

A Guide to Business Creation

Empowering Alexander County Entrepreneurs to Turn Ideas into Reality



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I've got an idea to start a new business.

Do you have an idea for a new product or service? Have you dreamed of opening a store? Have you ever thought about ways to improve an existing product or service?

If you answered yes to any of the above questions, you are thinking like an entrepreneur!

The purpose of this guide is to assist budding entrepreneurs, such as you, in making guided business choices. This guide will walk you from step one, the idea stage of a new business, to creating a sustainable business that creates value. This guide is meant to stimulate entrepreneurial thinking, helping you to delve into the nuts and bolts of your entrepreneurial passion. This guide will force you to critically analyze the new business that you are creating and help you determine if the business idea needs refinement. You will most likely have more questions than answers in your initial stages of planning, but never fear! As an entrepreneur, you are resourceful and can challenge through it while seeing your business idea come to fruition.

The guide is divided into four topic areas, each dealing with various aspects of your new business. Take time to fully answer every question and complete the topics in order—as they build upon each other. By the end, your business will be ready to make its debut!

About the Author:

This guide was developed for the Alexander County Economic Development Corporation by Jonathan Williams, an intern with the agency during the summer of 2011. As a practicing entrepreneur and a student of entrepreneurship at Wake Forest University in Winston-Salem, NC, Jonathan brings a host of practical knowledge to developing new venture ideas and sustaining growth.



Jonathan is the founder of Delightfully Daisy, LLC, a manufacturer of gourmet dog treats. Starting the business in 2005 at the age of 13, Jonathan has experienced the ups and downs of small business while growing the venture to its current state. Today Delightfully Daisy exhibits its products at local street festivals and conventions in North Carolina, while holding a retail presence in five local stores. The company is experiencing growth and looking to expand in the wholesale market. More information can be accessed about Delightfully Daisy, LLC at <http://www.delightfullydaisy.com>.

Topics Covered:

Topic 1: Assessing Feasibility and Formulating a Business Description

Topic 2: Building Foundations

Topic 3: Running Your New Business

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Topic 1: Assessing Feasibility & Formulating a Business Description

If you plan to start a new business, there is a lot of research to be completed, foundations to be built and relationships to be formed. Yet, before we get ahead of ourselves and start building foundations and relationships, we must assess the feasibility of your business model. All businesses start as an idea. Unfortunately, all business ideas are not perfect. Even the best ideas need some tweaks and others may need major overhauling. The purpose is not to shoot down an idea, but to take the idea and grow it into an idea that is, above all, feasible!

At this point in the process, you should never be attached to an idea, but flexible to change your business model. After all, the business model can't grow if you are not willing to allow room for change.

If you have not done so already, it is time to articulate your idea in its current state. Complete the following business description, trying to be as clear as possible in your description. If you have trouble concisely describing your business, we can refine it later; just try to answer the questions to the best of your ability.

BUSINESS DESCRIPTION

Business Name:	
What is the purpose of the business?	
Where is the business located?	
What product or service is being sold?	
Who are the business's customers?	

If the above exercise was easy, you are most likely advanced in describing your new business idea. The ultimate goal is for you to be able to concisely describe your business in one or two sentences. This serves two purposes, one being to help you keep focused on what your business is about and two, to help you share your idea with others. What if you are standing beside a

multimillion dollar investor in line at your favorite coffee shop and you have two minutes to tell the investor about your business; you would want to be ready, right?

Now, let's discuss each of the questions above in more detail.

Business Name:

Believe it or not, your business name is one of your biggest assets. This name will be your identity to your future customers. Feel free to have fun naming your business—get creative, make it meaningful! In general, it is best to keep business names short and identifiable. Although making your name identifiable with the service or product you provide is a good idea, it is not essential. Take for example Apple, Inc., a computer manufacturer. Apples have nothing to do with computers, but the brand is one of the most powerful brands in modern computing history. So, if you decide to pick a name that is not identifiable with the product or service you offer, know that you may have to educate your customers about what you are providing.

When you are considering a name, think of what would appeal to your customers. What name would your customers identify with? Is my business name too trendy, too old-fashioned, or just right to appeal to my customers? Whatever you choose, it's your business, your idea, so make it something that gives the image you want your customers to see.

Although the creative freedom is yours, be sure to avoid names that resemble other businesses, trademarked names, or trademarked phrases.

To search for business names already registered in North Carolina, utilize the following search feature from the Corporations Division of the North Carolina Secretary of State:

<http://www.secretary.state.nc.us/corporations/CSearch.aspx>

To search for trademarked names or phrases registered in North Carolina, use this search feature from the Trademark Division of the North Carolina Secretary of State:

<http://www.secretary.state.nc.us/trademark/search.aspx>

To search for trademarked names or phrases registered in the United States, use the search features from the US Patent and Trademark Office:

<http://tess2.uspto.gov/bin/gate.exe?f=searchss&state=4001:tbv9gb.1.1>

What is the purpose of the business?

What is your business going to do? What is its mission? If you listed a long list of the products or services that your business is going to provide, try to determine if it is realistic for you to provide that amount of products or services. When starting a business, it is best to be focused on a single product or service. Direct your attention in one direction, not twenty directions at the same time. Businesses that take on too many tasks are setting themselves up for trouble.

In short, identify a SPECIFIC mission and then follow through.

Where is the business located?

I hope you are considering Alexander County, NC as your primary location for operation. It is important to consider your location in context with the mission of your business. If you plan to manufacture and retail surfboards, does your location have the resources that will enable your business the opportunity to successfully manufacture and retail the surfboards? You may also consider if your business location is the location of your customers. If you are selling surfboards in the foothills of North Carolina, you will most likely find some avid surfboarders, yet, a coastal area would have a higher concentration of surfboarders.

Be sure to determine if your location aligns with your mission and your customers. After all, it's location, location, location!

What product or service is being sold?

Simply put, how is your business going to make money? What service or product is going to be exchanged for money? Consider how your service/product is going to impact your customer. The benefit that your business provides is the basic reason why your business will be in business. So, what benefit is your business providing your customers?

Who are the business's customers?

Customers are critical! If you have noticed, every question about your business idea so far has asked you to consider your customer, the person who is going to pay you for providing your service/product. Be sure to know how your customers are currently meeting the need that your business provides. For instance, if you are starting a new restaurant, why would customers want to eat at your restaurant rather than the restaurant down the road? Identify who your customers are specifically. Are your customers individuals, companies, or families? What is their demographic (age, race, sex)?

