

Launch your Green Business!

The Incubation Programme for Green Entrepreneurs in the Mediterranean

This manual has been produced by the Regional Activity Centre for Sustainable Consumption and Production (SCP/RAC) within the framework of the SwitchMed programme, financed by the European Union. SwitchMed is collaboratively coordinated by the European Union, United Nations Industrial Development Organisation (UNIDO), United Nations Environment Programme Mediterranean Action Plan (UNEP/MAP), Regional Activity Centre for Sustainable Consumption and Production (SCP/RAC) and the Division of Technology, Industry and Economics of the United Nations Environment programme (UNEP/DTIE).

Coordination and Supervision: SCP/RAC - Giorgio Mosangini, Claudia Pani, Meryem Cherif and Fern Bowles.

Authors: Ramon Farreny and Nicola Cerantola.

Layout and illustrations: Markel Cormenzana.

Copyright: This publication may be reproduced in whole or in part for educational or non-profit purposes without special permission from the SCP/RAC provided acknowledgment of the source is made. SCP/RAC would appreciate receiving a copy of any publication that uses this publication as a source. This publication cannot be used for resale or for any other commercial purpose whatsoever without permission in writing for SCP/RAC.

Disclaimer: This publication has been produced with the assistance of the European Union. The contents of this publication are the sole responsibility of the SCP/RAC and can in no way be taken to reflect the views of the European Union.

For more information contact: gmosangini@ scprac.org

2016. English version (also available in French).

Do you want to:

Create and execute a successful Green Business Plan?

Learn how to get funding and run your project?

Register your organisation and start selling on the market?

Launch your business for real?

This programme is made for you:

This toolkit is intended to provide you with the necessary guidance and support to help you out in the most critical phase of your business: the take off!

Throughout this document and other complementary templates and assistance activities, you will be reviewing the work you have done so far, validating your proposal and getting ready to launch and run your business.

Contents

	Executive Summary	75	Canvas (final version) and	77	Meeting an Investor and	70
4. Get Funded	72					
3. The Business Take Off	69					
			Balance Sheet			
			Cash Flow			
			Income Statement (Profit and Loss acc	ount) YEAR 0	Strategic Roadmap Plan	67
			Setup Costs and Sources of Capital			
			Financial Plan	46	Impact Measurement and Continuo	ous Improvemen
					Forecasting the Future of the Busine	ess
			Customer Relationship		Measuring & Looking forward	63
	Production and Suppliers		Communication Channels			
	Intellectual Resources		Branding & Positioning		Legal Management Plan	57
	Physical Assets		Products and Services: Offer and Prici			
	Human Resources		Market Analysis and Competitors		Other Financial Metrics (optional)	
	Management & Problem Solving Ac		Customers and Value Proposition		3 Years Income Statement	
	Operation & Management Plan	24	Marketing Plan	34	Break Even Analysis	
2. The Green Business Plan	22					
	Customer Segments	16	Key Activities & Resources	19		
	Key Stakeholders	15	Customer Relationship & Channels	18	Revenue Streams	21
	Objectives, Mission and Vision	14	Value Proposition	17	Cost Structure	20
1. The Green Business Canv	as Review 11					
o. Introduction and Set-up	0					
O. Introduction and Set-up	6					

03

04

Get Funded

The Green Business Plan Instructions

Introduction and Set-up

Let's start understanding how we got here and what lays ahead.

In the next months you will be guided through a process that will help you to, finally, setup and start running you business.

Are you ready? Come on!

vas review The Green Business Plan

The Business Take Off

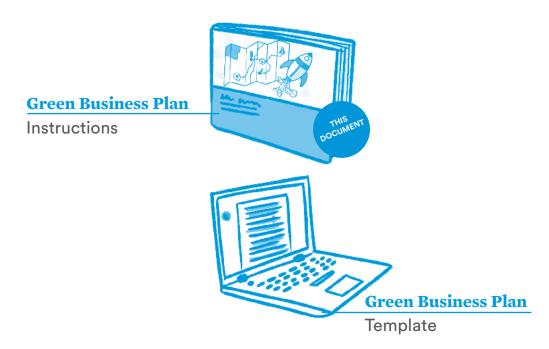
Get Funded

You are here!

This guide is intended to help Green Entrepreneurs to write and execute their green business plan and start operating in the market.

To make this challenging journey easier, this document provides the necessary instructions and it comes with a <u>complementary template</u> that you will need to complete: The Green Business Plan (GBP). The template will serve as the backbone of your project, and it will be useful to implement all the concepts contained in this guide and all the previous work done in the Workbook (WB).

How does this document work? Each chapter and paragraph will provide you with useful guidance to fulfill your Green Business Plan properly, including all the information you are going to be asked by potential investors.



So far, you have put your efforts into defining a green business model by following the innovative methodology to support eco-entrepreneurs than has been developed within the SwitchMed Project.

This methodology has materialised into two main documents, the Handbook for Green Entrepreneurs in the Mediterranean and the Workbook for Green Entrepreneurs in the Mediterranean, which can be downloaded here.

All this work that you have done so far (congrats, by the way!) will be very useful during this support stage, but it will be necessarily expanded and reviewed. You can find a huge amount of information about how to write a Business Plan on the internet, and there are thousands of documents and articles available. There is not one unique way to develop a business plan but here you will find the most suitable adaptation to the work already done.

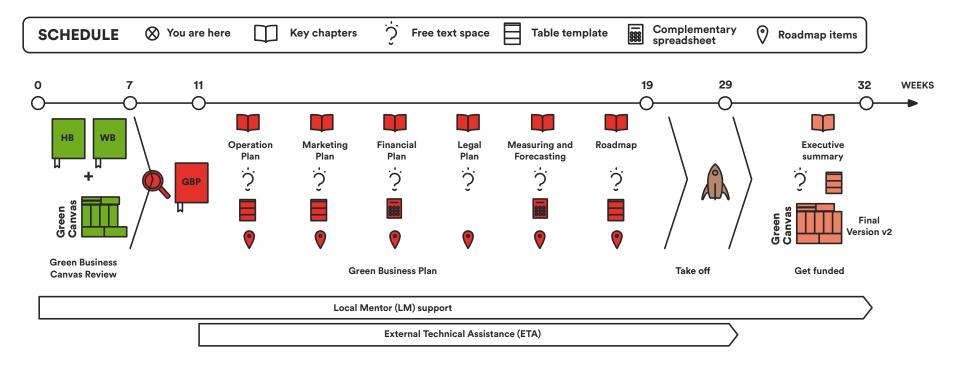
The Green Business Canvas review

The Green Business Plan

The Business Take Off

Get Funded

The next figure presents an overview of this document: the general structure is defined in four steps (The Green Business Canvas Review, the business launch plan, the take off and funding stage), together with the iconography that will be used.



The Green Business Canvas review

The Green Business Plan

The Business Take Off

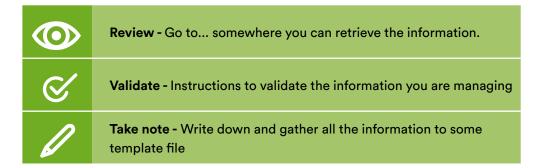
Get Funded

09

What is ahead?

In the following chapters you will encounter this structure:

- An introduction to the topic/issue to be covered.
- A coloured table to help you in the tasks you are expected to implement.



Some instructions to guide you in the GBP editing.



GBP achievement / section goal - What is the main purpose of this section of the GBP? What do you need to highlight and why you should do so?



General instructions on how to fill the GBP template up - In general, you should fill the template out with a description of the main aspects to be taken into account. To help you to identify what is relevant and should be described, we have posed you a set of questions that may be useful to inspire you and so that you don't forget things. However, you do not need to answer them one by one, but you should reflect on them and write down what you consider is relevant for your business. If not described otherwise, you could follow these general instructions:

The Green Business Canvas review

The Green Business Plan

The Business Take Off

Get Funded

As a result of the incubation phase, it is expected that the entrepreneur achieves the following objectives:



Cre Bus

Create a solid and winning Green Business Plan (GBP)

2

Register the legal form of the business

3

Be ready to place the product/ service on the market

Overview of The Green Business Plan

	— Use the present tense if you are describing things you do now.					
	— Use the future tense to describe things you want to do.					
	 Use present continuous to express what you are already doing at the present moment. It gives dynamic to the conversation between you and potential investors. 					
	 Check grammar mistakes with a spell checker, those text imperfections could easily decrease the perceived value of you as a professional and your work. 					
Ş	Questions to inspire you - You will find questions for inspiration and reflection that help you to edit the free text space you will find in the GBP blank template.					
	Table templates - Customisable table templates, when available, that will guide you when editing specific sections you will find in the GBP blank template.					
	Complementary spreadsheets - Complementary template spreadsheet, when available (mostly regarding the financial plan).					
?	Roadmap scheduling and taking action - Then, what are you going to do to make this project become a reality? When? Schedule it in the Roadmap template and take action! It is recommended that you schedule the roadmap after going through each section, that is to say, first you will need to work on the section and define the plan, and then you will close it by scheduling actions in the roadmap (to be implemented during the take off). In this cell you will find examples of some common tasks entrepreneurs should deal with, in order to execute the GBP plan specific section.					

01

e Green Business Canvas Review

<u>---</u>

)3

04

Cat Fundac

The Green Business Plan

The Green Business Canvas Review

Alright, you got the basics.

Now, let's have a look at your Green Business Canvas in order to identify weaknesses, potential improvements to be made and, most of all, testing the pending hypothesis.

Retrieve your canvas and start validating the information you gather so far, block by block, topic by topic.

The Green Business Canvas Review

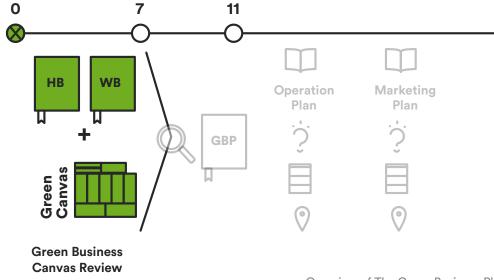
The Green Business Plan

The Business Take Off

Get Funded

Review your work!

The work that has been done so far by the Green Entrepreneur with the support of a Local *Trainer has served the purpose* of designing a prototype of the business idea, which was submitted to the call for entrepreneurs.



Overview of The Green Business Plan

So far, block after block, the main components of the idea have been worked on and have materialised into the green business canvas. With this, you built a prototype version 1 of the green business canvas (the one that you submitted) over a series of hypotheses that were to a greater or lesser extent tested in the market so as to validate or discard them. With that effort, you were

shaping and reshaping the solution accordingly. Unfortunately, there is still some work to do since nothing replaces reality and it is extremely important to validate hypotheses in order to have a strong basis from which to build upon.

Now, time has come to review the work done, gather all the necessary information and expand it in order to be able to create the green business plan based on tested hypotheses. In this section, following the Handbook and Workbook approach, you will be asked to validate block by block the current version of the canvas (v1) in order to get closer to version

2 (final one) that you will complete at the end of these 32 weeks of the support phase. So let's start looking at each block of the canvas and refine them. To facilitate the next steps, we will refer to the different pieces of information submitted to the call for entrepreneurs, which have been labelled using the following letters:

Introduction and Set-up The Green Business Canvas Review

The Green Business Plan

The Business Take Off

Get Funded

Outline of the business idea

SYNNY

Code

Magre
Company

Mission

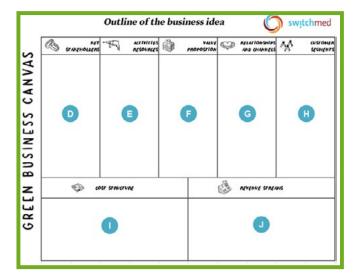
Vision

Objectives

B

C

Templane haved dending developed within the Shall Phe (Programme, Progree Stay the business model samess developed by Oness ables and Physica.



In the selection phase you have described <u>4 other cells</u>. Do you remember them? Well they are going to be useful during all the process, mostly in the resuming stage, when you will be asked to sum-up all the information for the Executive Summary.



The Green Business Plan

Get Funded

Introduction and Set-up

1.1 Objectives, Mission and Vision

The objectives, mission and vision define the purpose of the business project. So far, you have identified internal and external challenges that pushed you to undertake this entrepreneurial endeavour.

Remembering "why you started this" is crucial. A way to describe these reasons is by setting objectives, which may be useful to track and measure how well and to what extent you are achieving your goals. With this aim, you need indicators and metrics.



(Go to pages 29-32 of the Handbook to review the theoretical concepts. Check also the Test section in the Handbook pages 95 to 104 for further information. Go to Cells A, B and C of the Green Canvas and retrieve the information you provided. Go to pages 23-27 of the Workbook to gather and review what you have done so far.
⊗′	After comparing the WB exercises, Cells A, B and C and under the supervision of your Local Mentor, proceed to validate the information once again. Are you able to ensure (validated after real test) that your: 1. Objectives are quantified, measurable and achievable (provide figures, reports and test results that confirm this)? 2. Objective indicators have been defined and ready to be measured and reported? 3. Mission and vision are meaningful and inspiring for the team, customers and stakeholders? 4. Objectives are responding to an environmental challenge? Provide an in-depth description of the relation between the problem and the solution you aim to provide?
0	Describe how these statements have been validated in the <u>Test</u> <u>validation template</u> .

