



How To Open Your Own Business

Starting your own business is an exciting adventure- **CONGRATULATIONS** on taking the first step! There are a lot of dreamers out there and it takes a lot to cross the threshold to actually opening your own business.

Becoming a business owner has a lot of risk involved and an estimated 90% of startups *fail*. That statistic is scary, but you can be part of the 10% that DOES succeed. We have built hundreds of businesses ourselves and have helped thousands of others open successful startups. We have compiled the 25 point checklist below to help you get started in the right direction. Overlooking any of these details can lead to costly mistakes, so we recommend that you **study it carefully**.

□ DETERMINE BUSINESS VIABILITY

Once you have picked a market, think about how you are able to make a profit. Make sure you are offering something that people want/need. Do some math and make sure you can sell your product or service for enough money to actually make a profit. Doing some competitive research can also help you out here.

Supporting Resources:

- [8 Point Viability Checklist](#)
- [Business Viability Calculator](#)
- [How to Conduct Competitive Research](#)

□ CREATE A COMPREHENSIVE BUSINESS PLAN

Your business plan is going to be the foundation of your startup, so you want to make sure it is solid. You are going to need a business plan to secure financing and investments for your business so make sure that it is as detailed as possible.

What Should A Business Plan Include?

- Executive Summary
- Company Overview
- Industry Analysis
- Customer Analysis
- Competitive Analysis
- Marketing Plan
- Operations Plan
- Management Team
- Financial Plan
- Exit Plan
- Appendix

□ CREATE A MARKETING PLAN

You are going to need to spend some time thinking about who your customer is and where to find them. You need to motivate them to do repeat business with you and lastly, you need to know how to get them to spend more money every time they interact with your business. Having a plan for these three key pieces will be the difference between success and failure.

Supporting Resources:

- [\[Video\]-5 Steps to Growth Hacking - Perry Belcher](#)

□ NAME YOUR STARTUP!

This can be a really fun part of starting your business. You will need to figure out what to call your business before a lot of other steps can be completed. Tip: It is helpful if potential customers can tell when you do by looking at your business name. Make sure you check with all relevant government bodies to make sure the name isn't already in use!

Tips:

- Make sure it is easy to remember
- Should flow nicely
- Prospects should know what you offer by your business name
- Name should convey a benefit
- Use a name that is specific, not generic
- Use a tool like Google Adwords to look up similar searched names
- Before concretely deciding on a name, confirm that it can be trademarked

□ FINANCIAL PLAN

You are going to want to have a good idea of what this startup is going to cost you, the ongoing operating expenses, etc. You will need this information for budgets, projections and deciding on your product/service cost and staffing budgets (if applicable). Be prepared and avoid being hit with unexpected expenses by getting as detailed as possible. Start your business bank account in this step. It is also a good idea to get the help of an accountant at this stage and think about an account system.

Here are a few additional things to ask yourself:

- Are you already saving up money for this project?
- Have you researched government funding for startups?
- Have you adequately researched sources of funding?

Supporting Resources:

- [4 Tips for Finding Funding](#)
- [5 Clever Ways to Raise Money for Your Startup \[...\]](#)

□ REGISTER A DOMAIN NAME

Try to register a domain name that matches your business name. You may not use it right away, but having a website for your startup is always a good idea.

Supporting Resources:

- <http://www.freshdrop.net/>
- <http://www.buydomains.com/>
- <http://www.pool.com/>
- <https://ca.godaddy.com/>

□ SET UP A WEBSITE

Having a website is beneficial for every business. You want your customers to be able to find you and research you as easily as possible.

□ DECIDE ON THE STRUCTURE OF YOUR BUSINESS

It is best if you check in with a lawyer or an accountant about this. You will want to make sure you have your assets properly protected. Are you going to be an incorporation, sole proprietorship, etc.

Some things to consider here:

- If you have a partner, have you developed an exit plan?
- Did you consult a legal professional before deciding on a structure?

Supporting Resources:

- [Business Structure Basics](#)

□ APPLY FOR AN EIN

An Employer Identification Number (EIN) helps you separate yourself from your business. You'll need it if you plan to incorporate your business or open a business bank account.

Supporting Resources:

- [Apply for an EIN Online](#)

□ GET SOCIAL

Social media is important to almost every business. Make sure you find out where your client base is going to hangout and make sure you are present on those platforms.

