

New Business Development / Existing Business Expansion Over View Sheet / Check List / Information

❖ **Making Contact**

- Share basic idea with economic development director or networking individual
- Entrepreneurial learning center/educational center director

❖ **Initial Research --Information Gathering Time**

- Write down everything you can think of about the business
- Start asking questions of similar businesses
 - Successes
 - Challenges
 - Location of competitors
 - Local
 - Regional
- Informal questions in your mind about the business – What if?
 - Who
 - Who will run it
 - Who will do the work – make the product
 - Who will do the marketing
 - Who will do the books and paperwork
 - What
 - What are you going to be doing?
 - What is your product or service?
 - What are the limitations of the business or area/location?
 - What should be my next step?
 - When
 - When to get started?
 - When do I start the process?
 - Start setting a timetable of when to get started
 - Where
 - Location of business
 - Why
 - Timing
 - Circumstances
 - Do you like what you do as this business?
 - How
 - Business Plan
 - Information – Education
 - Financing - Assistance
 - Mentoring
 - Networking
 - Follow-up – Updating
- Putting all your ideas down (scratch pad, recorder, whatever). – No matter what the idea – WRITE IT DOWN! It may be something that really makes your business successful or a point in your business that should not be forgotten.

❖ **Business Plan**

- Entrepreneurial Center – sign up and create your business plan (if your time table is shorter – still attend the class – but look at utilizing the center’s business planning software with the L.C. Director, PCED Director or ask about other options)
- If you need immediate assistance and plan on doing most of the work by yourself – ask about the SBDC (4 hr) fast-track course.
- The business planning course provides:
 - Hands on – guidance with sample plans
 - Software to lead you through making a business plan
 - Ability to communicate with an instructor (either physically or through video conferencing)
 - Sharing of ideas as students
 - Links to mentors and networking
 - Straight forward answers to questions – using the LC Director, instructor, other students, PCED Director & mentors
 - At the end of the class (with your commitment and participation) should have a completed ready-to-go business plan

❖ Business Plan Continued:

- The following points are parts of a business plan that should be strongly considered as you develop ideas for your plan. If you have decided to take the course, but someone else will be doing your financials for your business plan, these are ideas and thoughts that will need to be explained and shared with that other person. The other person should have experience in designing business plans and doing financials –BUT either way should STRONGLY consider taking the class with you.

📌 Business Plan Points: (see attached Addendum #1) for added information

- Executive Summary
 - 📌 Objective
 - 📌 Mission
 - 📌 Keys to Success
- Company Summary
 - 📌 Start-up Summary
- Services
 - 📌 Service Description
 - 📌 Competitive Comparison
 - 📌 Technology
 - 📌 Future Services
- Market Overview
 - 📌 Market Trends
 - 📌 Demographics
 - 📌 Business Participants
 - 📌 Competition and Buying Patterns
 - 📌 Main Competitors
- Strategy and Implementation
 - 📌 Competitive Edge
 - 📌 Position Strategy
 - 📌 Pricing Strategy for service or product
 - 📌 Promotion/Advertising for business
- Sales Estimates
 - 📌 Monthly
 - 📌 1st year
 - 📌 5 year
 - 📌 Long term
- Management Overview
 - 📌 Personnel Plan
 - Owner/Employee
 - Specialists
 - Full-time / Part-time Employees
 - Professionally Hired organizations
- Financial Plan
 - 📌 Budget
 - 📌 Break-even Analysis
 - 📌 Estimated/Projected Profit and Loss
 - 📌 Estimated/Projected Cash Flow
 - 📌 Estimated/Projected Balance Sheet
 - 📌 Business Ratio's (percentages on which you structured/made your financials)

Budget Master List

(Items to Kick start your budget – thought process)

