

# THE ULTIMATE BUSINESS PLAN WORKSHEET

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The true value of a business plan is the work that goes into **creating it**.

You've probably spent a lot of time thinking about your company, but there are undoubtedly some areas you haven't even considered. There are so many elements that go into creating a successful enterprise, and it's nearly impossible to anticipate them all on your own. A business plan helps you find the pieces you're missing and put everything together to create the finished puzzle.

## HOW TO USE THIS WORKSHEET

**Tailor the document to reflect your art and business.** This worksheet is intended to assist you. Whether you are taking your plan for financing or not, it is still a formal business document and must be prepared in a professional manner in terms of both style and content. Write your plan in the 3rd person, referring to the business name or your name, where applicable.

Use the headings and sub-headings in this worksheet to divide and organize your content in an easy to follow fashion. Write clearly and concisely, and in complete sentences. Use point form sparingly and only where appropriate (ie. a listing of items, or items/notes in a table).

## REMEMBER...

Just like art, it is **the process** that counts. However, once you've completed the process, don't just throw it in the cabinet and forget about it. It's important to review it regularly and compare it to the changes that occur along the way.

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## SAMPLE COVER PAGE

123 My Street  
My City, My Province/State, My Country  
My Postal Code  
Tel: 555.555.5555  
Fax: 555.555.5555  
E: [info@mymanagementcompany.com](mailto:info@mymanagementcompany.com)  
W: [www.mymanagementcompany.com](http://www.mymanagementcompany.com)

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# MY MANAGEMENT COMPANY

## FINAL BUSINESS PLAN

J. Cool  
MM/DD/YYYY

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Note: The Table of Contents goes immediately after the Cover Page and before the Executive Summary.  
See page 2 for an example.

## EXECUTIVE SUMMARY

The Executive Summary is a synopsis, **1 - 2 pages in length**, of your entire business plan. As it is a summary, it is written last, but presented first to capture the attention of the reader.

- Business name and location.
- Description of the legal structure of the business (sole proprietorship, partnership or corporation) and the owner's name (you).
- Description of the business, outlining the industry sector and products/services offered (such as music publishing, merchandising, touring, management, etc.). Indicate as well who will be the typical customers/clients (target market).
- Outline of what is unique about your business and what differentiates it from the competition – your Unique Selling Proposition.
- Brief summary of your market research, identifying industry trends and market opportunities, and potential to fill a niche or gap.
- Brief financial summary, including forecasted sales and cash flow summary. Note when the business will be profitable.
- Note any major milestones to be achieved in Year 1 and/or Year 2.
- Identify any needs (e.g., a loan or financing to be obtained and the amount; date by which a store needs to be open; date by which manufacturing has to commence, etc).

## COMPANY PROFILE

### Company Overview

Briefly introduce your company. What are the divisions that will be included (such as music publishing, merchandising, touring, management, etc.)?

### Mission Statement

What is your company's mission? A mission statement defines your purpose and reason for being. It is the primary thought toward which your business plan and progress should be aimed. It should be a sentence, a short list of goals, or a brief paragraph.

### Artistic Vision

What is the artist vision for your company and the music you plan to release?

### Company History

When was the company formed? Briefly, what has been accomplished thus far?

### Business Location

Specify the mailing address and the contact person. Indicate if it will be a home-based operation, or located in a facility (e.g., retail store, manufacturing plant, commercial office, etc.). State where you intend on doing business – will your customers/clients come to your location, or will you meet them at

their place of business? As well, identify how the business can be contacted – i.e., via telephone, mail, over the Internet, and provide the contact information.

### **Legal Structure**

Specify the legal form of the business (sole proprietorship, partnership or corporation). If the business is a corporation, name the major shareholders and indicate the percentage of shares owned by each. For a partnership, name the other partner(s) and note the percentage ownership on the part of each partner, including you. Explain your rationale for selecting a particular type of legal structure. If you plan on changing the structure of your business in future, state when and the reasons why.

