







Twelve Things You Should Know Before Starting a Business in Fuquay-Varina

A Publication of The Economic Development Committee of The F-V Area Chamber of Commerce

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Published Spring 2009

The Fuquay-Varina Area Chamber of Commerce 121 N. Main St. Fuquay-Varina, NC 27526

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One: Study the Market

You're thinking of starting a business. You have a service or product that you are sure is needed in the marketplace. But starting a business is a large investment of time and money. Before you begin, answer these questions:

- Is there a need for your product?
- Who is willing to buy it?
- Where are they?
- What are their buying habits?
- Who will your competition be?
- Can you provide greater quality, better prices or more convenience than your competition?

In today's business world, the major competitive tool is information. Start off right by knowing your customers and your competitors.

Here are some of the many resources to use in Wake County to conduct your market research:

Fuquay-Varina Area Chamber of Commerce Web site: www.fuquay-varina.com

Wake County Economic Development Web site: www.raleigh-wake.org

Wake County Public Library Web site: www.wakegov.com/libraries/default.htm

North Carolina Department of Commerce Web site: www.nccommerce.com

		2000	2006	2011
Total Deputation				
Total Population		31,677	42,951	52,137
Median Household Income		\$53,373	\$65,868	\$79,166
Median Age		33.3	34.8	36.0
Population by Age	10-14	7.9%	7.9%	8.1%
	15-19	6.0%	6.5%	6.6%
	20-24	4.9%	4.9%	5.19
	25-34	17.6%	14.2%	12.79
	35-44	19.6%	18.7%	17.8
	45-54	12.9%	14.8%	16.79
	55-64	6.6%	8.6%	10.1
	65-74	4.2%	4.0%	4.1
	75-84	2.4%	2.3%	2.3
2000 Population (25+) by	Less than 9th Grade	5.9%	N/A	N/.
Educational Attainment	9th-12th Grade, No Diploma	9.6%		
	High School Graduate	22.8%		
	Some College, No Degree	21.9%		
	Associate Degree	9.6%		
	Bachelor's Degree	21.8%		
	Master's/Prof/Doctorate	8.4%		
2000 Households by Size	1 Person Household	18.4%	N/A	N/
	2 Person Household	34.0%		
	3 Person Household	20.1%		
	4 Person Household	18.2%		
	5 Person Household	6.2%		
	6 Person Household	2.0%		
	7+ Person Household	1.2%		
Median Home Value		\$130,315	\$163,893	\$194,28
2000 Home Value Distribution	<\$50,000	8.4%	N/A	N//
	\$0,000-\$99,999	16.4%		
	\$100,000-\$149,999	39.8%		
	\$150,000-\$199,999	16.4%		
	\$200,000-\$299,999	13.4%		
	\$300,000-\$499,999	5.0%		
	\$500,000-\$999,999	.5%		
	\$1,000,000+	.5%		
	Average Home Value	\$149,278		
2006 Consumer Spending	Apparel & Services	N/A	\$35,594,890	N/
	Computers & Accessories		\$4,747,639	
	Education		\$19,937,741	
	Entertainment/Recreation		\$60,217,935	
	Food at Home		\$84,696,179	
	Food Away From Home		\$59,339,887	
	Health Care		\$62,517,689	
	Household Furnishings & Equipment		\$36,120,669	
	Investments		\$85,525,083	
	Retail Goods		\$445,507,112	
			\$445,507,112 \$260,454,907	
	Shelter			
	TV/Video/Sound Equipment		\$19,140,443	
	Travel		\$32,668,998	
	Vehicle Maintenance & Repairs		\$19,146,400	

Basic demographic information about the consumers in Fuquay-Varina

Two: Seek Advice

Get the advice of an attorney and/or accountant about the entity that is right for your business-sole proprietor, corporation of some type, partnership. The circumstances surrounding the set up of your business are different than many others and the advice that you receive should be specific to your experience.

To check on the availability of your business name and to register it, go to the county register of deeds. The web site for the Wake County Registrar is **http://web.co.wake.nc.us/rdeeds**.

Prior to creating any signage for your business, check on town sign ordinances. The town web site is **www.fuquay-varina.org**.

