

ALEXANDRIA AREA ECONOMIC DEVELOPMENT COMMISSION



BASIC STEPS – GOING INTO BUSINESS

1. Contact the Alexandria Area Economic Development Commission at (320) 763-4545 or the Minnesota Small Business Assistance Office at (651) 556-8425, and ask for a free copy of “A Guide to Starting a Business in Minnesota.”
2. If you intend to hire employees in your business, contact CareerForce at (320) 762-7800 or www.careerforcemn.com/
3. Prepare a business plan to include: Description of your business, identify your profit centers (area from which income is generated), who your market is, how you will price your product, cash flow projections, who your customers will be, who your competition is, and the location of your business. A more thorough outline for this is located on the reverse side of this page. A “Business Planning Workbook” guide is available free of charge through the Alexandria Area Economic Development Commission.
4. Interview and select an accountant – an accountant is more than a tax person. They must have a full knowledge of cash flow, business planning, and how to obtain financing. Be sure to choose an accountant that can grow with your business.
5. Interview and select an attorney if necessary to assist you with creating and completing any necessary legal forms for your organization. Be sure to choose an attorney that can grow with your business.
6. Secure necessary capital (bank loan, sale of company stock, gap lending programs).
7. Determine the type of business organization/form that is the best fit for your business: Sole Proprietorship, Partnership, Corporation, or other.
8. Establish a business bank account that is separate from your personal account.
9. Register your business name (file Certificate of Assumed Name) and/or file Articles of Incorporation with Minnesota Secretary of State at (651) 296-2803 or toll free at (877) 551-6767. Forms can be downloaded or completed electronically at www.sos.state.mn.us
10. Register for your IRS Business ID number using Form SS-4 found at <https://www.irs.gov/forms-pubs/about-form-ss-4>
11. Obtain Sales & Use Tax Permit (if applicable) from the MN Department of Revenue at (651) 296-6181. Must display at business location. Register for IRS Business ID Number at (800) 829-4933.
12. Register for MN Business ID Number (Form ABR) by calling (651) 282-5225 or online at <https://www.revenue.state.mn.us/sites/default/files/2020-09/abr.pdf>
13. Secure business licenses and permits. Check with local and state agencies for potential licensing requirements.
14. Obtain needed business insurance.
15. Obtain needed facilities including equipment, furnishings, supplies, and inventory.
16. Recruit personnel – Establish job descriptions and training programs.
17. Print business cards, stationary, invoices, statement forms, etc.
18. Market your business by implementing the marketing portion of your business plan.

SAMPLE OUTLINE: COMPREHENSIVE BUSINESS PLAN

- I. **Table of Contents** (Show the page number of each subject on the right side of the sheet)
- II. **Introduction:** Why the business is going to be formed, growth potential, anticipated profit and return on investment, industry trends, pitfalls, research done, etc.
- III. **Business Description**
 - A. Name, location, and reason for selecting each
 - B. Business hours to be maintained, property zoning details/approval, parking availability
 - C. Products and/or services
 1. Describe product line(s) including features, uniqueness, superiority, and benefits
 2. Price and quality comparisons
 3. Materials, suppliers, production methods, and alternative options
 4. Proprietary positions (patents, copyrights, legal considerations)
 - D. The Competition
 1. Name and address of all major competitors
 2. Minor competitors or indirect competition to be considered
 3. Competitors' strengths, weaknesses, pricing, and marketing methods
 4. Reasons why customers are expected to do business with you
 - a. Better prices or quality
 - b. Better selections
 - c. More reliable
 - d. Faster
 - e. Etc.
 - E. The Market
 1. Identify target markets (age, sex, location, income, background)
 2. Determine market opportunities (size of market, expected share)
 3. Customer needs and wants (how are these ascertained?)
 4. Marketing and sales strategies to be used
 5. Pricing, promotion, and distribution plans
 6. Business image desired and method of attaining high visibility
- IV. **The Management/Business Organization**
 - A. Form of business organization and reasons for selection
 - B. Business Officers: Their experience and salaries (include resumes for key personnel)
 - C. The employees: Their job descriptions, hourly wage, and work schedule
 - D. Employee policies: Benefits, promotional opportunities, training plan
 - E. The management and operations plan
 1. Long and short term goals
 2. Timetable and deadlines for accomplishing goals
 3. Anticipated expansion and growth – capital improvements
 4. Control methods to be used and lead times necessary
- V. **Financial Data**
 - A. Capital investment, equity, fixed assets/indebtedness, and repayment schedule
 - B. Records to be maintained, financial statements to be made (how often?)
 - C. Accounting and inventory control systems to be used (accountant's info)
 - D. Cash flow and income projections for several years
 - E. Future financial needs – capital expenditures, budget, contingencies
 - F. Breakeven sales point
 - G. Key business ratios to be used
 - H. Insurance coverage, sales and use tax procedures, unemployment taxes, etc.
 - I. Personal and bank references
 - J. Current balance sheet
- VI. **Appendices**

Attach back-up data, statistics, trade journal articles, etc.