Hopefully you are ready to refine your business description after having read more about each question. Maybe you did it perfect and it does not need refinement now, but make sure everything is clear and concise. Great business ideas come from refining ideas and defining specific details about the idea.

Take a moment and review your business description from page 2 and refine it in the space below.

REFINED BUSINESS DESCRIPTION

Business Name:	
What is the purpose of the business?	
Where is the business located?	
What product or service is being sold?	
Who are the business's customers?	

Is your business description perfect this time? Hopefully so, but realistically not! For now, we are going to depart from directly refining your business description. As we continue to move through the guide, it's up to you to make sure you know how to define your business. Never feel like you can't change your business description, refinement leads to perfection.

Now that you have a clear idea of describing your business, it is time to take a quick, interpersonal detour.

Being an entrepreneur has many advantages, but requires a great deal of time, work and dedication. Ask yourself if you are ready to make that commitment.

What are your reasons for going into business?
What has led you to developing your product or service?

Let's take a quick inventory of your strengths and weaknesses to determine if you have what you need to be successful. You don't need to be an expert to be an entrepreneur, but it is necessary that you better understand yourself to determine if you are the best fit for your business description.

STRENGTH AND WEAKNESS INVENTORY

My Strengths	My Weaknesses

Using what you described as your strengths and weaknesses, ask yourself if your strengths enable you to carry out your business description. As for your weaknesses, how can you improve upon them for the sake of your business idea?

If your weaknesses cause reservations about going into business, reconsider your options. For instance, if you listed "lack of time" for a weakness, consider starting the business on a smaller scale or bringing in a partner to assist with the operations.

The purpose of this exercise was not to scare you, or deter you from living out your entrepreneurial dream, but rather to make you aware of your ability to make the business succeed.

Thus, we have reached our first "Go or No?" checkpoint! The checkpoints are designed to guide you from step to step in the process of developing your business idea. Hopefully, your idea will get a "Go" and you can continue working through the guide. If you get a "No" at any checkpoint, be sure to resolve the problem encountered in the checkpoint before moving on.

CHECKPOINT #1: **Go** or **No**?

Question: Are you personally ready to take on the entrepreneurial challenge that you have outlined in your business description?

Go: Great! What are we waiting for? Let's move on.

No: If no, perhaps you could refine your business description, allowing it to better fit your needs as an individual. For your business to be successful in this stage, many factors must align, including your personal needs. When your business is in the "idea" stage, you are your idea's biggest fan! It needs your support! Perhaps, you can wait until you are ready to delve into the world of entrepreneurship.

The next few topics in “Assessing Feasibility” require you to develop your idea on a deeper level than simply just having an idea. We are getting ready to GROW your business description. Try answering the following questions regarding your business idea, completing the “Go or No?” checkpoints along the way.

Opportunity:

To what extent is there a “time limit” on starting your business? Why start this business now as opposed to later?
What makes your opportunity compelling?

CHECKPOINT #2: Go or No?

Question: Is the opportunity that you identified compelling? Is the timing right?

Go: Wonderful; let’s analyze the market that the business will operate in.

No: If no, what can you do to add value to your business to better capitalize on the available opportunity? If timing is the issue, would waiting be best? If you feel that you have missed the “best time” to launch your idea, refine your idea to meet a current need or problem.

Market:

How many people might purchase or use your product or service?
What is the current state of the market in which you operate? What does the future look like for this market? Is the market growing or shrinking?

CHECKPOINT #3: **Go** or **No**?

Question: Is the market sufficiently large? Is the market growing?

Go: Yes, the market is strong—excellent! Let's continue by looking at the competition.

No: If the market is too small, or shrinking, it may be hard for a business to survive in these conditions. If this is the case, think creatively. Brainstorm ways to make your product or service available to a larger number of people. For instance, if you wanted to open a music store that retailed tapes and CDs of local artists, the market would be small. Why is the market small? The music industry capitalizes on digital sales, not traditional sales of tapes and CDs, as music stores are turning into a relic of the past. So, how might we revise this business idea? One option would be to open a virtual music store to retail digital copies of local artists' music. The concept can be the same. However, with some changes, the model can appeal to viable markets.

Competition:

Who is your business's competition?
How is your business different or better from that of your competitors?

CHECKPOINT #4: **Go** or **No**?

Question: Is your business different or better than your competitors?

Go: Excellent, you have identified an opening in the marketplace. Your business idea is unique and varied from what is currently available to customers.

No: If your business idea is not different in some way from that of your competitors, your business model needs to be modified. Try thinking about how you could improve upon the operations of your competitors. If you operated your competitor's business, what would you change? Take those changes and then incorporate them into your business model. Successful ideas don't have to reinvent the process of doing business, they can just modify existing business practices to provide a better product/service or experience.

Operations:

Explain how your business will work and how it will operate.
Imagine that your business is a huge success. What are your plans if demand is greater than what you can supply?

CHECKPOINT #5: **Go** or **No**?

Question: Is it clear how the business will operate? Are you aware of the resources that your business needs to be successful?

Go: Great! Now let's estimate the costs of your operation.

No: Perhaps you should reconsider the resources available to you and capitalize on resources that are already within your reach. For instance, if you wanted to open a retail store and do not have a retail property, it may be advantageous to use a spare bedroom in your home rather than acquiring a retail property. Also, consider the social capital that you have. Utilize contacts and relationships to help you gather resources that you may need but currently do not have access to.

Finance:

In the previous section on operations, you explained how the business will work. Now, identify the resources that the business will need. Let's start with the cost of starting your business. The start-up cost often includes machinery, building space, legal costs (we'll discuss those in more detail later), technology, staff, and the materials needed to provide or produce the product/service. List what resources you need to "open" the door of your business. Be sure to think about the time involved in your start-up cost. If you need to renovate a building for your business, what length of time will you need staff to assist, how long will you need to pay rent before the business is ready for customers?

Type of Start-up Cost	Monetary Value of Start-up Cost
Total value of your start-up costs: \$	

Now, it is important to consider the costs to sustain your business. Your estimate should include staffing costs, rent, insurance, office supplies and any other costs associated with the delivery of your product/service. Think about these costs on a monthly basis: how much is it going to cost to keep the business open each month?

Type of Monthly Cost	Monetary Value of Monthly Cost
Total value of your monthly costs: \$	

Are the costs that you identified reasonable?

Pricing is the next item that you must consider. Note that the price of your product/service must cover the costs associated with your business.

How many products do you intent to sell or services do you intend to provide in one month?
How will you price your product or service?
Is this price reasonable? Are your customers willing and able to pay this price?
Is it a sound financial decision to pursue this business idea?