### **The Proprietor (or Management Team)**

Summarize your education, experience and expertise relevant to running your own business. This is not written as one does in a resume, but rather it should indicate how the aforementioned will help in the successful start-up and operation of the business. Include both the direct skills you have, as well as the indirect or transferable skills that are also important in running a business. If you have a management team, name the individuals involved, and note the relevant education, experience and expertise they bring to the business that will ensure its success. *(Reminder: write in the 3<sup>rd</sup> person)*

### **Strategic Business Alliances**

Provide a brief description of associates, support personnel and others who will assist you in some way in operating your business. Note their names and what their specific function will be, under categories of Legal, Accounting, Business Advisor, Mentor, Banking, etc.

### **Key Employees**

Who are members of the management team? What is their experience? What roles will they play in the organization?

### **Key Contractors**

Who are the independent consultants the company will retain? What is their experience? What roles will they play in the organization?

### **Hiring Philosophy**

What is the company's philosophy on hiring new employees? How will human resource functions be handled?

### **Compensation, Incentives and Ownership**

What are the compensation packages for the company's founder and management team? How is ownership divided, including stock options?

### **Organization Charts**

What does the organization chart look like today? What will the company's organization chart look like in 3 or 5 years?

## PRODUCT

### Roster and Stage of Development

What is the current roster of acts or products? At what stage of development are you with those acts?

### Future Development

What artists or products does the label plan to develop?

### Lines of Products or Revenue Streams

What lines of products and revenue streams will the company participate in (merchandising, touring, publishing, mobile products, etc.)?

### Contracts, Trademarks, Copyrights and Licenses

What contracts does the company have in place with management? What contracts does the company have in place with artists or content creators? What are the limitations of those rights?

### Compensation

How will artists or content creators be compensated?

### Production/Recording

How will the company create new content? Will the company create it internally, contract others to do so or license existing material?

### Facilities

What facilities will the company use to create new content? Will you use an internal studio or contract out studio needs?

### Manufacturing

How will the company manufacture the various configurations of product to be sold? Do you have relationships or contracts in place with vendors?

## MARKETING PLAN

The Marketing Plan is developed in three stages:

1. Market Research (Where you are now)
2. Marketing Objectives (Where you want to go)
3. Marketing Strategies (How you will get there)

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### 1. MARKET RESEARCH

#### Industry Analysis

This is an overview of the industry as a whole, its size and growth potential and what developments are taking place in terms of trends, threats and opportunities. Provide information about the market potential of the markets you will be operating your business in. Include information such as:

**A) Segment or genre – target market**

What is the segment of the market the company will compete in? How big is that segment?

**B) Customer profile**

Who is the company's target customer? Customer information will come from primary and secondary sources. As you research your industry you will also be gathering important data on who will buy your products or services, the features and benefits that customers/clients are demanding, and what trends and attitudes are driving these demands. The most useful information will come from directly surveying potential customers. In this section, summarize the information you have gathered from your surveys. You can use the appendix for a copy of your survey and the raw data.

Your business may be selling to other businesses or to individual customers or to both. Based on your research information, develop a customer profile that describes the key characteristics of your target customer. If you are targeting more than one distinct market segment, you will have to do a customer profile for each segment. Note whether you intend to target a large segment or small niche in the marketplace. Indicate both primary buyers (end users) and secondary buyers (purchasers/gatekeepers/influencers), if applicable.

**C) Growth potential**

What is the growth potential for your company within that segment of the industry? Does the company plan to expand beyond that segment?

**D) Geographic locations**

What locations will your company operate in? Where will you sell product?

**E) Trends**

What are trends in the industry? How will these trends impact the way your company will do business?

**Competition Analysis**

Outline what is currently available in the marketplace that is directly or indirectly competitive to your offering. Compare your business to five major competitors. Compare factors such as product/service description, market share, pricing, marketing methods, customer service provided, policies, location or other factors that are relevant to your business.

