



# Plumas Sierra Agritourism

## Intro to Business Planning





# Business Planning Basics

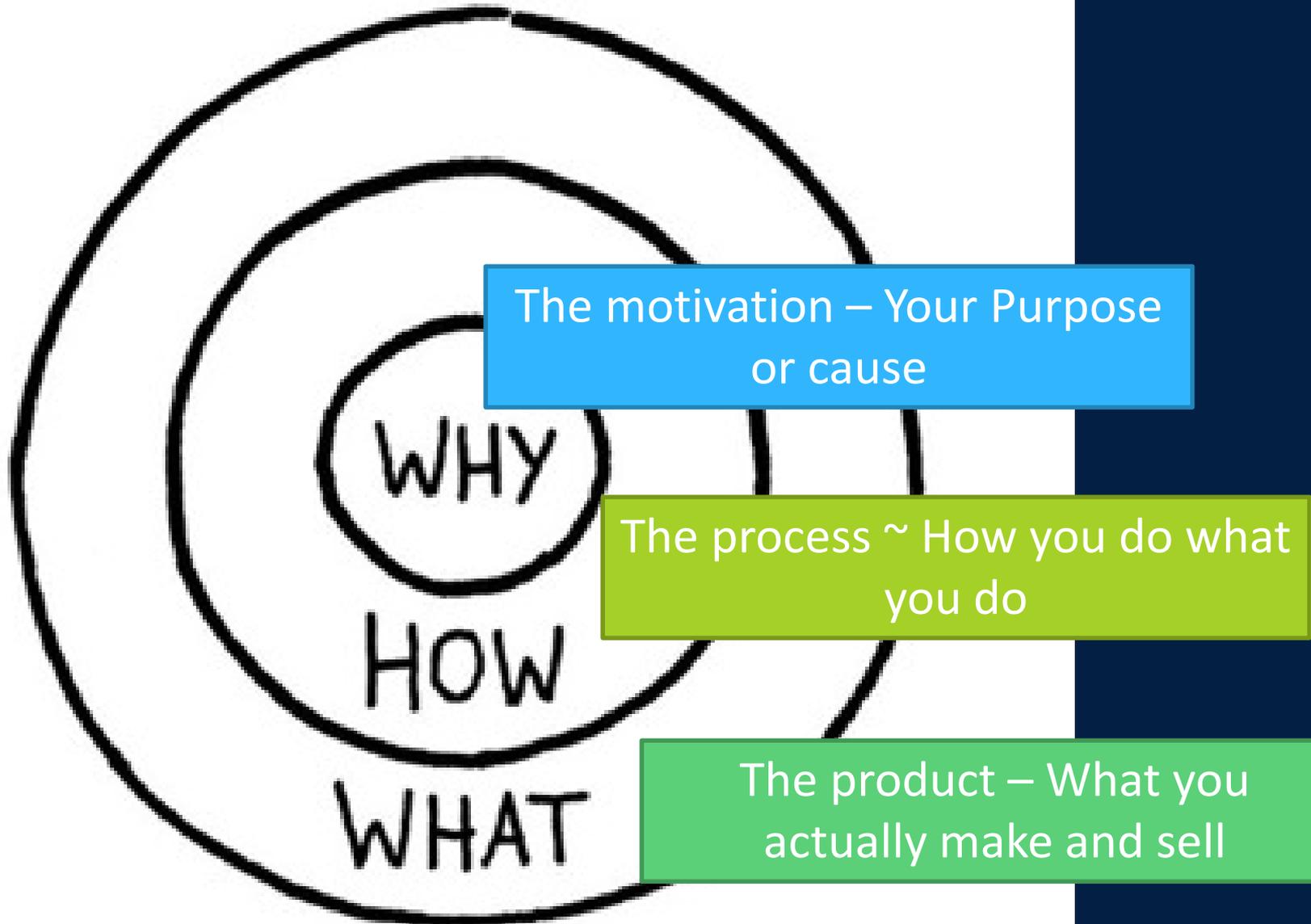
- Introductions
- Purpose of the Business Plan
- Mission & Vision
- Business Model Canvas
- Q&A

# Business Plan Purpose ::

- Communicate your idea
- Provide framework for decision making
- Clarify your goals
- Raise money
- Action plan
- Benchmark progress