Many entrepreneurs have great ideas, but no financial resources to back their ideas. So, where do you get the money? Many internet sites give entrepreneurs false hope, promising venture capital, angel investors, and government grants. These programs and resources do exist, but they are not necessarily the answer for budding entrepreneurs. If you are planning on starting your business with *free* money, think again. The question still remains, where do you get the money? Although I wish I could provide a nicer answer, most entrepreneurs are self-funded. Yes, out of their pockets and personal savings. If you're lucky, you might have a good friend willing to help you out. Small business loans are available through lending institutions. Most loan processes require a robust analysis of the business model, much more intensive than what this guide provides.

If you have a business idea, are confident in its ability to succeed, can find the funding (whether through personal savings, friends, or loans), you are set. Although entrepreneurs have to take risks, investing your life savings, mortgaging your house, or depleting your child's college fund is not the answer. You may think that would never happen to you, but entrepreneurs are so driven that they sometimes lose track of what they are doing to the world around them. Don't let that be you. NO idea is worth your financial ruin. Be financially savvy and proceed with caution!

CHECKPOINT #6: **Go** or **No**?

Question: Is the business a financial **Go**? Can the business make a profit? Can you support yourself and your family (if the business is intended to be your primary source of income)?

Go: Yes—the numbers work! Be sure you have accounted for miscellaneous expenses. Just for good measure, it is always a good idea to double check your numbers. It is hard to get exact figures for some of your expenses, but be sure that your estimates are reasonable.

No: If no, have you creatively made use of all your resources? Can the business model be changed to make the business more profitable? Can you find the resources you need at a lower price? If you are still unsure if the numbers are going to work, it is alright to reconsider the business's overall feasibility. If it is not financially sound, then it is not a sound business idea.

Whew! We have come a long way in developing your business idea! If you answered “No” in any of the six “Go or No?” checkpoints, your business model needs some sort of reconsideration. That may mean minor changes or a complete overhaul of the idea. Remember, you're still detached from your idea—right?

At this early stage of the planning process, it is perfectly fine to discard the idea if you can't seem to resolve issues encountered at the “Go or No?” checkpoints.

If your idea received a “Go” at every checkpoint, let’s put the finishing touches on your business description. Again, fill out the chart below, incorporating changes in the business idea that were identified in the “Go or No?” checkpoint process. The description has expanded, but you know your idea well enough to tackle the questions.

FINAL BUSINESS DESCRIPTION

Business Name:	
What is the purpose of the business?	
Where is the business located?	
What product or service is being sold?	
Who are the business’s customers?	
Describe the market that the business operates in.	
Who is the competition?	
What resources are needed for this business? What financial resources are needed to obtain the necessary resources?	

Using the Final Business Description, write a brief paragraph to describe your business to customers. Identify what your business provides and what benefit your business offers.

Now, write a more technical description of your business for a potential investor. Include information about the market, competition, customers, and financial resources needed. Consider this a continuation of the previous paragraph. Investors want to know more than just what you do; they want to know the external factors that impact your business too!

FINAL CHECKPOINT: **Go** or **No**?

Question: Is your business feasible?

You decide: **Go** or **No**?

Topic 2: Building Foundations

So, you have a feasible business idea, the idea looks good on paper, the numbers look appealing, thus it's time to open the door for business! Well, not quite.

There is an ample amount of legwork that needs to take place before putting yourself and your business in the eye of the public.

In reality, many entrepreneurs just go into business and build foundations along the way. While this strategy works for some, it is extremely risky. Without proper business foundations, some businesses find that they are in over their heads before they realize what has happened.

Entrepreneurs set out with good intentions, but intentions only go so far. Take for example an entrepreneur producing a new line of BBQ sauce. The sauce is a big hit, people can't get enough and orders are pouring in. This particular entrepreneur has not sought to protect himself by forming a legal structure for the business, insuring the product, or protecting the business's intellectual property. This entrepreneur's actions are putting BOTH his personal and business property at risk.

The remainder of "Topic 2: Building Foundations" will guide you in supporting your business efforts, creating a framework for you to operate in. This topic will only provide general advice for creating your business's framework, as each business has industry specific regulations. If you are not sure how your business fits into the rules and regulations defined on local, state, or federal levels, you should consult the appropriate officials. If confusion exists over legal issues, consult a lawyer for advice. Unfamiliarity of the laws that pertain to your business is not an excuse. Protect yourself, your product/service, and know the rules of the game that you are playing. Let's get started!

Testing the Waters

Many entrepreneurs, before diving in head first into the business world, often take a "test-run" of their business before developing the idea further. In other words, entrepreneurs often survey the feasibility, not in terms of what we completed in Topic 1, but in a practical

sense. Continuing with the BBQ example, this entrepreneur may make a few batches, give samples away for feedback and even try to sell a few bottles. This way, the entrepreneur can understand if a need exists for such a product. If the entrepreneur were to not sell any product during this time, it would send a clear indication that the business idea is not a working model or it needs refinement.



If you are crocheting blankets, try attending a local craft fair. If you are providing a painting service, take on a few jobs in your spare time. Taking the time to get a feel for the market is critical in envisioning future growth for your business idea.

“Testing the waters” is a very practical form of exploration that entrepreneurs take on. This amount of interaction with customers will really be the ultimate “Go or No?” checkpoint for your business idea. Taking the time to survey the business opportunity will help you determine if there is a need for your product or service, while also giving you a feel for what is to come. Are you the best fit for this business? Did you like the role that you were taking within your business? Answer these questions and determine if the business idea is worth your valuable time and money to pursue it. It is best to mitigate your losses early and move onto another idea.

But, before you simply start providing your product or service, you must understand the risk of doing so. What if the entrepreneur making BBQ sauce did not properly seal a few jars of sauce, causing several customers to become ill, all of whom incurred hospital stays? One, this entrepreneur may not need to be in the BBQ sauce business! Second, who is responsible for the hospital bill? If the BBQ entrepreneur does not have a legal structure around the business, the entrepreneur is *personally* responsible for these costs, if the affected persons decide to seek legal action.

If you are considering a “test-run” it is best to proceed with caution and not overly extend your business into the public eye until further business foundations are formed. However, “test-runs” can yield valuable insight before you make the plunge into your business idea. It is advantageous to form the legal structure before conducting business, but it is really up to you to decide how much risk you are willing to take.

Legal Structures

The legal structure of a business is one of the most critical pieces of your new business’s foundation. You’ve seen the abbreviations after business names: LLC, Inc., etc. Now it’s time for you to declare a legal structure.

