Verification, Form FS-6500-25).
5. Payment History/Credit References
6. Cash Flow Projection for The First Three Years of Operation
7. Income Projection by Month For the First Three Years of Operation
8. Estimated Fee to the Government

Additional requirements for the Business Plan are specified below:

DOCUMENTATION OF BUSINESS, COMPANY, OR ORGANIZATION

Applicants should include information about the business organization and organizational structure, i.e., organization and/or individual name, mailing address, designated agent, evidence of incorporation and good standing, and name and address of each affiliate of the applicant.

Applicants that are limited-liability companies should provide the names and interests of the company's principals.

Should the applicant not be incorporated in the state where the concession is located, the applicant must submit a license to do business in that state.

NARRATIVE DESCRIPTION OF WHO WILL PERFORM THE WORK

Applicants should specify whether the applicant will perform the operation-and-maintenance work, or if a third party will be used. Should a third party be used, identify the entity to be used, its address, and the individual who will be responsible for any of the operational aspects of the concession, and describe his/her relevant experience.

DESCRIPTION OF BUSINESS EXPERIENCE AND PAST PERFORMANCE EVALUATIONS

Applicants should furnish a detailed description of their experience as it relates to operating and maintaining commercial recreation opportunities and sites. The description should include experience in private business, public service, or any nonprofit or other related enterprises. For each business venture, include the following information:

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- The dates for the business experience
 - The location of the business
 - A description of services provided
 - A description of customers served
 - The number of employees supervised
 - The volume of business

Applicants who have experience in managing Forest Service or other Government campgrounds must provide copies of annual written performance evaluations for the most recent three years of operation under each special use permit held. If a written performance appraisal was not given, this fact must be stated.

Applicants should also furnish three business references, with the names, addresses, and telephone numbers in support of applicable business experience.

FINANCIAL RESOURCES

Any financial information submitted by applicants should conform to generally accepted accounting principles or other comprehensive bases of accounting. Any previously prepared financial documents that are submitted should be unredacted and in their original form, including footnotes.

The business plan and all financial information and projections are confidential information, and may not be released by the FS, to the extent allowed in the Freedom of Information and Privacy Act, 5 U.S.C. 552 and 552a, respectively.

In order to assess the technical and financial capability of the applicant, the following are required:

Financial Statement

Appendix O provides detailed instructions for individuals, corporations, newly formed partnerships, and established partnerships to submit required information for financial ability determinations.

Request for Verification

Applicants must complete Form FS-6500-25 (Request for Verification, included in Appendix P) and submit it with their business plan. They should complete Blocks 1 through 5 of the form and send a copy to each financial institution with which they do business, in order for them to complete Blocks 6 through 15 of the form. The financial institution(s) should mail the completed forms to:

**ASC, B&F
Attn: RAB
101 B, Sun Avenue NE
Albuquerque, NM 87109**

PAYMENT HISTORY / CREDIT REFERENCES

Financial ability evaluation will also include payment history. Payment history will take into account record of payments of fees to the Government for those who have permits previous to this bid or who have other business transactions with the Government and known to the evaluators.

Documentation provided by the applicant reflecting payment history in other businesses or credit reports will also be considered. If applicant has a clear payment record and no known adverse items have occurred in the last five years, applicant should attest to this clear record. The best evaluation of payment history will result for applicants with positive payment history who also attest to that record. A known poor payment record not addressed as to corrective action or mitigating circumstances will detract from the ranking.

CASH FLOW PROJECTION FOR THE FIRST THREE YEARS OF OPERATION

The cash flow projection should include an estimate of the cost of operating the recreation sites. It should also include all interim and permanent sources of funds.

INCOME PROJECTION FOR THE FIRST THREE YEARS OF OPERATION

An income projection for the first three years of operation.

ESTIMATED FEE TO THE GOVERNMENT

Propose return to government and how it will be calculated. Bids may include a flat fee to facilitate maintenance and reconditioning of government-owned improvements while supporting business plan objectives. Bids that propose a higher fee to tgovenmetn will receive greater weight in the selection process.

Business Plan Outline

Five important tips before you start:

1. The business plan should tell a compelling story about your business, explaining who, what, when, where, how and why.
 2. Your plan should be focused and clear. It is not about the number of pages or style of the cover.
 3. The plan should define specific business objectives and goals with general parameters to guide the organization.
 4. Writing a business plan should force logic and discipline into a business.
 5. A good business plan is a living document. It should be updated regularly.
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Executive Summary

This section should:

- Be written last.
- Provide an enthusiastic snapshot of your company, explaining who you are, what you do and why.
- Be less than 2 pages in length.

After reviewing this section the reader should:

- Want to learn more about your business.
- Have a basic understanding about your company.

Business Description and Vision

This section should include:

- Mission statement (business purpose).
- Company vision (statement about company growth).
- Business goals and objectives.
- Brief history of the business.
- List of key company principals.

After reviewing this section the reader should know:

- Who the business is and what it stands for.
- Your perception of the company's growth & potential.
- Specific goals and objectives of the business.
- Background information about the company.

Definition of the Market

This section should:

- Describe your business industry and outlook.
- Define the critical needs of your perceived or existing market.
- Identify your target market.
- Provide a general profile of your targeted clients.
- Describe what share of the market you currently have and/or anticipate.
- After reviewing this section the reader should know:
 - Basic information about the industry you operate in and the customer needs you are fulfilling.
 - The scope and share of your business market, as well as who your target customers are.

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Description of Products and Services

This section should:

- Specifically describe all of your products and services.
- Explain how your products and services are competitive.
- If applicable, reference a picture or brochure of your products, which would be included in the plan's appendix.

After reviewing this section the reader should know:

- Why you are in business.
- What your products and services are and how much they sell for.
- How and why your products & services are competitive.

Organization and Management

This section should:

- Provide a description of how your company is organized as well as an organization chart, if available.
- Describe the legal structure of your business (proprietorship, partnership, corporation, etc.).
- Identify necessary or special licenses and/or permits your business operates with.
- Provide a brief bio description of key managers within the company.

After reviewing this section the reader should know:

- The legal form of ownership for your business.

- Who the leaders are in your business as well as their roles.
- The general flow of operations within the firm.

Marketing and Sales Strategy

This section should:

- Identify and describe your market – who your customers are and what the demand is for your products & services.
- Describe your channels of distribution.
- Explain your sales strategy, specific to pricing, promotion, products and place (4Ps).

After reviewing this section the reader should know:

- Who your market is and how you will reach it.
- How your company will apply pricing, promotion, product diversification and channel distribution to sell your products and services competitively.

Financial Management

This section should include:

- For a New Business
 - Estimate of start-up costs.
 - Projected balance sheet (1 year forward).
 - Projected income statement (1 year forward).
 - Projected cash flow statement (12 months forward).
- For an Existing Business
 - Balance sheets (last 3 years).
 - Income statements (last 3 years).
 - Cash flow statement (12 months).
- If Applying for a Loan (in addition to the above)
 - Current personal financial statement on each principal.
 - Federal tax return for prior year.

After reviewing this section the reader should:

- Have a good understanding regarding the financial capacity and/or projections for your company.
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