# Start with Why



# Assessing Your Goals

Build Your  
Business for  
the Long  
Term

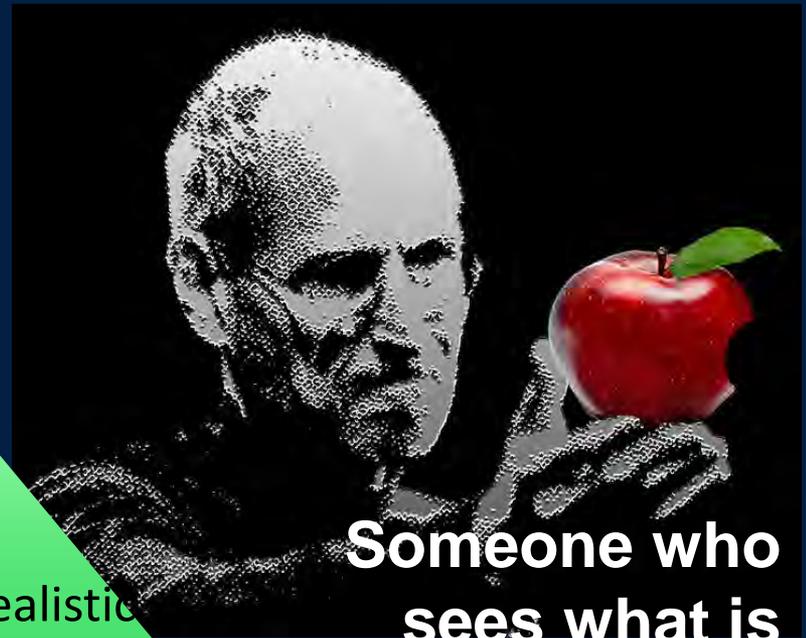
Expensive  
Hobby with a  
Tax Write off

Escape -  
Maximize  
Profit and  
pull cash out

Exit – Sell  
Business and  
Ride off into  
the Sunset

- Identify Externalities & Exit Strategy
- Protect the Downside
- Grow the Upside

# Mission vs Vision



**Someone who  
sees what is  
possible**

## Vision

Broad based & idealistic

## Mission

Your purpose - What you do to  
bring the vision into reality

## Guiding Principles

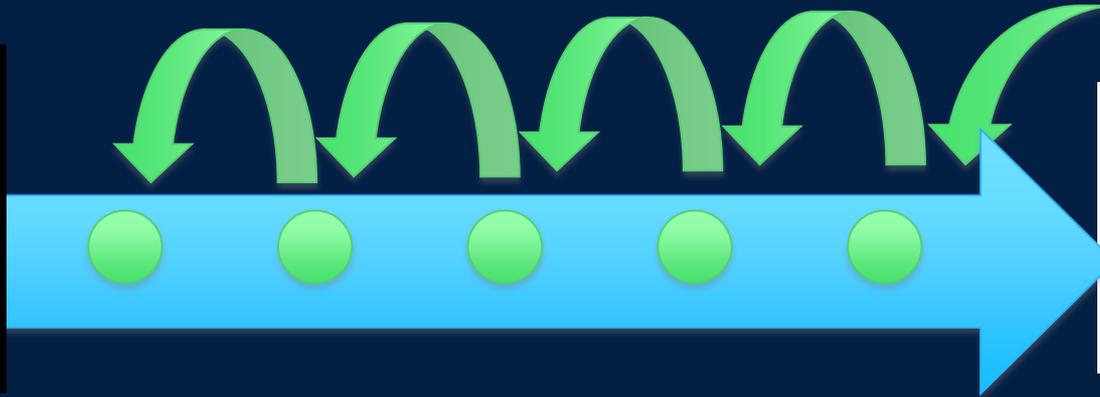
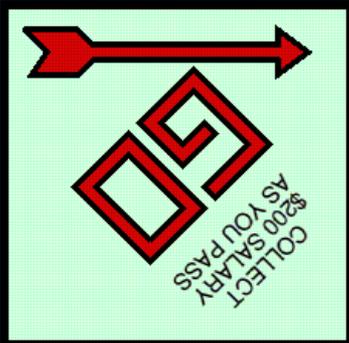
Broad based tactical goals that inform action