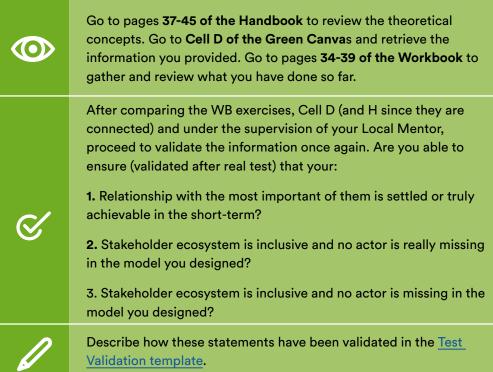
The Business Take Off

Get Funded

1.2 Key stakeholders

Stakeholders are all the agents or groups related to the project, either because they are influenced/affected by its objectives or, on the other hand, they exert an influence/effect on them, or both. It is through their engagement in the project that all these players are able to create and receive value (environmental and social), in a fair and optimal way (balanced 'give & get' exchanges).





The Business Take Off

The Green Business Canvas Review

The Green Business Canvas Revie

1.3 Customer Segments

Customers are a special stakeholder in the sense that the financial health of the project relies on their engagement, and so they deserve special attention.

A customer (sometimes known as a consumer, user, client, buyer, or purchaser) is the recipient of a good or a service, or a product, or an idea, obtained from a seller, vendor, or supplier via a financial transaction or exchange for money or some other valuable consideration.





Go to pages **45-49 of the Handbook** to review the theoretical concepts. Go to **Cell H of the Green Canva**s and retrieve the information you provided. Go to pages **46-50 of the Workbook** to gather and review what you have done so far.

After comparing the WB exercises, Cell H (and D since they are connected) and under the supervision of your Local Mentor, proceed to validate the information once again. Are you able to positively answer the following questions (validate after real test)?

- **1.** Does the niche market you have chosen positively respond to your offer? Are you selling to the targeted customers?
 - 2. Is niche market big enough to maintain your business in the long term? Are there enough customers willing to pay for your product and/or service?
 - **3.** Will your customers buy from you because your proposition is somehow different for them?



Describe how these statements have been validated in the <u>Test</u> validation template.

The Business Take Off

Get Funded

1.4 Value Proposition

Your value proposition has to contain value for the environment, stakeholders and customers. In other words, it has to 'transport' and embody the environmental and social value we create, while engaging stakeholders, therefore performing a service and/or providing a product for customers, and fulfilling needs that have not yet been met by the market. The most logical way of achieving this is by actually involving customers and stakeholders in the process of designing and delivering the value proposition (co-creation).





Go to pages 50-55 of the Handbook to review the theoretical concepts. Go to Cell F of the Green Canvas and retrieve the information you provided. Go to pages 50-55 of the Workbook to gather and review what you have done so far.

After comparing the WB exercises, Cell F and under the supervision of your Local Mentor, proceed to validate the information once

again. Are you able to ensure (validate after real test) that your:

- 1. Value proposition is clear and focused on the right customer segment?
- 2. Value proposition does really provided an unique and added value to the market?
- 3. Customers are already buying or waiting to purchase what your are offering?



Describe how these statements have been validated in the Test Validation template.

The Business Take Off

Get Funded

1.5 Customer **Relationship & Channels**

This includes different ways of interacting with customers in order to engage them and make them feel part of our business, while you deliver them the Value Proposition.

The quality and level of detail given to this relationship deeply influences the customer experience as well as brand perception. Nurturing and tracking each touch-point your customer experiences is key to acquiring brand loyalty and engaging new clients. Channels include all means of communication and distribution to reach customers and deliver a value proposition to them.



Go to pages 56-62 of the Handbook to review the theoretical concepts. Go to Cell G of the Green Canvas and retrieve the information you provided. Go to pages 72-73 of the Workbook to gather and review what you have done so far. After comparing the WB exercises, Cell G and under the supervision of your Local Mentor, proceed to validate the information once again. Are you able to ensure (validate after real test) that your: 1. Channels are properly defined and opened to reach your customer in the most effective way? 2. Customer relationship type you chose for the different segments is working and your brand is positively affected by that? 3. Communication & Sales strategy is solid and proven? Describe how these statements have been validated in the Test validation template.

Resources

The Green Business Plan

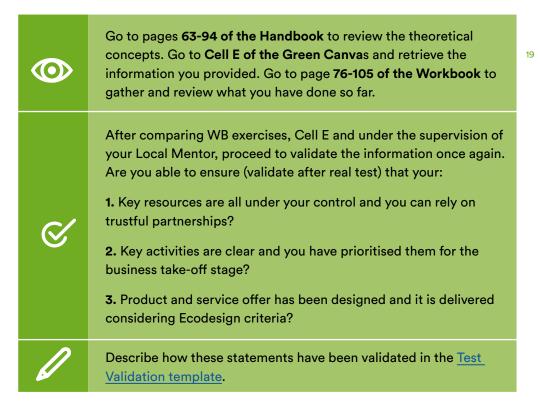
The Business Take Off

Get Funded

1.6 Key Activities &

Key activities (KAs) and key resources (KRs) are all the tasks and resources you need in order to generate, innovate and manage the value you are creating and delivering to customers, other stakeholders and the environment.





Get Funded

The Green Business Canvas Review

Plan

The Business Take Off

1.7 Cost Structure

A business has many different costs, from paying for raw materials to paying rent or wages. By carefully classifying these costs (fixed and variable for instance) a business can analyse and improve its performance.

Keep a well-balanced cost structure, particularly with low fixed costs, in order to launch your initiative as quickly as possible!



Go to pages 63-94 of the Handbook to review the theoretical concepts. Go to Cell I of the Green Canvas and retrieve the information you provided. Go to page 76-105 of the Workbook to gather and review what you have done so far.

After comparing the WB exercises, Cell I and under the supervision of your Local Mentor, proceed to validate the information once again. Are you able to ensure (validate after real test) that your:

1. Cost structure is minimal and it is built, mostly, on variable costs?

2. Key resources and activities are included in the forecast expenses?

3. Setup costs are properly estimated and minimised?

Describe how these statements have been validated in the Test validation template.

The Green Business Canvas Review

Plan

The Business Take Off

Get Funded

1.8 Revenue Streams

Revenue streams are the building block representing the cash (not profit, which is revenue minus costs) that a company generates from each customer segment. The importance lies in understanding what customers and users really value and where new revenue or pricing opportunities might lie.

You must have an accurate idea of the importance of each revenue stream and which one best matches a particular customer segment and channel.



Go to pages 90-94 of the Handbook to review the theoretical concepts. Go to Cell J of the Green Canvas and retrieve the information you provided. Go to page 128-131 of the Workbook to gather and review what you have done so far. After comparing the WB exercises, Cell J and under the supervision of your Local Mentor, and proceed to validate the information once again. Are you able to ensure (validate after real test) that your: 1. Revenue streams are solid and do not only depend on a few big customers? 2. Pricing mechanism is profitable and corresponds to your market niche? 3. Market will remain stable (there is room for you) or even grow in the coming years? Describe how these statements have been validated in the Test Validation template.

The Green Business Canvas Review

he Green Business Plan

The Business Take Off

et Funded

2

The Green Business Plan

Now, you have confirmed your business hypothesis and spotted those aspects on which you might still need some help.

Time has come to define in detail your green business plan and organize all the tasks you will be asked, to deal with, in the next months. This planning stage is the most important part of this document and process, so let's get it started!

The Green Business Canvas Review

The Green Business Plan

The Business Take Off

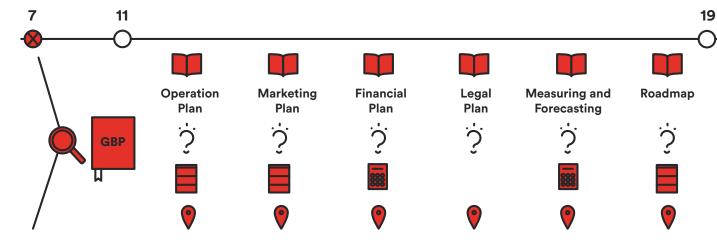
Get Funded

Launching your business 7

You have arrived at the implementation stage of your business, after you have successfully validated the green business model. We must now carefully plan the development and management of your business, and then proceed with operations and the launch.

A multidimensional approach to planning touches upon every major area of a business, relying on different tools and all working in harmony. Together, they provide comprehensive knowledge of how your business works in the market, how to manage it and boost its performance. Running a business effectively therefore means putting all these tools to good use, both on a day-to-day basis and in the long-term as we pursue the objectives.

Until now, you have been refining the prototype and testing it, now it is time to detail all the aspects and extend the information you have in



Overview of The Green Business Plan

order to build a solid and credible green business plan. To do so, you will receive guidance through the most important aspects of the plan to develop them.

You may encounter some barriers ahead (everyone does when launching a new business) such as lack of information or knowledge about some specific aspect, unreliable predictions or uncertain calculations. But for that you will be helped and guided by your LM plus extra support by means of External Technical Assistance (ETA).

Did you know that...?

Many green businesses make business plans only when they have no choice in the matter. Unless the bank or the investors want a plan, there is no plan.

Do not wait to write your plan until you think you will have enough time. "I cannot plan. I am too busy getting things done," business people say. The busier you are, the more you need to plan. If you are always putting out fires, you should build firebreaks or a sprinkler system. You may lose the whole forest if you pay too much attention on the individual burning trees.

Get Funded

Introduction and Set-up

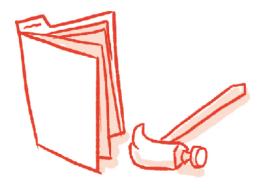
2.1 Operation and Management Plan

This section is an overview of how your business will operate.

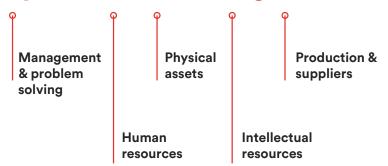
Depending on what type of business you intend to start, your operational plan will include an overview of how you will manufacture your goods, sell your products, deliver services to your customers, and/or manage your staff to achieve your company's triple-bottom-line objectives.

Triple-bottom-line? In traditional business accounting and common usage, the "bottom line" refers to either the "profit" or "loss", which is usually recorded at the very bottom line on a statement of revenue and expenses. Triple bottom line is an accounting framework with three parts: social, environmental (or ecological) and financial.

Being a green, sustainable, and socially fair business goes far beyond simply offering a green product or service. As a truly green business, it is imperative that you develop internal operating principles that support your environmental and social initiatives.



Operation and Management Plan



Key features of the Operation & Management plan

The Business Take Off

Get Funded

2.1.1 Management & Problem Solving Activities

Management is the function that coordinates the efforts of people to accomplish goals and objectives by using available resources efficiently and effectively. Management includes planning, organising, staffing, leading or directing, and controlling an organisation to accomplish the goal or target.

Problem solving is a compound of approaches that help to organise and prioritise the way you deal with internal challenges.



	Demonstrate that you know how to manage your organisation, that you have considered a plan to do this and that you integrate the problem-solving thinking in the way you work.						
Þ	1. Description of the management strategy	2. Some management protocols (some sort of "house" rules)	3. List of problem-solving activities and tasks	4. Organisation of the internal and external policies such as Corporate Social Responsibility (CSR)	5. Certifications and other useful protocols		
Ø	Describe this GBP section by filling in the content: this is commonly a text that is between 250 and 750 words and structured with several key points. These points should answer some inspirational questions and include all the relevant information that will enable the reader to comprehend what you have in mind, what you have done so far and mostly, what is next.						
	Here are a few quest	ions to give you ins	piration:				
Ş	How do you plan to manage your business? Who will be in the lead and how they will do this? Are you able to manage problems and provide new solutions? How? What are the main activities you will be doing first? How will you deal with Social and Environmental Corporate Responsibility? What is your policy? Will you consider gender equality, religion tolerance and healthy and fair work environment?						
			What are you doing a for the roadmap (just f		ng action to execute		
0	A. Edit a policy and m B. Execution of the m		with related tacks				
V			anagement board to de	ecide important aspec	ts of the business		
			board, and work with t	hem in a specific issue			
	Write down the action	ons in your <u>templat</u>	e and check Chapter 2	2.6 for further informa	ation.		

The Green Business Canvas Review

The Business Take Off

Get Funded

Instructions

2.1.2 Human Resources

It is often stated that investors invest in "people, not ideas," which means that your business plan must communicate why you are the right person to launch and manage this green business.

Detail any personal or professional experience related to the business topic. Describe any life experiences that have given you a special, firsthand insight into the impacts of and solutions to—environmental degradation and social inequality. You should also introduce readers to the other important members of your team. Be sure to highlight any relevant green or environmental experience they may have.

If you have assembled a well-rounded and competent team, this will reflect well on you and improve your chances of attracting investment.

✓ Complete the GBP section 2.1.2 (page 4)



You think you have the right team, a dream team, prove it! Detail who you are and why you are (as an entrepreneur and as a whole, as a team) the best chance this project has to succeed! Commonly, the expected outcomes for this section, are:

- 1. Description of the team structure with personal motivations and backgrounds
- 2. List of team members with their professional resume and profile picture
- 3. Charts detailing the roles and the member's main functions



Describe this GBP section by filling in the content: this is commonly a structured text that is between 500 and 1000 words and contains simple table items with a profile picture of all the team members including their resumes. If available also provide the Linkedin url (including other social networks) in order to ensure potential readers that your project team is real and that they have the right skills and experience to launch and run this project properly. Resumes should not be too long, just describe the value proposition of the team member. You could always provide external links or additional information if required.

