



Business Startup Roadmap



So, you have a great idea, dream, or desire to start a business...NOW WHAT?!? We at the Marshall Chamber are very excited for you, wish you the best on your new endeavor, and are ready to help. This resource was created to aid you in the process of pursuing your BIG IDEA! Our hope and desire is to supply you with a roadmap to follow. Starting a business is certainly not what it used to be when considering all the rules, regulations, and responsibilities placed on business owners today. We want to make sure you have all the facts, information, and resources easily accessible as you pursue this undertaking.

Questions to Answer before Starting a Business

1. Why are you starting a business?
2. Have you chosen the right business?
 - a. Is it a good fit for you and your strengths...and weaknesses?
 - b. Do you have relevant experience in this type of business? If not, work or shadow in a similar business – you will need to know all aspects of the business you are pursuing.
2. Do you have the money/cash –
 - c. To start the business?
 - d. To pay your living expenses until the business generates the money to pay yourself? (Always remember, the owner is the last person paid.)
 - e. To cover expenses your current job is now providing (retirement, medical & dental insurance, etc.)?
3. If you do not have the money to start the business, do you have good personal credit that will allow you to go to a bank or other lending institution for a business loan? (<http://www.annualcreditreport.com>)
4. What products/services will your business provide?
5. What is your target market and possible competition?
6. What is unique about your business idea and the products/services you will provide?
7. How soon will it take before your products/services are available?
8. How long until you start making a profit?
9. How will you price your product compared to your competition?
10. How will you market the business?
11. How will you set up the legal structure of the business?
12. How will you manage the business?
13. Where will you house your business?
14. How many employees will you need to start up?
15. What types of suppliers do you need to contact?
16. In what kind of insurance do you need to invest?

17. Who can help you develop answers to these important questions?

No worries, knowledgeable local resources are available to you ...

Available Local Resources

I. Southwest Small Business Development Center (no fee)

Southwest Minnesota State University
1501 State Street, ST 201
Marshall, MN 56258

Description: The Southwest Small Business Development Center (SBDC) provides one-on-one business consulting to entrepreneurs offering valuable information on everything from how to write an effective business plan and how to obtain a loan to strategic marketing techniques.

Some of the most frequently requested services include...

- Business plan development
- Market research
- Financial analysis
- Loan packaging
- Manufacturing assistance
- Strategic planning
- Feasibility analysis
- Record keeping systems
- Advertising/sales
- Exit planning.

SBDC assistance is available to anyone interested in expanding or starting a business who qualifies under Small Business Administration (SBA) guidelines. More than 99 percent of all companies qualify for SBDC assistance. Consulting services are provided at no cost to existing or potential business owners.

The SBDC has offered technical business assistance in the Marshall community for over thirty years. Twelve Professional Business Consultants offer years of experience and expertise to the small business person.

Both business start-ups and the existing business person will benefit from the hands on approach of the SBDC consultants. SBDC consultants have provided guidance to hundreds of regional businesses and understand the ins and outs of the business world.

The expertise the SBDC brings to the table along with their enthusiasm will be beneficial to you throughout the process. We recommend that you set-up a meeting with the SBDC before taking any other steps.

Contact: Patt Pardell or Liz Struve

Phone: 507-537-7386

Email: SBDC@SMSU.edu

II. Extension – University of Minnesota (possible fee)

UM Extension Regional Office Marshall
1424 E College Dr Ste 100,
Marshall, MN 56258

<http://www.extension.umn.edu/community>

Description: The University of Minnesota Extension Service in Marshall has a Community Development Division that concentrates on Economic Development. The primary purpose of the Extension is to help community leaders understand their economy. One of its seven statewide team members (Neil Linscheid) is located here in Marshall to serve the Minnesota Southwest Region.

Neil and his team offer workshops to community groups, research assistance, and one-on-one consultation to teach people new and useful skills that apply to owning a business. They also provide a wealth of research knowledge concerning various business industries. Topical areas of focus include tourism development, retail analysis and development, market research, and economic modeling. Specific services of particular interest to the business community include:

- Demographic Information (maps and data)
(<http://www.extension.umn.edu/Retail/>)
- Profile Reporting
- E-Commerce Business Development (<http://www.extension.umn.edu/community/mirc>)
- Understanding e-commerce software/platforms³
- How to design and setup a Business Model surrounding E-Commerce
- Consultation in website concept, design, and components

Contact: Neil Linscheid

Phone: [507-337-2800](tel:507-337-2800)

Email: lins0041@umn.edu

<http://www.extension.umn.edu/community/about/community-economics/>

Neil Linscheid is an extension educator, specializing in community economics, in the University of Minnesota Extension's Center for Community Vitality. As an extension educator, his work focuses on applying research-based concepts to real world situations. His primary area of research and teaching interest is in creating tools to assist local economic development groups make more informed decisions about their local economy. He received a master's in public policy with an emphasis on community and economic development from the University of Minnesota, Hubert H. Humphrey Institute of Public Affairs and a B.A. in political science from the University of Minnesota, Morris. He currently lives in Clarkfield, Minnesota, where he also serves on the Clarkfield City Council.

III. Center of Rural Entrepreneurship (CORE) (no fee)

Southwest Initiative Foundation

15 3rd Avenue NW
Hutchinson, MN 55350
<http://mncore.com/>

Description: The Southwest Initiative Foundation is a regional community foundation dedicated to advancing southwest Minnesota through leadership, relationship building, program development and philanthropy. The Foundation has contributed more than \$46 million through its grant and loan programs in southwest Minnesota. It has also helped more than 450 businesses start or expand through its business finance programs, which have created or retained more than 7,400 jobs.