In addition to these sources, there are many other resources available to you that can help you with advice on your business, developing a business plan, finding funding, etc. The following includes information about help that is available in our area.

Wake County

For valuable preliminary information on starting a business in Wake County, go to: **www.wakegov.com/businesses/startingabusiness/default.htm**

Wake Technical Community College Small Business Center Consulting Services

Designed for individuals who are starting a new business or those who want to take their business to a higher level, the Center's consulting services include assistance with business plans, marketing efforts and financial reviews. They offer evening seminars, no-fee Lunch & Learn Seminars and courses on International Business. Additionally, a wide variety of classes are offered through Wake Tech's continuing education program. To see a list of upcoming classes, go to http://conted.waketech.edu/schedules/schedule_pdfs/businessindustry.pdf

For additonal information, contact the Small Business Center

Tel: 919-335-1007 Address: 3434 Kildaire Farm Road Suite 200 Cary, NC 27518-2277 Web site: http://bic.waketech.edu

Service Core of Retired Executives (SCORE) Counselors to America's Small Business

Tel: 919 856-4739 Email: contactus@raleighscore.org Address: Century PO Building Suite 306, 300 Fayetteville Street Mall Raleigh, NC 27602

Web site: www.score.org

SCORE is a non-profit organization of retired business executives sponsored by the Small Business Administration. They provide free counseling to small businesses by sharing their experience and knowledge, which includes subjects such as planning, marketing and production for both start ups and existing businesses.

The Small Business Administration (SBA)

Tel: 919-363-3215

Web site: www.sba.gov

The Small Business Administration, a federal agency, has loan-guarantee and direct loan programs, as well as an extensive library for all types of small businesses. The most popular program is the guaranty of bank loans to small businesses, which includes micro loans and larger loans for capital investments. Loan sizes range from \$25,000.00 up to \$1,000,000.00, based on twenty-five year terms. Call your bank for applications.

The SBA has an extensive library for research and management assistance. The topics listed below are available by phone at the SBA's Answer Desk (800) 8-ASK-SBA. You can request a free copy of the Resource Directory

- Starting a Business
- Financing
- Counseling & training
- Publications & tapes
- Minority small business
- Veteran Affairs
- Women's business ownership
- International trade and government contracting

Capital Region Small Business Technology Development Center (SBTDC)

Tel: 919 424-4450 Email: mseibert@sbtdc.org Address: 920 Main Campus Drive, #101 Raleigh, NC 27606 Web site: www.sbtdc.org

Three: The Business Plan

New entrepreneurs, owners considering expanding their business, those looking for significant growth and businesses needing to purchase real estate, fixed assets or equipment need to have a business plan in hand. Think of it as a map leading you to success.

A business plan is also a good idea for business owners who want to communicate clearly with their employees and share with them their business vision. Preparing to request financing from your bank for long-term needs or renewing a line of credit will also require a business plan. The purpose of a business plan goes well beyond obtaining financing. *There are three basic reasons to create a plan. It can serve as (1) a reality check, (2) an operating tool, and (3) an aid in raising capital.*

A business plan should include the following details:

1. Company Description

- Product or service description
- Analysis of strengths, weaknesses, opportunities and threats in your marketplace
- The legal form of ownership
- Resumes of owners and key managers
- Requirements for facilities, equipment and personnel

2. Market Analysis

- Identify your customers' characteristics, future wants and requirements
- Identify the demographics and density of your proposed customer base
- Identify your competition and how your product or service is better or unique

3. Financial Information

- Project several years of profit or loss and cash flow statements, along with pro forma balance sheets
- Engage several break-even analysis scenarios
- Prepare personal financial statements of owners, including supporting documentation

SCORE (Service Core of Retired Executives) offers assistance in preparing a business plan. You may use their computer business plan template with the counsel of a retired executive.

The Small Business Administration offers advice on the the *Essential Elements of a Good BusinessPlan*. Visit their site for detailed information on small business planning. Go go www.sba.gov/smallbusinessplanner/plan/writeabusinessplan/SERV_ESSENTIAL.html

The marketing plan is a very important part of a business plan and is frequently overlooked by small business owners as they begin their endeavor. This plan is a fluid document and should be reviewed and updated regularly.