This chapter should provide valuable information about the roles, the hierarchy and even the main functions of the team members. Remember that this information should be coherent with financial statements. Human resources use to have a high cost for startups (most of the time, a challenging fixed cost), you should prove in this section that you are going to choose and work with the right people. You could also give an emotional touch to this section, adding what will bring this team together and what you expect for the future, use a good narrative, seduce your reader.

Who are the members of the management team? Identify each member of the management team, and highlight his or her key responsibilities and relevant experience.

Do you rely on experienced advisors? Describe any additional support you will receive from an advisory board, consultants, or your board of directors. Be sure to list their names, titles and affiliations.

Who is your team as well as why and how they will lead the project to success? Describe functions, hierarchy, their background and relative experience.

Do you rely on external human resources?

What is the nature of your relationship?

Could they be considered mere resources (some sort of commodities, easy to replace) or strategic assets, very critical for the value proposition?

The Green Business Canvas Review

The Green Business Plan

Th

The Business Take Off

Get Funded

0

Great! Now, let's do something about it! What are you doing and when are you taking action to execute this section of the GBP? Type of actions for the roadmap (just a few examples...):

- A. Create a vacancy, publish it on the internet, manage the selection phase and hire a new member of the team.
- B. Arrange and sign a partner/shareholder agreement.
- C. Salary and other personnel agreement negotiations.
- D. Social insurance and other legal requirements related with employees.
- E. Other... (specify it!)

Write down the actions in your Roadmap template and check Chapter 2.6 for further information.

Did you know that...?

You should calculate the number of full-time equivalent (FTE) job positions that your business will create. This information may help you receive grants and loans because many government agencies aim to support businesses that create jobs for the local economy. In addition to the expected number of FTE jobs, include brief descriptions of the positions and the skills that they will require. You should also note if you plan to offer job-training services to employees, community members, or interns.

The Green Business Canvas Review

The Green Business Plan

The Business Take Off

Get Funded

2.1.3 Physical Assets

A physical asset is an item of economic, commercial or exchange value that has a tangible or material existence. For most businesses, physical assets usually refer to cash, equipment, inventory and properties owned by the business.





Most of the time, you really need physical assets to launch and run your business. Explain what you need in detail, and most of all, why you need it and the value it has in your business proposal. Make it very clear and easy to understand, potential investors want to know why you rely on these particular elements. Show that you know what you are talking about and that every penny you have to invest will be carefully considered fruitfully spent and provide a return on investment! Commonly, the expected outcomes for this section, are:

- 1. Description of physical necessary capital (list of assets)
- 2. Description of the assets and their contribution to the business
- 3. Blueprints, layouts, features of the facilities, venues, offices and infrastructure
- 4. Geographical information, location, access, distances from strategical points such as ports, airports, main cities, highways, etc.



Describe this section, using an enriched text of between 250 and 1250 words, and provide drawings, prospects, maps, etc. (if available). Gather all the relevant information you might need to inform your reader in order to gain his/her trust about the soundness of your business idea. You could describe properties and assets you own or already rent / use, features and advantages of these facilities compared with those of other competitors for example. Give some practical information about what you have been doing so far and infrastructure you built around your business.

Ş

What physical assets will you, absolutely, need to start and operate your business? Describe all of them and why you need them.

Do you need to own them, or can you just find other ways to access to them without purchasing them? Explain that!

Where are these assets located and do they complement and power your facilities? Which offices, vehicles, storehouses, shops, etc. Are you going to choose, use and manage?

Did you select them choosing the most eco-friendly options of the market? Describe their features.

The Green Business Canvas Review

The Green Business Plan

The Business Take Off

Get Funded

0

Great! Now, let's do something about it! What are you doing and when are you taking action to execute this section of the GBP? Type of actions for the roadmap (just few examples...):

- A. Locate, acquire (purchase, rent, lease...) and "start" the facilities / infrastructure that you need.
- B. Refurbish / setup the assets the way you need them to operate.
- C. Get all the machinery / devices / etc. you need in order to start producing, storing and selling your products and services.
- D. Get access to the assets in case you do not own them by signing an agreement with suppliers.
- E. Negotiations and agreements signature.
- F. Other... (Specify it!).

Write down the actions in your Roadmap template and check Chapter 2.6 for further information.

Did you know that...?

You have previously described Key Resources- Now retrieve and expand that information since you may find a list of assets that might help you now.

Complete the GBP section 2.1.4 (page 4)

Instructions

The Green Business Canvas Review

The Green Business Plan

The Business Take Off

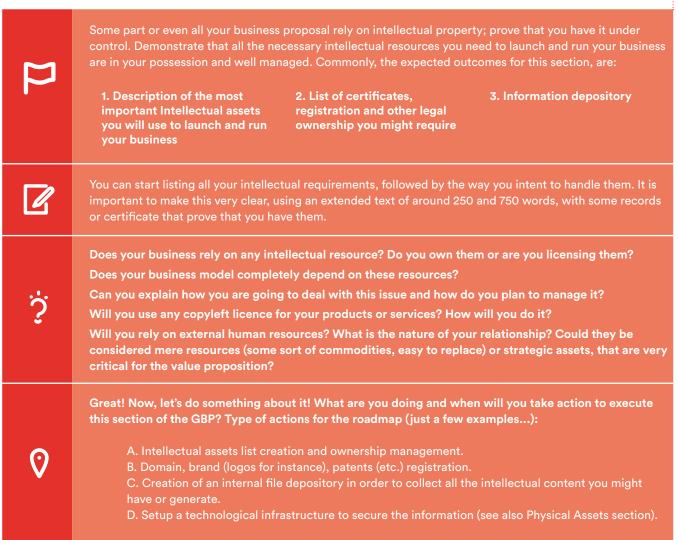
Get Funded

2.1.4 Intellectual Resources

An intellectual resource is an investment in brands, design, technology or creative works. The laws that protect the value of such assets are known collectively as intellectual property. Examples of them are patents, domains, brands, software, publications, articles, new technologies, know-how and so on.

Did you know that...?

In the Legal plan you will find more information about this particular aspect. Right now list and describe what you need and own for the sake of the business.



Write down the actions in your Roadmap template and check Chapter 2.6 for further information.

30

The Green Business Canvas Review

Green Business Plan

The Business Take Off

Get Funded

2.1.5 Production and Suppliers

The challenge for a Green Business is maximising value for customers, stakeholders, and natural ecosystems, while minimising economic, social and environmental costs. To do so production and supply chain management need to be focused on the business life cycle to spot critical points and promote innovative ways of doing business through a product and service offer.

One of the best ways to include this perspective is Ecodesign, a methodology that helps us effectively include environmental criteria in the design stage of our products, services and business models. Eco-designing a product or service is about the application of strategies that allow us to reduce the negative impact of our products and services, which are related to the necessary activities and resources, while generating more value for customers and stakeholders.

You have been working with the Ecodesign cards previously. Now it is time to retrieve them and analyse what is missing or can be improved.

Creating a green and socially fair supply chain is a critical element for ensuring that you adhere to triple-bottom-line principles in your business operations. One way to build a green supply chain is to develop criteria that your company can use to select suppliers that are aligned with your mission.

Some examples of sustainable procurement criteria are:

- Choose local suppliers when possible.
- Choose suppliers who have clear and transparent sustainability initiatives to reduce waste, conserve natural resources and minimise greenhouse gas emissions.
- Choose suppliers who offer organic and fair-trade certified products wherever possible.
- Choose suppliers who offer environmentally sound products (e.g. A printer which uses 100% post-consumer paper products to print your marketing supports)

The Green Business Plan

The Green Business Canvas Review

The Business Take Off

Get Funded

Instructions



Did you know that...?

Some markets may also demand specific environmental labelling. which makes it a requirement for accessing them. Examples of these labelling schemes are the European Union Ecolabel, Forest Stewardship Council (FSC), LEED, etc. You may check them out at http://www. ecolabelindex.com/ You might be also interested in social labels such as Fairtrade or Conflict-free minerals.





organisation. The control (in other words, the management) of the production means is critical. You are expected to ensure your readers, that you know how to generate and put your products and/or services on the market, according to the technical specification, quality, price and availability described all along the GBP sections and, most of all, in the financial forecasts. Show that you fully control the production means you need to start and operate your business. Prove it! Commonly, the expected outcomes for this section, are:

- 1. Description of the entire supply chain with explanation of the production means and techniques
- 2. Drawings and flowcharts
- 3. Highlights of some important aspects of the production and supply chain



Describe using a text, commonly between 500 and 1500 words, you entire supply chain. You can add some schemes or drawings in order to make it easier to understand for non-technical readers. The point of this section is to list and detail the ways (techniques, technologies, methods...) you are going to use to create what you will be selling. In further developments, you might be asked to provide additional information about technical specifications, just get them prepared beside the GBP, just in case you need them.

Worried that your secret formula might be stolen? Fair enough, you are right, but you don't have to explain the secret chemical reaction or the innovative material composition you intend to create in details. Just prove that it really exists and you know how to bring it into a market scale.

Are your proposed products and/or services already under development or in existence (and on the market)?

What is the timeline for bringing new products and services to the market?

What makes your products or services different? Are there competitive advantages compared with offerings from other competitors? Are there competitive disadvantages you will need to overcome? (And if so, how?)

Is price an issue? Will your operating costs be low enough to allow a reasonable profit margin?

How will you acquire your products? Are you the manufacturer? Will you assemble products using components provided by others? Will you purchase products from suppliers or wholesalers? If your business takes off, will a steady supply of products be available?

Do you design your own products & services, can you Ecodesign them? Have you taken into consideration the most environmentally preferable option between all available options? Describe it!

How is your production able to minimise carbon emissions and other types of pollution? Can you lobby or have an influence on your supply chain to make suppliers more responsible? Do you propose to do this?

0

Introduction and Set-up

01

02

0

4

The Green Business Plan

The Green Business Canvas Review The C

The Green Business Plan

The Business Take Off

Get Funded

Instructions



Great! Now, let's do something about it! What are you doing and when are you taking action to execute this section of the GBP? Type of actions for the roadmap (just few examples...):

- A. Acquire or produce a unit of your product or service to be put on the market and see the reaction.
- B. Test and validate the quality of the products coming from own facilities or external suppliers.
- C. Evaluate the readiness of the products and service from a user perspective
- D. Research new materials, techniques and methods to improve productivity, reduce costs or enable product / service innovation.
- E. Identify the best suppliers, contact them and come to an agreement. Involve them in your business (from suppliers to partners).
- F. Other... (Specify it!).

Write down the actions in your Roadmap template and check Chapter 2.6 for further information.

The Green Business Canvas Review

02

2

The Green Business Plan

03

The Business Take Off

04

Get Funded

The Green Business Plan Instructions

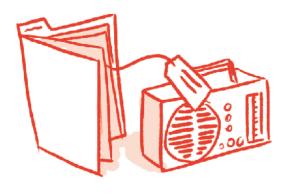
2.2 Marketing Plan

The Marketing Plan section of your business plan details how you plan to reach your target market segments, how you plan on selling to those customer segments, what your pricing plan is, and what types of activities and partnerships you need to make your business a success.

Before you even think about writing your marketing plan, you must have your target market well-defined and have your buyer persona(s) fleshed out. Without truly understanding who you are marketing to, a marketing plan will have little value.

Your tactics are the means that you have and will use to inform your customer about your business and your products. Your tactical plan will include all the steps you need to take to meet your goals. Are you planning to advertise in a particular way? Will you be attending trade shows? Do you plan to offer a special promotion? Your tactics need to be carefully spelled out, with dates and actions associated with them, and what tools you will use to reach your customers.

Your tactics will include the actual elements you will use to deliver your message to the customer. Of course, you want to use a method that is going to give you the highest return on your marketing investment. You will use tactics that are going to get you in front of your target customer or niche market.



Marketing Plan



Key features of the marketing plan

Get Funded

The Green Business Canvas Review

The Green Business Plan

The Business Take Off

2.2.1 Customers and Value Proposition

Target customers are the pillar of your business idea. You have been mapping and identifying them previously. You have customer cards and possibly tested them. Now you are asked to describe them in much more detail.

Who are your customers, who will you target, who makes the decisions? Determine how you can best reach potential customers. Consumers are always looking around for the best possible deal at the best quality and how these products or services will contribute to their success. The value proposition is the promise that the business will give the consumer the best possible value. The value proposition is a creative statement that depicts the unique selling point. Without this

statement you lose an opportunity to tell consumers why they should pick you over competitors. An important goal in a business is to convince customers that they are getting many more benefits.

From a customer's perspective, buyers are not only asking how this product is different to one they may already be using, but what value this product or service may have. Customers are looking for answers that may improve or replace products or services. Customers will never buy a product or service if they don't feel like they are receiving the best possible deal. Therefore, the value proposition is important to businesses and their success.



