

THE BLUEPRINT PROJECT

NEW BUSINESS FOUNDER'S FRAMEWORK

A "STARTING UP" CHECKLIST

0. LOOK AT THE BIG PICTURE - WHAT BUSINESS ARE YOU STARTING?

- Determine why you want to start a business. (Stability, Income, Solving a Major Pain, other)
- Describe your product or service.
- Hypothesize what problems you believe it will solve. What proof do you have that you are on to the right concept?
- What is the ultimate goal of creating this? (Access to new IP, Open a New Market, Give Back)
- Can you specify what end result you want your business to become in the market.
- Assess how much capital you have to risk and how long it will last.

1. VALIDATE YOUR OPPORTUNITY (IS THERE POTENTIAL FOR YOUR IDEA?)

- Look at the Industry you are entering and sub-segment out all categories that represent it.
- Decide which category you will fit in, best - where you can make waves.
- Make sure there is a true opportunity here. Is there a growing audience base, actively looking for/ demanding a solution.
- Is there a specific audience with the problem - that you can reach - who are willing to switch/ try something new for a price? How will they be willing to pay?
- Evaluate how customers solve this problem today, as well as what the competition offers. Assess the pros and cons of each. Are they defensible? Open to disruption?
- Understand the problem your offer will solve. And how you will solve it specifically. (USP)
- What defensible space could your offer capture and maintain? (Unfair/ Competitive Advantage that you bring to the market.)
- Conduct a SWOT analysis: identify the strengths that can propel you & the weaknesses that need to be managed.
- Define your Value Proposition. This is an ALIGNMENT of the *value you offer* matching the *value consumers seek*. It is the reason they would buy from you and no other.
- Validate your idea (the Product/ Market Fit) by talking to potential customers about it.

2. ESTABLISH OPERATIONS: PROCESS, PRODUCTION, PATHS & PROFIT

- Lay out your development process, operations, key activities, production cycle, and unique skills required that must be harnessed for the product to be made and ready for sale.
- Identify the superheroes who can ensure your comp adv & deliver the Value Prop promise to the customer. How will you recruit, interview, hire, and train employees/ service contractors?
- Identify central resources to your pipeline: facility, storage, equipment, sales, marketing, fulfillment, labor. Specify key technology: i.e., IP, POS, Email, Phones, CRM, Billing/Payment
- Ascertain and partner with essential partners/ suppliers (production tools, builders, manufacturers, outside sales/ new biz, distributors) and get them lined up for any fail points.
- Consider distribution and connection pathways you need set in order to reach enough valid customers. How will you mainly communicate the value proposition to get enough interested to buy? Relationship: Where will you be connecting with them? Who will be selling to them?
- Get an understanding of all set up, fixed & variable costs. Look at it from a rolling standpoint, i.e., monthly.
- The pricing model is a precious balance between what you need and their willingness to pay. As is Sales cycle: estimate how long it will take for your business to acquire paying customers.
- Lay out the revenue streams and profit margins. Determine how much you need to bring in to cover your rolling costs. Is there enough to make a profit? How much capital is required?
- Ensure the capability of your current team and production chain can create the solution that will allow your company to stand out with a defensible moat.

3. DETERMINE YOUR STRATEGIC GAME PLAN

- Define how customers will talk about your business in 10 years. Will you have changed their business, transformed their behavior, enhanced their lifestyle? What has it ultimately solved?
- Explain the reason you are doing this. What is driving you? What impact do you want to have in your industry in the near future (1-5 years)?
- Create a set of values that you want your business to uphold: internally and externally.
- Set 3 "stepping stone" must reach goals to achieve your competitive advantage? Specific, Measurable, Attainable, Realistic and Time-bound applications to move you to your Mission.
- Ensure the capability of your current team and production chain can create the solution that will allow your company to stand out with a defensible moat.
- Assess your competition's capabilities, your target's level of willingness to switch solutions and your own capabilities and determine your best strategic approach.
- Identify industry scenarios that could happen and determine which strategy and choices best suit your business approach to counter those possibilities right now. You have many options.

- Pick the one that you and your team could accomplish with the resources you have available and what your competition is lacking. Know the level of risk. This is your Chess game plan.
- Determine 1-3 distinctive activities, based on your strategy choice, that will help you reach each Goal. Note: with each successful Goal you are one step closer to reaching your mission.

4. TARGET AND MARKET TO THE RIGHT PEOPLE AT THE RIGHT TIME

- Be a Profiler: get an in-depth look into the life, personality and minds of your target. Track their workflow and determine what motivates them to becoming potential buyers.
- Know their decision making process. What they read, listen to, where they work, how they play... Track the steps they take and determine who & what influences their final choice.
- Develop your company brand personality (including attitude, look, feel, and language) and your key message you want to share with your target in order to connect.
- Create a channel matrix on which make the most sense with your messages and sales needs. Include all potential touch points: traditional, digital, PR, sales, off-premise, influencers, etc.
- Pinpoint which channels would have the most impact on your consumers in their daily lives. Do these channels offer relevancy to your offer? Would your message make sense there?
- Create a journey map of how your potential customer would be introduced to your offer and then move through the funnel with messaging and sales guidance from you/ your team.
- Create a Marketing & Sales Plan focusing on the "Go To Market" launch plan, including pricing, generating leads (+ cost/ acquisition), and closing new business. Cost it all out.

5. ENSURE SUFFICIENT FUNDS ARE AVAILABLE & SET UP TO OPERATE

- Build a Financial Plan that shows a break-even analysis, projected profit and loss, burn, and projected cash flows. Include all budgets, including strategy, sales, marketing/acquisition.
- Review forecasted sales to see if your current capital covers your first 6-12 months. If not, identify how much capital is required to launch the business.
- Project time to profitability: determine how many months of savings or investment you have to get to breakeven or profit.
- If outside investment is required beyond the founders' savings, how do you plan to get it. Borrow, Loans, Small funding, Partnerships, Venture?
- Apply for an EIN with the IRS and local or state business licenses. Decide on a legal structure or business structure and incorporate: Corporation, LLC or Sole Proprietorship.
- Line up all paperwork covering agreements, contracts, fee structures, ownership, IP, Patent, Data, Instructions, Process/ Rules, Benefits, Procurement
- Establish your company's accounting plan (taxes, tracking /recording/ payments/ recievables/ accounts/ etc.): hire an accountant, select an accounting system, and a fiscal year.

- Evaluate and select needed insurance policies for your business: liability, workers comp, or health insurance
- Identify the key macro metrics that matter - those that move you forward. Lay them out in a timeline and include markers that must be met before you can progress.

PS. NEED A BUSINESS PLAN? Now, if you really needed, you could...

- Write an Executive Summary after the other sections of the Business Plan are completed below.
- Complete a Company Overview that includes basic information and a summary of the management team.
- Write a Product Description section describing your products or services and what problems they solve.
- Prepare a Market Analysis section that describes the total market and your target market, specific segment needs, competitive offerings available, and any trends that will affect the analysis.
- Describe an Operating Plan for the business, such as operating hours, number of employees, key suppliers, or seasonal adjustments your business might need to adjust to.
- Create a Marketing and Sales Plan that includes a "Go To Market" or launch plan, pricing, how your business will generate leads, and close new business.
- Build a Financial Plan that shows a break-even analysis, projected profit and loss, and projected cash flows.
- Create and fine tune an Elevator Pitch through conversations with anyone who will listen.