Sole proprietorships are simple business structures that usually characterize businesses owned and run by one person. They are easier to manage and require less paperwork than corporations, while the owner retains full control of the business. This sounds like the ideal option; however the owner personally assumes responsibility for the business. There is no distinction between where the owner’s personal property ends and where the business takes over; they are one entity. Thus, consider the pros and cons of a sole proprietorship verses those of incorporating in a different format.

Paperwork and questions for the registration of a sole proprietorship should be directed to the Alexander County Register of Deeds.

When your business is not a distinct entity (or a business that, in the eye of the law, is an individual on its own right), the lines blur between personal and business interactions. If you are in the scenario of the BBQ entrepreneur, if the value of his business property (pots, pans, ingredients, bottles, labels, stove, etc.) cannot be liquidated in a way to cover the expenses in the pending legal action against him, then his personal property is also brought into the scope of the settlement. This means that anything the entrepreneur owns could be taken; yes, anything,

including his home, car, etc. Why? Because the burden of the business is not legally separated from the entrepreneur's personal property.

Thus it is VERY IMPORTANT to separate, personal and business dealings on a legal level. This is done by making a legal framework for your business.

There are several different forms that a corporation can take on. The major forms include, a corporation, limited liability company (LLC), partnership, cooperative, or an S corporation.

To decide which is best for the purposes of your business, visit the Small Business Administration's website, which details each structure: <http://www.sba.gov/category/navigation-structure/starting-managing-business/starting-business/establishing-business/incorporating-registering-you-0>.

Each structure requires that formal paperwork be filed with the North Carolina Secretary of State if you intend on forming a corporation, limited liability company (LLC), partnership, cooperative, or an S corporation. The applications carry an initial registration fee and a yearly registration fee thereafter. Information concerning the specific guidelines for North Carolina, as well as necessary forms, and fee schedules are available at <http://www.secretary.state.nc.us/corporations/>.

If you are unsure of how to complete the initial registration with the North Carolina Secretary of State or Alexander County Register of Deeds, seek help from a lawyer that has experience in dealing with small businesses.

EIN: Employer Identification Number

As an individual, you were given a Social Security number by the federal government. Just as every individual has a Social Security number, every business needs a "Social Security number" that we refer to as an Employer Identification Number (EIN). An EIN is needed in most cases to open a bank account, apply for some licenses, or file a tax form. The EIN is an important piece of information for your business.

Businesses of every type, even if you are the only person running the business (sole proprietorship), may need an EIN. You do not need an EIN to file articles of incorporation, but as a business you will need an EIN to complete some sort of formal business transactions in the future.

Below is a quick questionnaire provided by the IRS in determining your need to obtain an EIN:

Do you have employees?	YES	NO
Do you operate your business as a corporation or a partnership?	YES	NO
Do you file any of these tax returns: Employment, Excise, or Alcohol, Tobacco and Firearms?	YES	NO

Do you withhold taxes on income, other than wages, paid to a non-resident alien?	YES	NO
Do you have a Keogh plan?	YES	NO
Are you involved with any of the following types of organizations? <ul style="list-style-type: none"> • Trusts, except certain grantor-owned revocable trusts, IRAs, Exempt Organization Business Income Tax Returns • Estates • Real estate mortgage investment conduits • Non-profit organizations • Farmers' cooperatives • Plan administrators 	YES	NO

If you answered “YES” to ANY of the above questions, then you need an EIN. These can be obtained online via the IRS website, by phone, fax, or mail.

Visit the IRS at <http://www.irs.gov/businesses/small/article/0,,id=97860,00.html> to explore the application process.

Licenses, Permits and Other Regulations

After creating the legal structure for your business, now it is time to obtain the appropriate licenses and permits necessary to operate. It is unheard of to have a one-stop-shop for all the licenses and permits that are needed for your business to operate legally. Regulations can come from county government, town government, state government, and federal government. Every business is different and so are the licenses and permits.

To determine the necessary licenses and permits, consider the scope of your business. Will your business just be operating in Alexander County; will it export outside the county into neighboring counties or states? The breadth of your business determines the licenses and permits necessary to operate. Just because there may be governance of your industry on a federal level does not override governance on a lower level. Do not assume that once federal regulations have been fulfilled, that all others have been fulfilled on down the line.

Note that there is no “magical permit or license” that I have mentioned that you have to have before doing business. Alexander County, as of the date of this publication, does not require the purchase of a general privilege license to operate within county limits. Regulations in Alexander County are industry specific; meaning each type of business has a different set of criteria to follow as set forth by industry standards. The key is to research and you will find the requirements needed for your industry.

Taxes

Did you think that you were going to get off the hook and not have to worry about taxes? Uncle Sam always wants his share of the tax dollars!

Business taxes come in various forms. Businesses may have to contend with corporate income and franchise tax, sales and use tax, withholding tax, property tax, among other taxes. As with licenses and permits, each business has very different needs. A home based business with no employees has very different needs compared to a wholesale furniture manufacturer with many employees.

The best advice is to simply call (or visit) the NC Department of Revenue (they have an office in Hickory) or the IRS. Ask any entrepreneur or small business owner that has had a tax question, the IRS is MORE than happy to assist. You could also direct questions to your current tax preparer, as they are required to stay on top of changes in tax legislation.

Where should you direct each type of question?

Alexander County Tax Office	Questions concerning business property tax
NC Department of Revenue	Questions concerning state income tax, employee payroll withholdings, sales and use tax.
Internal Revenue Service	Questions concerning federal income tax, employee payroll withholdings

Employment is a huge tax hurdle to conquer. At this stage, you may not have an employee, which is OK. When approaching the topic of employment tax, the relationship of the employee must be considered with the business. For tax purposes, employees can be employees in a traditional sense, independent contractors, or fall into another tax category. Determine the relationship of the individual with the company and then determine the necessary taxes.

As a consumer, you are every aware of sales and use tax that you pay at any retail location. If your business sells any product or service, make sure you are collecting sales and use tax. It is easy to get excited that you are selling in the early stages of your venture, but remember that tax must be collected on this. Contact the NC Department of Revenue to learn how to report these collections.

As a business, if you are purchasing products for resale or materials for the manufacture of a product that eventually will be sold with tax charged, you are eligible for exemption from some sales and use tax collection from your suppliers. For example, our BBQ sauce entrepreneur needs ingredients to make his product. He goes to the grocery store to obtain these ingredients, but he should not be taxed on his purchase. Why? Because when he makes a sale, he will charge sales tax on the finished product. If tax was paid on the ingredients, then charged on the final product, double-taxation would have occurred. If you feel that you are eligible for purchasing materials

tax free, consult each individual retailer you purchase from for their procedure in qualifying for tax free purchases.