- ❖ Personnel
 - Contract Labor - Professional - Salary
 - Full-Time
 - Part-time
 - Specialized Contract Labor
 - Consulting – Professional (lawyers, accountants)
 - Technical Assistance
 - Temps/Subs/Seasonal
- ❖ Fringe Benefits (These can, but do not have to be included – except for the FICA/Medicare Match)
 - Retirement
 - FICA Medicare
 - Vacation
 - Merit/Bonus
 - Insurance
 - Life
 - Health
 - Dental
 - Optical
 - Legal
- ❖ Related Personnel Costs
 - Unemployment
 - Workman’s Comp.
 - Licensure/Certificate Fees
 - Dues
- ❖ Travel & Transportation
 - In-state
 - Out-of-state
 - Mileage
 - Per Diem
 - Parking/Tolls/Other Fees
 - Meals/Lodging
 - Telephone/Communications
 - Transportation/Air Fare
 - Taxi/Limo/Etc.
 - Fuel
- ❖ Postage & Shipping
- ❖ Equipment
 - Purchases
 - Lease Fees
 - Service agreements
 - Vehicles
 - Insurance
 - Maintenance
 - Repairs
- ❖ Training
 - Tuition
 - Registration
 - Conferences
 - Books/Software/Videos
 - Refreshments/Catering
- ❖ Land Acquisition
 - Purchase Price
 - Interest fees
 - Clean up/refurbish

- ❖ Building/Renovation (Structures)
 - Purchase
 - Lease
 - Maintenance & Repairs
 - Insurance
 - Taxes
 - Filing fees
 - Utilities
 - Permits/Inspections
 - Survey Fees
 - Engineering Fees
 - Architectural Fees
 - Appraisal Fees
 - Landscape
- ❖ Contingency Fund – (This fund usually is a buffer for delays in constructions or remodeling)--average is 10 – 20% of building cost
- ❖ Legal or Professional Fees
 - Legal – Start-up
 - Legal – contracts
 - Accountant
 - Other
- ❖ Rent – communication & equipment
 - Office Lease
 - Telephone/Telecommunications
 - Phone (monthly), set-up, deposit
 - Internet (monthly), set-up, deposit
 - Utilities
 - Set-up fees
 - Any Deposits
 - Water, Trash, Sewer
 - Electricity
- ❖ Printing & Duplication
- ❖ Supplies & Materials
 - Office
 - Printed materials
 - Software
 - Finished Product inventory
 - Raw product inventory
 - Other supplies
 - Start-up supplies
 - Contractual Services (janitorial, windows, maintenance, other)
- ❖ Advertising
 - Printing
 - Postage
 - Shipping
 - Media
 - Website
 - Software
 - Professionally hired
 - Telecommunication/fax
- ❖ Administrative costs / Administrative Overhead
- ❖ Indirect Costs
- ❖ Evaluation
- ❖ Audits
- ❖ Debt Service
- ❖ Debt Reduction
- ❖ Underwriting Fees
- ❖ Feasibility Study
- ❖ Site Preparation
- ❖ Regulatory Issue – permits – Brownfield’s
- ❖ Other Expenses: Subcontracts, conference expenses, training, entertainment, awards, catering, other misc. expenses

START UP COSTS

✚ What are Start-up costs?

- *Start-up costs* are expenses that are incurred (usually) for the first year to get your business up and going. In most circumstances, a few particular items are the highest and are usually only a one time infusion of funds that will need to be paid back over the next few years with interest. They are: 1) Land – either to buy or rent, 2) Equipment / Tools / Vehicles, 3) Inventory 4) Raw Materials and 5) Personnel. In all categories, especially these, attention needs to be paid close attention to make sure that an over expenditure of purchases for start-up items IS NOT made. All these typical start-up costs are paid for by a short or mid-long term loan. They are highlighted in yellow below.
- There are many *Indirect costs (overhead costs)*, which are involved in the first year. Indirect costs continue throughout the life of the business, but these costs are included in the startup costs for every business in the first year of development. These possible first year indirect costs are highlighted in bright green below

Cash Disbursements:

- Labor
- Returns and Allowances
- Salaries and Commissions
- Employee Benefits
- Payroll Tax
- Insurance
- Licenses
- Marketing and Advertising
- Rent
- Utilities
- Phone
- Repairs and Mntce.
- Office Supplies
- Professional Fees
- Loan Interest
- Loan Principal
- Dividends
- Owner's Draw
- Investors Draw

START UP COSTS:

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- Licenses
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- Rent
- Utilities
- Phone
- Repairs and Maintenance
- Office Supplies
- Professional Fees
- Security Deposits
- Land
- Buildings
- Vehicles
- Leasehold Improvements
- Equipment
- Loan Interest
- Loan Principal
- Dividends
- Owner's Draw
- Investors Draw
- Total Cash Disbursements