Complete the GBP section 2.2.1



Make it very clear that you have the best solution for the right customer at the right place and the right time. Demonstrate that you deliberately chose some early adopters (your first clients), you sold to them, and you know how to seduce them and even other ones! Don't forget, you are supposed to generate environmental and social value. Where are they? Show it! Commonly, the expected outcomes for this section, are:

- 1. Description of the customer segments (at least the top 5 of them)
- 2. Why they are your customers and what is your value proposition for them
- 3. Some highlighted content about the relationship between the need and the solution
- 4. High quality text that you will be able to use in the marketing campaigns.

00

Introduction and Set-up

The Green Business Canvas Review

03

0

____ The Green Business Plan
Instructions

The Green Business Plan

The Business Take Off

Get Funded

Imagine you have 30 seconds to convince someone that what you offer is solving his/her problem (satisfying a need) in the best way ever, that your proposal beats any alternative in the market, that you have THE solution. What would you speak about in that 30 seconds? What would you show? Who will be the easiest person to convince (early adopters)? This little spot of 30 seconds is the essence of your business... How will you describe this essence in detail? Here you are asked to detail the fundamental and delicate relationship between the customer segments that you have identified and that you can reach, and the value proposal you have defined for them. Using a narrative style text you could start detailing all the different segments, adding as much information you have about them, followed by a sale-perspective definition of what you are putting on the market (in other words, what you are trying to offer).

ن

Are there sections of your target market that are underserved and will your product or service fill that void? If so, write a brief explanation of what this market is like and how your products are going to get the attention of the consumer.

What is special about your customer? Why him/her, them?

Does the targeted market want or value your service or product? Why?

Is there enough money to be made with your product or service in your target market?

How do you perceive your potential customer's problems?

What do your customers: Hear? Think and feel? See? Say & do? (Try and put yourself in their shoes)

Are these problems critical to your customer? If so, how? How can you solve these problems?

Do you have testimonials from customers about your products or services?

What is your value proposition to each segment?

Great! Now, let's do something about it! What are you doing and when are you taking action to execute this section of the GBP? Type of actions for the roadmap (just few examples...)*:



- A. Validate the final version of the value proposition and edit all the texts (in different length) to be
- used in the commercial channels (such as flyers, websites, facebook pages, etc).

 B. Execute a customer acquisition plan (in other words, execute all the tasks you are going to
- perform to reach and catch your clients).
- C. Promote your value proposition through a planned advertising campaign, acquire the necessary means and reach your customers with your message.
- D. Other... (Specify it!).

Write down the actions in your <u>Roadmap template</u> and check Chapter 2.6 for further information. *Some of the these actions could complement others related to this main chapter (Marketing Plan).

36

The Green Business Plan

The Business Take Off

Introduction and Set-up

The Green Business Canvas Review

The Green business Canvas Revie

2.2.2 Market Analysis and Competitors

Once you have deeply linked your main customer segment to the value proposition that you designed for him/her, time has come for benchmarking what is out there and be sure that your solution is better (or at least different) than others. You have already been reflecting on this but it is of great importance to be able to explain what makes you different from existing alternatives.



P	You know the market better than anyone else. Right? Show it! In this section you should be able to conving your reader that you have been selecting a niche market to start with and you have been studying it very deeply. Make your position as clear as possible compared to your competitors, prove that in your nichely are unbeatable. Can you do this? Commonly, the expected outcomes for this section, are: 1. Description of the market niche and characteristics (size, peculiarities) 2. Comparison tables describing features and differences between your proposal and competitors					
	Describe this GBP section by filling in the content, commonly a text between 500 and 1000 words, by structuring with several key points in which you answer some inspirational questions. Make sure to add all the relevant information. You can follow it with a comparison table as suggested in the table template cell below.					
Ş	Where do you see your company in the landscape of other solutions? What is truly uncopyable that makes your value proposition unique? Concerning the location of your competition: Does the competition within this market leave room for you to be competitive? Is your geographic location favourable to your business initiative or not?					
B	Who are you main competitors? What are their weaknesses? How can you use those weaknesses to your advantage? \ Your competitor's failure to provide flexible service may be an area you can exploit. \ Does the competition ignore the local market?					
©	Great! Now, let's do something about it! What are you doing and when are you taking action to execute this section of the GBP? Type of actions for the roadmap (just few examples)*: A. Go in more depth with market analysis and mystery shopping activities (in other words, purchase competitor's products or inquire about them) B. Work on improving the strengths of your product/service and reducing weaknesses and threats in order to distinguish yourself more clearly from the identified competitors. C. Choose a new positioning and perform the necessary changes to reach the new market niche. *Some of the these actions could be complementing others related with this main chapter (Marketing Plan).					

Get Funded

The Green Business Canvas Review

The Business Take Off

2.2.3 Products and Services:
Offer and Pricing

You have been working to define who your customer is, what your value proposition is and what makes you different from the competitors / alternatives.

Depending on the nature of your business, your Products and Services section could be very long or relatively short. If your business is product-focused, you will want to spend more time describing those products.

If you plan to sell a commodity item and the key to your success lies in, say, competitive pricing, you probably do not need to provide significant product detail. Or if you plan to sell a commodity readily available in a variety of outlets, the key to your business may not be the commodity itself but your ability to market it in a more cost-effective way than your competition.

But if you are creating a new product (or service), make sure you thoroughly explain the nature of the product, its uses, and its value, etc. - otherwise your readers will not have enough information to evaluate your business.-



Complete the GBP section 2.2.3

- 1. Contents and relevant information for promotional material or channels
- 2. A reader-friendly list / scheme of the products and services offered that is clearly defined

Here you are offering your product or service to the market. What is this product or service like? Make it very clear to your potential buyer. The advantage should be clear enough to motivate customers to

purchase what you are providing or at least to get them closer to the market.

3. Complete information sheets for each product or service offered



Describe this GBP section by filling in the content, commonly a text between 500 and 1500 words, structured in several key points in which you answer some inspirational questions. Make sure you add all the relevant information that could be useful for the target user. Use mock-ups, renderings, high quality pictures, maps, schemes of all type to enrich the text you are describing. Remember that a single image could be worth more than thousand words. Think, design and shoot a video explaining the benefits of your product / service offer.

38

02

03

The Business Take Off

4

The Green Business Plan Instructions

Ş

What are the benefits that customers will receive from your products or services? What features or benefits do you offer that your competitors don't?

What is your offer for each customer segments? Describe them.

You have been working on the relationship between Revenue Stream and Cost Structure, so what is happening? Is your business model profitable? Prove it!

Is your product and service generating environmental value? How?

What are the environmental features of your offer?

What is the pricing structure / schemes of your products or services, and how does this compare to your competition?

Describe all the products and services you are offering including the following information that you should gather and order for each different product or service:

- Key features / performances
- Type of product / model / serial number
- Available colours / options
- Accessories
- Size, volume, weight, etc.

- Packaging information
- Shipping conditions
- Energy / Water consumption
- Chemical composition
- / allergens / health information

- Environmental information
- / performances
- Maintenance instructions / client support
- Price (or fares) and purchase methods

You have to gather and organise all the necessary information for to the specific buyer / user. However, this information is for internal use if needed; keep in mind that highly detailed or technical descriptions are not always necessary and definitely not recommended. Use simple terms and avoid industry buzzwords so your readers can easily understand what your niche market is.

Great! Now, let's do something about it! What are you doing and when are you taking action to execute this section of the GBP? Type of actions for the roadmap (just few examples...)*:

- A. Pitching and sales meetings / actions.
- B. Contract and pricing negotiations.
- C. Offering free samples to gain feedback from customers and process them.
- D. Popup stores and other temporary shopping experience performance.
- E. Calculate the Ecodesign score (Ecodesign Cards, Workbook pages 78-121) you obtain in the final version of your product service system to use it as promotional content.
- F. Other... (Specify it!).
- *Some of the these actions could be complementing others related with this main chapter (Marketing Plan).

Did you know that...?

Nowadays transparency and traceability is a trending topic, mostly for green consumption, take advantage of that, and describe the benefits you will provide! \mathbf{O}

Get Funded

The Busine

The Business Take Off

2.2.4 Branding & Positioning

One of the most important parts of your marketing plan will cover how you position your company and your product and service that you are offerings. This is a matter of creating a brand that is recognisable and trustworthy (a process called Branding). You have to choose a seductive name (a process called Naming), design an identifiable logo and put it in the right place, not too high, nor too low, just right where it needs to be!

How customers perceive your business makes a dramatic impact on sales. Your marketing programme should consistently reinforce and extend your brand. Before you start to market your business, think about how you want your marketing to reflect on your business and your products and services. Marketing is the face of your business to potential customers - make sure you put your best face forward.

You have to choose. Positioning is how you will present your company to your customers. Branding, pricing and positioning are all connected: it is the reason why you are recommended to work on them at the same time.

You need to explain where your company sits within the competitive landscape and what your core value proposition is that differentiates your company from the alternatives that a customer might consider. If you consider that, after this exercise, your naming or brand (e.g. Logo) is not suitable, you could and probably should change these, as now is the right moment!



Complete the GBP section 2.2.4



Where are you within the enormity of other market offers? Are you the cheapest? The most expensive? The best performer? These are samples of what it is asked here. You have to make it clear to your reader and to the market where you aim to position yourself. Commonly, the expected outcomes for this section, are:

- 1. Description of the branding and positioning strategy
- 2. Graphic contents such as logos, flyers, images, fonts and so on



Describe this GBP section by filling in the content, commonly a text between 250 and 500 words, structured in several key points in which you answer some inspirational questions. Make sure to add all the relevant information. You are asked to choose which market niche you will target for your business project and how you intend to maintain that position through branding strategies.

The content here should be easy to understand, highlighting all the features of your added value such as a catchy logo or a recognised brand. You don't have it yet? No need to despair! You will be building it in no time. For now start setting up the basis of that long branding journey. The reward will be yours, if you manage it smartly. Here you are expected to provide graphic material that shows the value and the brand of your business. The quality of this material is critical and it may say a lot about you, mostly if you want to reach exclusive niches.

The Green Business Canvas Review

en Business Plan

The Business Take Off

Get Funded

Did you know that...?

You can use this simple formula to develop a positioning statement:

"For [target market description] who
[target market need], [this product]
[how it meets the need]. Unlike [key
competition], it [most important
distinguishing feature]."

For example:

"For environmentally-conscious travellers who wish to enjoy holidays in an environmentally-responsible manner while learning traditional agricultural techniques, the 'Green Ecolodge' is the best option since it offers a complete green package of holidays, experiences and learning. Unlike the local touristic offer, 'ecooptions' can allow you to enjoy a five-star holiday while preserving the environment and culture."

Are you offering a low-price or the premium, luxury brand in your niche market?

Do you offer something that your competitors do not offer?

Does your business benefit from any distinct marketing advantages such as:

Is your product or service already well known?

Do you have high customer loyalty?

Do the local trade organisations endorse your product?

Do you face any marketing challenges:

Do you lack brand recognition?

Do you face a limited budget?

Is your name and brand appealing to the target? Is it the right one?

Is it coherent with the values of your customer segments or maybe you have to separate your products and services in two different brands?

How are your competitors positioning themselves?

How do you plan on differentiating yourself from the competition? In other words, why should a customer choose you instead of someone else?

Great! Now, let's do something about it! What are you doing and when are you taking action to execute this section of the GBP? Type of actions for the roadmap (just few examples...)*:

 \mathbf{O}

Ż

- A. Creation of corporative materials (logo, etc.).
- B. Promotional material design and production according to the communication strategy.
- C. Execution of specific actions to reinforce the brand positioning such as participating in fairs or congresses, advertising, sponsorship and so on.
- D. Other... (Specify it!).

Write down the actions in your Roadmap template and check Chapter 2.6 for further information.

*Some of these actions could complement others related to this main chapter (Marketing Plan).

The Green Business Canvas Review

The Business Take Off

Get Funded

Instructions

2.2.5 **Communication Channels**

Channels include all means of communication and distribution to reach customers and deliver a value proposition to them. You are asked to describe to your reader in a more detailed way how you are going to use them to engage your customer and foster sales. There are two main distribution channels:

- 1. Direct distribution: This can be done through personal sales, the internet, telephone or mail.
- 2. Indirect distribution: can be carried out through retailers, agents/ brokers and distributors.



Complete the GBP section 2.2.5

Demonstrate that you know exactly how to reach your target. Don't be generic, it sounds that everything is working fine, but you know that is far from the truth. You have scarce means, use them properly! Do not waste energy and money in some dead end road! Prove that you discovered the key to getting heard by your customer! Commonly, the expected outcomes for this section, are:



- 1. Description of the means you intend to use and why
- 2. Step by step plan with tasks to promote your products or services
- 3. Strategy to reach, engage, convert (make them pay/use) and maintain your customers in time
- 4. Forecasts (some sort of specific budget-result planning) of the promotional actions and their expected return (ROI return on investment) on visibility or profitability



Describe this GBP section by filling in the content, commonly a text between 250 and 750 words, structured in several key points in which you answer some inspirational questions. Make sure to add all the relevant information. You could provide charts and other visual information to explain your communication strategy to be easy to understand and approved by your reader.

How will you reach your target market (e.g. Existing green networks and events, website, social media outlets like Facebook and Twitter, live events, sales strategies, etc.)? Why them?

How is your strategy going to evolve in time? What are you going to do first and what is next? Is the market you pretend to cover really reachable with your channel strategy? Describe it!