Double-taxation can easily be avoided. However, you must understand its limitations. If the BBQ sauce entrepreneur needed a new stove to make his sauce, would his purchase be tax free? No. Tax exemption status only exists for products purchased for the sake of resale. The entrepreneur has no intention to resell the stove, thus it is not eligible for tax exemption. You might be thinking that this seems like a lot of trouble for a few pennies here and a few pennies there, but pennies add up. It may even seem easier to just pay the tax at the retailer and not report sales tax collections. Unfortunately, that is not how the system works. The NC Department of Revenue will issue your business a sales tax number if your business needs to collect sales and use tax. This number will be your gateway to gaining tax exemption status at retailers.

Intellectual Property

Intellectual property, what? That's property that is smart, right? Well, not exactly. Odds are that, as an entrepreneur, you have some form of intellectual property. To be formal about our definition of intellectual property, the World Intellectual Property Organization "refers to [intellectual property as] creations of the mind: inventions, literary and artistic works, and symbols, names, images, and designs used in commerce."

If your business has created a new invention, or created an innovative process never done before, you most likely are eligible for applying for a patent. Patents protect your invention, giving you ownership of the idea. If you have developed an improved catalytic convertor for vehicles that further reduces emissions from the combustion of gasoline, you have a viable product and a business can form around the product. Since your design is revolutionary, you decide that you want to pitch your idea to a car manufacturer, explaining the details of your invention in hopes of landing a contract. Without a patent, this car manufacturer could thank you for the idea and run with it! Without a patent, it is difficult to gain value for an idea. If you share those ideas before they are patented, you risk losing recognition and, of course, money. Proceed with caution, but realize that you will need to disclose your ideas to resources (such as a patent lawyer) to obtain a patent. Be protective, but protective within reason.

Earlier, in Topic 1, we discussed the importance of a business name or your identity to customers. Remember that we decided to avoid names that were already trademarked or closely resembled a trademark? That decision was very purposeful! If you avoided the use of such business names, your business name is most likely distinctive. Since it is distinctive, your business name may be eligible for trademark or service mark status. Trademarks and service marks are granted on both a federal and state level.

The patent and trademark process is time consuming and money intensive, but if your idea is proprietary, you should protect it. For some businesses, this step may be unnecessary, but for others a patent or trademark is essential for conducting business.

For more information on patents and trademarks on the federal level, visit:
<http://www.uspto.gov/>.

Trademarks are also available on the state level. Visit the NC Secretary of State's Trademark Division to learn more: <http://www.secretary.state.nc.us/trademark/>.

Visit this online resource from the NC Bar Association to learn more about

Patents: <http://ncleap.ncbar.org/media/4726377/patents.pdf>

Trademarks: <http://ncleap.ncbar.org/media/4726381/trademarks.pdf>

Perhaps your business has developed a secret recipe/unique process for a product that has been your claim to fame. If it's a famous marmalade, BBQ sauce, cookie recipe or the like, patents are not the best idea for protecting your intellectual property. Why? If you were to disclose your recipe, as patents do, there would be no reason for customers to purchase your product. In this case, the value comes from the fact that no one knows the ratios of ingredients or the process. You hold a valuable trade secret! Trade secrets are inclusive of recipes, production processes, or even business information. If value comes from the fact that something is held secretly from the general population, it is a trade secret. Visit this online resource from the NC Bar Association to learn more about trade secrets, including ways to protect your trade secret:
<http://ncleap.ncbar.org/media/4726357/tradeSecret.pdf>.

Insurance

Now, you should consider your need for insurance. Forming an appropriate legal structure is the first step, but if your business assets need insurance, it is best to get this protection. This is not a necessity for all businesses at this early stage, but if your business involves high risk, general liability insurance may not be a bad idea.

Survey the needs of your business and determine if insurance is necessary for your business.

If needed, contact a local insurer. Keep in mind that all insurers may not be willing to insure small businesses, depending on the nature of the business. Thus, your search may take many phone calls trying to find an insurer that will one, accept you, and two, have a decent price point.

Social Capital

One of the most important business foundations that you can build are relationships, or social capital. Social capital can cover a broad range of people, including your customers, suppliers, and others indirectly related to your business. It never hurts to introduce yourself and hand over a business card. People like doing business with a personal touch. As a new business owner, having a network of support is essential in ensuring the success of your new business venture. Keep that in mind when considering your social capital, that you should never burn bridges, but rather develop relationships and follow up on those connections.

Professionalism

It's the challenge of every entrepreneur—you're just getting starting and you want to have the same professional appearance as every other business. Your professional appearance can't be compromised just because you're starting your business still working out of your back bedroom or the trunk of your car.

Telephone Basics

It's the ultimate fear of home based entrepreneurs that their small child will answer the biggest business call of their life. "Goo goo, gaa gaa" just doesn't cut it. How do we avoid this and create a professional appearance? There are several options.

If you use your home phone, start by recording a company specific voicemail message, or a neutral voicemail message.

Example:

You've reached Your Company, Inc. We are unable to answer our phone right now so, please leave your name, number, and a brief message. We'll return your call as soon as possible.

-OR-

No one is available to take your call, leave your message after the tone.

Avoid something overly personal:

This is the Smith family; home of Bob, Sue, Susan, Terry, and our newest addition George. We're probably outside with the kids. Just leave a message and we'll give you a holler!

Don't be the above entrepreneur! Customers will run faster than baby George with a dirty diaper!

If you have a cell phone, consider using it as your primary business line.

Follow the same advice for home phone messages. However, since your cell phone travels, be sure that you only answer business calls in a good place. If you're at your child's tee ball game, in the middle of the grocery store, or anywhere where your attention is not 100% focused on the call—don't answer! When you don't answer, your professional voicemail message takes over. Then, you can call when you are able to.

Additional telephone lines and outsourced answering services are unnecessary at this point.

Unless you're starting a telephone ordering service, or a business that is primarily telephone based, as a small business you need to just be conscious of the image you present to your customers. Expensive answering services give professionalism, but will most likely be overkill at this stage.

Take immediate action to professionalize your phone voicemail—you never know when the next big call is going to come in!

Business Card Basics

As an entrepreneur, business cards are an essential element for making connections. You may give out hundreds (or thousands!) of business cards over the course of your business venture. Although, it only takes one of those cards getting into the right hand to make your business take off.