**Those who  
carry out the  
work**

# Road Map for Business Success

*Begin with the end in mind*

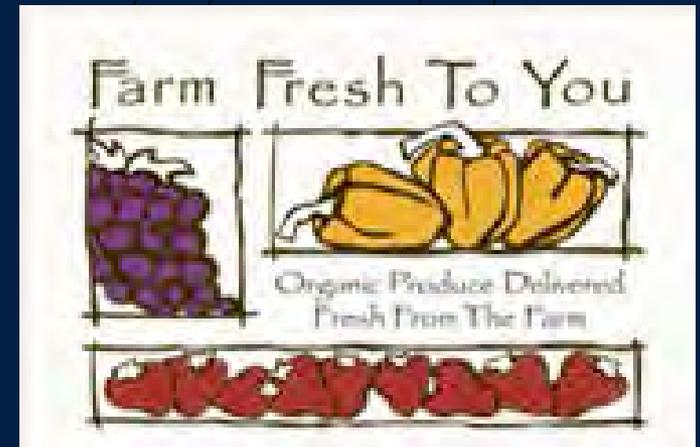


- Begin with your vision
- Where are you today
  - Bridge the gap

# Capay Farms Vision



Transform agriculture by connecting local farms and communities in a method that is environmentally and economically sustainable



# The Business Model Canvas

- Frame your business idea
- Identify your MVP

<b>KEY PARTNERS</b> Who are our key partners? Who are our key suppliers? Which key resources are we acquiring from our partners? Which key activities do partners perform?	<b>KEY ACTIVITIES</b> What key activities do our value propositions require? Our distribution channels? Customer relationships? Revenue streams?	<b>VALUE PROPOSITIONS</b> What value do we deliver to the customer? Which one of our customers' problems are we helping to solve? What bundles of products and services are we offering to each segment? Which customer needs are we satisfying? What is the minimum viable product?	<b>CUSTOMER RELATIONSHIPS</b> How do we get, keep, and grow customers? Which customer relationships have we established? How are they integrated with the rest of our business model? How costly are they?	<b>CUSTOMER SEGMENTS</b> For whom are we creating value? Who are our most important customers? What are the customer archetypes?
	<b>KEY RESOURCES</b> What key resources do our value propositions require? Our distribution channels? Customer relationships? Revenue streams?		<b>CHANNELS</b> Through which channels do our customer segments want to be reached? How do other companies reach them now? Which ones work best? Which ones are most cost-efficient? How are we integrating them with customer routines?	
<b>COST STRUCTURE</b> What are the most important costs inherent to our business model? Which key resources are most expensive? Which key activities are most expensive?		<b>REVENUE STREAMS</b> For what value are our customers really willing to pay? For what do they currently pay? What is the revenue model? What are the pricing tactics?		

# The Classic Case

- Tested Hypothesis without building infrastructure
- Validated business model before investment



PHOTO: BRAD SWONETZ/REDUX

MVP Case Study ::

# Vertical Farm w/ Anaerobic Digester

- Localize Food Production
- Create jobs
- Compost on site
- Leverage distribution
- Responsible land use



# MVP – Minimum Viable Product



# The Business Model Canvas



# I AM THE LEFT BRAIN

Decisive!  
011001011 LOGIC

Accurate  
ANALYTIC

REASON  
1 2 3 4 5 6 7 8 9  
2 4 5 8 1 9

PRACTICAL  
Strategic

CONTROL

SCIENCE  
Realistic  
B.P.P.

WWW.CARTOONADAY.COM



# I AM the Right Brain!

Intuition  
Love LOVE love

you art  
Poetry

FREEDOM

Passion  
vivid

creative

YEARNING

PEACE

# Get Clear About Your Value Proposition

- What what will you do better?
- Which customer needs are you satisfying?
- What is your “MVP” – minimum viable product?
  - *Smallest project that will teach you something*



# Get Away from the Computer



KYC ::

# Urban Farm Store



- PUC land (5,000 sq ft adjacent to treatment plant
- Tool resource hub, compost, mulch & urban farming education to benefit greater Southeast region
- Partner with Parks & Recreation



# Key Partners

- Who are your key partners?
  - What activities do they perform?
  - How do you leverage them?