The Green Business Canvas Review

Green Business Plan

The Business Take Off

Get Funded



Great! Now, let's do something about it! What are you doing and when are you taking action to execute this section of the GBP? Type of action for the roadmap (just few examples...)*:

- A. Establish / hire / manage the communication channels in order to reach your customers.
- B. Execute the communication channels plan with all the necessary steps in order to be heard effectively.
- C. Hire a social media consultant, SEO (search engine optimiser) experts and other communication professionals to help you with the strategy review and its execution. D. Other... (Specify it!).
- Write down the actions in your Roadmap template and check Chapter 2.6 for further information.
 *Some of the these actions could be complementing others related with this main chapter (Marketing Plan).

Did you know that...?

When selecting a distribution channel, five elements need to be taken into consideration:

- A. The number of customer segments or the size of the market you are targeting.
- B. Investment required by the distribution channel
- C. Whether the product is standard, in which case the same version will appeal across customer profiles and can be sold through an external channel or a non-standardised product which needs to be tailored to the customer needs and for which the company needs to have direct contact with the customer.
- D. Amount of control required over the distribution channel.
- E. It is also important to take into account how long a healthy relationship will take to be established with the distributor as well as the length of the relationship as well; factors which contribute to the flexibility of the channel.

The Green Business Plan

Get Funded

Introduction and Set-up The Gr

The Green Business Canvas Review

The Business Take Off

2.2.6 Customer Relationship

The customer relationship is about the service and attention you provide to customers before, during and after a purchase.

It is part of the customer service that is also often referred to when describing the culture of and organisation. It concerns the priority an organisation assigns to customer service relative to components such as product innovation and pricing. In this sense, an organisation that values good customer service may spend more money in training employees than the average organisation, or may proactively interview customers for feedback.

The quality and level of detail given to this relationship deeply influences the customer experience as well as brand perception.



The terms of your relationship with your customer are very clear to you. You rightly choose to be his/her best friend, don't be a purely non-human interface (completely automatised for example) or something in between... Say why you chose that way not the other! Show that you strategically made a hard choice, for the sake of your project!:

- 1. Description of the customer satisfaction strategy
- 2. A manifesto for the customer (where you share your values to your stakeholders) or other policies
- 3. Complaint protocols and how customer service functions
- 4. Quality management plan



Describe using a text between 250 and 500 words, the way you in which you will manage your customers. Explain in detail what they represent for your project and what you can guarantee them. Share your values and engage them as much as possible. It could be useful to collect and organise previous comments and feedback from your customers to reinforce the value of your product / service offer and improve the customer experience. You can use pictures of them (if you have their permission) or other promotional content to strengthen the relation you maintain with them.

Ş

Which type of customer service are you willing and able to provide for each segment?

What kind of guarantee are you willing to offer customers? What about legal requirements (2 years free maintenance, a money-back guarantee, etc.).

How are ensuring the quality of your offer? In case of problems, how are you going to deal with them?

How is the relation with your customers going to be? Which degree of personalisation and proximity are you aiming to achieve? A close relation or an automatised one?

Why will you choose one type instead of others? Describe your reasons.

The Green Business Canvas Review

The Green Business Plan

The Business Take Off

Get Funded

0

Great! Now, let's do something about it! What are you doing and when are you taking action to execute this section of the GBP?

- A. Review and refine the customer journey and experience.
- B. Identify areas in which the relationship with customers may be improved and that may contribute to differentiation from alternatives.
- C. Create customer satisfaction protocols and quality standards.
- D. Writing a manifesto and spread the word.
- E. Others (specify).

Write down the actions in your Roadmap template and check Chapter 2.6 for further information.

Did you know that...?

Customisation consists of tailoring a service or a product to accommodate specific individuals, sometimes tied to groups or segments of individuals. It is a great value for your client, but it requires you more efforts and it is costly.

Are you able to provide it? Think about the degree of personalisation you need. There are forms of automatization that could help you to deal with this particular aspect of your business!

Get Funded

2.3 Financial Plan

Badly tracked finances can cause your business a world of problems—from poor cash flow to improper tax filings and beyond. This kind of problem can put a young business at serious risk. Good book-keeping habits, on the other hand, can help a business thrive—and not just survive.

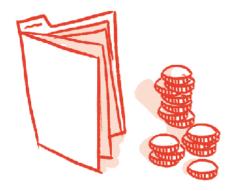
The financial prospects of your business plan should demonstrate that you have thought about every aspect of your start-up requirements, and have estimated the funds needed to go through your first 4 years of operation (year 0 can be considered some sort of pilot period while the following 3 years is when you are expected to stabilise the business and start scaling it up).

Potential funders, such as investors and bank lenders, will want to see your financial projections and forecasts before deciding whether or not they will fund your green business. We recommend that you seek advice and support in crafting this section of your plan to ensure that your projections are as reliable as possible.

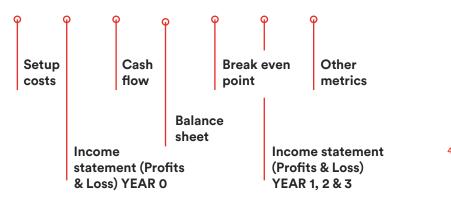
Being a green business has many advantages, the least of which is access to tax breaks and special loans and grants aimed at green industry. We recommend you research tax incentives and sources of grants and loans that pertain to your business and your location. That said, the following items should be contained in any green business plan:

- A. Setup costs and source of capital
- **B.** Income Statement (Profit and Loss account) for the Year 0 of operations
- C. Cash Flow forecast
- D. Balance Sheet forecast

- E. Break-even point calculation
- F. Income Statement (Profit and Loss account) projection for the Year 1, 2 and 3 of operation
- G. Other financial metrics



Financial Plan



Key features of the financial plan

The Green Business Canvas Review

The Green Business Plan

The Business Take Off

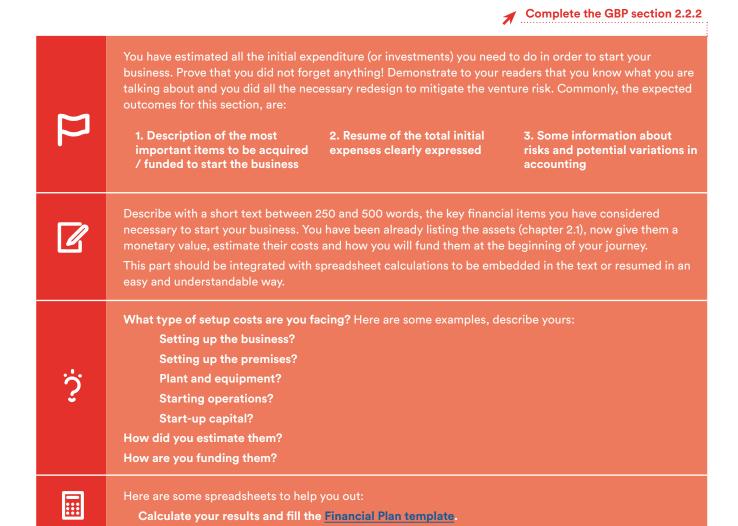
Get Funded

Instructions

2.3.1 Setup Costs and Sources of Capital

The initial investment or money used to start a business. The funds, or capital, may come from a bank loan, a government grant, outside investors, or the business owner's personal savings (including the famous 3F: family, friends and fools). The money is used to cover such start-up costs as purchasing building, purchasing equipment and supplies, and hiring employees.

It is important to show how much you will need to start operating and mostly, where you are going to find that amount.





Great! Now, let's do something about it! What are you doing and when will you take action to execute this section of the GBP? Type of actions for the roadmap (just few examples...)*:

- A. Launch a crowdfunding campaign to validate the interest of the project, and raise support and funds.
- B. Make income-expense calculations and a deep analysis of the results. Plan actions to improve the solidity of your financial trajectory.
- C. Change your financial structure: negotiating different conditions with suppliers or employees, using third party alliances to mitigate the risk, redesign the production system, considering other distribution channels etc.
- D. Other... (Specify it!).

*Some of these actions could be complementary to others related with this main chapter (Financial Plan). Write down the actions in your Roadmap template and check Chapter 2.6 for further information.

Did you know that...?

Investors are very concerned about initial investments needed in the projects they are supporting. Be clear about how you will deal with this essential issue, they will appreciate it!

The Green Business Canvas Review

The Green Business Plan

03

The Business Take Off

04

Get Funded

The Green Business Plan Instructions

2.3.2 Income Statement (Profit and Loss account) YEAR 0

A profit and loss statement is essentially an explanation of how your business makes a profit (or incurred a loss) over a certain period of time, in this case the Year 0 of your operations. It is a table that lists all of your revenue streams and all of your expenses and lists the total amount of net profit or loss at the very bottom.

This is a financial statement that may receive different names—profit and loss statement, income statement, pro forma income statement, P&L (short for "profit and loss")—but no matter what you call it, it is an essential report and very important to understand.

A typical profit and loss statement should include:

- Your revenue (also called sales),
- Your "cost of sale" or "cost of goods sold" keep in mind, some types of companies, such as a services firm, may not have cost of goods sold
- Your gross margin, which is your revenue minus your cost of goods sold

Your gross margin minus your operating expenses will give you your operating income:

Gross Margin – Operating Expenses =
Operating Income

Depending on how you classify some of your expenses, your operating income will typically be equivalent to your "earnings before interest, taxes, depreciation, and amortization" (*EBITDA*)—basically, how much money you made in profit before you take your accounting and tax obligations into consideration. This is also called your "profit before interest and taxes," gross profit, and "contribution to overhead"—many names, but they all refer to the same number.

Your so-called "bottom line"—officially, your net income, which is found at the very end (or, bottom line) of your profit and loss statement—is your *EBITDA* less the "*ITDA*." Just subtract your expenses for interest, taxes, depreciation, and amortization from your *EBITDA*, and you have your net income:

Operating Income – Interest, Taxes,
Depreciation, and Amortization expenses =

Net Income

The Green Business Plan Instructions

The Green Business Canvas Review The Green Business Plan The Business Take Off

Get Funded



Complete the GBP section 2.3.2



You are a master of finances, right? Well, you should become one, soon, since financial accounting is critical for new businesses. High uncertainty is what you are asked to deal with, prove that you know how to move in that complicated territory. Demonstrate that you have solid numbers and that you know how to manage your incomes and expenses, that you are able to forecast them as much as possible... Commonly, the expected outcomes for this section, are:

- 1. Description of the incomeexpenses and how it functions
- 2. Insights (relevant information you extracted from the numbers) about your financial activity and its future prospect
- 3. Calculation of: operating income and net income



Describe with a short text between 250 and 500 words, the key financial items you have considered necessary to run your business during the first year, number 0. You have been already dealing with resources (costs) divided in fixed and variable, and incomes streams (revenues). Now compare them in time and make a summary of it. This part should be integrated with spreadsheet calculations to be embedded in the text or resumed in an easy and understandable way.



What are your sales for the next 12 months (year 0)? What are your expenses for the next 12 months (year 0)?



Here are some spreadsheets to help you out:

Calculate your Net profit, Gross profit margin and Net profit margin by filling up the Financial Plan template.



Great! Now, let's do something about it! What are you doing and when are you taking action to execute this section of the GBP? Type of actions for the roadmap (just few examples...)*:

- A. Make income-expense calculations and an in-depth analysis of the results. Planning actions to improve the solidity of your financial trajectory.
- B. Change your financial structure: negotiating different conditions with suppliers or employees, using third party alliances to mitigate the risk, redesigning production system, considering other distribution channels etc.
- C. Other... (Specify it!).

The Business Take Off

2.3.3 Cash Flow

A cash flow is an explanation of how much cash your business brought in, how much cash it paid out, and what the final cash balance was, typically per-month. That might sound like sales, expenses, and profits, but it is not.

Consider this: what happens when you send out an invoice to a client, but they do not pay it by the due date? What happens when you pay your own bills late, or early? These kinds of things are not reflected in your profit and loss statement, but they are explained in your cash flow statement.

Your cash flow statement is just as important as your profit and loss statement. Businesses run on cash—there are no two ways around it. Without a thorough understanding of how much cash you have, where your cash is coming from, where it is going, and on what schedule, you are going to have a hard time running a healthy business. And without the cash flow statement, which neatly lays that information out for lenders and investors, you are not going to be able to raise funds. No business plan is complete without a cash flow plan.

