

PRE-START CHECKLIST

Hidden Star
MASTER CLASS SERIES

Below is a simple checklist that will help get you started. Don't worry about the timing of these things, but most of them will need to happen before you officially open for business. From experience we can boldly predict you will forget one of these. Forgetting or skipping one is not a killer, but you will need to get it done before you open, or shortly thereafter.



Determine viability. Is this a business that can make a profit? In order to give yourself the greatest chance for success, you **MUST** be brutally honest. Can you make a profit? Is there a demand for the product or service?



Create a business plan. Two things: (1) it is not as hard as you think; and (2) it is mainly helpful for **YOU** to understand how you are going to tackle this.



Figure out the money. Do you need financing? If so, how much? Where will it come from? Many of the fatal business mistakes come in this area. Getting the wrong money is a killer, and getting the wrong money is worse than getting none at all.



Choose a business name. You want a name that not only describes your product or service, but also will stick out to your customers. Make sure to check the name isn't already taken. You can go to www.godaddy.com and see if any website address is available. Then, generally, the Secretary of State's office in your state will be able to tell you over the phone or online if a particular name is available.



Brand and logo. You will need a logo, a tag line (motto), and other materials before you can open. This will be needed before you print business cards, start a website or other activities. **HINT:** take this seriously; it is how the world sees you.



Register a domain name. Even if you are unsure if you need a website, domain names can be pretty inexpensive (less than \$15 for the first year). It doesn't hurt to secure yours. GoDaddy is a great resource for this.



Set up a website. In this day and age, a website is necessary for credibility. Even if your product is not yet built, get your website up and running as soon as possible. It is quick, easy, and inexpensive. Again, check out GoDaddy. Even better, check out the free WordPress website setup and hosting services offered by Hidden Star at www.galaxyofstars.org. It is free and easy.



Figure out your legal structure & incorporate. This step can help protect your personal assets, and allow for future growth and funding. See section 3, chapter 4 for more on this.



Apply for an EIN. An Employer Identification Number (EIN) issued by the federal government is necessary in order to incorporate your business or open a business bank account.



Investigate and apply for business licenses. You may need one, if not several, for your startup. Here in the United States, the SBA has a helpful business license and permits tool.



Register social media profiles. Social media is one of the most powerful tools for marketing your business. Make sure to secure accounts with your business's name as soon as possible and get them up and running.



Rent a physical location. If your business requires a brick-and-mortar shop, you'll need to find a space early. If you do not need a retail location, put off renting office space as long as possible to avoid saddling your startup with lease payments.



Order business cards and network. As a startup owner, it is important to get your name out there and make as many connections as possible. Hand out business cards at every opportunity so people can remember you and contact you.



Open a business bank account. The last thing you want to do is intermingle your personal expenses with your business expenses. Make sure you open a separate account early so there is no confusion.



Set up your accounting system. Messy accounting books are a quick way to confusion and inefficiency and legal liability. Once you have your bank account set up, choose an accounting system or program and stick to it.



Delegate responsibilities. As much as we wish we could do it all, that's not always the case. Nor is that always efficient. If you have more than one founder, it is imperative you decide who will do what upfront. Co-worker disagreements can—and have—ruined a good business.



Consult an insurance agent and get coverage. Depending upon the type of business you plan to start, you will probably need insurance of one kind or another (e.g., liability, workers' comp, or health insurance), especially if you hire full-time staff. No one likes paying for insurance but it is essential.



Start your revenue stream. Money is, of course, how your business will stay afloat. At the early stages of a startup, there is never enough money. Don't worry about waiting until things are perfect—just start earning revenue early.



Hire employees. Depending upon your business, you may need a few employees or you may be able to outsource certain tasks. Keep in mind trying to do everything yourself can take away from growing your business.



Line up suppliers and service providers. Finding a reliable source of inventory is crucial, especially in retail or manufacturing businesses. Make sure to line up good suppliers and service providers so you don't have to sweat the details.



File for trademarks and patents, if applicable. If you have a new invention or innovative service, you will want to protect your intellectual property if you can. You'll typically want to consult an attorney for this, and consult them early. The U.S. Patent and Trademark Office is the first stop and you can see if anyone else has filed an invention or trademark similar to yours. Check out: www.uspto.gov



Don't waste time on *partnerships*. If another, established, company wants to enter into a marketing or lead-sharing partnership, beware. They almost never work. Your business won't be attractive to potential partners that are worth having as partners until you start making money. Focus your time and energy on making sales and getting customers.



Refine your pitch. You need a good elevator pitch for many reasons: potential investors, customers, recruiting new employees, and the like. You must be able to clearly explain your business if you expect key stakeholders to buy in.



Refine your product, marketing, and sales approach. As you go along you will learn more about the marketplace. Use customer feedback to refine your product and service offerings, and your go-to-market approach. Don't get locked into or emotionally attached to any particular product or service. If the market changes, you change.



Secure your IT. Whether your company is a tech company or a shoe store, you will more than likely have sensitive data on computers and devices you want protected. Protect it from intrusions and disasters. Oh, and make sure to back it up. Often.



Get a salesperson or sales team in place. In many startups the business owner starts out as the chief sales person. But to grow you need a dedicated sales function, so you can focus on other important activities.



Get a mentor. As much as we may think we know it all, we simply don't. Especially as we start out. There are people out there who are more experienced and have learned from mistakes that are willing to share their wisdom. Go find one.