

# Starting Your Own Business



NYS SBDC

AAARI

at York College -

City University of New York

# Getting started

- List your reasons for wanting to go into business.
- What business is right for me?
- Market research
- Pre-business checklist

# Reasons to go into business

- You want to be your own boss
- You want financial independence
- You want to fully use your skills and knowledge

# What business that is right for me?

- What do I like to do with my time?
- What technical skills have I learned or developed
- What do others say I am good at?

# What business that is right for me?

- How much time do I have to run a successful business
- Do I have any hobbies or interests that are marketable?

# Market research

- Is my idea practical and will it fill a need?
- What is my competition?
- What is my business advantage over existing firms?

# Marker research

- Can I deliver a better quality service?
- Can I create a demand for my business?

# Pre-business checklist

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- What business am I interested in starting?
- What services or products will I sell?
- Where will I be located?

# Pre-business checklist

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- What skills and experience do I bring to the business?
- What will be my legal structure?
- What will I name my business?

# Choosing your business structure

- Sole Proprietorship
- General Partnership
- Limited Partnership
- “C” Corporation

# Choosing your business structure

- Subchapter “S” Corporation
- Limited Liability Company (LLC)
- Limited Liability Partnership (LLP)

# Writing a business plan

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- Introduction
- Marketing
- Financial Management
- Operations

# Introduction

- Detail description of the business and its goal
- Discuss the ownership of the business and legal structure
- List the skills and experience you bring to the business
- Discuss the advantages you and your business have over your competitors

# Marketing

- Discuss the products / services offered
- Identify the customer demand for your product / service
- Explain how your product / service will be advertised and marketed, including signs inviting customers
- Explain the pricing strategy

# Financial management

- Explain your source and the amount of initial equity capital
- Develop a monthly operating budget for the first year
- Develop and expected return on investment and monthly cash flow for first year

# Financial management

- Provide projected income statements, balance sheet for a 12 month period
- Discuss your break-even point
- Explain your personal financial statement and compensation

# Financial Management

- Discuss who will maintain your accounting records and how they will be kept
- Provide “What if” statements that address alternative approaches to any problem that may develop

# Operations

- Explain how the business will be managed on a day-to-day basis
- Discuss hiring and personnel procedures
- Discuss insurance, lease or rent agreements and issues pertinent to your business

# Operations

- Account for the equipment necessary to produce your products or services
- Account for production and delivery of products and services

# A flexible plan

- The business plan is a flexible document that should change as your business grows.

# Regulations

- Business formation
- Business license
- Business insurance
- Employer identification number

# Regulations

- Sales tax certificate of authority
- Federal self-employment tax
- Business tax information
- Sales tax exemption certificate
- Electronic federal tax payment system (EFTPS)

# Small Business Development Centers

- Bronx
- Brooklyn
- Dutchess
- Manhattan
- Nassau
- Orange
- Queens

# Small Business Development Centers

- Rockland
- Staten Island
- Suffolk
- Sullivan
- Ulster
- Westchester



- Make an Appointment
- Start or Grow a Business
- Services
- Locations
- Training Calendar
- Success Stories
- Online Resource Center

Read more about the SBDC in:

español
中文

Through a network of 23 regional centers, the **New York State Small Business Development Center** delivers high quality business counseling and training to New Yorkers who want to start a business or improve the performance of an existing business. Thanks to our partners in the public and private sectors, our services are free of charge and have significant impact.

**make an appointment for free counseling**

Are you starting or growing a business in New York State? [Make an appointment for free business advisement.](#)

Do you have a question not answered in our [FAQ](#)? [Ask a business advisor online.](#)

**WHAT'S NEW**

- Since our start in 1984, the NYS SBDC has worked directly with **270,930 businesses**. These businesses have invested **\$3,387,819,540** in the state's economy, and have created or saved **127,240 jobs**. Read more about NYS SBDC's economic [impact](#).
- Learn how effective signs can help your small business at [WhatsYourSignage.com](#)

**NYS SBDC IN THE NEWS**

- 10/22/2007: [Financing a dream: Long Island's commercial banks hold the key to your business start-up or expansion](#)
- 10/09/2007: [Four Lehman Students Win NHBG Scholarships](#)
- 09/11/2007: [Small Business Development Center Moving to Massena](#)
- 09/09/2007: [Exit strategy important for setting goals](#)

**EXPERT ADVICE**

**Credit Matters: How do you establish a good credit score?**

Joan Powers, Senior Business Advisor, Small Business Development Center at Onondaga Community College

**Reprinted with permission from the CNY Business Exchange, June/July 2007** Starting a business is not for the faint-hearted. When the phone rings at the Small Business Development Center, it's most likely a Central New York start-up company looking for funding.