Complete the GBP section 2.3.3

12	Demonstrate that you have made serious calculations and that you know how to manage your cash flow that comes in and goes out during a certain period of time. Prove that you are able to estimate and manage these payment-spending flows as much as possible and solve the issues of a potential lack of cash. Commonly, the expected outcomes for this section, are: 1. Description of the cash flow levels with a special focus on critical months when you could run out of cash 2. Insights (relevant information you extracted from the numbers) about your financial performance in the short term					
Describe with a short text between 250 and 500 words, the key financial items you have consider necessary to run your business during the first year, number 0. You have been already dealing with resources (costs) divided in fixed and variable, and incomes streams (revenues). Now compare to time and make a short resume of it. This part should be integrated with spreadsheet calculations embedded in the text or resumed in an easy and understandable way.						
Ş	What is your starting cash position? What are your incomings for the next 12 months (year 0)? What are your outgoings for the next 12 months (year 0)?					
	Here are some spreadsheets to help you out: Calculate your total Cash Flow results by filling up the Financial Plan template.					
Q	Great! Now, let's do something about it! What are you doing and when will you take action to execute this section of the GBP? Type of actions for the roadmap (just few examples)*: A. Make cash flow calculations and a deep analysis of the results. Planning actions to improve the solidity of your financial health. B. Change your payment structure: negotiating different conditions with suppliers or employees, using third party alliances to mitigate the risk, redesign the production system, considering other distribution channels etc. C. Other (Specify it!).					
*Some of these actions could be complementary to others related with this main chapter (Write down the actions in your <u>Roadmap template</u> and check Chapter 2.6 for further inform						

The Green Business Canvas Review

Review The Green Business Plan

The Business Take Off

Get Funded

2.3.4 Balance Sheet

Your balance sheet is a snapshot of your business's financial position—at a particular moment in time, how are you doing? How much cash do you have in the bank, how much do your customers owe you, and how much do you owe your vendors?

The balance sheet is standardised, and consists of three types of accounts:

- assets (accounts receivable, money in the bank, inventory, etc.)
- liabilities (accounts payable, credit card balances, loan repayments, etc.)
- equity (for most small businesses, this is just the owner's equity, but it could include investors' shares, retained earnings, stock proceeds, etc.)

It is called a balance sheet because it is an equation that needs to balance out:

Assets = Liabilities + Equity

The total of your liabilities plus your total equity always equals the total of your assets. In other words it can be defined "a company has to pay for all the things it has (assets) by either borrowing money (liabilities) or getting it from shareholders (shareholders' equity)."

At the end of the accounting year, your total profit or loss adds to or subtracts from your retained earnings (a component of your equity). That makes your retained earnings your business' cumulative profit and loss since the business' inception.



Complete the GBP section 2.3.4



Demonstrate that you have made serious calculations and that you know how to manage your financial quality during a certain period of time. Prove that you are able to estimate and manage these payment-spending flows as much as possible and solve the issue of a potential lack of cash. Commonly, the expected outcomes for this section, are:

- 1. Description of the equity-liability relation
- 2. Insights (relevant information you extracted from the numbers) about your financial health in a one year screenshot

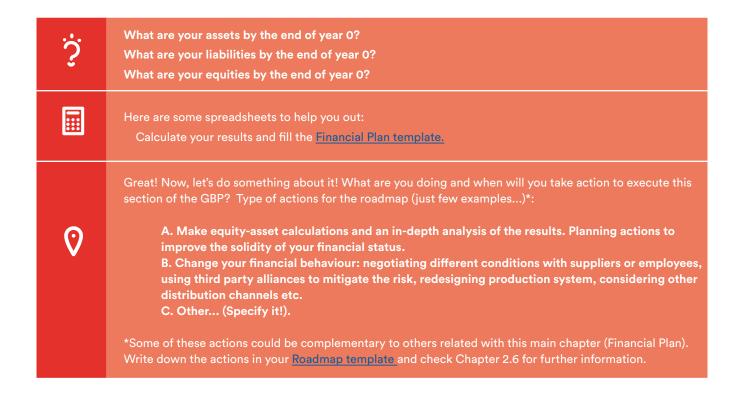


Describe with a short text between 250 and 500 words, the key financial assets you have estimated to run your business during the first year, number 0. This part should be integrated with spreadsheet calculations to be embedded in the text or resumed in an easy and understandable way.

Introduction and Set-up The Green Business Canvas Review The Green Business Plan The Business Take Off

Get Funded

The Green Business Plan Instructions



The Green Business Canvas Review

The Green Business Plan

The Business Take Off

Get Funded

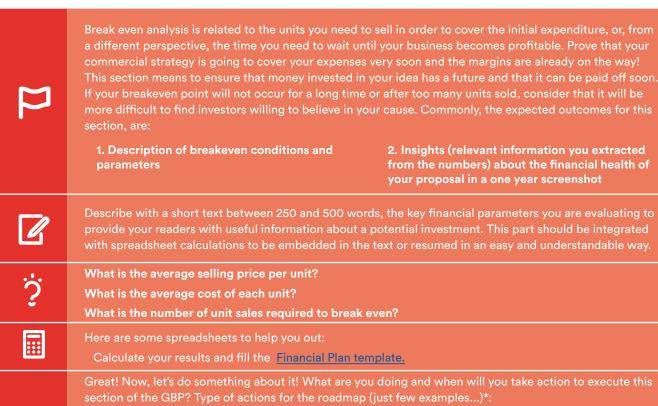
Instructions

2.3.5 Break Even **Analysis**

Your break-even analysis is a calculation of how much you will need to sell in order to "break even" (i.e. how much you will need to sell in order to pay for all of your expenses).

Your financial plan might feel overwhelming when you get started, but the truth is that this section of your business plan is absolutely essential to understand. Even if you end up outsourcing your bookkeeping and regular financial analysis to an accounting firm, you—the business owner-should be able to read and understand these documents and make decisions based on what you learn from them.





 \mathbf{O}

A. Make breakeven point calculations and an in-depth analysis of the results of the results. Planning actions to improve the profitability of your financial prospect.

B. Change your investment requirements: negotiating different funding conditions, using new alliances to mitigate the risk and accelerate the breakeven point, redesign the production system to be more profitable, considering other distribution channels etc.

C. Other... (Specify it!).

The Green Business Canvas Review

The Green Business Plan

The Business Take Off

Get Funded

Instructions

2.3.6 3 Years Income Statement

Besides from the sales forecast for the Year 0, which is essential, a market forecast to foresee future performances is also a good idea. How many potential customers are there to be reached? How does market growth stand to impact this business?

The sales forecast is exactly what it sounds like: your projections, or forecast, of what you think you will sell in a given period (typically, from one to three years). Your sales forecast is an incredibly important part of your business plan, especially when lenders or investors are involved, and it should be an ongoing part of your business planning process.

There is not a one-size-fits-all kind of sales forecast—every business will have different needs. How you segment and organise your forecast depends on what kind of business you have and how thoroughly you want to track your sales.

Go to pages 107-117 of the Handbook to review the theoretical concepts.

Go to GBP template section 2.2.1 and provide the requested information



You are now a master of your finances. What about the future trends? Well, you are asked to forecast even more, up to 3 years from the end of the first year (0). Very high uncertainty is what you are asked to deal with, prove that you know how to move in completely unknown territory. Demonstrate that you have intuition and that you will know how to manage your incomes and expenses in the mid-term, that you are able to forecast and control them as much as possible.

- 1. Description of the incomeexpense functioning year (1, 2 and 3)
- 2. Insights (relevant information you extracted from the numbers) about your financial future activity
- 3. Calculation of: operating income and net income for the year 1, 2 and 3



Describe with a short text between 250 and 500 words, the key financial parameters you are considering for the coming years (1, 2 and 3) making some qualitative evaluation. This part should be integrated with spreadsheet calculations to be embedded in the text or resumed in an easy and understandable way.



What is your starting cash position (by the end of year 0)?

What are your incomings for the following 36 months (year 1, 2 & 3)?

What are your outgoings for the following 36 months (year 1, 2 & 3)?



Here are some spreadsheets to help you out:

Calculate your total Cash Flow results and fill the e Financial Plan template.

Great! Now, let's do something about it! What are you doing and when will you take action to execute this section of the GBP? Type of actions for the roadmap (just few examples...)*:



- A. Forecast income statement calculations and a deep analysis of the results for the next 3 years after the year 0. Planning actions to improve your financial future behaviour.
- B. Change your financial mid to long-term strategy: negotiating different conditions with suppliers and resellers, using third party stronger alliances to mitigate the risk in the mid to longterm, redesign the production system and innovate it, considering other distribution channels, researching new technologies etc.
- C. Other... (Specify it!)

The Green Business Canvas Review

The Business Take Off

Get Funded

Instructions

2.3.7 Other **Financial Metrics** (optional)

If you have your profit and loss statement, your cash flow statement, and your balance sheet, you have all the numbers you need to calculate the standard business ratios. These ratios are not necessary to include in a business plan especially for an internal plan—but knowing the key ratios is always a good idea. You will probably want some profitability ratios, like:

- gross margin
- return on sales
- return on assets
- return on investment

And you will probably need some liquidity ratios, such as:

- debt-to-equity
- current ratio
- working capital

Of these, the most common ratios used by business owners and requested by bankers are probably gross margin, return on investment (ROI) and debt-to-equity.





All you can gather and add to the financial section is useful in order to provide your potential investor with a major sense of safety and calmness. Show that every financial aspect is fully under control, that you and your team are serious professionals, committed to the project and able to lead it to the success! Commonly the expected outcome for this section is:

Advance evaluation and synthesis of the financial performance indicators



Describe with a short text between 250 and 500 words, the advanced financial parameters you have been calculating. This part should be integrated with spreadsheet calculations to be embedded in the text or resumed in an easy and understandable way.

Ş

Are you able to provide advanced financial metrics? What is your ROI?

0

Great! Now, let's do something about it! What are you doing and when will you take action to execute this section of the GBP? Type of actions for the roadmap (just few examples...)*:

- A. Make an advanced financial analysis. Planning actions to improve your financial parameters.
- B. Review the whole financial structure, according to the results obtained from the metrics.
- C. Other... (Specify it!).

02

)3

04

Get Funded

Introduction and Set-up The Green Business C

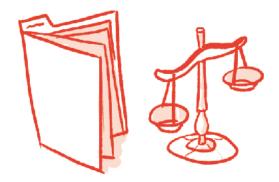
The Green Business Canvas Review The Green Busine

2.4 Legal Management Plan

The legal management plan deals with all legal aspects related to your business, including the legal form it operates under. They could be critical, need specific attention and they could represent either a barrier or an opportunity.

To deal with it, you can consider three main levels to start with:

- At the organisation level Setting the legal form
- At the market level Patents, trading regulations, licences, domains...
- At the local, regional, national and international level Legal framework, environmental and labour laws, international trade, etc.



At the organisation level

Setting the legal form

When you start a new business, one of the first decisions you will have to make is how to structure your company. This choice can be critical to the future health of your business.

Taking time upfront to consider the pros and cons of each possible structure will likely save you many headaches in the future. In certain cases, it can mean the difference between your business' success and its failure.

The most typical legal forms include Sole Proprietorships, Limited Liability Company (LLCs) and Cooperative. However, there are many other options such as Partnerships, Foundation, Association, etc.

7

The Green Business Canvas Review

03

The Business Take Off

04

Get Funded

1

✓ Complete the GBP section 2.4



Businesses operate under applicable laws in each country, which implies abiding by a certain number of regulations and legal requirements, that change from area (or region / country) to sector (or field of activity). Make it clear to your reader, why you chose that legal form and the pros and cons of it. Show that you really know how it works! Commonly, the expected outcomes for this section, are:

- 1. Description of the legal form and information about the public registration
- 2. Description of the shareholder scheme with charts and additional information



Describe with a text between 250 and 500 words, how you will decide to register your business and start operating legally. You can provide information about shareholder agreements, equity schemes and so on, including charts and tables.



What is your legal form? Describe it and why you have chosen it?

What is the agreement between partners and shareholders?

Explain what your next steps will be to legally register the organisation? Or what you have already done to register it?

Great! Now, let's do something about it! What are you doing and when will you take action to execute this section of the GBP? Type of actions for the roadmap (just few examples...):



- A. Register the legal form of your business.
- B. Negotiations and shareholder agreements signature.
- C. Legal requirement application and permits achievement.
- D. Other... (Specify it!).

Write down the actions in your <u>Roadmap template</u> and check Chapter 2.6 for further information. Remember that at the end of this support phase (32 weeks) it is expected that your business will be registered in one of the available legal forms in your country

Did you know that...?

Recently, a growing number of countries are adding the status of 'social enterprise' to their legal repertoire. It may be presented under a variety of names, such as Community Interest Company (CIC). In general, it represents a good step forward for businesses with a social and/or ecological purpose that want to reinvest their profits for the benefit of the community. A cooperative is also an interesting option to explore.

The Green Business Canvas Review

The Business Take Off

Get Funded

Instructions

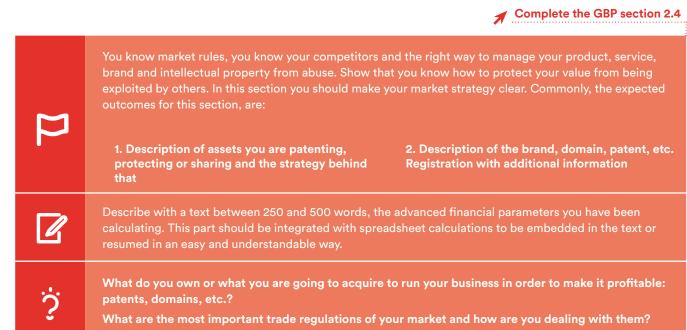
At the market level

Patents, trading regulations, licences, domains...

Your business is going to operate in a market where there are regulations that guide you and protect your customers from fraud.

If you are working with innovative technologies, intellectual resources, specific know how, web domains, trademarks and so on, you will be advised to provide them legal coverage in order to protect them from abuse.

The degree of freedom you wish to apply to your properties is your choice, but be aware of choosing the most proper way when setting your business plan.



