



Rutherfordton
NORTH CAROLINA



**Rutherford Town
REVITALIZATION**

So you are thinking about starting a new business! Congratulations!! There are many resources to assist a new business and we are honored to assist you. Our history runs deep here, and we are a community of firsts. We hope that Rutherfordton becomes part of your entrepreneurial future.

Attached are information and resource lists for you. There are many resources, but these resources are the basic guides and local agencies that can assist you in your new business.

Running your own business is exciting and sometimes overwhelming and we want to make it as painless as possible. We can assist with a business plan, which is a roadmap for your business; tax information; legal references; financial planning and many other details that are required to make your new business a success.

Please do not hesitate to call or visit if you need assistance, guidance or a listening ear. We are here to help make your dream come true.

Town of Rutherfordton

Doug Barrick
Town Manager
828-287-3520 ext 7
dbarrick@rutherfordton.net

Rutherfordton Town Revitalization

Rob Burbank
Director
director@rtrnc.org

Resources for Your New Business:

- “Economic Development Resources for Business & Real Estate Development” Guide
- Multiple Non-traditional Financing Resources
- Façade Grant
- Business Networking
- Demographic Information
- Small Business Center training/workshops

Small Business Resources

Isothermal Small Business Center
The Foundation @ Isothermal Community College
286 ICC Loop Road
828-395-1667

Offering assistance with small business opportunities, business plans, available properties, and financing options.

Federal Tax ID Number - www.irs.gov "Online EIN application"

North Carolina Tax ID Number - www.dorncc.com - Form NC - BR for sales and use and income tax withholding.

Business Name Registration @ Rutherford County Register of Deeds - There is a fee.
(See Certificate of Assumed Name.)

Town of Rutherfordton Requirements – For all business registrations, required sign permits, building permits and inspections and zoning compliance. Town Hall, 828-287-3520

Rutherford County Requirements - Only a limited number of business types require a permits and license. Contact Rutherford County Manager Steve Garrison at 828-287-6060

Rutherford County Tax Listing for Personal Property – Every business must list all business property every January. Contact Sherry Lavender at 828-287-6000

Health Department Inspections - Must schedule an appointment.
Rutherford County Environmental Services – 828-287-6317

NC Dept of Agriculture - (919) 733-7366 – For commercial bakeries and home inspections

Rutherford County Chamber of Commerce – 828-287-3090

Isothermal Small Business Center – Faye Bishop 828-395-1667

SCORE – 828-693-8702. Or visit www.score.org for free confidential advice.

North Carolina Department of Commerce Business Link - www.blnc.gov or 800-228-8443
Business Link North Carolina offer the business community a centralized information source for business start-up information, existing industry resources and state business regulations.

New Business Background Work

Begin With:

- Assess your strengths and weaknesses
- Establish business and personal goals
- Know your credit score
- Assess your financial resources
- Identify the financial risks
- Determine the start-up costs
- Decide on your business location
- Do market research
- Identify your customers
- Identify your competitors



As you consider starting your own business, ask yourself the following questions:

- Are you a self-starter capable of providing your own motivation?
- Do you have the support of your family and friends in your business venture?
- Do you have the education and real-life experience necessary to succeed in your line of business?
- Are you capable of dealing with the stress associated with owning a business?
- Can you obtain your own health insurance?
- Can you afford to quit your current job? Have you saved enough money to live on while you start your business?
- Are you willing to work longer for less pay while your business develops?

You should also consider the following regarding your potential business:

- Is your business concept feasible?
- Do you know how you will finance your business?
- Have you researched the products and/or services you plan to provide and determined there is a market for them?
- Have you developed a marketing plan and chosen a name and logo? Are the name and logo legally protected by trademark?
- Do you know when and where you will open up shop?
- Do you know your competition and how to deal with them?
- Are you up to speed on business regulations and tax requirements?
- Do you have access to or a relationship with professional service providers; such as an attorney, accountant, banker, and insurance agent?
- Have you determined the best business structure for your operation?
- Have you identified professional groups that support your product/service?
- Do you have a marketing plan and marketing budget?

Business Startup Checklist

After you evaluate your business idea, determine startup costs and research the market, you'll be ready to take on the next steps to starting your business.

