**How to Write a Business Plan for Catering**

Create a business plan when starting a catering business to help guide you through each stage of business development. Because there is much to consider when starting a business, a business plan may help you stay focused and reduce stress. Business plans are commonly used when seeking financing from banks and other lending institutions. Your business plan should contain four or five sections and include information about the your vision of the business, start-up costs, licensing and marketing strategies.

**Step 1**

Describe your catering service and the types of foods you want to prepare in the first section of your business plan. Some catering services serve guests at the table while others provide buffet-style meals where guests can choose from a variety of foods, beverages and desserts, and, in some cases, serve themselves. List specific types of food, such as Asian, Italian, German or American cuisine, as applicable and a sample menu if possible. Indicate whether you plan to provide tables, table settings, chairs and other items needed for an event if requested by the client or if you plan to outsource this work to an event rental company.

**Step 2**

Determine the amount of space needed to run your catering business in the second section of your business plan. Depending on your needs and budget, you can lease commercial kitchen space, rent space from a restaurant, share a commercial space with another caterer or work from home. Leasing commercial kitchen space can be expensive, so sharing a space with another caterer, using a restaurant's kitchen after closing or working from home may be more cost effective. Contact local commercial real estate agents to inquire about available industrial kitchen space or contact local restaurants to ask if they rent out kitchen space during off-hours, which are usually late at night or early in the morning. Working from home typically provides limited space to work unless you have a large kitchen, so keep this in mind when determining the amount of space needed to work comfortably.

**Step 3**

Create a list of kitchen equipment needed to operate your business. Consider the amount of room needed to prepare and store food as well as the amount of room needed to use and store cooking equipment. Equipment may include industrial ovens, large refrigerators and freezers, counter space, food storage space, and storage for small kitchen gadgets such as food processors or pasta makers, knives and other utensils, pots, pans and mixing bowls. Visit restaurant supply stores, online vendors or cooking stores to estimate equipment costs.

**Step 4**

List all permits needed to legally operate a catering business in the third section of your business plan. Apply for a food dealer's permit if you plan to sell food to the general public. Permits are provided by the City of Houston Bureau of Consumer Health. You do not have to apply for a food dealer's permit if your company will cater private parties or family events. Additional permits such as an FOG (to clean grease traps), frozen desserts retail establishment permit and temporary food dealer's permit (if catering an outdoor public event) may be necessary depending on the catering services you plan to provide.

**Step 5**

List additional start-up costs such as phone, Internet, insurance and transportation costs in the fourth section of your business plan. You may need to purchase liability insurance to protect your business in the event of a lawsuit or settlement, workers' compensation insurance if hiring employees, additional auto insurance or homeowners' insurance if running your business from home. Contact your insurance company to determine your insurance needs. Include a copy of all insurance policies in your business plan.

**Step 6**

Create a marketing strategy for your business in the last section of your business plan. List ways in which to meet potential clients. For example, if you want to cater family events, hand out marketing materials such as brochures, flyers and business cards at local parks, family restaurants, day care centers and grocery stores. Contact local businesses if you are interested in catering corporate events to schedule an appointment to market your services. Meet with local wedding planners, photographers, public relations firms and other businesses that help plan events. Bring a sample of your food to showcase your talents and encourage referrals for your services.