# Community Greenhouse Partners



## Key Elements

- Downtown revitalization project
- Public / private partnership
- Creative financing
- Historic preservation

## New Policy / Support Required

- Special use permits

## Benefits / Issues

- Local Small business support
- Community hub
- Long term transformation
- Sustainable Urban Farm

# Key Activities

- What key activities are required in your business?
- How can you maximize efficiency



# Operations Plan

Streamline your operations to  
maximize profit



Scale Activities ::

# Processing Facility

- Service multiple food related businesses
- Leverage distribution
- Create jobs
- Access



Product packaging for Lisa's Organics California Vegetables in Balsamic Glaze. The packaging features the brand logo, a green banner with "From My Kitchen" and "To Your Kitchen", and the product name in large green letters. Below the name, it says "in Balsamic Glaze" in a cursive font. A photograph of a fork with the vegetable mixture is shown. Text on the right says "Made with organic carrots, cauliflower and balsamic vinegar". At the bottom, it says "Lisa likes this" and "Chilled for salad • As a wrap • With grilled chicken". There is also a "CHEF INSPIRED SAUCE" logo and a "KEEP FROZEN" instruction.

# Key Resources



- How do you create value?
- What are your key resources ?
  - Key Suppliers?
  - Knowledge base?
  - Other Resources
  - Inputs / outputs/ processes?





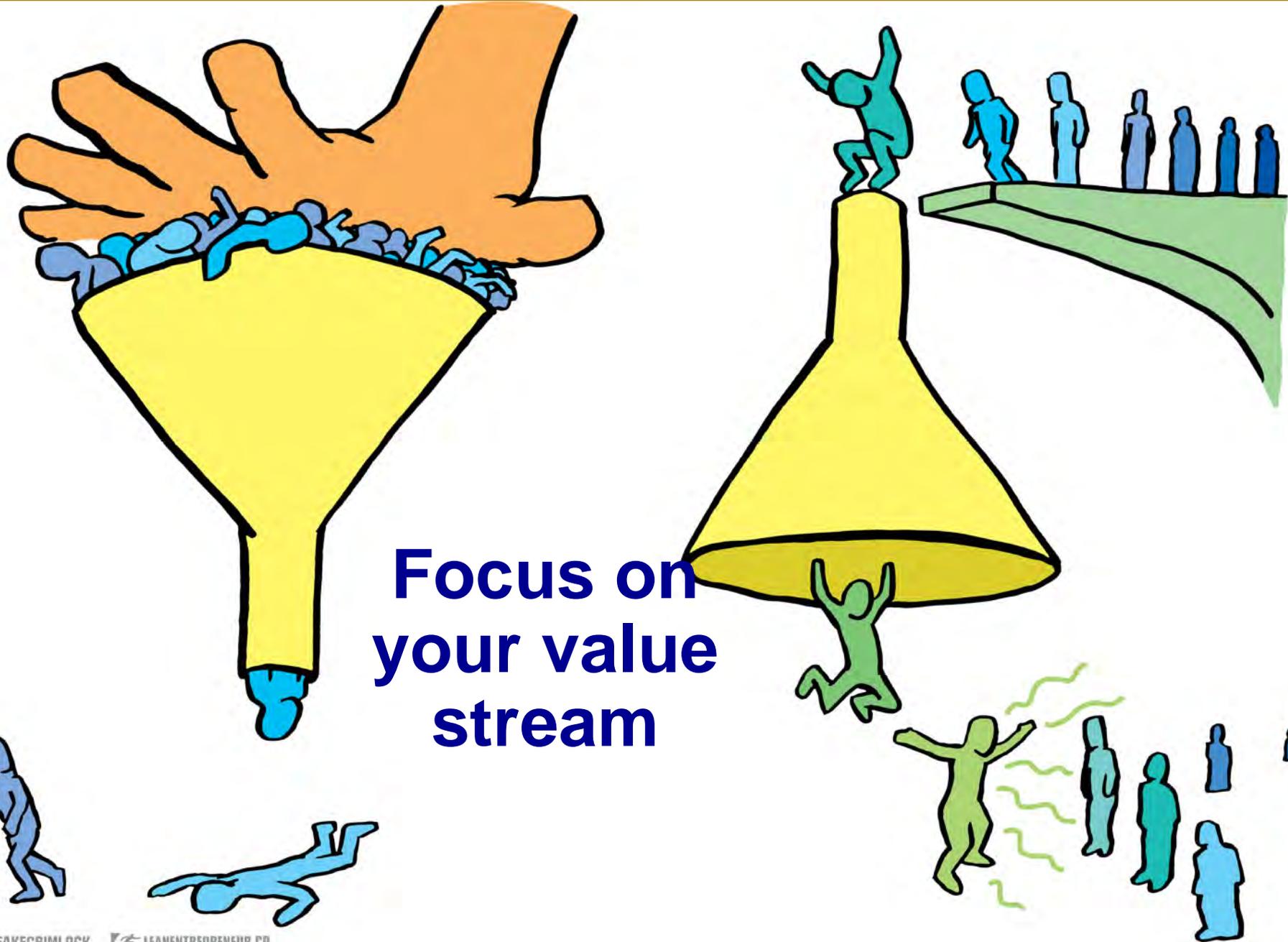
# Customer Relationships

- How do you create “raging fan” customers?
  - How can you leverage existing customers?
  - How costly is it to attract new customers?
  - Know demographic and psychographic profile.
- 