Based on your customer research, identify what needs are not being met by your competitors. Explain how your business can fill these gaps now or in the future (**GAP Analysis**)

Complete the **S.W.O.T. Analysis Chart** (Strengths, Weaknesses, Opportunities, Threats) for your five major competitors and your own business. For each competitor, outline their strengths and weaknesses. Indicate any specific opportunities you may have to gain market share from that competitor or perhaps



even opportunities to form an alliance with that competitor. Describe any specific threats that competitor may pose to your business. For your own business, present your strengths and weaknesses and outline the overall opportunities and threats you see given the market you are competing in.

### **Competitive Advantage**

Summarize your competitive analysis by describing your **competitive advantage** (e.g., price, quality, image, service, warranties, etc.). Explain how your business will compete and specify why customers will buy your product(s) or service(s).

## **2. MARKET OBJECTIVES**

Remember that marketing activities generate prospects and fans. List two or three S.M.A.R.T. (Specific, Measurable, Achievable, Realistic/Relevant, and Time bound) objectives for the first year of business operations.

## **3. MARKETING STRATEGY**

How will you satisfy your customers' and fans needs while meeting your objectives? Your Marketing Strategies are determined in response to your Marketing Objectives. These strategies fall in the categories of the 5 P's of marketing. Product, Place, Price, Promo, People. Keep in mind both your company and your clients/artists needs here.

### ***Product/Service – USP (Unique Selling Proposition)***

Provide a full description of your product(s) or service(s) and the features. Identify and include the benefits to customers. Indicate what makes your offering unique.

### ***Place***

Specify the planned location for the business. Identify the geographic area of sales/services. Indicate if you will go to your clients/ customers or if they will come to you. Note the days and hours of operation and how people will be able to contact you. Describe how your location will give you an advantage (e.g., city hubs, radio stations, live venues, record labels, etc.).

### ***Pricing Strategy***

Provide an outline of your pricing strategy and note how it is related to your target market and to that of the industry. Specify how you determined the price(s) you will charge for your product(s) and/or service(s). Indicate how your pricing compares to the standard and identify the rationale for any differences.

### ***Promotion Plan***

Describe in narrative format how you will advertise and promote your offering. Indicate what methods you will use – direct mail, print advertisements, social media, radio, website, networking, press releases, press kits, and other.

### ***People***

Identify any individuals who will be involved in the business in relation to marketing activities.

## SALES PLAN

### Sales Goals and Pricing

What is your pricing strategy for each method of distribution? Describe your business' sales goals. The achievement of these goals will be critical to maintaining the sustainable growth of your business.

### Sales Objectives

List your top 5 sales objectives. Remember that objectives are measurable; time bound targets that when achieved will lead to the realization of your sales goals.

### Sales Strategies

Outline in detail the sales strategies you will use to achieve your sales objectives. Do not forget to include your transaction strategies. Describe your sales terms and conditions (e.g., COD or Net 30 days), any warranties or guarantees, return policy, and any discounts and free products offered.

### Sales Activities

Describe the specific actions will you execute to implement your sales strategies.

## OPERATIONS PLAN

### Accounts Payable and Accounts Receivable

How will billing, accounts payable and receivable be handled by the company?

### Reporting to Management

What are the administrative procedures for employees and independent contractors to report to their superiors?

### Planning and Scheduling

What is the planning and work-flow process? What scheduling procedures are in place to ensure release dates are met and that they are met with desired impact?

### Monitoring Budgets

What procedures and controls are in place for management to monitor budgets?

### Risk Analysis

What risk analysis will be conducted on each potential signing and release? How will it be conducted?

### Salvaging Assets

What assets could be salvaged if necessary?

### Exit Strategy

What is the company's exit strategy? How will the growth enable the investors and founder to execute this strategy successfully?

