



STARTING YOUR OWN SMALL BUSINESS

Presented by

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Is Self Employment For You?

Some Questions to Ask





Personal Assessment



Business Assessment

Lifestyle Assessment



Paths to Business Ownership



- ◆ Buy an established business
- ◆ Buy a franchise
- ◆ Start from scratch



Lack of adequate planning is one of the principal reasons that most businesses fail.

Failing to plan, is planning to fail.



The Business Plan As A Tool



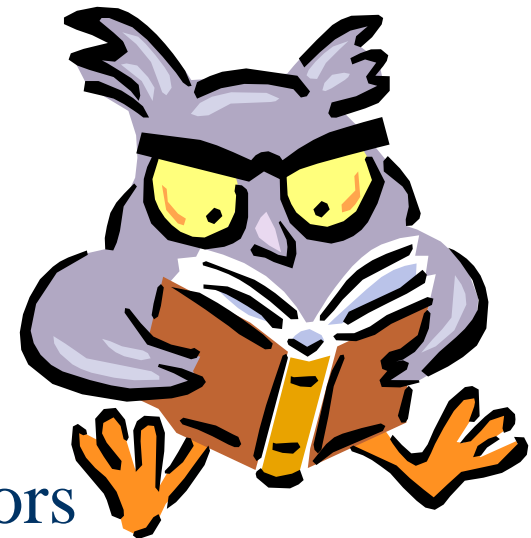
- 360° view of the business
- Communicates your goals and assumptions
- Gives the team a common direction
- Prioritizes opportunities
- Focuses attention on important questions

Business Plan Outline



Standard Components

- ◆ Business History
- ◆ Product/Service
- ◆ The Market
- ◆ Competition
- ◆ Marketing Plan
- ◆ Source of Materials / Subcontractors
- ◆ Management
- ◆ Financial Projections





I. BUSINESS HISTORY

- ◆ Founders
- ◆ Form of Organization
- ◆ Former Loans or Investors
- ◆ Product(s) Developed, Market to Date



II. PRODUCT or SERVICE

- ◆ Precise Definition
- ◆ Benefits
- ◆ What problem does it solve?
- ◆ Legal Protection



III. MARKETING PLAN

- A. Industry
- B. Customers
- C. Competition
- D. Advertising and Promotion
- E. Location



III.A. INDUSTRY

- ◆ Describe the industry
- ◆ Describe industry trends



III.B. CUSTOMERS

- ◆ Describe ideal customers
- ◆ Identify what customers want
- ◆ Direct customers and indirect customers



III.C. COMPETITION

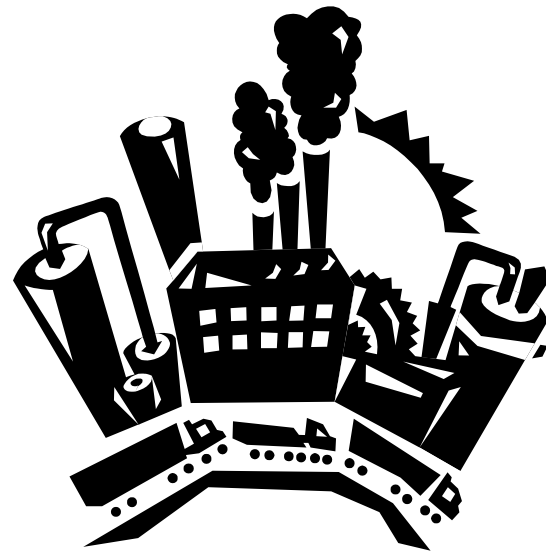


You will have competitors or alternatives to your solution

- ◆ Identify Competition
- ◆ Know Competitor Strengths and Weaknesses
- ◆ Competitor's Reaction to Entry

III.D. ADVERTISING & PROMOTION

- ◆ Distribution Channels/ Distribution Plan
- ◆ Sales Compensation
- ◆ Pricing Strategy
- ◆ Promotional Concepts





III.E. LOCATION

- ◆ Location Location Location
- ◆ Zoning and occupancy requirements
- ◆ Location features and benefits



IV. SOURCE OF MATERIALS, SUBCONTRACTORS, etc...

- ◆ Critical Material
- ◆ Inventory Supply
- ◆ Access to Qualified Personnel



V. MANAGEMENT

- ◆ Key Management Positions
- ◆ Background of Personnel
- ◆ Board of Directors/Advisory Board
- ◆ Current Ownership of the Company

VI. The Financial Plan

- Personal and Business Financials
- Financial Statements
 - Cash Flow Projections
 - Income Statements
 - Balance Sheets
 - Historical Financials





Supporting Documents



- ◆ 3 Years Tax Returns for all Principals
- ◆ Personal Financial Statement
- ◆ Copy of Lease or Purchase Agreement
- ◆ Copy of any Contracts
- ◆ Resumes of Principals & Key Employees
- ◆ Copies of Letters of Intent



Organizational Issues



- ◆ Choosing a business entity
- ◆ Licensing and registration
- ◆ Insurance
- ◆ Taxes
- ◆ Recordkeeping / Accounting



RESOURCES



- ◆ Government – Federal, State, Local
- ◆ Trade Associations
- ◆ Professional Organizations
- ◆ Industry Groups



SBA Programs

- ◆ Capital Access
- ◆ Technical Assistance
- ◆ Business Development
- ◆ Government Contracting
- ◆ Advocacy

www.sba.gov



Small Business Development Centers (SBDCs)

- ◆ National Network – 1000 + locations
- ◆ One-on-one technical assistance
- ◆ Training programs
- ◆ Information resource
- ◆ Referrals
- ◆ Loan Packaging Assistance
- ◆ Research and Internet Access

www.asbdc-us.org



Procurement Technical Assistance Program (PTAP)

- ◆ National Network – 100+ locations
- ◆ Counseling and training for small government contractors
- ◆ Market Research
- ◆ Bid Matching
- ◆ DoD Mentor Protégé Program
 - ◆ www.vaptap.org

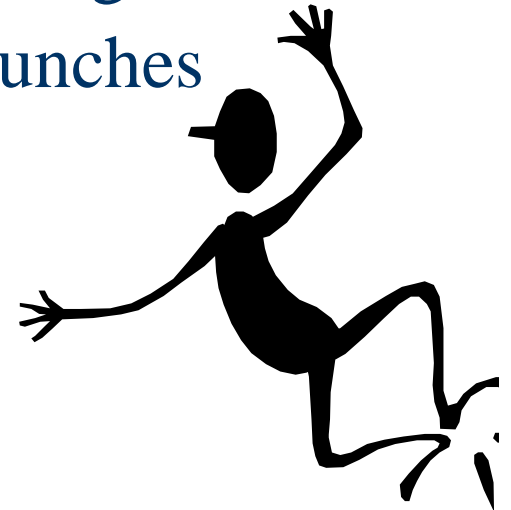


Mason Enterprise Center

- ◆ Small Business Development Center
- ◆ Procurement Technical Assistance Program
- ◆ Mentor-Protégé Program
- ◆ Telecommuting & Training Center
- ◆ Business Enterprise Center
 - ◆ www.masonenterprisecenter.org

Lower The Risks of a Start-Up

- Don't sell what you want -- sell what your customers want
- Marketing - even on a shoestring-- is essential!
- Enlist Support
- Be Prepared to Become Tired & Discouraged
- Use Facts to Substantiate Insights & Hunches
- Follow Your Strengths & Interests
- Plan, Plan, Plan!





Thank you !

- ◆ Questions?
- ◆ Comments?