

Fact Sheet # 14 Business Planning



What is a Business Plan?

A business plan is a document that summarizes the operational and financial objectives of a business and contains the detailed plans and budgets showing how the objectives are to be realized.

A good business plan will contain the following:

- Resume(s) or brief explanation of your background, relevant experience, and human resources
- Information on your legal structure and management team
- Current balance sheet
- Your business vision, mission statement, key values and goals
- Production plans
- Marketing plans
- Estimated start up costs
- A projected income statement with a written explanation of your budget assumptions
- A projected balance sheet with a written explanation of your budget assumptions
- A sensitivity analysis showing the business's break-even points
- The business plan should be less than 10 total pages in length

In addition to the farm [business planning courses](#) New Entry offers, there are a number of materials and organizations available to assist in developing your business plan. Below is a sampling of these resources:

Helpful Resources for Writing a Business Plan

New Entry Sustainable Farming Project

- New Entry offers a [Farm Business Planning Course](#) twice every year in the fall (October - December) and winter (January - February). The course meets one evening a week for 8 weeks, and costs \$400. Tuition waivers (between \$80 - \$320) may be available depending on need. New Entry accepts [applications online here](#).

Publication by Sustainable Agricultural Research Education (SARE)

- [Building a Sustainable Business](#) - A great resource for beginning farmers interested in alternative, sustainable, and/or conventional agriculture. It contains 280 pages of education and practical exercises to guide the beginning farmer through the financial, management, and interpersonal skills needed to start a successful farm business.

Getting Help Writing a Business Plan

- Richard Wiswall's [The Organic Farmers' Business Handbook](#) can help farmers improve their business and financial management to achieve sustainability.
- Massachusetts Department of Agricultural Resources' [Agricultural Business Training Program](#) - Provides assistance in business planning, reaching markets, supporting loans, financial planning, and other skills through training and technical assistance, including classes in starting a small farming business.

Contact:

251 Causeway Street, Suite 500, Boston, MA
02114-2151

Phone: (617) 626-1700



- [Merrimack Valley Small Business Assistance Center](#) - Provides entrepreneurs from ethnically and economically diverse groups with the education, tools, and resources necessary to create, sustain, and expand small businesses and to assist, stabilize, and grow existing businesses through education and technical support. Services include entrepreneurial support, education, crisis intervention, and technical assistance.

Contact:

88 Middle Street, 2nd Floor, Lowell, MA 01852

Phone: (978) 382-8400

- [Massachusetts Small Business Development Center Network](#) - Provides advisory services and training with eight advisory centers around the state.

Contact:

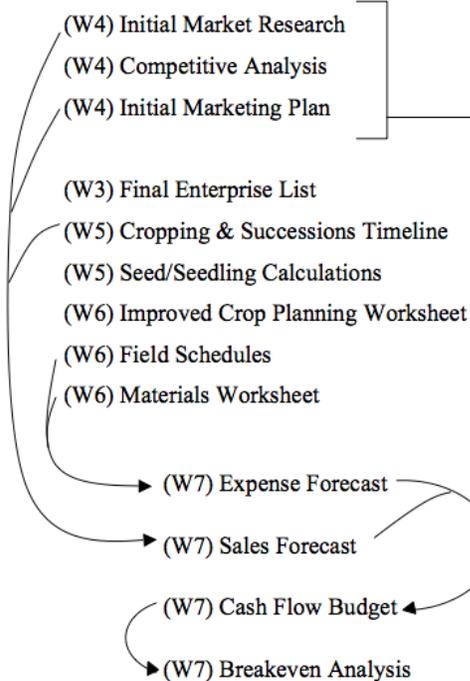
MSBDC State Office at UMass Amherst

227 Isenberg School of Management, University of Massachusetts

Amherst, MA 01003

Phone: (413) 545-6301

**New Entry Sustainable Farming Project
Final Business Plan Flowchart**



Mission Statement

Business Overview

- Goals and objectives
- Business philosophy
- Description of industry
- Core skills of business and its owners
- Legal structure

Marketing Plan

- Description of customer base
- Market environment
- Marketing Mix: Product, Price, Place, & Promotion

Operations Plan

- Location
- Personnel structure
- Soil description and characteristics
- Farm map/rotation plan
- Growing practices and farm management
- Pest and disease management

Risk Management Plan

- Response to major "what-if" questions
 - o Illness of owner/operator
 - o Loss of employees
 - o Bad weather
 - o Pests & disease
 - o Equipment failure
 - o Changes to dynamic business environment

Financials

- Expense Forecast (with explanation of key points)
- Sales Forecast (with explanation of key points)
- Cash Flow Budget
- Breakeven analysis/approximation of breakeven date



Nice additional touches (optional): Owner/operator resume(s). Photographs. Sample marketing materials. customer testimonials, etc.

- [The Massachusetts Department of Agriculture](#)- Offers a course originally designed by the [New England Small Farm Institute](#) called “[Exploring the Small Farm Dream](#)” to help aspiring farmers to learn what it takes to start and operate a farm.
Contact: Rick Chandler, rick.chandler@state.ma.us
- [Federal Small Business Administration](#) – Their Boston office provides counseling services and loan guarantees, and specializes in working with women, people of color, veterans and businesses involved in international trade.
- [SCORE](#) “Counselors to America’s Small Business” – Offers free advice and training using experienced volunteers. Find contact information for the five MA SCORE chapters below.
Cape Cod: capecodscore@verizon.net
Worcester: info@scoreworchester.org
Boston: Boston-SCORE-20@verizon.net
Western Massachusetts: score@stcc.edu
Southeastern Massachusetts: 508-587-2673

- Community Involved in Sustaining Agriculture (CISA) - Offers a Women in Agriculture workshop series that covers topics including whole farm planning, increasing farm profitability, financial planning, creating a marketing plan, and soil fertility basics.
Contact:
Devon Whitney Deal, devon@buylocalfood.org
Phone: [413] 665-7100, ext. 22
- Greenfield Community College offers [Farm and Food Systems courses](#) in topics such as permaculture, beekeeping, four season farming, and organic farming. Classes in food preservation & storage and wild foods are also available.
Contact:
Abrah Dresdale, dresdalea@gcc.mass.edu
- [The Farmer's Library](#), a project to gather and publish technical information relevant to farming, released its first guide in May 2012 called [Small Farm Equipment](#).
Contact: Jon Magee, jon@thefarmerslibrary.com
Phone: [413] 512-0504
- The [NOFA/Mass Beginning Farmer Program](#) offers young farmers and those who are coming to farming from a diverse range of careers to engage in educational opportunities appropriate for their current stage of professional farming development.
Contact:
Suzy Konecky, suzy@nofamass.org