Develop a business card. Include your name, phone number, email address, as well as any other pertinent contact information. Although you may not have a professional email address (yourname@yourbusinessname.com), make sure your email address is a professional representation of your business. If you need a semi-professional email, consider creating a new account through a provider such as Google Mail, Hotmail or Yahoo.

youbusinessname@yahoo.com is much more professional than soccermom309@yahoo.com.

Keep your appearance in mind, too! Professionally printed cards offer a much better impression than cards printed from your home PC. The cost for a nice business card can be minimal, helping to give you a professional look on a shoestring budget.

Contracts

A firm handshake and stern look in the eye is a common type of contract that is formed. Although, as you begin to move toward making your business professional, there will be times when a contract will be presented to you and times when you should present a contract to another party. Whether the contract is a lease for a retail building, a consignment agreement, or a contract for a service you will receive, keep these things in mind:

- When signing a contract, *take the time to ensure that you fully understand what the contract is saying*. If the contract is for the other party to complete a form of work for your company, make sure all the details are exactly as were agreed upon. If you are going to be spending your money in the duration of this contract, make sure that all of your bases are covered. Read it twice for good measure and consider letting a legal team review the contract if you feel that such action is warranted.
- Whether signing or making a contract, *follow through with your obligations as outlined in the contract*. If there is 30 day notice of termination, follow through. Not following through can cause complications with the other party and in some contracts, such actions can void the contract. Be careful and knowledgeable of what you're signing and who you are signing with. If entering into a formal agreement with another company, consider the reputation of the other company. In short, think before signing, it may be too late afterwards!

Visit this online resource from the NC Bar Association to learn more about contractual agreements: <http://ncleap.ncbar.org/media/4726369/contracts.pdf>. For entrepreneurs, the rule of thumb is to build social capital (previously discussed) rather than write contracts. In business, contracts are necessary, but use them in moderation if you can, since contracts can be intimidating to the other party. But above all, protect yourself and your company.

Topic 3: Running Your New Business

Congratulations for making it this far in the business development process. We have come a long way, from assessing feasibility to building your business foundations; you have a lot to be proud of! Now it's time for you to actually run your business—for real this time. If you decided to take a “test-run” then you already have some idea of what running your business is like. Maybe you continued to try out the “test-run” while building your business foundation, which is OK. Now since your foundations are in place, it's time to LAUNCH off your business platform.

So far, we have externally compared your business to various factors: the market it operates in, the customers it appeals to, the business's position in relation to taxes, licenses, permits, and the business in relation to various legal structures. Now it's time to turn the focus inward, on the operations that will create a successful business.

Let's delve into running your new business.

Money Management

It's likely that you have invested some amount of money into your business already and it's even more likely that you are going to have to invest more in the near future to get your business fully off the ground.

Before you spend all of your money on a fancy building, merchandise, or machinery, know that you need operating capital (money to run your business). If you open your door with not a cent to your name, problems will arise quickly. Who will pay the bills, the employees, or any other cost if there is no money? It is a safe idea to have enough liquid cash to cover your costs for several months. Although you would like your operation to be self-sustaining from day one, it most likely is not going to be. Thus, ill preparation for operational expenses can quickly snowball out of control. Many small businesses that fail could have avoided failure if they had more cash to help them stay in business longer. If a business is open one day then closed the next, they most likely didn't have reserves of cash to sustain them until they built a strong customer base. Moral of the story: have money to sustain your business in its start-up stage for day to day operations

Another money management fact to consider is your cash flow. For example, your bills are due on the last day of every month, but your customers are responsible for making their payment on the first day of the month, which is one day after yours are due. It is important to analyze the flow of cash in and out of your business. Do you have the necessary capital to support your business activity? The simple fix is to make your customers' bills due before you bills are due or you will be responsible for having the cash when your bills are ready. The ultimate question becomes, will you have your money when you need it? Make sure the answer to this is yes!

Although this advice may sound trivial, watch every cent that you spend. As an entrepreneur, you are most likely on a tight budget and every penny, nickel or dime is a valuable resource.

Shop smart; solicit quotes on pricing; research your purchases. With some thrift, your business will find economic stability faster than the business that pays a premium.

Marketing

Marketing is the promotion of your business. Since you're a new business, you need to get the word out to the customers that you are targeting that you offer a product or service that they can use. There are several tactics that can be utilized to reach your customers. When entrepreneurs think about marketing, the ideas of billboards, radio spots, and television commercials come to mind. These options are great, as they most certainly market your business. But, we must keep in mind who we are marketing to. If we are marketing a new food product, a TV commercial or billboard may be appropriate, but other options may work better. Coupon placement in a local newspaper may drive sales, or an in-store sample station in the local supermarket may work better. When considering your marketing efforts, keep your customer in mind. If your marketing does not reach your customer, your marketing is ineffective.

Marketing is not only about who to market to, but what are you going to say. Keep your message simple and distinct, being sure to share the essence of your business. You might be thinking, "I really don't know what to say." Though you should not use your business description verbatim, look at your final business description from Topic 1 to give you guidance in constructing an appropriate message.

We'll look at several marketing ideas, including some that are FREE:

Traditional paid advertisements: \$\$-\$\$\$\$

Whether it is placing an ad in the local newspaper or sponsoring an NFL team, this marketing option is proven effective. If you have the money to devote to paid advertisements, then persistence in these advertising mediums will create recognition of your product or service. The downfall is that these methods cost money, which is why many businesses can't afford to operate these types of advertising campaigns. If you decide to partake in traditional paid advertisements, start small. If investing in a newspaper ad, is it better to have one full page ad one week or two half page ads over two weeks? Consider your options and always keep your budget in mind.

Website: Free-\$\$\$

Websites are an essential marketing tool for small businesses. Unfortunately, they can be one of the most technical marketing tools to operate. With a little know how and time, entrepreneurs can create websites with no initial costs and low monthly reoccurring costs. If you don't have website knowledge, hiring a web designer can be an expensive undertaking for a small business.

It's true that every business can benefit from having a web presence. Today, people (for the most part) turn to the internet for finding a local business to fulfill their needs and wants. Almost gone are the days of flipping through the yellow pages in a phone book. Thus, to be seen by customers, a business has to have a website. Even if the website is nothing more than an address,

phone number, and a brief description of the product or service you provide, it's worth it! Not having a website is equivalent to being unknown on both a local and global scope.

There are hundreds, if not thousands, of companies that provide website services. So hop online and see what they are offering. There are some companies that will provide a free website. Although free to you, you pay for the website by letting them advertise on your website. In most cases, for a nominal fee, the ads can be removed. Remember you're seeking professionalism and you want your website to reflect your desired level of professionalism.