	Prepare a business plan that outlines your business goals, operating procedures, competitors, as well as the company's current and desired funding.
	Register business name at Register of Deeds office.
	Incorporate your business or form an LLC . It provides the owner with personal asset protection from the debts and liabilities of the company.
	Obtain your federal tax identification number (also called employer identification number or EIN). It's used by the IRS to identify your business for all taxation matters.
	Obtain a state tax identification number . Contact your state's taxation department to determine whether your state of formation imposes this requirement.
	Obtain the necessary permits . Licenses may be required by your city, municipality, county and/or state. Contact your Secretary of State and local government to ensure you meet any requirements.
	Select an accountant and attorney you can turn to for advice when starting out, as well as throughout the life of the business.
	Just like every personal relationship has its ups and downs, so do business partnerships. So before you tie the knot (so to speak), you need to enter into what is known as a partnership agreement to protect yourself and your business.
	Open a business bank account and obtain a business credit card . Contact your bank about business banking requirements to ensure you have all the necessary paperwork.
	Set up your business accounting/bookkeeping . Be prepared to account for all disbursements, payments received, invoices, accounts receivable/payable, etc.
	Obtain business insurance . Discuss your particular industry and business needs with your insurance agent to obtain the appropriate type and amount of insurance.
	Ensure you comply with government requirements (e.g., unemployment insurance, worker's compensation, OSHA, payroll tax requirements, self-employment taxes, etc.).
	Determine your business location and take these steps: -Home-based: Check zoning requirements - Other location: Lease office or retail space and obtain the necessary furniture, equipment and supplies.
	Create any necessary forms : contracts, service agreements and invoices so you can easily bill customers, track payments and keep records.
	Obtain business financing .
	Create a logo, business cards, letterhead, envelopes , etc., to build business identity.
	Secure your company's website domain name . Create a website . A company website allows you to establish your brand and will be the first opportunity to make an impression with customers.
	Create a marketing plan for your products and services. Increase the likelihood for success with a plan for promoting your products and services to your target market.

How to Prepare a Marketing Plan

Businesses with the most successful marketing campaigns never just stick with one tactic. They follow a marketing plan that enables them to try new things and analyze the results. They're constantly trying new approaches to see what gives them the highest response rate whether it is with A/B testing, or using other analytical approaches.

Checklist

1. Describe your **market** and the characteristics and size of each market segment; review key market trends.
2. Research what **customers value**, such as product features, quality, service, image.
3. Compare the **distribution channels** for reaching customers (eg direct sales or through retailers).
4. Profile your **competitors** and what they're offering.
5. Identify other key factors influencing your business environment; carry out a **SWOT analysis** of your competitive position (SWOT: strengths, weaknesses, opportunities, threats).
6. Review the effectiveness of **previous marketing** initiatives such as advertising campaigns or seasonal sales.
7. Assess the **profitability** and sales potential of different customers and market segments, and of different products or activities.
8. Decide who to **target** among both existing and potential customers; decide which products to push and those which need updating or replacing.
9. Set specific **objectives**: for example, retaining existing customers, increasing order sizes, selling new products or winning new customers.
10. Decide how you will **price** each product or service.
11. Decide how you will distribute and **sell**; plan how you can improve customer service and satisfaction.
12. Plan how you will **promote** your products or services, and how you will keep in touch with customers.
13. Identify customers' purchasing cycles to **timetable** marketing activities.
14. Confirm the **implications** of your marketing plan for the rest of your business: production and training requirements, for instance.
15. Prepare realistic sales forecasts and **budgets**.
16. Include key indicators (eg new enquiries, conversion rates, customers lost, average order value) and a system for **measuring** them in your plan.

Cardinal rules

Do:

Base your plan on solid **market research**

Focus on **target customers**

Build an action plan to achieve specific **objectives**

Learn from experience

Measure the effectiveness of your plan

Don't:

Spread your efforts too widely

Make plans you can't **fulfil**

Make **unrealistic** assumptions and forecasts

7 Mistakes of Newbie Entrepreneurs

BY DANA BROWNLEE | March 7, 2014 | www.entrepreneur.com

Most entrepreneurs are familiar with the ridiculously high percentage of small businesses that will fail in the first couple years. The business owners who survived the odds will tell you that they didn't achieve success on sheer passion alone. It took hard work, and in most situations, it didn't happen overnight.

After spending the last decade running my own business consulting for companies and corporations, I have witnessed it all. Here's seven of the most common mistakes I've seen newbie entrepreneurs make with alarming consistency.

1. Not setting aside enough cash reserves to support yourself. I believe that one of the reasons why so many small businesses fail within the first few years is NOT because the business model isn't viable or the entrepreneur isn't "good enough" to make the business work, but it's the fact the financial ramp up time is a firm reality. Most entrepreneurs simply run out of money to support the business and/or themselves before the business is profitable enough to sustain itself.