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NYS SBDC

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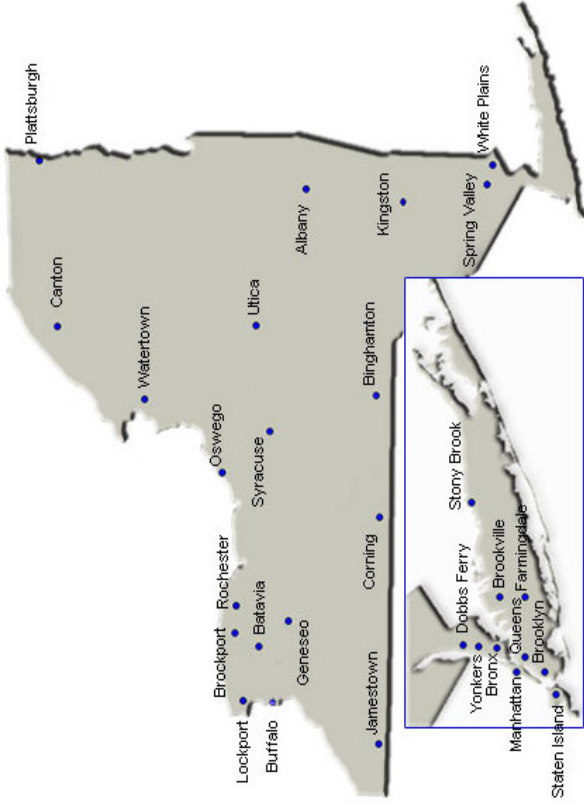
### NYS SBDC Locations

We take pride in knowing that no business in New York is more than 30 miles from any of our offices.

Click on the city nearest you or your business to visit the center servicing that area or choose your county below.

Albany

If you'd prefer, find the locations and addresses of our centers, outreach and satellite offices in the pdf below:





### SMALL BUSINESS DEVELOPMENT CENTER AT YORK COLLEGE

The New York State Small Business Development Center (SBDC) at York College is one of 23 campus based regional SBDC's within the State of New York.

Child Day Care Provider
G.E.D.
Medical Biller or Coder
Paralegal Studies Certificate
Pharmacy Technician
Certified Administrative Professional
Phlebotomy
Real Estate Salesperson Licensing Course
Certified Nursing Assistant
New Supervisor Series
Home Inspection Certificate
Caseworker Professional Development



- Adult Continuing Education
- Course Offerings
- Certificate Programs
- Small Business Development Center
  - 2007 Workshop Schedule
- Adult Learning Center
- FAQ's
- Photo Gallery
- Download Program Flyers

OCTOBER 2007

MO	TU	WE	TH	FR	SA	SU
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The York College SBDC brings together the resources of CUNY, the private sector and government at all levels. The program is administered by the State University of New York, and sponsored by The US Small Business Administration and York College. The goal of the York College SBDC is to assist entrepreneurs, small businesses and industry in creating or expanding their businesses through individual counseling. This results in increased profitability and productivity, thereby, saving and creating jobs in the communities. The York College SBDC specializes in providing direct one-to-one counseling, and offers training and



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- Home
- Services & Seminars
- Contact Us
- Links of Interest

## Small Business Development Center at York College

### Services Offered by the York SBDC

If you or your business reside in New York, the SBDC can maneuver you around the obstacles to success. Among other things, we help our clients:

- understand the importance of a business plan
- discover sources of funding
- prepare for e-commerce
- identify avenues for exporting goods & services
- develop marketing plans
- assess an invention's viability
- comply with licensing & regulations

#### [Seminars, Classes & Training Events](#)

The New York State SBDC regularly offers seminars and classes around the state on issues that affect your business, often in conjunction with local experts.

