



Start a business

For many people, being your own boss is a dream come true. However, the harsh reality of a starting a business puts a damper on many dreams. Be prepared to work more and earn less during the start-up phase of your business. If your business requires selling, which most businesses do in one form or another; learn how to accept many “no’s” before you get a “yes”. If we haven’t deterred you yet, the following are critical steps prior to opening your doors.

Plan before Starting

- What business do I want to start?
- What services or products will I sell? Will I need to have an inventory of products?
- Who is my competition? Is this market saturated or will my business fill an existing need?
- What is my competitive advantage over existing companies? Will I have lower overhead? Quicker delivery times? Better service?
- Can I create a demand for my business if one doesn’t exist? How long can I afford to finance the business while creating demand?

Business Plan

- What legal structure will I use? Sole proprietorship, corporation or limited liability company?
- How will I finance my business? Do I have adequate financial resources?
- What insurance coverage(s) will be needed?
- Do I need a location for my business or am I going to use a home office? Will I need to sign a lease and will it require that I personally guarantee the lease?
- Naming your business has potential legal ramifications. What do I need to do before I select my business name?
- What are my projected sales, costs and profit/loss for the business? Have I prepared cash flow analysis for business?
- Do I have the accounting expertise to set up my own books or do I use accounting software like QuickBooks or do I hire a bookkeeper or accounting service?
- How am I going to generate sales?

If your cash flow analysis is realistic, sales projections are obtainable, prepare a comprehensive business plan to take to your banker. A local bank may be more flexible and be willing to work to either finance your start-up business or provide you with a line of credit. Be prepared to sign personal guarantees.



Jaburg & Wilk, P.C.

3200 N. Central Ave.
Ste. 2000
Phoenix, AZ 85012
(602) 248-1000

The banker will look for a viable plan, strong marketing strategy, readily available customers and realistic cash flow projections.

The Small Business Administration provides comprehensive assistance, at no charge, for starting business. Click http://www.sba.gov/starting_business/startup/basics.html to access their site.