Are you using any licence mode to operate? Describe how it works?

The Green Business Canvas Review

The Green Business Plan

The Business Take Off

Get Funded

Great! Now, let's do something about it! What are you doing and when will you take action to execute this section of the GBP? Type of actions for the roadmap (just few examples...):



- A. Patent application, registration and fees payment.
- B. Domain and licensing purchase and / or management.
- C. New licensing strategy plan execution.
- D. Other... (Specify it!).

*Write down the actions in your Roadmap template and check Chapter 2.6 for further information.

Did you know that...?

There are new trends in licensing such as Copyleft (a play on the word copyright), which is the practice of offering people the right to freely distribute copies and modified versions of your work with the stipulation that the same rights be preserved in derivative works down the line. Another interesting trend related with copyleft movement is Open Source. Your work/design/text (etc) that can be freely accessed, used, changed, and shared (in modified or unmodified form) by anyone. Further information at: https://opensource.org/faq#copyleft

Complete the GBP section 2.4

The Green Business Canvas Review

The Business Take Off

Get Funded

At the local, regional, national and international level

Legal framework, environmental and labour laws, international trade, etc.

Your business will operate under different legal frameworks. It is important that you know them and mostly know how to act accordingly. Thus, you may need some sort of permits to be able to run your business in a legal way.

Starting from the local or regional level, you will be asked to comply with regulations about environment, labour, safety and so on, from day 1 of your take-off stage. If your plan is to operate on a national and international scale, you will be dealing with transnational laws, customs and different tax systems. Show your reader that you are well-informed and that you have already included all these concerns in your successful plan.



The Green Business Canvas Review

The Green Business Plan

The Business Take Off

Get Funded

0

Great! Now, let's do something about it! What are you doing and when are you taking action to execute this section of the GBP? Type of actions for the roadmap (just few examples...):

- A. National and international trading regulations advisory and permit application.
- B. Customs and shipping management.
- C. Environmental, trade and labour regulation permits achievement.

Write down the actions in your Roadmap template and check Chapter 2.6 for further information.

Did you know that...?

In the PESTEL exercise (Handbook 26-27 and Workbook 20) you have also been analysing the legal current and future context (letter L of PESTEL acronym). Any changes in the legal framework could interfere or benefit your business projection, so have a look again and if needed delve deep into it!

The Green Business Canvas Review

reen Business Plan

The Business Take Off

Get Funded

2.5 Measuring & Looking forward

Every project needs a serious management approach in order to succeed. This is very important since the way you regularly measure progress towards your business objectives is as critical as the results you might have.

Let's have a look on how to start defining indicators and evaluate them to track the performance of your business and take the right decision for the next steps.

2.5.1 Forecasting the Future of the Business

2.5.2 Impact Measurement and Continuous Improvement



2.5.1 Forecasting the Future of the Business

The forces of change are all those factors that can have an impact on business. From these, particular emphasis will be put on environmental factors due to the nature of your business. Companies that take them into consideration are able to foresee opportunities and avoid potential threats caused by long term changes and trends in the business environment.

PESTEL analysis includes the assessment of Political, Economic, Social, Technological, Environmental and Legal aspects, at the local, regional and global level, and the influence they may exert on your business.

It is crucial for the mid-term projection of the business model to forecast what may happen in the future and foresee how to react to it. The PESTEL analysis has been performed at the beginning of your journey, now go back then and review what you already identified.

Did you know that...?

There are huge trends that are able to wipe out entire sectors in a few months. If you are launching a technology based business, foreseeing what is coming will be providential to increase your success opportunities. Let's think about the IT sector, it has been changing so fast in the last 10 years, so what is next? Your readers (investors, stakeholders and shareholders) will be glad to hear your proposal to challenges like this.



Write down the actions in your Roadmap template and check Chapter 2.6 for further information.

Get Funded

The Green Business Canvas Review

The Business Take Off

2.5.2 Impact Measurement and Continuous Improvement

Measuring impact has become a trending and challenging topic for green and social enterprises. On the one hand, it is a must in view of our inherent environmental and social purpose. On the other, as businesses, you also have to manage your own internal environmental or social performance.

Remember that the objective of a plan is its results, and for results, you need tracking and follow up. You need specific dates, management responsibilities, budgets, and milestones. Then you can follow up. No matter how well thought out or brilliantly presented, it means nothing unless it produces results.

Given their limitations, start-ups and small and medium enterprises require easy-to-measure, yet effective and functional indicators to assess their impact on the ground.



Complete the GBP section 2.5.2 (TIP: Retrieve information you gathered at page 152 of the Workbook)



Impact is a synonym for value, in the sense of real value created for stakeholders and the environment. Therefore, the question now narrows down to gauging the value you generate. Demonstrate that your business is going to generate meaningful economic, environmental and social value, measure it and prove it! Investors love to know your positive impact since it is also because of them, they would be proud of you and willing to keep supporting you in future opportunities. Commonly, the expected outcomes for this section are:

- 1. Description of the main areas of impact
- 2. Expected impact results (estimated and measured)
- 3. Mitigation strategy for the negative impact

The Green Business Canvas Review

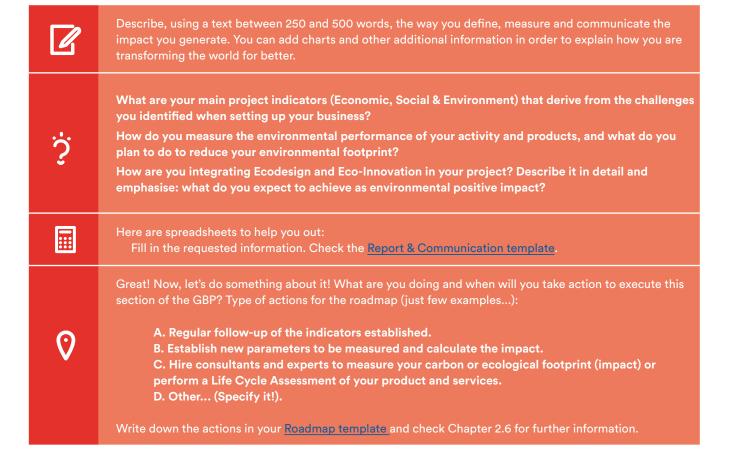
The Green Business Plan

The Business Take Off

Get Funded

Did you know that...?

Ecodesign cards provide you with a qualitative self-evaluation of your environmental performance that could be very useful to environmentally improve your products/services and increase the environmental benefits of your project. However, more advanced methods exist to help you to go further. Life Cycle Assessment (LCA) tools provide you with quantitative indicators that allow you to compare and measure performances.



Get Funded

The Green Business Plan

The Business Take Off

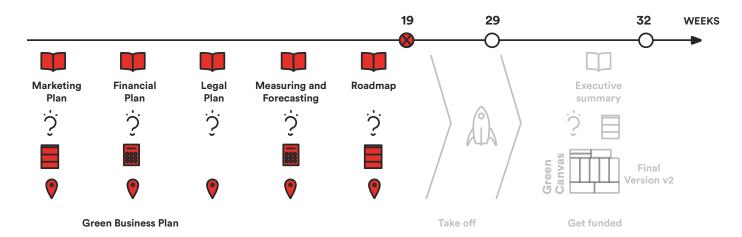
2.6 Strategic Roadmap Plan

So far you have planned all aspects of your green business (the 'Green Business Plan'). Now it is time to schedule all activities by defining a roadmap. The minimum time horizon of this roadmap should cover the year 0.

Nevertheless, it is also of interest to set up the main strategic actions you intend to execute in the following years (1, 2 and 3).

Did you know that...?

The roadmap is very useful not only for an immediate execution but also for mid to long-term achievements. Think about brand creation and positioning. You cannot build your brand in just one year, you need time and effort, little by little. You can start creating it by executing specific activities but you will need to continue scheduling your strategy with periodical steps for the following 2, 3 or even 5 years to make it solid and improve your market niche.



Overview of The Green Business Plan

Congrats! You successfully arrived down here to the roadmap stage!

So far, you have identified many tasks and activities to be executed (each section of the launch plan had a section asking you to think of actions to implement). Now it is time to review these steps and if necessary add new actions to complete your roadmap. Which one of them is very (very!) key for the success of this endeavour? Start with each one first, then you can go on with the rest.

Within the initial 29 weeks, you will start executing some of the actions of the roadmap. Some of them will be implemented by you (alone) whereas others will require the help of your Local Mentor or External Technical Assistance. The ones that count on external support will have been decided during the External Assistance Needs evaluation process (weeks 5 to 9). Afterwards (after week 29) you will continue executing the pending roadmap schedule on your own. According to this, you have to highlight those actions from the roadmap that will be executed within the support stage (until week 29) and track their implementation in the roadmap.

TIP: Identify and schedule your roadmap's critical activities first in order to take the greatest advantage possible from having someone available and willing to help you, and moving the less important (or less difficult) ones, once you are completely by yourself. Smart, uh?;)

67

The Green Business Canvas Review

The Green Business Plan

The Business Take Off

Get Funded

1

Complete the Roadmap template for the Launching Plan execution

This is huge! You finally finish the planning stage! Now prove that you are able to take action and make it real! Commonly, the expected outcomes for this section, are:

1. Descrip importan

1. Description of the most important steps you are going to take next

2. Table with scheduled activities and tasks

3. Some reporting system to assess the progress you are making



Very briefly describe how you plan to carry out these steps. Set your priorities and define a roadmap. You should include tables and charts to make your next steps easy to understand!



Here are some spreadsheets to help you out: Fill in the requested information. Check the Roadmap.

A

Roadmap activities to be carried out during SAP (week 19 to 29) with External Technical Assistance and / or Local Mentor.

Roadmap activities to be carried out during the incubation phase (week 19 to 32) by your own!

Roadmap activities to be carried out afterwards (after week 32) by your own until week 52 (YEAR 0).

A - Scheduled activities with External Technical Assistance (week 19-29) and Local Mentor suppor

	ID	What and how? Describe the action or task	When? Indicate week	Done? Yes / No	Resume the outcomes If available, please provide a proof of the results.
ı	1				
ı	2			- 0	
I	3				

B - Scheduled activities within the incubation phase (week 19-32) by your own

ID	What and how? Describe the action or task	When? Indicate week	Done? Yes / No	Resume the outcomes If available, please provide a proof of the results.
1				
2				
3				

Scheduled activities after week 32 (end of incubation) to week 52 (YEAR 0) and beyond (optional)

Ю	What and how? Describe the action or task	When? Indicate week	Done? Yes / No	Resume the outcomes if available, please provide a proof of the results.		
- 1						
2			- 1			
- 9						

02

04

Cat Fundac

The Green Business Plan

3

The Business Take Off

Wow, you almost made it!

By now, you have been scheduling, task by task, all the necessary actions you will need to do in order to launch your business for real.

The take off stage is when you play for real, moving out from your desktop and paper notes to the streets, to the market, to the real world.

The Green Business Canvas Review

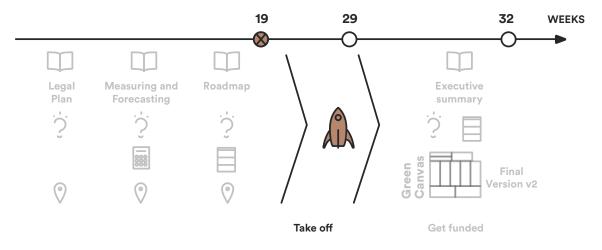
The Green Business Plan

The Business Take Off

ne business rake On

Taking off

The execution stage is the time to put aside design and conceptual aspects and get your hands dirty by successfully putting your products or services on the market, delivering them to your customers and engaging in after-sales activities. Reaching more clients and retaining them!



Overview of The Green Business Plan

You have now completed the GBP and the Roadmap. It is time to take real action and start implementing what you have been planning so far. To do so, you should follow the roadmap as defined previously.

You have been designing, testing, experiencing, making mistakes, learning, trying hard... planning and scheduling your dream, now, make it real!

You have everything you need, right now. What are you waiting for?

Pick up the phone, go to the legal bureau, talk to your client, try that pop-up store, put into practice that alliance to start using your partner space to sell your eco-clothes, execute those adwords or facebook ads campaign, print and distribute those flyers (ecodesigned flyers!), purchase that van, take it to your fa-

cilities, load it and go to the market to sell your organic food, launch that event you have been preparing for months, it will be a success!

Don't be afraid to get things wrong. You will probably be at the beginning, but you will be less wrong today, than you were yesterday. Imagine what you will be tomorrow.

Do not hesitate! Listen to the people

around you, observe and learn from it but don't forget why you are doing this and what are the values that move you.

What you will learn in the next weeks of execution will be intense, frustrating, and exciting... but it will reveal all your efforts until now, it will be rewarding; it will be amazing, do not doubt it! The Green Business Plan

The Business Take Off

Get Funded

Print your roadmap (using the printer's eco-settings of course!) and put it up in your office (coworking space, etc.) to have it there, between your priorities, between your daily activities. Shutdown your computer, go out, stop writing long mails or modifying your website and go to speak directly with your potential customers. Don't let him/ her get you down, your product and service is good but maybe you need to improve the way you promote it! Rethink it!

