



Planning for Profitability in 2010

By J. Russell Hamlin, CPA

Fundamental to any decision to borrow money is the development of a business plan. A business plan will state the objectives of management and the amount of financing required, thereby assuring potential lenders that there is a rational and viable plan for achieving management's goals. Accordingly, these plans might include financial statements, descriptions of manufacturing methods, personnel sketches and hiring requirements, industry information, evaluation of competition, marketing information, names of company advisors and other information a creditor might find relevant.

An even more important reason for developing a business plan is to sharpen management's focus on its goals and their viability. For example, management can:

- Determine the nature of the financing that is required and the period over which it will be needed.
- Assess the amount of capital that will be required within specific time frames and determine the best source of funding.
- Use the plan as a road map for achieving specific business objectives and for measuring progress.
- Focus on issues that need further clarification to ensure that the plan can be implemented.
- Establish benchmarks that keep business progress under control and prevent diversions from the basic objectives.
- Evaluate competitive factors and develop solutions for dealing with them.
- Make a final determination on whether to proceed with the plan or scuttle the project.

New business owners, as well as established company managers, often seek our assistance with the development of short and long-range business plans in order to gain an unbiased view regarding attainment of their objectives.



SHAREHOLDERS

Martin R. Glickstein, CPA
mglickstein@glccpa.com

Rodney S. Laval, CPA
rlaval@glccpa.com

W. Neal Carris, CPA
ncarris@glccpa.com

James M. Loomis, CPA
jloomis@glccpa.com

Mary C. Dantuma, CPA
mdantuma@glccpa.com

Bethany K. Lusby, CPA
blusby@glccpa.com

Richard M. Ornstein, CPA
ronstein@glccpa.com

Paula M. Taylor, CPA
ptaylor@glccpa.com

J. Russell Hamlin, CPA
rhamlin@glccpa.com

PRINCIPAL

T. Shepard Burr, CPA
sburr@glccpa.com