## FINANCIAL PLAN

### Sales Projections

Attach a chart of the company's sales projections. Indicate the forecasted sales are for Year 1 and Year 2, and note the percentage increase in the second year. Explain the reasons for the growth anticipated in Year 2. Make a notation to refer to the worksheets attached.

### Project Summaries

Attach project summary analysis for each release and/or artist.

### Cash Flow

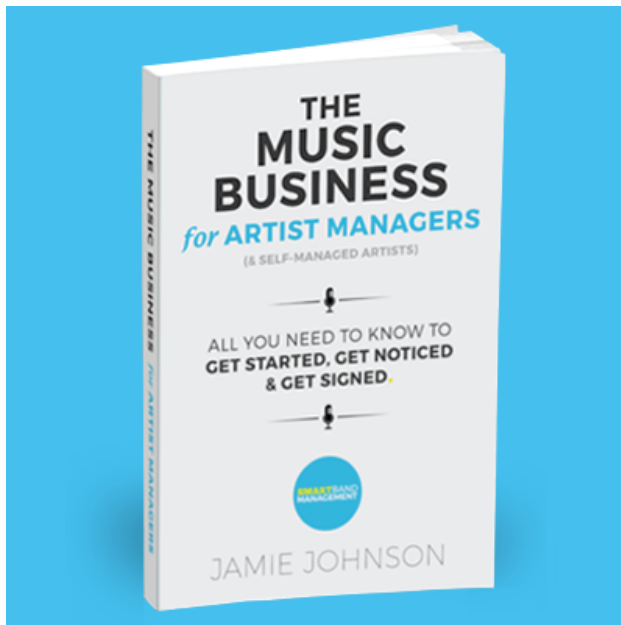
Summarize the key points of Year 1 and Year 2 Cash Flow. Identify any financial contributions by the owner, and/or any loan or funding requirements, and when these will be paid back. Identify the owner's draw for both years. If equipment or other high cost items are to be purchased in the future, indicate when this will be possible. Discuss any major changes in Year 2 over Year 1. Make a notation to refer to the Cash Flow Forecasts attached on the following pages.

### Income Statement

Indicate the forecasted net income is for Year 1 and Year 2, as well as the percentage increase in the second year. Discuss all key points pertaining to these statements. As well, explain any changes anticipated in Year 2.

### Balance Sheet

Indicate the necessary number of units required to reach the Breakeven Point for your business. In this description you will need to explain and quantify the fixed costs, the variable costs per unit, and the selling price per unit that will yield the above stated Breakeven Point. Make a notation to refer to the worksheet attached on the following page.



*Wow, talk about someone doing all the work for you! Jamie has done some amazing research of all facets of the music industry. Radio is only part of the equation and I was grateful to read about some areas of the music business I was unfamiliar with!*

- Peter Michael, On-Air Talent and Program Director, 106.7 The Drive

[“The Music Business for Artist Managers and Self-Managed Artists \(All You Need to Know to Get Started, Get Noticed, and Get Signed\)”](#)

**Click the title above or type this smart URL into your browser: [smarturl.it/am-book](http://smarturl.it/am-book)**

Step-by-step guide to managing your professional musical career or the careers of the artists you're managing. Author Jamie Johnson researched and interviewed nearly 40 music industry experts from booking agents to record label reps to music supervisors to find out how they do business, how they prefer to be contacted, how to get artists on their radar, and how to get signed. You will learn:

- The roles of each person in the business and how they relate to you as an artist or manager
- Who they communicate with on a daily basis
- What their fees are
- What they look for in artists before working with them
- How to contact them
- How to get on their radar
- How to get signed by them
- What their expectations are
- How to DIY before they are ready to work with you
- Step-by-step career management
- Step-by-step guide to getting your music on the radio
- Step-by-step guide to going on tour

Includes expert advice contributions from business owners and employees of the following companies:

The Feldman Agency  
United Talent Agency  
Paquin Artists Agency  
Universal Music Canada  
Warner Music Canada  
Open Road Recordings  
RPM Promotions

CCS Rights Management  
Instinct Entertainment  
Noisemaker Management  
Stampede Entertainment  
Live Nation Entertainment  
Strut Entertainment  
AB Co. and more!