The major components of a marketing plan include the following:

1. Situation Analysis

This introductory section contains an overview of your situation as it exists today and will provide a useful benchmark as you adapt and refine your plan in the coming months. Begin with a description of your current product or service offering, the marketing advantages and challenges you face and a look at the threats posed by your competitors. Describe any outside forces that will affect your business in the coming year—this can be anything from diminished traffic levels due to construction if you're a retailer or a change in law that could affect a new product introduction if you're an inventor.

2. Target Market

Make a bulleted list of your target customers/clients. If you are aiming at consumers, put together a target-audience profile based on demographics. Include age, gender and any important defining characteristics. If you are marketing to the business community, categorize the types of businesses es you will serve and include any qualifying criteria for each sector.

3. Goals

Briefly list your company's marketing goals for the coming year (one page or less). Make your goals realistic and measurable so that they can be effectively evaluated. Choose hard numbers, such as "increase sales by 15% first quarter", rather than general statements like "increase sales."

4. Strategies and Tactics

This will be the largest section of your plan. Take as much space as you need to give an overview of your marketing strategies and list each of the corresponding tactics you'll employ to execute them. This should include a high level of detail in the calendar for the year–use a spread sheet, a traditional calendar or a contact manager. It is very important to establish a schedule and stick to it. This plan is only useful if it's being used and measured. Track and evaluate your return on investment (ROI.)

5. Budget Breakdown

Develop a brief breakdown of the costs associated with each of your tactics. Include the costs for each of the tactics you have identified. If you find the tactics you've selected are too costly, you can go back and make revisions before you arrive at a final budget.

You can adapt this plan as your business grows and your marketing programs evolve. Soon you'll find it's a simple tool you can't afford to be without.

Four: Acquire Strong Financial Support-Funding and Services

Having enough capital when you start your business is crucial. Many small businesses fail early because the owners have underestimated how slowly cash comes in or how quickly it goes out.

You should have both start up capital and enough capital to maintain the operations of the business until it is profitable. This period will vary depending upon the type of business, so projections of typical costs and income are necessary in order to determine the amount of capital needed. For help with these projections, consult your trade association or look for comparable data on similar businesses in publications at the local library. *These projections are a very important part of your business plan and will also help you determine where to go for funding.*

Accounting for your business activity is needed for tax reporting, management information and planning. Personal or small business financial management computer programs from companies such as Quicken, Peachtree or Microsoft are a must for maintaining good records.Courses in using accounting software are provided through the Wake Tech Community College Continuing Education Program. For a schedule of classes, visit http://conted.waketech.edu

Obtaining adequate capital is fundamental to the success of your business. Common Sources of Funding:

- Personal savings and/or loans from family members or friends
- Loans borrowed against life insurance policies
- Credit cards
- Short term credit arrangements with suppliers
- Mortgages on business real estate or residential properties
- Short and long-term loans from banks, credit unions or financial companies
- Private investors
- Small business investment companies
- Special loans such as SBA loan programs through commercial financial institutions

When going to a financial institution to discuss a loan, be prepared to provide the following:

- 1. Two Years Business Tax Returns (including all schedules)
 - Three Years Business Tax Returns for requests over \$500,000.00
- 2. Interim Business Financials (profit/loss balance sheet)
- 3. Business Debt Schedule (form available from financial institution)
- 4. Two Years Personal Tax Returns (including all schedules)
- 5. Personal Financial Statement, signed and dated (form available from financial institution)
- 6. Intent to apply for ownership
- 7. Sales contract (real estate or business purchase) Bill of Sale (equipment)
- 8 Receivables aging
- 9. Property Information Sheet (form available from financial institution)

Five: Insure Against Loss

The long term success of your business is dependent upon protecting the assets of the company. A variety of insurance policies will cover the multitude of risks facing business owners. It is important that you talk to a qualified insurance agent about the types and costs of insurance relevant to your business. Here are just a few examples of the types of insurance you may need:

Common Types of Business Insurance (definitions obtained from wikipedia.com):

• General Business Liability-insurance that protects businesses against risks

• Errors and Omissions-protects professional practitioners against potential negligence claims made by their clients

• **Commercial Property**-provides protection against risks to property, such as fire, theft or weather damage. This includes specialized forms of insurance such as fire insurance, flood insurance, earthquake insurance, home insurance, inland marine insurance or boiler insurance.

