



Sponsored by:



BUSINESS BASICS

NYS Small Business Development Center
Research and Support Services, 146
Stony Brook University Research and Development Park
Stony Brook, NY 11794-6016

Presented by...

Dan O'Connell

Senior Business Advisor

(631) 632-9837



Sponsored by:



Introduction...

- Who are we?
- Where are we?
- What do we do?
- Who can use these services?
- How much do services cost?
- How long do services last?





Sponsored by:



Are you an Entrepreneur?

- Emotional Fitness
- Mental Fitness
- Financial Fitness





Sponsored by:



Defining Your Business

- **Setting the vision**
 - Have a reasonably good idea before you start – does it make sense?
 - Assess your strengths and weaknesses
- **Planning for the business**
 - Register the business, obtain an E.I.N., open a bank account
 - Find accountant, attorney, insurance provider
 - Consider your financial situation
 - Write a business plan
 - Where will your business be located?
 - Comply with regulations – Can you operate from home? Obtain necessary licenses, permits – check with Town or Village

Sponsored by:



Stony Brook
University

FINANCING YOUR BUSINESS

- How much money will you need?
- The truth about grants.
- Am I eligible for a bank loan? What is required? How the SBA helps.
- What about my credit? Check online – Equifax, Trans-Union (TRW), Experian
- Determine start-up costs (Include 6 – 12 mos. Working capital and personal expenses)
- Calculate Cash Flow Projections – 3 years



Sponsored by:



The Five C's of Credit

Capacity to repay (The lender will want to know exactly how you plan to repay the loan)

Capital investment (How much money you are personally willing to invest)

Collateral (The additional security you are able to provide to secure the loan)

Conditions (What the money is being used for, (working capital? Equipment? Inventory? The lender will also consider the local economic climate and the industry in general.)

Character (The general impression you make on the lender. This is a subjective opinion. Your experience, education, personality, trustworthiness, the quality of your references.)

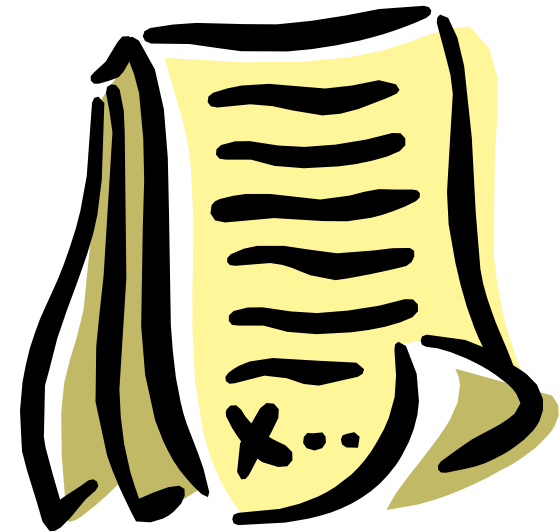


Sponsored by:



Legal Forms for Business

- Sole Proprietorship
- Partnership
- Corporations
- S-Corporations
- LLC/LLP





Sponsored by:



Products and Services



- **What are you selling?**
- **Find the vendors – What are the terms?**
- **How much will it cost?**
- **Collecting sales tax – apply for a Certificate of Authority**



Sponsored by:



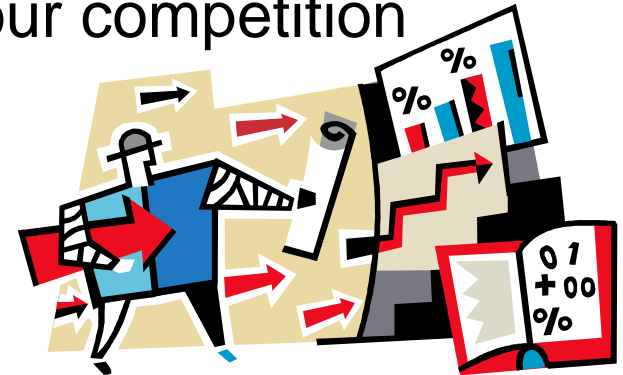
Market Planning

Conduct Market Research

- Identify your customer, Identify your competition
- Write a marketing plan
 - How will you get your message out?
 - What is the cost of advertising?

• Create Marketing Materials

- Logo, business cards, brochures, flyers, promotional materials
- Join your trade association, Chamber of Commerce, networking group
- Network, Network, Network!



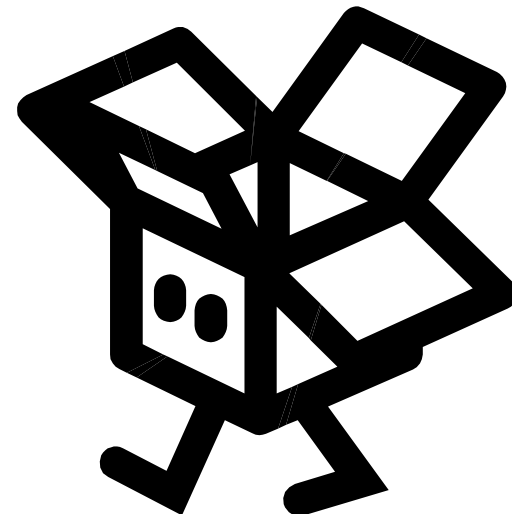


Sponsored by:



Marketing Strategy:

- Packaging
- Promotion
- Pricing
- Position
- SWOT Analysis:
 - Strengths, Weaknesses, Opportunities, Threats





Sponsored by:



Top Ten Reasons Small Businesses Fail:

1. **No long-range business plan.**
2. **Underestimating \$ needed.**
3. **Failing to establish a banking relationship.**
4. **No management training.**
5. **Incorrect pricing.**
6. **Lacking timely and accurate record keeping.**
7. **Extending too much credit with poor collections.**
8. **Lacking a clearly defined marketing strategy.**
9. **Hiring inappropriate employees.**
10. **Reluctance to spend money for professional help, i.e. Accts, Attys.**





Sponsored by:



Improving Chances For Success:

- Know what you're getting into.
- Have or raise as much \$ as you can.
- Be frugal.
- Line up customers before you start.
- Choose a business with low startup costs.
- Get a job in the industry first.
- Be careful about all agreements you make.
- Join a trade or industry association.
- Be willing to wait.
- Plan.
- Get help.





Sponsored by:



Entrepreneur: “Someone who works 20 hours a day so they don’t have to work 8 hours a day for someone else.”

Free

help and confidential assistance
is available at the
Small Business Development Center....
you don’t have to do it alone!

Daniel O’Connell
Senior Business Advisor
(631) 632- 9837