Business Planning for the Equine Business Owner

Business Planning for the Equine Business Owner, the second of three business workshops was held on January 29th, 2014 at Cazenovia College’s Equine Education Center from 6:00PM to 8:00PM with 24 attendants. The workshops are a result of the partnership between the NYS Center for Equine Business Development of Cazenovia College and Cornell Cooperative Extension of Madison County and are designed to expand the knowledge of local equine business owners and promote the growth of equine business development.

Amy Sherrick-von Schiller MBA, Associate Professor of Equine Business Management at Cazenovia College, presented the basics of business planning, stressing the importance of planning and how to create a business plan that will convince financiers to loan money to your business. She stated for equine business owners, “Having a business plan is the blueprint during the start of your business and serves as a roadmap for expansion and future of your business.” Sherrick-von Schiller offered several resources that would help with the creation of a business plan, including software, websites and local offices. She went step by step through the areas that are included in a business plan and why they were important. Some sections included in the presentation were the introduction, management, and history of the operation, location and layout, inventory, marketing, financials, and the executive summary. A key point she stressed was being realistic about your business in your business plan. “Investors will know when you are not being realistic and you may not be granted a loan. Be able to backup what you are saying by quantifying” she stated.

Craig Pollock, Branch Manager for Farm Credit East and Jennifer Rossetti, Loan Officer for Farm Credit East, presented on Equine Financing and how a business plan is viewed in the eyes of a lender. Pollock went over Farm Credit, the services they offer and how they could help equine businesses. Some of the key services offered by Farm Credit include: financial record keeping, tax services, payroll, consulting, estate planning, financial benchmarking, and grant writing. An important point Pollock emphasized was the importance of being realistic with the business’s plan and estimates.

“As a lender we want to see that you did your homework and are being realistic about your business’s expectations,” Pollack explained. Rossetti continued the lender’s prospective by discussing the 5C’s of credit: character, capital, capacity, conditions, and collateral. She broke each one down and emphasized the importance of each ‘C’. Rossetti explained that Character and Capacity are the two most important of the 5 C’s. “Character is all about the borrower’s reputation. We want to know that you are responsible and will pay us back. Capacity is linked to that as well because that is your repayment ability,” Rossetti explained.

Melissa Zomro, Small Business Advisor from the Small Business Development Center was the last guest of the night. Zomro explained the purpose of the Small Business Development Center and the free benefits it could provide local business owners with planning needs in the Central New York Region.

Article Written By Matthew Arias, Cazenovia College ’14 Equine Business Management and Katrina McAllister, SUNY Morrisville ’14 Equine Science and Management & CCE of Madison County Intern. Article Reviewed By April Winslow, CCE Educator.

For more information about the workshop series or The New York State Center for Equine Business Development contact April Winslow at Cornell Cooperative Extension of Madison County, at 315-684-3001 e.111 or amh@cornell.edu