Proven Concepts ::

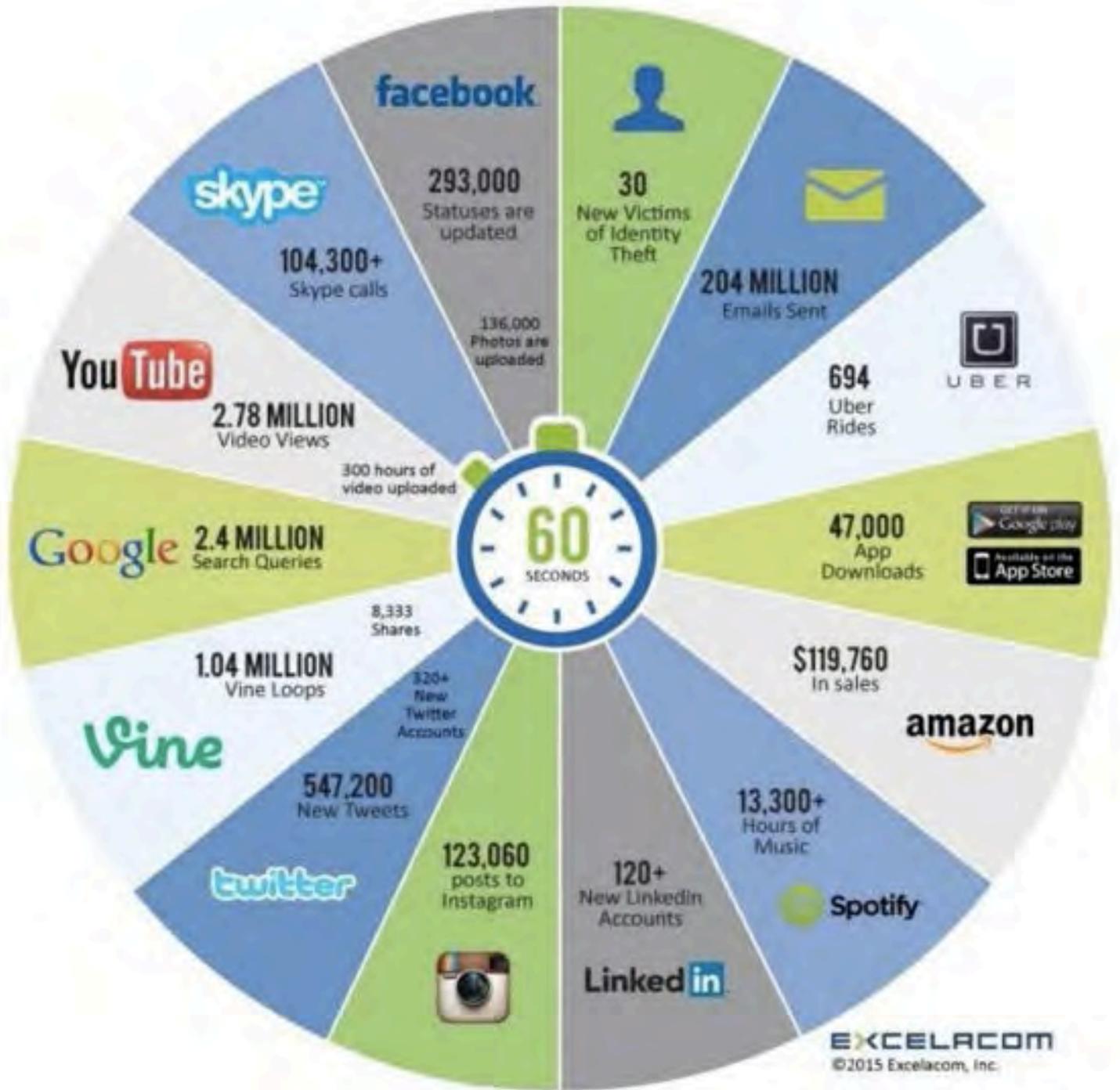
# Growing Power





**Focus on  
your value  
stream**

# What Happens in an Internet Minute





# Customer Segments



# Limitations of Demographics

Behavior and needs can vary significantly within segments



**Ozzy Osbourne**

- ▶ Male
- ▶ Born in 1948
- ▶ Grew up in England
- ▶ 2 Children



**Prince Charles**

- ▶ Very Wealthy
- ▶ Successful in Business
- ▶ Married for the Second Time
- ▶ Real Estate Owner
- ▶ Spends Winter Vacation in the Alps
- ▶ Likes Dogs