Supporting Resources:

- [Social Media for Business](#)

□ RESEARCH APPLICABLE BUSINESS LICENSES

These requirements vary by state so make sure you do the necessary research. Apply for all necessary licenses now to save yourself time later.

Supporting Resources:

- [Federal Licenses and Permits](#)
- [State Licenses and Permits](#)

□ FIND A SPACE!

If your business requires a physical space, start looking into this as soon as possible. This will tie into your financial planning. Start looking early so that you can be a little more selective of your options. If you do not have a physical retail location, try to avoid renting office space as long as possible. You want to save as much money as possible in the beginning.

Supporting Resources:

- [10 Things to Consider When Choosing a Location for Your Business](#)

□ RESPONSIBILITY PLANNING

It is easy to get caught up in the day to day tasks of your business. It is important to know what your key responsibilities are, eventually you can hire someone to do everything else. Watch our weekly newsletter for tips on how to work smarter, not harder.

Tips:

- Create a list of core responsibilities for the business
- Have defined job descriptions
- Have an Organization Chart

□ NETWORKING

This is one of the most underrated parts of opening your own business. Having the support of family, friend and other business owners is crucial to the success of your business. Ask other business owners for tips, tricks and advice whenever possible! Joining an association like [our association] is great because it brings together people just like you to support each other at every step



□ FIND YOUR SUPPLIERS AND SERVICE PROVIDERS

Suppliers are going to be the people you rely on to provide you with the material things you need to produce your product for your customers. Having supplies that are good quality and fit within your margins is extremely important. You are going to need supplies like:

When you are starting out, you may want to test out a few different suppliers for each of these things. **Watch for quality, reliability, cost** and your customers wants/needs. Ideally you will narrow down to the supplier that best suits your business needs.

We have put together a list of a few options to get you looking!

□ FILE FOR ANY NECESSARY TRADEMARKS/PATENTS IF APPLICABLE

It is important to seek legal advice when applying for any type of intellectual property registrations. It happens very often that a business owner will develop a business and brand only to discover that there is a conflict and they need to start over. It is better to be safe than sorry.

□ LOOK INTO YOUR BUSINESS INSURANCE NEEDS

Why do you need insurance? Business liability insurance protects you from financial loss as a result of accidents, emergencies or any unforeseen events that may arise. It is important to make sure you have all state/federal required coverage. We have included a couple of articles that we thought you might find helpful.

Supporting Resources:

- [Allstate- As a Small Business Owner, What Insurance Do You Need?](#)
- [Business General Liability Insurance: 5 Things to Look For](#)
- [General Business Liability Insurance – How it Works and What Coverage is Right For You](#)

□ RESEARCH HR REQUIREMENTS AND RESPONSIBILITIES

If you plan on hiring any employees, it is crucial that you inform yourself on the laws that are designed to protect you, your business and the employee from any potential issues that arise. You need to consider employment contracts, Workplace Safety and Health, Workers Compensation, Employee Benefit Security among others. The US Department of Labor has put together a great resource that we have included below.

- Hiring Processes
- Training and Orientation Programs
- Performance Review Procedures
- Compensation Agreements
- Discipline Policies

Supporting Resources:

- [Summary of the Major Laws of the Department of Labor](#)

□ CONSIDER YOUR IT REQUIREMENTS

This is commonly an afterthought in the business planning process. We want to make sure you are fully prepared take a few minutes to consider some of the types of technology your coffee shop is going to need. Here are a few things to consider:

- Email System
- Data Safety and Security
- Website Maintenance
- Computer Installation and Setup

Supporting Resources:

- [What Technology Does My New Business Need?](#)
- [The Technology You Need to Start a Business](#)

□ HAVE AN EXIT PLAN (IF NECESSARY)

As if planning the build out of your coffee shop business isn't hard enough, you also need to build an exit strategy. This is a crucial part of every business plan but it also helps you set long term goals for your business. Do you plan on owning it forever? Are you going to sell it? If you have a partner, have you thought about what you are going to do in the event that the relationship sours? There are the things that you need to know before you get started.

Supporting Resources:

- [Why You Need an Exit Strategy for Your Business](#)
- [Five Smart Exit Strategies](#)

□ GET STARTED

What Can You Do TODAY to Get Started?

We get it, you are excited and you want to get started now! Here is a list of things you can do RIGHT NOW to start the process:

- Talk to an Entrepreneur that you already know (Get some advice!)
- Visit Your Top Competitors Business or look at their work
- Decide How Much Time You Can Put Towards the Project