• **Builder's Risk**-insures against the risk of physical loss or damage to property during construction. Builder's risk insurance is typically written on an "all risk" basis covering damage due to any cause (including the negligence of the insured) not otherwise expressly excluded

• Key Man-is a type of Corporate-owned life insurance which insures an employer against the death or incapacitation of a so-called key employee, usually an executive.

• Workers' Compensation-insurance replaces all or part of a worker's wages lost and accompanying medical expense incurred because of a job-related injury

• **Surety Bond**-a contractual arrangement by which the insurer agrees to protect the contractor in the event of a default in performance by the contractor

• Group Health.-policies will often cover the cost of medical treatments

• Group Life-provides a monetary benefit to a decedent's family or other designated beneficiary,

• **Contractor's Liability-**coverage for liability exposures that result from manufacturing and/or contracting operations in process on a manufacturer's premises or, in the case of the contractor, off-premises operation at a construction site

Six: Obtain Licenses & Permits

Most business owners must obtain one or more licenses or permits before opening their doors to customers. Contact the following offices to determine which codes, permits and licenses relate to your business.

Business Privilege Licenses

Town of Fuquay-Varina Finance Department 401 Old Honeycutt Road, Fuquay-Varina, NC 27526 (919) 552-1405 www.fuquay-varina.org/finance

Fire Codes

Town of Fuquay-Varina Fire Department - Fire Code Enforcement 301 South Fuquay Avenue, Fuquay-Varina, NC 27526 (919) 552-0422 / Fax: (919) 552-0608 www.fuquay-varina.org/fire

Wake County Health Codes

Wake County Human Services 220 Swinburne Street, Raleigh, NC 27610 (919) 212-7000 www.wakegov.com/humanservices/about/default.htm

Building, Zoning, Sign Permits & Regulations

Town of Fuquay-Varina Inspections Department 401 Old Honeycutt Road, Fuquay-Varina, NC 27526 (919) 552-1413 www.fuquay-varina.org/inspections

You may also contact the Business ServiCenter at the North Carolina Department of Commerce. For contact information, go to www.nccommerce.com/en/BusinessServices/StartYourBusiness.

Seven: Know Your Taxes and Pay On Time

All business owners must pay taxes. Which taxes are required varies by type of ownership, use of employees and type of product or service. Identify your tax responsibilities and deadlines by talking with an accountant who focuses on small businesses. Then, keep good records and pay on time; never neglect to pay withholding taxes!

Resources for Filing Taxes:

Federal Taxes Internal Revenue Service 4405 Bland Rd. Raleigh, NC 27609 919-850-1100 (800) 829-1040 www.irs.gov

State Taxes

North Carolina Department of Revenue 501 N. Wilmington Street, PO Box 25000 Raleigh, NC 27604 877-252-3052

Employment Security Commission (unemployment taxes)

700 Wade Avenue, PO Box 25903 Raleigh, NC 27605 919-733-3098

Local Business and Property Taxes

Wake County Southeast Regional Center 130 North Judd Parkway NE Fuquay-Varina, NC 27526 919-557-2501

Garland H. Jones Building Lower Level 300 S. Salisbury Street Raleigh, NC 27601-1765 919-856-5400

Eight: Find the Right Location and Hook It Up

The type of business you are operating should determine the location of your business. If your business relies on heavy customer traffic, locate on a main thoroughfare. If you tend to go to your customers or do not rely on customer "walk-in" traffic, consider a home-based office or space in a lower rent district. Ask yourself if your business needs the proximity of a major highway or an abundance of natural resources or parking spaces.

Deciding whether to buy or lease will depend on the amount of money available to invest in purchasing property. Leasing is a good option, at least until your business has established profitability and you have the equity to put into a building. Whether you lease or buy, the top priority for location is one that fits the needs of customers of your business.

