

BUSINESS START-UP TOOLKIT

1. Is business ownership for you?

- Check out books about starting a business from the [Duke Street Business Center at Lancaster Public Library](http://www.lancaster.lib.pa.us/DSBC). To reserve a specific item, search the online catalog at <http://catalog.lancasterlibraries.org/>, click "Request" at the top of the full page entry for the item and complete the online E-Reserve verification form.
- Contact SCORE Lancaster/Lebanon for free business mentoring - <https://lancaster.score.org/> or (717) 397-3092.
- For business start-up basics, consult the U.S. Small Business Administration website at www.sba.gov under *Starting and Managing a Business* including [20 Questions Before Starting](http://www.sba.gov/20-questions) and other online training under *Counseling and Training*. The *Entrepreneur* magazine website www.entrepreneur.com also contains valuable start-up information.
- Download the PA Department of Revenue's [Starting a Business in Pennsylvania](http://www.parevenue.gov/starting-a-business) and/or the PA Department of Community and Economic Development's [Entrepreneur's Guide](http://www.paceconomicdevelopment.com/entrepreneur).

2. Determine the type of business you want to start and research your market

- If you do not already have a business idea, browse the collection of guides for starting specific businesses found at the Duke Street Business Center and/or search online for trend information including Entrepreneur's "Business Ideas" at www.entrepreneur.com/startingabusiness/businessideas/index.html.
- Conduct market research to determine if there is a market for your product or service. This may require a phone or written survey to potential customers for your product or service (for a niche business) or national and local industry trend and forecast information for a more traditional business.

Librarians Available to Guide You: Call the Duke Street Business Center at 717-394-2651 x131 to schedule an appointment with a librarian who will guide you through the market research process. This is a free library service for start-ups. For hours and information visit our website at www.lancaster.lib.pa.us/DSBC.

Industry information can be found by:

- searching licensed databases such as **First Research** (www.lancaster.lib.pa.us/DSBC/Databases)
- searching for trend information on websites of associations in your particular industry and/or
- gathering industry information from the most recent U.S. Census Bureau's Economic Census found at www.census.gov/econ. The Economic Census of business is conducted every 5 years in years ending with "2" and "7."
- Who is your target market? After determining who will buy your product or service and the geographic location of your market, you can find demographic market size statistics by searching licensed GIS systems such as **Simply Map** (www.lancaster.lib.pa.us/DSBC/Databases), or by searching the U.S. Census Bureau's American Fact Finder website. This website, found at <http://factfinder.census.gov/> allows you to search the Decennial Census as well as the most current American Community Survey for statistics at the national, regional, state, county, county subdivision, census tract, block group, place, MSA and other levels. Need help determining your target market? If so, check the most recent edition of *Best Customers* (BUSREF 339.47 BES) found in the Duke Street Business Center.
- Who is your competition? Use a database such as **AtoZDatabases** or **Hoovers** (www.lancaster.lib.pa.us/DSBC/Databases) to create a list of your competitors.

3. Consult with business professionals

- Select and retain an attorney
- Select and retain an accountant
- Select and retain an insurance agent

4. Determine the legal structure for your business

- Collect information about the various business structures and then consult with your attorney and accountant before making this important decision. Business legal structures include:
 - Sole proprietorship
 - Partnership
 - LLC (Limited Liability Company)
 - S Corporation
 - Corporation
- Consult the *Legal Guide for Starting and Running a Small Business* and other books about specific legal structures at the Duke Street Business Center and/or check www.irs.gov/Businesses/Small-Businesses-&Self-Employed/Business-Structures (IRS website).

5. Choose your business name

- Determine if your business name is available in PA by searching the database at www.corporations.pa.gov/Search/CorpSearch. (Note: If a name you select is registered as a “Fictitious Name” it may still be available for use if you are registering as a sole proprietor and not in the same geographic area as a previous registrant. Names already registered as an LLC or Corporation are exclusive and will not generally be available for use in Pennsylvania.)
- Fictitious Names: “A fictitious name is any assumed name, style or designation other than the proper name of the entity using such name. The surname of a person, standing alone or coupled with words that describe the business, is not a fictitious business name.” (Names such as Weaver’s Painting, where Weaver is your last name, do not require fictitious name registration). For further details on this topic: www.paopen4businessbriefcase.state.pa.us/BStructure/Fictitious.htm.
- Business name registration (including Fictitious Name registration for a sole proprietorship) is part of the online registration process, **if you use the OBRI method of online registration** (see #6 below) with the fee payable by credit card or check. Since name registration is exclusive for LLCs and Corporations, it is part of the registration process and does not require a separate Fictitious Name application.

You may also register a Fictitious Name by mail by using the form at

www.paopen4businessbriefcase.state.pa.us/Download/311.pdf .

- Conduct a trademark search: Check www.uspto.gov/trademarks. (Note: Even though a business name is not a trademark, if the same name or a similar derivative is used on a registered product or service in the same industry, you may open the door for future trademark infringement violations. Conducting a trademark search is a good preliminary screening process. If there is any possibility of trademark infringement and you want to continue to pursue the use of a name, it is advised that you seek legal counsel.)