[View current programs offered by this center here.](#)

#### [Request an Appointment](#)

Interested in using our services? Make an appointment [here!](#)

[Just fill out this electronic form.](#) You'll then be asked to direct it via e-mail to the center nearest you (don't worry -- we'll give you a map).

Feel free to [contact us](#) by phone to set up an appointment if you prefer.

Your information is used **ONLY** by New York State SBDC staff and is **NOT** made public.

#### [NYS SBDC Home](#)

U.S. Small Business Administration



#### [About NYS SBDC](#)

Partnership Program with the [SBA](#), administered by the [State University of New York](#)

This Cooperative Agreement is partially funded by the U.S. Small Business Administration. SBA's funding is not an endorsement of any products, opinions, or services. All SBA funded programs are extended to the public on a nondiscriminatory basis.

#### [Services](#)

#### [Training](#)

#### [Other Locations](#)



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## SBDC Training Events

To limit the list of training topics, choose a sponsor and/or topic to search for

Sponsor:

Topic:

Sponsor	Title (click for details)	City	Start Time	Status
YORK	<a href="#">Work on Your Business...Not In It</a>	Jamaica	11/13/2007 6:30PM	
YORK	<a href="#">How to Write a Business Plan</a>	Flushing	11/26/2007 6:00PM	
YORK	<a href="#">How to Write a Business Plan</a>	Flushing	11/28/2007 6:00PM	

# Business financing

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- Finding the money you need
- Borrowing money
- Types of business loans
- Writing a business proposal

## Finding the money you need

- Personal savings
- Friends and relatives
- Banks and credit unions
- Venture capital firms

# Writing a business proposal

- General information
- Business description
- Management profile
- Market information
- Financial information

## General information

- Business name
- Names of principals
- Business address
- Purpose of loan
- Amount required

# Business description

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- History and nature of the business
- Ownership structure

# Management profile

- Education
- Experience
- Skills
- Accomplishments

# Financial information

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- Projected financial statements
- Collateral you would pledge as security for the loan

# Financial programs

- SBA financial programs
- SBA loan maturities
- Loan guaranty programs
- Use of proceed
- Terms, interest rates and fees
- Eligibility

# SBA loan maturities

- 20-25 years for real estate
- Up to 10 years for equipment
- Up to ten years for working capital

# Loan guaranty programs

- SBA guarantees as much as 85 percent on loans up to \$150,000
- 75 percent on loans up to more than \$2.0 million

# Use of proceed

- Expand or renovate facilities
- Purchase machinery, equipment, fixtures and leasehold improvements
- Finance receivable
- Refinance existing debts
- Construct commercial buildings that will be occupied by the business borrower

## Terms, interest rates and fees

- Loan < 7 years, Prime + 2.25%
- 7 years and over, Prime + 2.75
- Prime rate refers to the lowest prime rate as published in the Wall Street Journal on the day the application is received by the SBA.

## Terms, interest rates and fees

- Maturity < 1 year, 0.25% guaranty fee, loans up to \$150,000
- Maturity > 1 year, 2% guaranty fee
- 3% if \$150,000 - \$700,000
- 3.5% if \$700,000 - \$1 million
- 3.75% if \$1 million - \$1.5 million

# Eligibility

- Operated for profit
- Fall within size standards set by SBA
- Manufacturing - 500 to 1500 employees
- Wholesaling – 100 employees
- Services - \$4.35 million to \$31.5 million
- Retailing - \$6.5 million to \$26.6 million
- General Construction - \$6.5 million to \$31 million

# Contracting

- SBA helps to increase the small business share of government contracts
- SBA's surety bond guarantee program

# Contracting

- HUBZone Empowerment Contracting
- Procurement Technical Assistance Centers

# Minority opportunity

- Minority business development -8(a) program
- Small disadvantage business certification program



**Thank you for coming**

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**Brian Yeung**

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[www.nyssbdc.org](http://www.nyssbdc.org)

[www.aaari.info](http://www.aaari.info)