A BLUEPRINT TO SUCCESS

For most small businesses, a business plan is a crucial element. You can hire someone to create your business plan, but doing it yourself gives you a deeper knowledge of your business and leaves you better able to answer questions when dealing with a loan request or financial matters. More important, creating a well thought out business plan can help you generate the financing you need to make your business a success.

Create a Valuable Business Plan

A business plan summarizes your business. It should include the following:

- **Statement of purpose.** Summarize the main function of your business and explain its purpose.
- **Executive summary.** Include the owners' names and credentials, your products or services, the market, and your competition.
- **Business description.** State the type of business you own and its legal description, the reason for expanding your business, your short and long-term goals, the times the business will be open and the names of your accountant, attorney, banker and Financial Advisor.
- **Management and employees.** List your duties, responsibilities and job descriptions and those of your managers and employees.
- **Marketing plan.** Describe who buys your products or services, where your customers are located, how you price your products or services and their profitability. Also describe your advertising strategies.
- **Competition.** Explain who your competitors are and compare your business with theirs.
- **Business location.** Give a detailed description of your business' location, the building and floor plan. Explain why the location is good for your business.
- **Operations.** Describe how your product is produced, including equipment used and how the product is transported.
- **Suppliers.** List the names of your suppliers and what products they supply to your business.
- **Financial statement.** Include your accounting methods, a balance sheet, operating statement, personal financial statement and cash flow statement.

Take the time to understand the needs of your business. Financial strategies for small businesses are different than for individuals. *You should consult your tax advisor and/or legal counsel before implementing any strategy.*

Should You Retire When Your Spouse Does?

Dennis and Sandy had always dreamed about retiring together at their lake home. They planned to retire in five years. Then, suddenly, everything changed. Dennis was offered an early retirement package from his employer of 25 year. Sandy, on the other hand, unexpectedly received a promotion complete with increased managerial duties and a sizeable raise. Now what should they do?

Such news comes with mixed blessings. Dennis would be able to retire five years early, yet Sandy has the opportunity to boost their retirement savings by accepting her promotion and the extra income. The couple must carefully weigh the pros and cons of retiring together or delaying their plans.

Advantages

The advantages of having one spouse continue working, even as the other begins retirement life, are primarily financial. First, one paycheck is still coming in. A steady stream of salary income allows the couple to delay breaking open their nest eggs. This could provide a good transition to complete retirement as the couple adapts to living on one paycheck instead of two.

Because of this, the employed spouse is likely to continue receiving job benefits such as health insurance. This coverage extends the time before the couple may have to pay the insurance premiums.

With one spouse still working, he or she can continue making contributions to his or her employer's retirement plan (if available) and/or have income to fund individual retirement accounts (IRAs).

Disadvantages

The disadvantages are more likely to affect the couple's relationship, flexibility and retirement living choices. The potential for negative feelings between a couple could increase. *For example, the working spouse may feel jealous of the retired spouse's newfound freedom. Or, the retiree could become frustrated with the employed spouse's commitment to work.*

There may be social conflicts. Because one spouse could be very busy with a structured schedule and the other has considerable flexibility, conflicts with their social calendar may occur. The ability to jump up and travel at a moment's notice is one example.

Retirement decisions become limited. If a couple planned to move to a retirement home in another state, for example, this choice would have to be put on hold until the working spouse also retires.

Our Example

Couples who decide to retire at the same time can enjoy the freedom and flexibility together. Some financial due diligence, however, is in order before doing so. Dennis and Sandy should:

- Estimate their retirement income.
- Create a preliminary budget.
- Make sure they can get health insurance coverage.
- Save all they can while still working.

Regardless of whether you decide to retire when your spouse does, a careful look at your financial situation is in order. *You should consult your tax advisor and/or legal counsel before implementing any strategy.*

SECURIAN™

Securian Financial Group, Inc.
www.securian.com

Securities and Investment Advisory Services offered through
Securian Financial Services, Inc., Member NASD/SIPC.
400 Robert Street North, St. Paul, MN 55101-2098
1.888.237.1838

DOFU: 04/2005
A01216-0405