Sites & Buildings Database

Fuquay-Varina Area Chamber of Commerce 121 North Main St., Fuquay-Varina, NC 27526 (919) 552-4947 / Fax: (919) 552-1029 www.fuquay-varina.com/index.asp

Zoning & Permitted Use

Town of Fuquay-Varina Planning Department 401 Old Honeycutt Road, Fuquay-Varina, NC 27526 (919) 552-1429 / Fax: (919) 552-3601 www.fuquay-varina.org/planning/

Construction & Remodeling Code

Town of Fuquay-Varina Inspections Department 401 Old Honeycutt Road, Fuquay-Varina, NC 27526 (919) 552-1413 www.fuquay-varina.org/inspections/

Utilities

Electricity–Progress Energy–www.progress-energy.com Natural Gas–PSNC Energy–www.psncenergy.com Telecommunications–Embarq–www.embarq.com/business BellSouth–www.bellsouth.com Cable–Time Warner Cable–www.timewarnercable.com/NC

Nine: Hire and Train Qualified Employees

Hiring the right people is essential to your company's short- and long-term success. An effective selection process includes finding personnel with the right:

Company fit--attitude, grooming mannerisms and ethics compatible with your staff and clientele *Skills match-*-experience, abilities and certifications *Job fit-*-cognitive abilities, personality structure and interests

Get advice and support for this and other important aspects of human resource management. Your company will need to conform to many employment and labor laws, which depend upon the number and type of employees. As an employer, it is important to understand and comply with federal and state laws such as Equal Employment Opportunity Act (EEOC) and Americans with Disabilities Act (ADA). The complex tax and legal relationships involved in being an employer require the advisory services of accountants, lawyers and personnel firms.

Instead of adding permanent staff, outsource a special project or contract with freelance contractors or use general and specialized temporary staffing services available for short- or long-term needs.

JobLink Career Center at Wake County Southern Regional Center

Tel: (919) 557-1121 Address: 130 N. Judd Parkway NE Fuquay-Varina, NC 27526 Hours of Operation: 8:30 am - 5:00 pm Service Offered:

- Employment Security Commission
- Job Counseling for Work First Participants
- Work Permits
- Capital Area Job LInk Services

Ten: Promote Your Business

Nothing happens unless you sell! This is the most important aspect of succeeding in the business. Well-conceived promotion of your product or service will bring your customers past your competition and to you for better prices, convenience, quality or service.

Write a detailed marketing plan and budget in order to spend your initial marketing dollars efficiently. From the start, consider using a marketing specialist to determine media, telemarketing or direct sales methods. Create a slogan or message that is different form the competition and repeat your theme throughout your business activities.

Finally, measure the effectiveness of your promotion dollars by asking customers how they found you or why they use your service. Ask for referrals and watch the returns!

Eleven: Serve Your Community

Serving our community as a volunteer is one of the best ways to gain recognition for you and your business while also improving the community. Working with other volunteers is also a terrific networking opportunity that creates referrals and business leads. The following civic groups are members of the Fuquay-Varina Area Chamber of Commerce and active in the community.

919-454-3487 Wake Education Partnership 27603 919-821-7609

Fuquay-Varina Rotary

Fuquay-Varina Garden Club 919-552-5562

Boy Scouts of America - Occoneechee Council 919-872-4884

Fuquay-Varina Arts Council 919-457-3487

GFWC Fuquay-Varina Junior Woman's Club 919-552-1616

Habitat for Humanity of Wake County 919-833-1999

Interact (Women's Shelter & Counseling) 919-828-7501

SCORE 919-856-4739919-856-4739 American Legion Post 116 919-557-5990

Carolina Allstars Track & Field 919-812-2001

Fuquay-Varina Youth Initiative 919-557-5630

Fuquay-Varina Athletic Association 919-552-5465

Fuquay-Varina Lions Club http://fuquayvarinanc.lionwap.org

F-V Revitalization Association 919-552-0848

Fuquay-Varina Woman's Club 919-546-3026

Military Missions in Action www.militarymissionsinaction.org

Twelve: Join the Fuquay-Varina Area Chamber of Commerce

Every business, whether it is new or looking to expand, needs to take advantage of every available resource to succeed. What better way to increase your resources than to join with hundreds of businesses in the area in an association designed to do just that? The Chamber is dedicated to promoting, protecting, and encouraging the business community while enhancing quality of life for our residents.

