A business plan is a detailed proposal of the marketing and financial thinking behind a new business.

1. Complete the grid below by writing in the nine sections that all business plans should contain.

|  |  |  |
| --- | --- | --- |
| **Business aimsand objectives** |  |  |
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Tangle Teezer

The Tangle Teezer is one of the UK’s most successful hair products. It was invented by a former hair colour stylist, Shaun Pulfrey, who spent several years working for global hair stylists such as Vidal Sassoon. During this time he perfected a device to remove tangles from hair without the associated amount of potential pain in doing so.

In 2007, Shaun took his idea onto the BBC Dragons Den series and pitched his idea. He was looking for £80,000 in return for 15% of his business. The dragons rejected his pitch saying that the product was like a horse brush and that it had no future.

Shaun was undeterred and had a strong business plan that included raising £98,000 from his savings and by re-mortgaging his London flat.

By 2016 the Tangle Teezer business is worth an estimated £200 million with Mr Pulfrey was the sole shareholder in it. He now plans to sell the business which would make him 5 times wealthier than Deborah Meaden, who rejected call for financial help.

2. Imagine that the dragons had invested in the business. What would the Dragons £80,000 investment now be worth?

3. Give three benefits to Mr Pulfrey of him having a “strong” business plan when he was establishing the business.

4. Shaun may well start up another business in the future. If so, why might he find it easier to develop an effective business plan?