How to Write a Business Plan

(This content is originally from Sequoia Capital. For the original article, please visit www.sequoiacap.com)

Many companies, like Sequoia, like business plans that present lots of information with the fewest words possible.

Hence, the Sequoia team has made a business plan format that will only need 15-20 slides to lay out all your information!

Step n°1 | Company Purpose
Define the company in a single, declarative sentence.

Step n°2 | Your Problem
Describe the pain of the customer (or the customer’s customer).
- Outline how the customer addresses the issue today

Step n°3 | The Solution
Demonstrate your company’s value proposition to make the customer’s life better.
- Show where your product physically sits.
- Provide use cases.

Step n°4 | Why now?
Set up the historical evolution of your category.
- Define recent trends that make your solution possible.
Step n°5 | **Market Size**
- Identify/profile the customer you cater to.
- Calculate the TAM (top-down), SAM (bottoms up), and SOM.

Step n°6 | **Competition**
**List competitors**
- List competitive advantages

Step n°7 | **Product**
**Product line-up** (form factor, functionality, features, architecture, intellectual property).
- Development roadmap

Step n°8 | **Business model**
**Revenue model - Pricing**
- Average account size and/or lifetime value
- Sales and distribution model
- Customer/pipeline list

Step n°9 | **Your Team**
**Founders and management**
- Board of Directors/Board of Advisors

Step n°10 | **Financials**
**P&L (Profit & Loss Statement)**
- Balance sheet
- Cash flow
- Cap table
- The deal