6. Register your business, investigate zoning and special licenses

- Most businesses in Pennsylvania must be registered with the state. The only known exception is a sole proprietorship with no employees that does not use a fictitious name and does not sell any sales taxable goods or services.
- Register your business through your attorney or online (recommended for sole proprietorships or single-member LLCs only) at www.pabizonline.com/Register. (Note: If you are registering as a “sole proprietorship” and not registering a fictitious name, you may use the “Online PA-100” rather than the “OBRI.”)
- Sales Tax License: Online registration using either the OBRI or Online PA-100 will include registration for your sales tax number (if applicable). Note: during the registration process, check “Sales, Use & Hotel Tax” if you will be selling taxable goods or services directly to consumers. Pennsylvania issues both Sales Tax Licenses and Wholesaler’s Certificates. Those who make taxable sales to the ultimate consumer are required to have a Sales Tax License. Those who **only** sell to retailers can apply for a Wholesaler’s Certificate.
- Special licenses:** In addition, many types of businesses also require special state licenses, permits, or certification such as businesses involved in:
 - Alcohol sales - see [PLCB Licensing](#)
 - Contractors – see [Contractor Licensing](#)
 - Drugs, devices or cosmetics – see [Drug, Device, and Cosmetic Manufacturing registration](#)
 - Retail food sales – see [Retail Food Facilities/Restaurants](#) and [Food Employee Certification](#).
 - Misc. Licenses (including those for elevator inspections, fire and panic inspections, making stuffed toys, etc.) – see the [Bureau of Occupational and Industrial Safety](#)

If you’re uncertain if your type of business requires special state licensing, contact the PA Small Business Champion Network (SBCN) at 800-280-3801.

- Determine zoning allowances and restrictions for your business location by contacting your local city, borough, or township office.
- Also, check with the city, borough, or township office where your business will be located to determine if any local licenses are required for your type of business. See [County Municipalities & Schools](#) on the Lancaster County website www.co.lancaster.pa.us for links to all county municipality websites. Lancaster City business license, activity permit and inspection info can be found at <http://cityoflancasterpa.com/business/permits-licenses-and-inspections>.

Note that there are no county level business licenses required in Lancaster County (though that may or may not be the case in other PA counties).

7. Obtain your EIN and open a business bank account.

- Obtain an EIN (Employer Identification Number). This is your registration with the IRS for income tax purposes and does not register you to collect PA state sales tax or obtain tax exemption for buying goods wholesale to resell retail.

Note: If your business legal structure is a sole proprietorship, you may choose to either use your personal social security number as your EIN (and skip this step). Or, to eliminate publicizing your personal social security number on invoices to clients, etc., you may wish to obtain an EIN that is transparently connected to your social security number by the IRS.

To apply online – <https://www.irs.gov/businesses/small-businesses-self-employed/apply-for-an-employer-identification-number-ein-online>. **There is no fee for an EIN.**

- Open a business bank account (You normally will need an EIN to open an account).

8. Determine your startup costs and projected monthly income and expenses

- Consult *RMA Annual Statement Studies* (REF 338.0973 ANN at the Duke Street Business Center) or the **First Research** database to find financial ratio benchmarks for your type of business.
- Equipment, furniture, supplies: Check local suppliers and/or online sources including www.thomasnet.com for names of equipment manufacturers and distributors.
- Inventory: Determine how much inventory you need to start your business and locate pricing by contacting wholesalers for your products (some will have online catalogs).
- Location, including lease or purchase: Check local commercial realtors for pricing and/or search www.pasitesearch.com.
- Projected monthly expenses (you may find that a sample business plan for a similar business to be can useful resource to get you started - see #9 below).
- Staffing (determine wage scales for types of jobs by consulting government websites):
The U.S. Department of Labor has two comprehensive websites:
 - Bureau of Labor Statistics - www.bls.gov/bls/wages.htm.
 - Onet (Occupational Information Network) – <http://www.onetonline.org/>.
 - For information specific to Pennsylvania, see the PA Center for Workforce Information & Analysis (CWIA) - <http://www.workstats.dli.pa.gov/> (wage information is available under the “Services for Employers” tab)
- Pricing your product or service: Check out your potential competitors’ pricing and/or consult guides such as SBA’s *Pricing Your Product* - www.sba.gov/blogs/how-price-your-small-business-products-and-services.

9. Write your business plan (recommended for all start-ups; essential if you need to secure financing).

- Borrow books on writing business plans by searching the [online catalog](#) or browsing the collection at the Duke Street Business Center.
- Search the electronic version of the **Business Plans Handbook** at www.lancaster.lib.pa.us/dsbc/business-directories or consult the print series found in the reference collection at the Duke Street Business Center (REF 338.642 BUS). Each volume in this set contains actual business plans written by small businesses and reflects a variety of different types of businesses. A cumulative index by subject is included in the last volume of the printed set.
- There are a number of tools and templates available that can help you to format your business plan. These include:
 - Business Plan Pro software (available at the Duke Street Business Center or by purchase online). This software includes over 500 sample business plans.
 - SCORE’s “Quick Start Business Plan Online” free tool found at www.score.org/onlineworkshops/quick-start-business-plan (registration required).

