

TEN BEST BUSINESS PLANS OF ALL TIME:

1. Federal Express. This business plan is legendary. As Federal Express founder, Fred Smith, tells it, he wrote the business plan to satisfy his thesis requirement for his MBA. The idea was simple: create a hub (in the middle of the country), forward all shipped packages to that central location, sort all the mail, then disperse to their ultimate destination over night. Incredibly simply, right? But somebody had to think of it. That someone was Fred Smith.
2. Xerox. There had been other inventions for making copies of documents. But Xerox was the first to come up with photographing them; hence, photocopies. (Xerox calls the process xerography™.) Xerox later went on to diversify and eventually make the Fortune 500. But it all began with that simple photocopying process.
3. 3M Company (aka Minnesota Mining and Manufacturing Company). Like Xerox, it started with a simple invention. But in the case of 3M, it really was incredibly simple. It started when someone came up with the idea of see-through (or cellophane) tape. Most people today simply call it “Scotch tape™,” the name 3M trademarked. Nothing new about tape; masking tape had been around for years. In fact, 3M’s earliest products included masking tape (1925) and waterproof sandpaper (early 1920’s) but transparent tape was about to launch another Fortune 500 company. Transparent tape; think of the possibilities. They now produce over 55,000 products.
4. ComputerLand Corporation. I admit I’m biased when it comes to this one, for I once worked for the computer retail giant in the early 1980s. They were one of the biggest franchisors of their day, second only to a hamburger outfit called McDonalds. Founder Bill Millard got the idea of selling personal computers, in a fledgling new industry, to consumers through retail outlets. Moreover, he would franchise those stores. Personal computers took off, and so did Millard’s franchise concept. Too bad Dell came up with a better idea: mail order.
5. IMSAI Corporation. ComputerLand’s founder, Bill Millard, gets two mentions in this list. Before getting the bright idea of franchising personal computer stores, Bill thought of selling do-it-yourself personal computer kits (before an upstart called Apple came along). He decided to sell the kits via mail order (No, Dell, you’re not the first.) through Popular Mechanics magazine. (Think what he could have done on the Internet, but that’s getting the horse before the cart.) The little computer kits became wildly popular. No doubt, any venture capitalist receiving

Millard's business plan back then would have turned him down flat, little realizing the huge potential back then.

6. McDonald's Corporation. McDonald's may not have been the first franchise organization in history. But hand it to Ray Krok, it was a very gutsy call to think he could turn a single hamburger stand in Hawthorne, California into a billion dollar franchise organization.

7. Google. Google is the new kid on the block. They actually had two great business plans. In the first one, they had the idea that their search engine would be the search engine to end all search engines. Right they were. But then they came up with their second winning business plan. This time, with the help of some fresh new talent, they saw an opening for tapping into a new revenue stream: advertising. They then became such a great search engine that they could auction advertising space at a premium – that meant billions of dollars more in revenues.

8. Ebay. Without doubt, Ebay is one of the premier Internet companies. A giant shopping center – with location, location, location. Where was this vast sprawling location? In the thin air. Ebay gets credit for recognizing the vast potential of the Internet, when most people still regarded it as little more than a fad. It's not clear if their original business plan saw a vast marketplace for flow of merchandise worldwide to the extent that it has become. I'm not sure if they foresaw the spawning of thousands of fortunes of entrepreneurs who ply their trade daily via Ebay. But it was still an oh so brilliant idea.

9. Who could not be impressed with Thomas A. Edison's Menlo Park – a great, private think tank in its day that turned out invention after invention. Those inventions literally changed life on this planet forever. Who wrote Edison's business plan? Who knows? Not Edison, that's for sure; he was too busy inventing. But he certainly had a business plan in his head. His one brilliant idea was to be an invention laboratory, including hiring some great talent. It was one of the great-unwritten business plans of all time.

10. And, finally, Amazon. Maybe I chose them because I love books. But give credit where credit is due. Imagine somebody including in their business plan a series of milestones in which there would be years of deep losses until modest profits finally saw the light of day. That was nothing less than one audacious business plan.

A few afterthoughts:

So, where are companies like General Motors, IBM, Intel, and the other giants of American industry? This is a list of best business plans, not best companies. A great business plan starts out with a simple idea. That's the common denominator for the above list.

So, what about a list of the Ten Worst Business Plans of All Time? Such a list can't be made for the simple reason that the competition for worst is very fierce. And, any occupant of the list is not to be found today; they are in the ash heap of bad business ideas that, thankfully, never saw the light of day, or died a quiet stillbirth.