# Demographics

Age / Gender

Race

Location

Employment Status

# Psychographics

Personality

Values

Attitudes

Interests

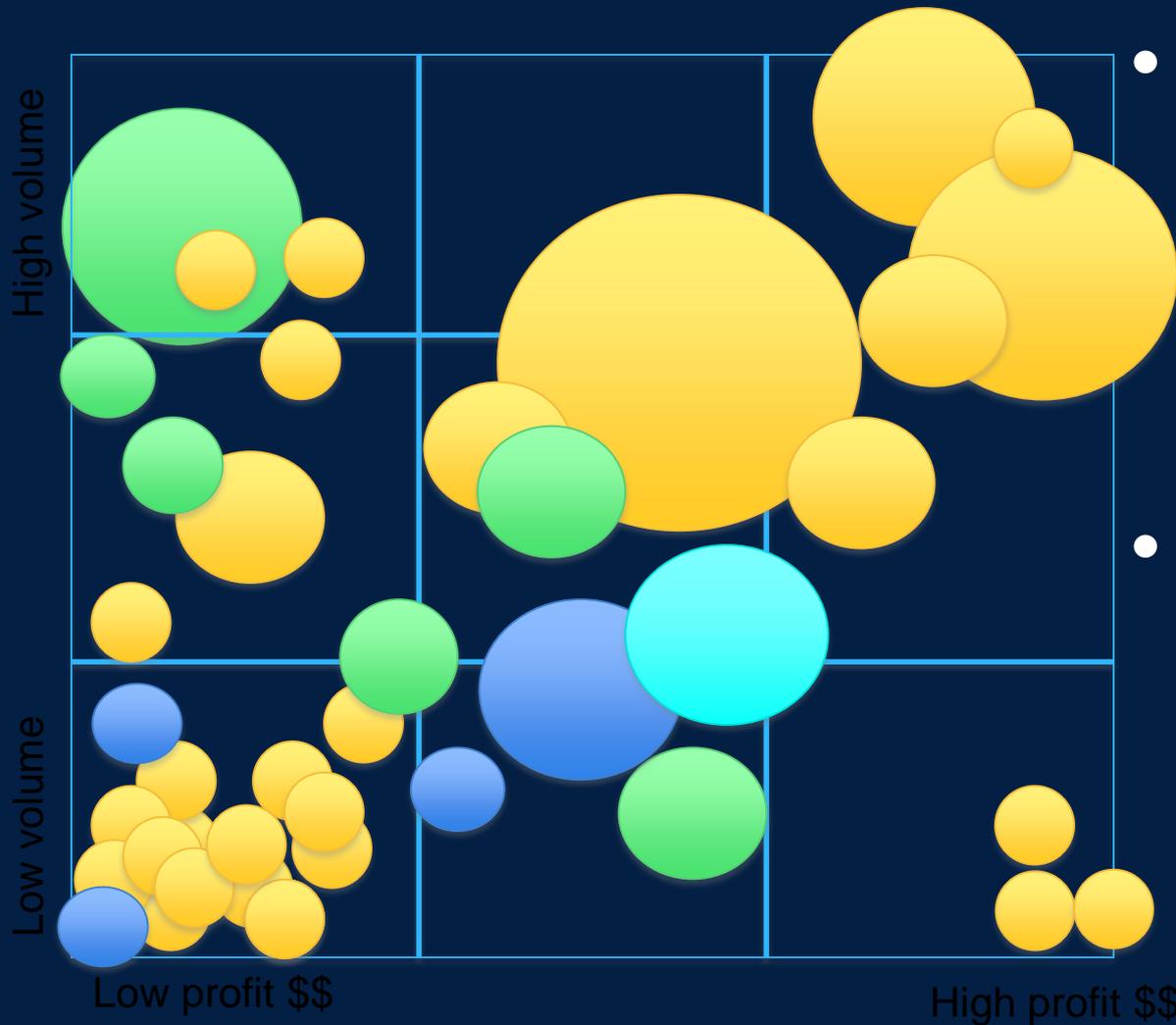
Lifestyles

# Know Your Numbers

- What do your customers value?
- What are they paying for now?
- Is there more demand than supply?
- What is your current revenue model?
- Variable Costs vs Overhead



