

Bradmer Foods LLC

Building the Food Industry

Bradmer Foods LLC ("Bradmer Foods") is a venture-capital firm that brings together early-stage food businesses and investors. The goal of Bradmer Foods is to partner with food entrepreneurs to help them grow their business via outside capital and management expertise while providing superior financial returns for our investors. Many small food producers concentrate on developing their unique products to the highest state of excellence and never learn how to effectively raise capital or benefit from external best practices. We work with current management to provide business skills that are required (strategic planning all the way to inventory control) while becoming financial partners through investment so that the company and the investors can both benefit from the increased growth in the company's value. Bradmer looks to make initial investments in the \$250,000 - \$2.5 million range with follow-on investments of equal or greater size.

The outline below is a starting point for any entrepreneur who wants to assess the seriousness of their business venture. Many different styles and formats of business plans appear, and no single one is "the right way." Nonetheless, all business plans encompass similar information, and the one below is merely a guide for some of the questions you should be asking yourself. You may find the initial line of inquiry to be a little daunting; however, the process is much more manageable if you think of each section as a building block. Creating one section and then the next is not only an easier approach, but it is also instructive for helping to refine your thinking along the way.

1. Executive Summary (1-2 pages)
2. Overview of Products & Company History (1 page)
3. Management Team (1 page)
4. Market & Competition (3-5 pages)
 - How is the industry developing? What factors are decisive for industry success?
 - How will you segment the market? Who are your target customer groups?
 - What market volumes do the individual market segments have now and over the next 5 years (rough estimates)? What will influence growth in the market segments?
 - What competitor products already exist or are under development? Compare the strengths and weaknesses of comparable products/services with yours in an overview.
 - What new developments can be expected from competitors? What role do innovation and technological advances play? How sustainable will your competitive edge be?
 - How does the competition operate? What strategies are pursued?
 - What are the key buying factors for customers?
 - What target groups do your competitors address? How profitable are your competitors?
 - What are your competitors marketing strategies?

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5. Marketing & Sales (2-4 pages)

- What end-customers will you address? What are their needs?
- What customer value does your product/service provide?
- What is the nature of your innovation?
- What products are designed for what customer groups, if they are different?
- What final sale price do you want to charge (estimated)? What criteria did you use to arrive at this final sale price? How high is the profit margin (estimated)?
- What sales volumes and sales revenues are you aiming for (estimated)?
- In which partial market segments will you make your market entry? How do you plan to turn this “toehold” into a high-volume business?
- What sales volumes are you targeting (detailed data by market segment)?
- Describe the typical process of selling your product/service. Who, among your buyers, ultimately makes the purchasing decision?
- What target groups will you reach by what means of distribution?
- How will you draw the attention of your target groups to your product or service?
- How will you attract reference customers?
- How much, in time and resources, will it cost to acquire a customer?
- What advertising materials will you use to do so?
- How difficult will it be and/or what will it cost to create long-lasting customer loyalty?
- How will sales volume and operating results be spread out among the various distribution channels (estimated)?
- Which market share per distribution channel do you plan to capture?
- What are your expenses—at launch and later?
- What price will you charge for your product/service per target group and distribution channel? What payment policies will you lay down?

6. Business Processes & Organization (1-3 pages)

- What partnerships are necessary to achieve full customer value?
- What resources (time, personnel, materials) do you require for each subsequent development?
- What experience or abilities does the team possess that will be useful for implementing new concepts and setting up the company?
- What experience or abilities are lacking? How will the gaps be closed? By whom?
- What does the business system for your product/service look like?
- What activities do you want to handle yourself? Where will the focus of your own activities lie?
- What business functions make up your organization, and how is it structured?

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- What resources do you need (quantitative and qualitative) to create your product/service?
 - With whom will you work? What are the advantages of working together for you and your partners?
 - Where will you locate your business?
 - What measures are planned for quality assurance?
 - If you need a warehouse, how will you organize your inventory? How much of your product has to be put in storage?
 - How are your costs structured (fixed, variable)?
7. Implementation Schedule (1 page)
- What are the most important milestones for the development of the business, and when must they be reached? What further development steps do you plan to take?
 - How do you plan to structure the work to reach these targets?
 - Which tasks and milestones are interdependent?
 - For which tasks/milestones do you anticipate bottlenecks?
 - How many new employees will you need in the individual business areas over the next 5 years? What will this cost? How will you attract them to your location?
 - What investments will be required when each milestone is reached?
 - How high is the annual depreciation for each investment?
8. Opportunities & Risks (2 pages)
- What basic risks (market, competition, technology) does your business venture face? What measures will you take to counter these risks?
 - How could an expansion of your capital base help?
 - What will your planning look like for the next 5 financial years under both a best and worst case scenario? What effect will this have on your need for capital and your return?
 - In your view, how realistic are these scenarios? What consequences do they have on your business planning?
9. Financials & Exit Strategies (2-4 pages)
- What assumptions underlie your financial planning?
 - Which sources of capital are available to you to cover your financing needs?
 - What deal are you offering potential investors?
 - What return can investors expect?
 - How will they realize a profit (exit options)?