The next topic covers the concept of social media, which could be used as an alternative to developing a website.

Social Media: Free

Social media is the new way to market to customers. You've heard of them: Facebook, Twitter, LinkedIn, YouTube, and blogs (Blogger, WordPress, Tumblr). Best of all, social media sites can be accessed for free. Customers are already interacting in the social media "space" and as a business owner, it is simple to have a presence in the social media "space." Simply go to the respective sites, sign-up, edit your business's profile and you are on a social media site.

Simple, yes, but making the account is not all that you need to do. Now, you have to interact with the social media. Having social media accounts is like having a telephone. If you don't interact with the social media sites and their participants, then it is almost as if you would never answer your telephone when it rings. You would never think about not answering your phone for a customer, thus if you initiate a social media marketing campaign you can't leave it and never look back.

Social media is the champion of business to customer interaction. Businesses can create content to share with others about their business, while customers can instantly share feedback and insight into a business (for better or worse). You would feel uncomfortable letting a customer write the content for your website. But, that is exactly what social media allows. Be prepared to engage with your customer's content. If they feel that no one is listening on the business's end, they lose confidence in being engaged in the social media.

One of the great questions about social media is how to deal with negative feedback received online. The negative feedback is public; every visitor to the site can see the bad comment or review. As a business owner, it's the first instinct to delete the post, since you do have control over your page. Prior to hitting the delete button, consider leaving the post, respond to the need of the dissatisfied customer, all while displaying exceptional customer service. No business will have a 100% satisfaction rating, but social media might bring the 1% of unhappy customers to the forefront. Use negative feedback to highlight the fact that you made the situation right!

Social media is emerging and has the potential to put your product or service in front of millions. Engage and respond to your customers on social media—it's essential.

Local Festivals/Events/Trade Shows: \$-\$\$\$\$

Want to display your product or service directly to your customers? Local festivals or events give you just that. Grab a tent, table, chair, your product or information about your service and get ready to pitch your business to potential customers.

Festival booth fees range from cheap to unreasonably expensive, depending on the location, size of your booth, and the attendance at a festival. Which festival is right for your type of business? Great question, that brings us back to examining our target customer. If there is a bluegrass festival that you are thinking about exhibiting at, but you sell rock and alternative pop CDs, it may be best to pass that festival up. Exhibit where you feel that you can meet your customers. With that being said, it may not be the best approach to exhibit at a national cosmetic convention, three states away, with a booth fee in the thousands of dollars, if you sell your own line of cosmetics. Be selective of your exhibition venues and consider the following questions before committing to any festival, event, or trade show.

- Are your customers going to be at this event?
- Can you recoup your costs at the event or in follow-up sales after the event?
- Is it feasible for you to travel to the event location?
- Do you need assistance in getting your display ready? If so, can you find help?
- Are you prepared to answer questions about your product or service and be on your feet for the duration of the event?

Press Release: Free

Has your business done something press-worthy? Maybe your company has developed something revolutionary or taken a different approach to the business process. Maybe you, as an entrepreneur, are extraordinary. If you feel that your business has done something that would peak public interest, recap it in written form and submit it to local newspapers, radio stations, and even post it on your website.

In a press release, include what is press-worthy, some basic background about your business, and your contact information. Some press releases go unpublished, which may happen to yours. But never fear, you may get a call from an editor or radio station wanting to learn more. Best of all, press releases that result in an article/air time are FREE in most instances. Capitalize on this resource, but don't use it too often. In other words, don't submit a press release every month. Such articles and releases, when published or heard, have a long standing impact. Not to mention the fact that you want to keep the editor or radio station as your friend, in case you need to submit a press release again!

Cold Calling: Free

You have a phone book; you most likely have a phone. Put the two together and give your customer a call. If you don't know your customer (cold calling), remember the worst they can say is NO. It never hurts to ask.

Warm calling is another concept, which like cold calling, puts your phone to use, but this time with your rolodex of contacts. Taking advantage of the social capital that you have, as well as your list of contacts; start calling the people you know. Odds are they can direct you to customers, pinpointing the people you are after! Or better yet, they may be customers. So do it—make that call!

Marketing Overview

However you decide to market, make sure you are getting the biggest bang for your buck. If you are starting a cookie business, it may be best to stand in front of a store that retails your products with free samples and coupons rather than running an ad in the newspaper. If you have the opportunity to get your product into a customer's hand or display your service over another, more traditional form of advertising, take it.

Marketing does not have to be “traditional” and you should use your ingenuity to create marketing opportunities. Creative marketing will get more attention than will standard marketing techniques. Go for it; market your product or service in a creative way!

Customer Service

Customer service will make or break your new business venture. We've all had a bad customer service experience. Maybe someone did not return your call, a store refused to accept a return for a piece of defective merchandise, or a sales representative was not grateful for your business. It's happened to everyone, but you don't want your business to be THAT business—the one with bad service.

As you start your business, first impressions do go a long way. When you meet a customer for the first time, you have one shot to provide excellent service. Great customer service not only helps to sell products, but helps to create a loyal customer base for your business.

The rule of thumb in customer service is that “the customer is always right.” That is the saying, but not always the truth. Yet, as a customer service guru, you must respond to any complaint and make sure the customers are satisfied. Remember it just takes one person to become disgruntled with your business to let the world know. With social media at the forefront of consumers' minds, negative feedback can be posted to your social media sites before the customer even leaves the store.

If a customer is unhappy, how far should you go to regain the trust of the customer? It is best to go beyond what is expected to settle the disagreement. Perhaps upgrading the shipping on a package to arrive earlier or providing a discount could be a good strategy for your business.

One thing is for sure; don't sweep unhappy customers under the rug. If you do, they are likely to forever be a negative force against your business. Consider it your goal to gain "brownie points" with your customer service initiative!

The Human Connection

Professionalism is part of the key to creating small business success. If your business reputation is one that is professional, customers will want to keep coming back. Yet, some small businesses get the wrong idea. Small businesses should try to be like large businesses in the sense that they should provide the same level of service and offer exceptional products or services. Except, small businesses have the added ability of being able to bring in the human connection that large businesses don't have the resources to provide.

The largest asset, besides offering a stellar product or service, of a small business is its story. Maybe your famous marmalade was Aunt Sue's recipe or you were inspired to sew clothing for your new niece and decided to make a business out of it. Use your story to your advantage—it is a great place to start when approaching customers. After sharing your history, customers no longer see you as Company XYZ, Inc. but more like Sally, Tom, or Bob. The human connection is hands-down, a necessity for small businesses. Capitalize on your ability—your ability to be human.