# Rationalization



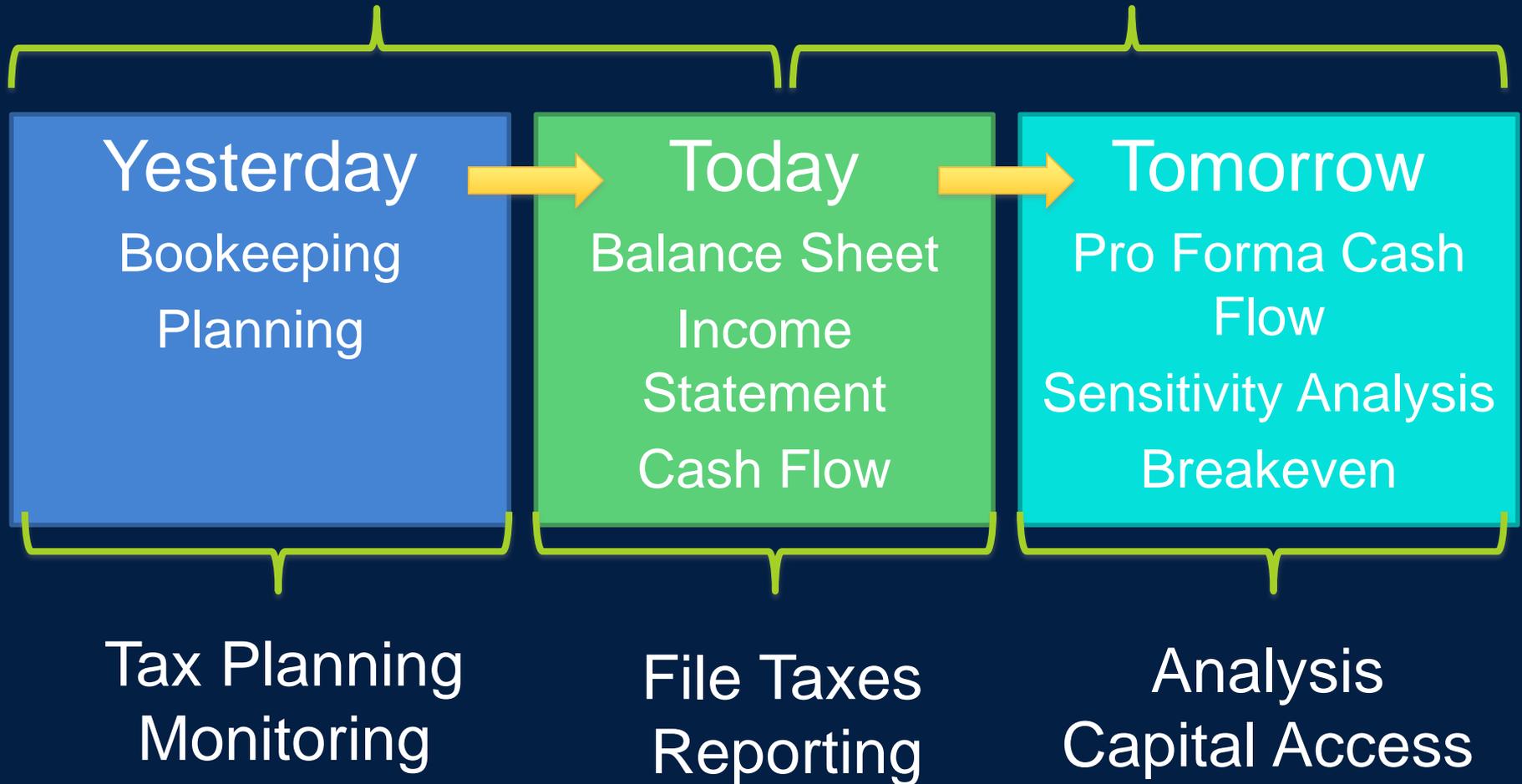
- Analyze product / customer mix relative to profitability and operating impact
- ID Your Cash Cow

Know your  
Cash Cows!