The Center of Rural Entrepreneurship's mission continues to want you *Excited, Educated, and Empowered* to turn your ideas into reality. CORE has new tools and resources that help you get what you need to succeed in business! The newest, and most exciting tool is the Starting a Business class webcast. CORE's entrepreneurship team will take you through the steps, you need, to begin your journey into business ownership!

By accessing the CORE website, you will have access to several video tutorials on starting a business along with resource tools that will aid you in setting up a business plan.

Contact: Kurt Thompson

Phone: (800) 594-9480

Direct Line: (320) 583-4113

Email: kurt@swifoundation.org

IV: Marshall Area Chamber of Commerce Members

Accountants:

<http://marshallareachamber.chambermaster.com/list/Category/accountants.htm>

Banks:

<http://marshallareachamber.chambermaster.com/list/Category/banks.htm>

Attorneys:

<http://marshallareachamber.chambermaster.com/list/Category/attorneys.htm>

Insurance:

<http://marshallareachamber.chambermaster.com/list/Category/insurance.htm>

General Business Directory:

<http://marshallareachamber.chambermaster.com/list>

Additional Available Resources

I. U.S. Small Business Administration (SBA)

www.sba.gov

How do You get started in a business?

The U.S. Small Business Administration (SBA) provides a wealth of information on starting a business at the SBA home page, sba.gov, under "Small Business Planner." You will find information on writing a business plan as well. You may take advantage of SBA's resource partners. The Service Corps of Retired Executives (SCORE) and the Small Business Development Center (SBDC) provides free one-on-one counseling to those interested in starting and expanding a business. This includes analyzing your business plan, legal requirements, marketing, and licenses needed for your business. To find the location nearest you, please visit us at SBA and click on your state.

Understanding the Financing Basics

Have you thought about how you are going to fund your business? When considering financing options, it is a good idea to have an understanding of your financing needs as well as the types of options available to help you start and sustain your business. In this section, SBA will help you assess the costs associated with start up and growth, the pros and cons of using your business versus your personal finances, the types of financing that exist, and the factors banks evaluate when reviewing loan applications. The SBA will even help you to determine if your business may be eligible for SBA assistance programs.

- [Borrowing Money](#)
- [Using Business vs. Personal Finances](#)
- [Estimating Startup Costs](#)
- [Financial Statements](#)
- [Businesses Eligible & Ineligible For SBA Assistance](#)

The above information is taken from the sba.gov website.

II. Minnesota District of SCORE

<http://score-mn.org/>

The Minnesota District of **SCORE** “Counselors to America’s Small Business” is part of a national nonprofit association dedicated to entrepreneur education and the formation, growth and success of the nation’s small business. **SCORE** volunteers serve as “Counselors to America's Small Business.”

SCORE provides free and confidential business counseling tailored to meet the needs of your small business and your personal objectives. **SCORE** also offers workshops, for a modest fee, for both start-up entrepreneurs and in-business small business owners.

Find a Business Plan Template and other useful templates at <http://www.score.org/resources/business-plans-financial-statements-template-gallery>

These tools can be your first step towards small business success. Then, [get advice](#) to help you on your way.

Business Planning Templates

Use the templates below and meet with a SCORE mentor for [business planning advice](#).

- Business Plan for a Start-up Business [PDF](#) | [Word](#)
- Business Plan for an Established Business [PDF](#) | [Word](#)
- Business Planning Tools for Nonprofit (PDF) | [View](#)
- Board of Advisors (PDF) | [View](#)
- Competitive Analysis (PDF) | [View](#)

Finance Templates

Use the templates below and then meet with a SCORE mentor for [expert finance advice](#).

- SCORE Financial Projections Template * UPDATED April 2011* | [View Template](#) | [View Explanatory Notes for Template](#) | [View Ann's Nursery Example](#)
- Start-Up Expenses (Excel) | [View](#)
- Opening Day Balance Sheet (Excel) | [View](#)
- Balance Sheet (Projected) (Excel) | [View](#)
- Bank Loan Request for Small Business (PDF) | [View](#)
- Loan Amortization Schedule (Excel) | [View](#)
Provided by Microsoft Office Online.
- Breakeven Analysis (Excel) | [View](#)
- Cash Flow Statement (12 Months) (Excel) | [View](#)
- Cash Flow Statement (3 Years) (Excel) | [View](#)
- Financial History & Ratios (Excel) | [View](#)
- Personal Financial Statement (Excel) | [View](#)
- Profit and Loss Projection (12 Months) (Excel) | [View](#)
- Profit and Loss Projection (3 Years) (Excel) | [View](#)

Sales Template

Use the template below and then meet with a SCORE mentor for [expert sales advice](#).

- Sales Forecast (12 Months) (Excel) | [View](#)

Frequently Asked Questions

<http://mncore.com/faqs/>

The above information is taken from the mncore.com and score.org websites

III. Positively Minnesota

Department of Employment and Economic Development

http://www.positivelyminnesota.com/Business/Starting_a_Business/index.aspx

Guide to Starting a Business in Minnesota

http://www.positivelyminnesota.com/Data_Publications/Publications/Business_Guidebooks/Guide_to_Starting_a_Business_in_Minnesota.aspx

Frequently Asked Questions

http://www.positivelyminnesota.com/Business/Starting_a_Business/index.aspx