The Meaning of OPEN

You're ready to "open" your business. For some that may mean opening a door to a small downtown shop, for others it may be publishing an online e-commerce website, and others may be opening the door to their mail order company housed in their spare bedroom.

As an entrepreneur, it is necessary to have an end goal for your business. You've done a lot of preparation in getting your business to where it is currently at, now it is time to envision your success criteria. When will your business be successful? What constitutes success in your business? These questions are important, as they give you something to strive towards. Let's document your thoughts for you to look back on as you progress with your business aspirations.

Where do you see your business in the next three months?	
Where do you see your business in one year?	
Where do you see your business in two years?	
Define the term "success" for your business:	

“Open” is a critical word in terms of starting a business and keeping it afloat. Hanging an “open” sign is only part of the equation. Being open to new ideas, suggestions and feedback will be a fundamental part of ensuring your success. So, open your business, but open your mind to thinking objectively and holistically in terms of the business you are operating. This open mindset will help now and in the long run. In Topic 1, we discussed how important it was for you to be detached from your idea. Although, now, it is important to stick true to what you are setting out to accomplish. Often we are so focused on the “end goals” that we get lost and miss opportunities along the way. Don’t let this happen to you! Stay true to the mission of your business, but open to the opportunities around you.

Growth & Beyond

Growth—this is what you want for your new business! Hopefully you outlined in the last section what you consider to be your ultimate success criteria. Odds are that you are going to have to do some growing in order to fully accomplish your success criteria.

Although it is perfectly fine to control all aspects of your growth at this time, there may come a time when your business needs to branch out. As a new business, this may seem like an odd time to think about growth. Thoughts of growth should not stunt your current operations, yet you should always be aware that your business will (hopefully!) grow and you must plan for such growth.

So how do you plan for growth? First, visualize what growth should look like. What challenges will confront this growth? What resources are necessary to achieve this growth? Second, continue to build your social capital. Whether you need resources or simply advice, your contacts will be critical in helping you over your hurdles that will lead to ultimate growth.

Conclusion

Opening a business is exhilarating, fun, and even a bit scary. Only time will tell how successful your business will be. Notice my language, “how successful your business will be” rather than “if your business is a success or a failure.” You’re successful just for getting your idea off the ground. Everyone has an idea (or two), yet only a handful take their ideas and run with them. You are one of the few that have realized the fun of opening your jar of ideas and following through. True, not all businesses are as successful as others, but that’s OK. Why? Your short comings will only strengthen the next great idea that you may have. Business can be rough going, markets can be tough to tap into, yet as an entrepreneur, you are resilient.

Entrepreneurs are the future; they are visionaries, creators, and innovators. And you too are among the ranks of entrepreneurs. Wear it proud, you’re now an entrepreneur for life!

Topic 4: Resource Index

The following is a list of resources that have been mentioned throughout this guide, as well as others that may be helpful in your entrepreneurial journey.

Alexander County Contacts:

City Planning	(828) 632-2218
Register of Deeds	(828) 632-3152
Tax Office	(828) 632-4346
County Planning/Building Inspections	(828) 632-1000
Chamber of Commerce	(828) 632-8141
Economic Development	(828) 632-1161

Regional, State, and Federal Contacts:

NC Department of Commerce	1-800-228-8443
NC Secretary of State	(919) 807-2225
NC Department of Revenue Hickory Office	(828) 327-7474
NC Department of Revenue Raleigh Office	(919) 733-3991
NC Department of Labor	(919) 856-4770
NC Employment Security Commission	(828) 466-5535
NC Trademark Office	(919) 807-2162
Federal Patent and Trademark Office	1-800-786-9199

Catawba Valley Community College -Alexander Center for Education:

CVCC-Alexander provides classes of all types that will fit your needs and lifestyle as an entrepreneur. Contact CVCC-Alexander with questions regarding courses to help you gain a footing in entrepreneurship or courses that will help you grow your business.

Find CVCC-Alexander on the web at:

http://www.cvcc.edu/Resources/Alexander_Center/index.cfm

Or contact them directly:

345 Industrial Blvd.

Taylorsville, NC 28681

Phone 828-632-8221 ext. 302

Fax 828-632-8544

Catawba Valley Community College Small Business Center:

Contact the CVCC Small Business Center for:

- Seminars on Starting and Growing a Small Business
- Courses of Study in Entrepreneurship, Financial Management
- One-on-One Confidential Counseling
- Targeted Referrals to Local & Regional Partners
- Mentoring Programs

For information and seminar registrations, call: 828-327-7000, ext 4117

For counseling services, program and course questions, call: 828-327-7000, ext 4112

Locations: CVCC East Campus, 2760 Highway 70 SE in Hickory, NC.

CVCC Business & Industry Training Complex, 2664 Hwy 70 SE in Hickory, NC.

North Carolina Rural Economic Development Center, Inc. (NC Rural Center):

The NC Rural Center's mission is to develop, promote and implement sound economic strategies to improve the quality of life of rural North Carolinians. The NC Rural Center provides a host of business and community programs.

The NC Rural Center runs two innovative programs that provide capital for business start-ups and expansions. The Microenterprise Loan Program helps individuals become self-sufficient through self-employment and the growth of very small businesses, and the Rural Venture Fund provides capital for businesses seeking to expand in North Carolina's economically distressed counties.

Visit them online at: <http://www.ncruralcenter.org/>

Or contact them directly at:

4021 Carya Drive
Raleigh, NC 27610
(919) 250-4314
info@ncruralcenter.org

North Carolina Bar Association's North Carolina Lawyers for Entrepreneurs Assistance Program (NC LEAP):

Seeking legal advice? Need legal assistance? NC LEAP strives to be the premier provider of business-related legal services to low-wealth entrepreneurs and business owners in North Carolina. Through one-on-one representation, community education, and self-help materials, NC LEAP empowers low-wealth business owners to build businesses in North Carolina that create jobs, improve communities, and boost participants out of the poverty cycle.

NC LEAP serves the low-wealth entrepreneur who is trying to start or expand a business. They focus on entrepreneurs locating their business in low-wealth communities, who hire and train low-wealth employees, or entrepreneurs with fewer than five employees. In general, a NC LEAP client's gross income does not exceed 80% of state median income for his/her family size.

More information and the NC LEAP's guidelines for qualification can be found at:

<http://ncleap.ncbar.org/>

Direct questions about NC LEAP to:

8000 Weston Parkway
Cary, NC 27513
(919) 677-0561
1-800-662-7407
ncleap@ncbar.org