- “Business Plan NOW” - www.kutztownsbdc.org/business_planning_tool.asp. This is a free online business planning tool available on the Kutztown University Small Business Development Center website (registration required).
- For in-depth assistance, attend classes given by the following local organizations:
 - ASSETS Lancaster – www.assetslancaster.org.
 - SCORE Lancaster/Lebanon - <https://lancaster.score.org/>

10. Determine funding sources and secure financing. (Skip to step 11 if you have the personal financial resources necessary to start your business.)

- Personal or family, including use of credit card.
- Government financing, including:
 - For an overview of SBA (U.S. Small Business Administration) loan options: www.sba.gov/category/navigation-structure/loans-grants.
 - For SBA 7(a) loans or Micro-loans, consult Community First Fund www.commfirstfund.org, 717-393-2351
 - For SBA 504 loans or DCED funding for larger scale economic development projects (including current DCED program loan rates), consult the Economic Development Company of Lancaster County (EDC) - www.edcfinancecorp.com, 717-397-4046.
 - For DCED (Department of Community & Economic Development) funding, search for Pennsylvania state funding and incentive programs at - <http://www.newpa.com/programs-funding/>
 - For other government grant programs, click www.grants.gov. (Note: Grants for business start-ups and expansions are extremely rare.)
- Bank loans including SBA 7(a) loans are available at most area banks.
- Equity, including private investors, angels, and venture capital resources:
 - Pennsylvania Angel Network (PAN) – www.paangelnetwork.com, 717-238-1222
 - Wellspring FV (Lancaster Area) – www.wellspringfv.com, 717-293-5151
 - Ben Franklin Technology Partners – www.benfranklin.org, Harrisburg Office – 717-948-6339
 - Consult the *Directory of Venture Capital and Private Equity Firms* (REF 332 DIR) located in the reference collection at the Duke Street Business Center.

11. Determine how you will market your product or service

- Check out books on marketing, advertising, and public relations by searching the [online catalog](#) or browsing the collection at the Duke Street Business Center at Lancaster Public Library.
- Distribution channels: Consult print reference sources such as the *American Wholesalers and Distributors Directory* as well as online databases and websites.
- For media contact information: Consult directories in the reference section at the Duke Street Business Center such as *Lancaster Chamber of Commerce & Industry Media Guide* (REF 302.23 MED).
- Direct mail marketing: To compile listings of potential customers, use **AtoZDatabases**.
- Online marketing (including email and social media): Check out recent books on this topic in the Duke Street Business Center collection.
- Doing business with Pennsylvania and the United States government: For information on doing business with the Commonwealth of PA, including finding specific opportunities available to you as a state supplier/contractor - <http://www.emarketplace.state.pa.us>
 - Click for additional information on how to participate in the Pennsylvania: [Small Business Procurement Initiative](#) and/or [Minority, Women & Veteran Businesses](#) contracting programs.
 - To do business with the U.S. government and locate specific opportunities as a supplier/contractor, click www.sba.gov/content/federal-business-opportunities and <https://www.sba.gov/contracting/government-contracting-programs>.
 - For information on minority business opportunities with the federal government, consult the Minority Business Development Agency - www.mbda.gov.

12. Establish recordkeeping procedures for financial management, personnel, etc.

- Consult print resources at the Duke Street Business Center and/or online resources such as: <https://www.irs.gov/businesses/small-businesses-self-employed/recordkeeping> as well as the IRS online video, [Good Recordkeeping Helps Avoid Headaches at Tax Time](#).
- Purchase and install easy-to-use accounting software such as Intuit's *Quickbooks*, Avanquest's *Bookkeeper* or *Sage 50 Pro (or Premium) Accounting*.

13. Hire staff (as applicable)

- For general information about hiring employees, consult print resources at the Duke Street Business Center and/or online resources such as SBA's [Human Resources page](#) and the [Businesses with Employees page](#) by the IRS.
- Payroll taxes: Information on both the Federal and PA employee withholding tax process: Federal employment taxes – see: [Employment Taxes](#) (IRS) W-4 Form (to print in pdf) - www.irs.gov/pub/irs-pdf/fw4.pdf.

For PA Employer Tax Withholding information – see:

<http://www.revenue.pa.gov/GeneralTaxInformation/Tax%20Types%20and%20Information/Pages/Employer-Withholding.aspx>

For PA business tax questions; call 717-787-1064.

- Workers' Compensation: Obtain Workers' Compensation insurance from your insurance agent. For PA Bureau of Workers' Compensation information, see - www.dli.pa.gov/Businesses/Compensation/Pages/default.aspx
- Benefits administration information: www.dol.gov/ebsa or www.ifebp.org or, for general information <https://www.sba.gov/starting-business/hire-retain-employees/required-employee-benefits>.
- [PA Labor & Industry Laws and Regulations](#)

14. OPEN FOR BUSINESS!