

# **TOP 10 MISTAKES IN BUSINESS PLANS**

*Bill Joos, Garage Technology Ventures*

- 1. Too Darn Long**
  - Elevator pitch: one minute
  - Executive Summary: 2-3 pages
- 2. Poor Positioning**
  - No validation
  - Your solutions and/or technology are looking for a problem to solve
  - Invisible solution
- 3. Lack of Focus**
  - If you have multiple opportunities, break them into phases instead of implementing them all at once
- 4. Not Enough Real World Market Analysis**
  - Use bottom up numbers, not top down
  - Prepare a logical growth rate
  - Prove you have a reachable market – go after a significant piece of a market
  - Do not prove the obvious
- 5. No Business “Cockpit Gauges”**
  - What are the top three drivers or metrics of your business?
- 6. Unclear Business Model**
  - How will you make money?
  - What is your path to profitability?
  - Oblivious to the budget cycle and sell cycle
  - Oblivious to adoption and implementation time table
  - Too dependent on others
  - Scalability – how will you get that big?
- 7. Poor or Incomplete Competitive Analysis**
  - You always have competition
  - Not disclosing all the competition
  - Do your homework
- 8. Weak Team Information**
  - It is a team effort
  - Admit you have holes
  - Out implement
- 9. Poorly Defined Leverage Points**
  - You cannot do it alone
  - Who has vested interest in your success
  - What are your leverage points?
- 10. Goofy Fundamentals that Distract**
  - Do the basics right the first time
  - Get “adult supervision”
  - Use specialists
  - Look like a “standard” venture capital deal