Preparing a Business Plan - Summary
ANS 439 Group Projects

Executive Summary
Write this after you are finished.

History and General Description
As the heading implies, give a history and general description of the proposed dairy. Include the experiences and qualifications of the owners, the reasons for starting the business, and the structure of the business. Also give a description of the Oregon dairy industry in general and in the area you’re going to build.

Mission Statement
Write of mission statement for your dairy with reference to the dairy's product, product quality, profit, social responsibility (i.e. community and environment), and values.

Objectives
This is tough for a startup dairy, but you should have a few. At the least you can expound upon the five elements of the mission statement.

Operations
Duties and responsibilities of key management personnel should be outlined along with an organizational chart indicating where the decision-making power rests. If professional consultants such as veterinarians, nutritionists, and AI technicians are to be used, this section should explain their roles.

Organization and Management
In this section you should address issues related to location, facilities, animal numbers, etc.

More specific questions or areas to consider are:
• Decide location, such as state or Willamette Valley or Tillamook. If you decide on a state other than OR, make sure you’re close to a milk market, feed, and services.
• Decide how many cows you’re going to milk and if heifers will be raised on or off the farm.
• Decide type and size of parlor and type of cow housing. You will need housing for lactating cows, dry cows, and calves from birth to weaning. You may also need facilities for heifers if you decide to raise them on the farm.
• Decide the age of animals to purchase. Will only springers be purchased or will entire herds be purchased?
• Decide the amount of land to purchase. Amount can vary depending on crops to grow, if any.
• Rolling Equipment
  – Will depend on acres to farm
• Feeding Management
- Feeds to use and contracts
- Ration for lactating and dry cows only
- Feed storage

- Manure
  - Storage
  - Application
  - Nutrient and odor management plan

- Repro and Genetics
  - Artificial vs Natural service
  - Heat detection aids and synchronization programs

- Labor Management
  - How many people to employ?
  - Level of education and experience?

**Financial Plan**

The financial plan should include initial financial requirements, projected financial statements, and breakeven analysis. A projected balance sheet should show the initial financial position of the business with the relative investment levels of the owners, investors, and creditors. Projected income (profit and loss) statements and projected cash flows should be prepared. Sensitivity analysis of the best, worse, and average cases should show the impact of deviations in revenue and expense projections on income and cash flow.

- Milk price and feed cost budget sensitivity analysis

**Appendices**

Any relevant and supporting information that does not fit appropriately into the body of the business plan may be placed in appendices. Examples include management charts, resumes, brochures, letters of recommendation, or details on markets, finances, or operations. Placing irrelevant or excessive amounts of material in the appendices should be avoided.