# ARTIST MANAGEMENT BUSINESS TOOLKIT.



**SMARTBAND**  
MANAGEMENT

## [The Artist Management Business Toolkit](#)

Click the title link above or type this smart URL into your browser: [smarturl.it/am-toolkit](http://smarturl.it/am-toolkit)

**All the most important spreadsheets you need to manage your money, merchandise, tour, and songs better, instantly.**

- Immediate direct download, save oodles of time!
- Ready-to-use excel spreadsheets, so you don't need to re-create annoying PDF's yourself
- Make sure you never miss an important expense item
- Manage your tour budget and your business better
- Understand the numbers and plan better for the future
- Show record labels, agents, or managers that you have control of your business

The Toolkit includes:

### **1. Tour Budget**

A tour budget organized by performance date. This sheet allows you to know exactly how much cash you'll have on hand each day of the tour. Don't miss a single expense item or run out of cash half way through your tour.

### **2. Booking Advance Sheet**

Send this advancing sheet to the venue booker or promoter a couple of weeks before the show to always be prepared. It includes all the most important information needed to perform including the schedule, venue, merchandise, contacts, guest list, social media, tickets, and payment details.

### **3. Tour Itinerary**

The tour itinerary is a detailed look at how each day of the tour will look by the minute or hour. This sheet helps you easily fill in where you need to be at what time.

### **4. Merch Sales Register**

Bring this sheet with you to your shows to log each transaction and keep track of your inventory. Know exactly how much merchandise you started with, how much you ended with, and how much money you made, after each show date. It also helps you understand which products sell at which locations.

### **5. Merch Sales Tracker**

The merchandise sales tracker breaks down how much of each product you sold on a monthly basis. It also helps you understand your fans buying patterns, showing you which products sell better than other products.

### **6. Email Sign Up Form**

Simple email sign up form to print out and bring with you to each of your shows.

### **7. Tour Settlement Notes**

Ensure you fill this form out after every show to keep track of important information to refer back to next time you're booking a tour in the same locations. Keep track of how the venue dealt with you, how many fans showed up, and other contributing factors to the quality of the performance.

### **8. Assets Inventory**

Keep a detailed checklist of the gear you bring with you on tour. This is also great for insurance purposes or for the studio.

### **9. Bookkeeping Spreadsheet**

The bookkeeping sheet helps you know exactly how much money you're earning and spending each month of the year. It also includes a very detailed break down on expense items. Know exactly how much you spend on things such as session fees, production, studio time, meals, gas, advertising, and everything else you can think of. Understanding these numbers helps you better predict budgets for the future.

### **10. Cashflow Forecasting Spreadsheet**

The cashflow forecasting (and actuals) sheet is arguably the most important spreadsheet you can have. It helps you forecast an entire year ahead, so that you can plan accordingly. After each month passes, fill in what you actually earned and spent, so that you can understand how to forecast better in the future.

### **11. Annual Profit and Loss Chart**

This sheet shows an easy snap shot of your revenue and expenses by year. Compare your annual budgets from past years to present, to understand your growth or loss, and plan better for the future.

### **12. Master Metadata**

Keep track of everything you need to in regards to the making of the songs and albums including songwriters, UPC and ISRC's, release dates, and much much more. Labels and royalty organizations need these forms to process your information.

### **13. Contact Directory Template**

No need to start formatting your own contact directory, I've already done it for you.

To check it out online and download your own copy visit [The Artist Management Business Toolkit \(smarturl.it/am-toolkit\)](http://smarturl.it/am-toolkit)