Tip: Proactively set up a special fund intended to support yourself during the business startup phase. Be conscious of what you put into this fund as you may want to strive for an amount that can fully support you for a year or two to relieve pressure as you ramp up.

2. Using assumptions that are overly optimistic during planning. I see so many newbie entrepreneurs fall into this trap. They have a great idea and convinced their friends and family that it's a no brainer. They jump into the fray only to realize there were a few not-so-little details that they failed to consider or a few areas where their assumptions were overly optimistic and before they know it, that "no-brainer" business is hanging by a thread. Be honest with yourself. Are you underestimating the time required to get the first client? Are you overestimating the demand for the product? Are you assuming zero risk by not allowing for what could go wrong?

Tip: Find three to five completely objective people (not friends or family) and specifically ask them to play devil's advocate to you to help identify vulnerabilities and then take steps to mitigate those.

3. Not properly evaluating your business model. Not everyone incorporates a business model into their planning. It's so easy to get really lathered up around the concept of your business, but it's quite another thing to put pen to paper to help you objectively evaluate your overall business model and its profit potential. The simple truth is that having a great idea is just a start – it doesn't necessarily translate into a profitable model.

Tip: Consider SCORE or a small-business development center to evaluate the business model and offer expert advice. Their perspective could identify a more viable structure that makes better business sense than what you've already established.

4. Trying to do everything yourself to save money. If you try to do EVERYTHING yourself, you'll not only run yourself into the ground, your business will suffer, because you don't bring sufficient expertise in every area. Your time is money. Think about where you *must* personally invest your energies. Should you be developing and refining your content, products and services, cultivating relationships with key clients and stakeholders, developing credibility within your industry? No one can do this for you.

That said, others can develop your website, handle your public relations, develop templates for your newsletters, make trips to printers and copiers and perform random administrative functions. Utilize them.

Tip: The key is identifying what to outsource and what to keep. A good rule of thumb is if it's not part of the core competency of your specific business, you have little expertise in the area, it's time consuming and there are many suppliers who can provide the service at a reasonable cost, consider outsourcing.

5. Not being willing to work like a dog during the early days. I'm amazed how often I run into people who've recently launched their businesses, but they seem shocked that they're not making six figures while working a 25-hour work week. They seem to have this glamorous view of entrepreneurship where they get to start at the top and skip all the hard work. The simple truth is if you want to make it, most startup businesses have to hustle early on. This might mean working another job while you're starting your business, volunteering or doing some work for free to gain experience and exposure. It also may mean working nights and weekends.

Tip: Before jumping into the startup world, really evaluate your current lifestyle and realize you will most likely be giving up a huge chunk, if not all, of your free time.

6. Pricing your product or services too low or high. In my business I often respond to requests for proposals. Years ago, I'd been submitting proposal responses annually to a large governmental agency. After about four years of consistent rejections, I got a tip from a colleague that my pricing was too low to be considered seriously. That year I doubled my pricing on the same classes and was selected for the first time.

On the other end of the spectrum, you don't want to charge \$20,000 a day and expect to get the job.

Tip: Do your research to see what others are charging. It's much smarter to offer value pricing initially, prove your value and then raise prices over time. In many cases asking clients for their budget will not only give you an idea of what to charge, but it could minimize the risk of severely underpricing or overpricing your product or services. You may also consider providing different pricing options to increase the likelihood that you're offering something within your client's price range.

7. Not having a growth strategy. We all know of a restaurant that was great when it first opened but after expanding the food or service went downhill. They then developed a bad reputation and eventually closed. Don't be that business.

While most small businesses think the goal is to win as much business as they can, this isn't necessarily true. Sometimes, you can attract too much business and then have a completely different challenge that could threaten the longer term viability of the business completely.

Tip: Think about how you want to grow and develop a high-level growth strategy fairly early on (even if it changes as time progresses).

8. Not having a Partnership Agreement and exit strategy. Like a marriage, a business partnership often begins with enthusiasm and high expectations -- only to end in acrimony and legal proceedings. It's important to know as much as possible about a potential partner, including how his or her finances and family life may affect the business, before signing on the dotted line. Life happens and it is good business management to have a prepared exit strategy, with or without a partner.

Tip: Think about worst case scenario and the best solution for everyone. Better to be prepared with reasonable thought and while everyone is in agreement.