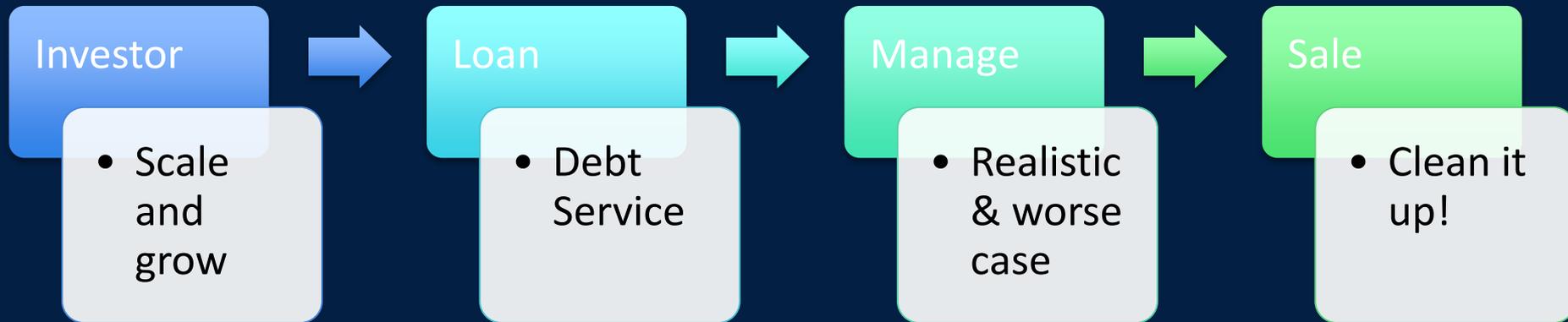
# Accounting

# Finance



# Business Planning & Pro Forma Projections

- Keep fixed costs low
- Know your key costs & revenue drivers
- Know your market share



Goldilocks Rule

# Be Realistic...

*Document your assumptions*

...Hope is not a strategy





POWERS

718 387-0896 Fax  
"THE FRIENDLY REAL ESTATE OFFICE"



# Time

What's the best use of your time

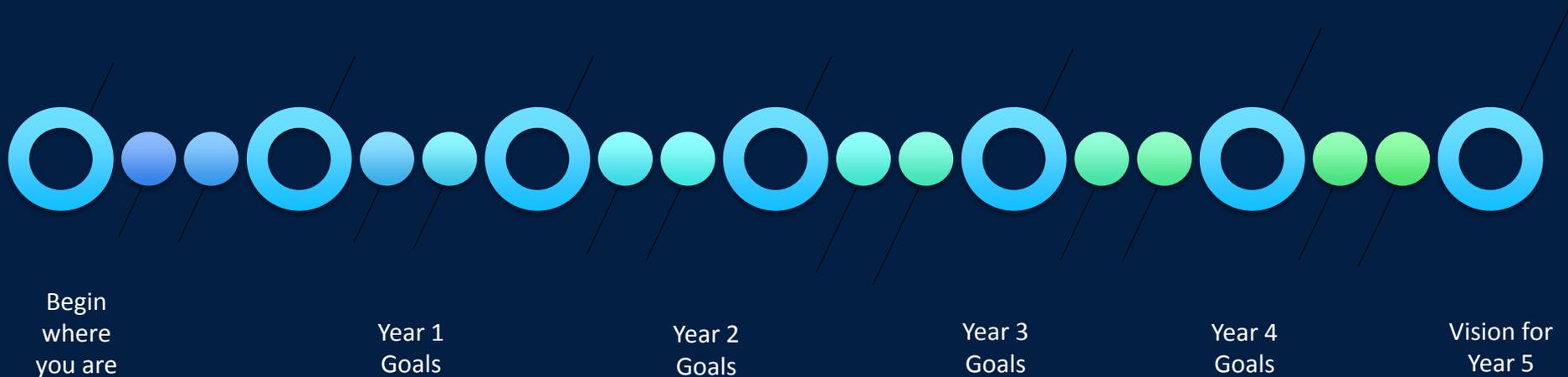


Where is the best return on your money

# Money



# 5 Year Vision



## Instructions:

Draft your vision

Document where you are starting from right now

Work backwards year by year and identify milestones/goals to bridge your starting point

# Questions?

Kristin York

Director of Business Innovation

Sierra Business Council

Small Business Development Center

520.582.5022