The Chamber currently serves over 430 members, from individuals to large corporations, including industries with a global presence. Through our *Shop Fuquay-Varina First* program, the organization encourages members to utilize other members' goods and services, while also encouraging new and existing residents to use Chamber members. The program stresses the need to support those that support the community through their Chamber membership. Some of the activities that foster this networking are:

Business After Hours

A networking event is held at a different member-business each month, giving members the opportunity to meet others and develop relationships to build business bases.

Wake-Up Fuquay-Varina

A monthly breakfast offers members another opportunity to network. Each meeting features a presentation designed to give a brief overview on topics essential to business success.

Golf Tournament

This golf tournament has proven to be one of the most popular networking events organized by the Chamber, offering the opportunity for both interaction and friendly competition between area business people. As our largest revenue generator, it is a vital source of funding for staff salaries and the many programs and networking opportunities the Chamber provides.

Member Appreciation Dinner

This annual event allows the Chamber to thank its member for their support throughout the year. It is free to members and provides yet another opportunity for people to get to know one another.

Day In Downtown

Held in the fall, downtown Fuquay is closed for a street festival that provides all-day family entertainment and also offers our members a chance to promote their business to the thousands of residents who attend this annual event.

Run The Quay

Held in the spring, this 5K race takes place annually in conjunction with the Town's Celebrate Fuquay-Varina event. The race gives members an opportunity to promote their business through advertising and to get to know each other by volunteering.

The Chamber works to ensure the business climate in Fuquay-Varina, Wake County and North Carolina offers entrepreneurs the best opportunity for success.

We monitor and actively advocate for initiatives that will assist with your success as well as offer services to promote business in the Fuquay-Varina area. Chamber members are encouraged to join one or more of the committees that oversee this work.

Economic Development Committee

This committee helps the Chamber to support small business. It works in conjunction with the Town to promote growth in the area.

Government Affairs Committee

Established to help assure a quality economic and business environment through government interaction. Goals include keeping members informed on proposed actions that may have an impact, establishes contact with key members of government and develop action plans on issues.

Marketing Committee

This group was formed to assist the Chamber with promoting the Chamber, special events, and the Town of Fuquay-Varina. The committee develops a consistent image for the Chamber through marketing materials, the web site, events promotion, and travel, tourism and relocation information.

Ambassadors

This committee is involved in active recruitment and expansion of membership. It helps educate new members and prospects about the benefits of Chamber membership, while acting as a liaison between the Chamber and the general membership.

Professional Women's' Leadership Association (PWLA)

This organization brings diverse businesswomen together for networking, business information and education and supports women through a scholarship program. The group is run by a steering committee and meets quarterly. In addition to providing networking opportunities, these meetings feature speakers with presentations on business and personal development.

Education Council

The Education Council serves as a clearinghouse of information regarding educational issues in our area and facilitates a vital relationship between Fuquay-Varina's schools and the business community.

The Chamber keeps the business and residential community consistently informed about Chamber members, programs and events. Our information outlets include:

Friday Forecast

A weekly electronic newsletter to over 600 business and community leaders where activities and member news is shared.

Travel, Tourism and Relocation Information

Chamber staff provides travel, tourism or residential relocation information. This service is invaluable to the growth of Fuquay-Varina.

Chamber Connection

Monthly newsletter distributed through our web site highlighting member and Chamber activities.

Chamber Referrals

Through phone, email and personal inquiries, we promote the businesses of our members with other businesses in the area, current residents and new arrivals.

Fuquay-Varina Independent

Twice a month, the Chamber writes a page in the local newspaper featuring news of individual member business and Chamber activities. This provides exposure to thousands of area residents.

The Fuquay-Varina Area Chamber of Commerce invites you to learn why we are a place that helps connect members to opportunity. Our town's rich history has paved the way for a thriving community. You can become a part of that group through your membership in the Chamber. We look forward to working with your business and continuing the growth that has made Fuquay-Varina a great place to live and work.