٨	В	c	D	E	F	
	ID	What and how? Describe the action or task	When? Indicate week	Done? Yes / No	Resume the outcomes If available, please provide a proof of the results.	
	1	LOGO CERATION	WEEK 23	YES	ECONO IT IS GREAT!	
	2	LANDING CREATION AND TUITTER CAMPAIGN LAUNCHING. OK >> WHITE CAMPAIGN COM	MEEK 74 VES		We achieved in one week \$4 leads and \$5 subscribers, ceassed links and tuntter-using becodelivery and hastags wbikeandbreath nhealthyfoodbybike necoodelivery	
	3	WEESTE (FINAL WORDPRESS TEMPLATE VERSION)	WEEK 28	:(STILL WITH PROBLEMS. EXPECTED WEEK 24. INSIST	
	4	FINAL PACKAGING PROTOTYPE FOR MASS PRODUCTION	WEEK 29	?	CALL AGAIN WENT WEEK!	

Roadmap example.

Keep tracking your progress in the Roadmap template, write coloured notes and paste screenshots about what worked and what did not. If you need to change something, do it but remember why you scheduled it like this! Don't let the frustration or unexpected results make you change your planned steps too fast.

The roadmap is your entrepreneurial map that spells out each step you will pass through to reach your destination (and destiny). You could change them a bit, taking other roads but never forgetting where are you going.

n Business Canvas **Review** The Green Business P

The B

Get Funded



Get Funded

You are really about to get to the finish line of your business setting up. Now, let's achieve what is most important for any startup: Get Funded properly! Our journey together is about to end but, before say goodbye, we must ensure that you will be able to concentrate all the work you have done so far in a understandable and attractive way.

Are you ready for the last (but not least) of the challenges? We think so.

Let's get it done!;)

The Green Business Canvas Review

The Green Business Plan

The Business Take Off

Get Funded

You are almost done!

Funding is the act of providing financial resources, usually in the form of money, or other values such as effort or time, to finance a need, programme, and project, usually by an organisation or government. In other words, metaphorically, it would be like getting the necessary resources to build an engine and have enough "fuel" to run it for a while.

Some business project might have enormous potential but if they require high setup investments, their feasibility could be at risk. Getting funded is an extra job for the entrepreneur and it requires great efforts most of the times.

This last chapter is to provide you with the necessary information to achieve your goal: finding someone who trusts you and gives you the chance to start your business!

What sort of funding do you need?

Previously you have assessed the setup costs that you will face to start your business (see section 3.3.1. 'Setup Costs and Sources of Capital'). These funds, or capital, may come from a bank loan, a government grant, outside investors, or the business owner's personal savings (including the famous 3F: family, friends and fools). The money is used to cover such start-up costs as purchasing building, purchasing equipment and supplies, and hiring employees.

What are the 10 most used sources of funding for Start-ups?

- Bootstrapping. Self-funding from your savings (if you have it) is always preferred. Advantages: no time going hat-in-hand to investors and you don't have to relinquish any control of your company.
- The three Fs: Friends, Family and Fools. Tap your inner circle before expanding your horizons. As a rule of thumb, professional investors like to see real skin in the game—your own, or that of people who trust you.
- Bartering. Exchanging goods or services as a substitute for cash can be a great way to run on a little wallet. Example: trading free office space by agreeing to be the property manager for the owner. This technique can also work with legal, accounting and engineering services.
- Crowdfunding. Crowdfunding is a form of alternative finance which

The Green Business Canvas Review

The Green Business Plan

The Business Take Off

Get Funded

has emerged outside the traditional financial system. It consists of funding a project or venture by raising monetary contributions from a large number of people, often performed via internet platforms.

- Incubators. A start-up incubator is a company, university or other organization that ponies up resources—laboratories, office space, consulting, cash, marketing—in exchange for equity in young companies when they are most vulnerable.
- Commit to a major customer.

 Some customers would be willing to cover your development costs in order to be able to buy your product before the rest of the world can.

 Their advantage: control over your production process (to make sure it meets their requirements) and the promise of dedicated support. Even large companies look to their best customers to fund new projects—this is the essence of good business development.

- Small business grants. This bucket often gets overlooked, but it should be a major focus thanks to some national administration's initiatives to foster new alternative-energy sources and other technological breakthroughs. Grabbing state funds can be an exhausting process, but at least the government might not charge interest or demand control. One smart approach: team up with a professor at your local university. Grants associated with commercialising products are favoured over ones allocated for academic study only. If a professor does the application with you and gets to publish the results, that's a win-win situation.

Loans or lines of credit and microcredit. If your company needs only a temporary or small infusion of cash, try for a bank line of credit, but be aware that commercial banks are often dismissive of start-ups unless you have personal collateral at risk—say, your house. Microcredits are a special type of credit consisting of small loans (microloans) with smaller interests that are becoming increasingly popular in many regions worldwide to offer credit to impoverished borrowers who typically lack

collateral, steady employment and a verifiable credit history.

- Angel investors. For those looking for 25,000€ to 250,000€, angel networks can come in handy. Networking is critical here, and you need to find angels who understand your industry and share your passion.
- Venture capital. As a rule of thumb, don't try this one in the earlier stages: in fact, don't try it unless you need more than \$1 million. VCs take their pound of flesh in equity and control. It's not the most efficient route either: prepare to spend at least six months searching for and closing the deal.

In the financial plan you have been describing the funding sources and mechanisms. Now you will condense your business proposal in order to access those means of funding.

The Green Business Plan

The Business Take Off

Get Funded

4.1 Executive Summary

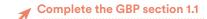
Even though the executive summary is found at the beginning of a finished business plan, many experienced entrepreneurs choose to write the executive summary after they have written everything else. Ideally the executive summary is short—just a page or two—and highlights the points you have made elsewhere in your business plan, so if you save it for the end, it will be quicker and easier.

Make it enthusiastic. professional, complete, and concise!

Your executive summary is the doorway to your business plan—this is the time to grab your reader's attention and let them know what it is you do and why they should read the rest of your business plan or proposal.

What should an investor-ready executive summary include?

Specify the amount required, and in the case of an investment, specify the percent of equity ownership offered in return (leave loan details out of the executive summary). And if you are shopping around for capital, your executive summary should be persuasive. Make your prospective investor want to keep reading; convince them to invest in your new business idea.



One sentence business overview. At the top of the page, right under your business name, include a one-

Team / manager members? Provide a brief overview of your team and a short explanation of why you and

The Green Business Canvas Review

The Green Business Plan

The Business Take Off

Get Funded

Best solution? This is your solution. How are you addressing the problem you have identified in the market? What are the main benefits you're generating for your customer? What is the environmental value of your project?

Product and service offer. Describe how you create value for the customer and the environment. What exactly are you trying to sell to your customers? Have you included any Ecodesian strategies? Prove it!

Target market and customers: who are these?..and why? Who is your ideal customer? How many of them are there? It is important to be specific here. If you are a shoe company, you are not targeting "everyone" just because everyone has feet. You are most likely targeting a specific market segment.

Better than competitors? How is your target market solving their problem today? Are there alternatives or substitutes on the market? Every business has some form of competition and it is critical to provide an overview in your executive summary.

Marketing strategy. How do you ensure the success of your business? How do you deliver your value to the right customer at the right moment and the right place with the right message?

Financial summary: how your business works? Highlight the key aspects of your financial plan, ideally with a chart that shows your planned sales, expenses, and profitability. If your business model (i.e. "how you make money") needs additional explanation, this is where you would do it.

Funding requirements: what do you need to start operating/selling? If you are raising money to start or grow your business, you need to include the details of what you need in the executive summary. Don't bother to include terms of a potential investment as that will always be negotiated later. Instead, just include a short statement indicating how much money you need to raise to get your business off the ground

Project Impact and indicators? The last key element of an executive summary that investors will want to see is the impact you are generating and the way you are progressing. Everyday more demanding investors want to know that their investments are creating real value, not only profits. Green business advocates (your investors will be some sort of ambassadors for your idea) love to be proud of their responsible investments. Make it clear to them by calculating your Economic, Social and Environmental positive impact.

Did you know that...?

Your executive summary is your pitch. It should introduce you, your business, and your product, but the purpose of writing an executive summary is also to deliver a hard sell. Convince your reader here that you have a great idea that they should invest their time and money in.

The Green Business Canvas Review

The Green Business Plan

The Business Take Off

Get Funded

4.2 Canvas (final version) and Promotional Video Pitch

The Green Business Model Canvas

After all this process, you have had the chance to refine your business idea and validate the underlying hypotheses. In addition to this, you have had the opportunity to go into details and plan your business. This has probably given you confidence on the soundness of your business idea and sets you a step closer to make it your living.

Now, it is time to sum it up in the form of a green business canvas, again. This will be your best green business canvas version so far.

However, remember that businesses are always evolving, in face of the changes around it (customers, regulations, resource availability, new technologies and trends, etc.). Businesses need to adapt or die. Thus, be ready to redefine it whenever necessary (but always having a solid argumentation behind the change).

Why not prepare a promotional video?

You are recommended to explain in a 5 minutes video (maximum) what your project is about and why your solution is the best solution to that specific customer's problem. Some communication tips for you:

- Just introduce the problem you are solving but do not spend all your time only on this. Remember to explain the advantages of the solution!
- Focus on what is important, then give time to the details
- Consider that you are talking to your customer, how would you explain to him/her the benefits of your product / service in an easy way?
- Communicate clear messages, not too technical or complex topics.
- Don't assume things that are not demonstrated, try to use numbers and reliable statistics when you talk about potential consumers or market share.
- Tell your project as if it was an epic

story, use narrative and metaphors to move the audience.

It is very important to show your determination, passion and courage, but at the same time see if you are able to explain your project in a few seconds: you never know when you will be asked to pitch.

This promotional video may be very useful to convince potential investors and to spread the word about your project.

Nowadays a great (and professionally made) video can be shared and viewed by millions of people in the social networks if it is able to touch the heart of the people. It can also be used in a crowdfunding campaign or entrepreneurial contest.

Why not try to promote your green project in this way?

IMPORTANT: If you would like to upload your video to an online platform, these instructions may be useful for you. How to Upload your Video Pitch on VIMEO and get the **URL**

4

The Green Business Plan

Introduction and Set-up The Gre

The Green Business Canvas Review

The Green Business Plan

The Business Take Off

Get Funded



It is time to sum up your validated business idea by completing the final version of the green business canvas. It will also let you briefly explain the added value of your business, in environmental, social and economic terms, and describe its uniqueness.



Use the <u>Green Business Canvas template</u> to write down your green business canvas, including the link to the video pitch. Then, attach this file to the GBP.

4.3 Meeting an Investor and Asking for Funding

You should prepare yourself to meet a potential investor and convince him/her to invest in your business.

First, you will need to identify the organisations and people who have investment capacity and, if possible, whose values are well-aligned to yours. For example, it is a very positive aspect that the investor or organisation is predisposed to support projects with environmental (and social) value. However, remember that the best way to convince a

potential investor is to demonstrate the economic feasibility of the business idea. If, in addition to that, you are able to demonstrate that you generate environmental value while doing business, then you will have great chances to success.

Once you have identified a potential investor, find the best way to get in touch with him/her. In some cases, you will be able to meet them face-to-face (e.g. in an investment round or workshop). However, in

others you will have to contact them by phone or e-mail. In any case, make sure to provide them with an appealing presentation clearly supported by market needs as well as a solid and sound business plan. The chances of success are generally greater if you have the possibility to present the business idea face-to-face. However, a video (see previous section) may be also quite useful when reaching the investor by e-mail.

Get Funded

Introduction and Set-up

The Green Business Canvas Review

The Green Business Plan

The Business Take Off

Take advantage of the work done when preparing the video pitch. It will be very useful to provide you with a clear and concise speech, and will help you feel more confident when talking in public and

expressing your ideas.

Ideally, if the investor is interested in your business idea, you will have the chance to meet him/her and explain your business project in more detail. Remember that in many occasions, investors do not have lots of time, so fully prepare for the meeting and be ready to provide answers to any potential questions. You should have all the details of your business plan in your head, and bring any support materials that you may require with you. Some elements that may be of particular interest for the investor,

include:

- Evidence of the real market needs (tests) and clarification of the value proposition customer fit.
- Evidence of the market niche size, in other words, there are enough clients out there to make this profitable!
- Economic feasibility by numbers. Focus on three main aspects you will be inquired about:
- You have minimised the initial setup capital needed.
- You have minimised the fixed cost structure.
- You have maximised the revenue streams potential and profitability.

- Composition and experience of the team behind the business idea.

Here you have some tips to prepare the meeting with an investor:

- 1. Estimate the real amount of funding you need to start operating. Remember, the more you need and ask for, the more complicated it will be to Get Funded! Be smart, make it real, little by little!
- 2. Prepare the meeting knowing your strengths and weakness very well.
- 3. Once you have the attention of an investor, get to know him/her. Know what really moves this person. Has s/he already invested somewhere else? Why? Investigate a bit; discover what is important for him/her.
- **4.** Introduce yourself as a professional, even if you have little means, choose minimalism this could be the key. Avoid pretending you are someone you are not and elegantly, prepare you exposition. Every detail counts.
- 5. During the interview (meeting) think that these potential investors want you to succeed, they are by your side. They just want to be sure that you have everything under control, even those parts you are afraid of. Be honest and clear.

Congratulations and good luck!

This is the end of this document, but it is the beginning of your adventure, for real!

