

B. BUSINESS CONSIDERATIONS:

No.	TOPICS TO BE DISCUSSED AND EVALUATED:	ASSESSMENT			IMPLEMENTATION		
		NA	Y	N	P	RP	DD
1.	Will your product or service provide an unfulfilled need in the marketplace?						
2.	Will your product or service improve on existing offerings currently in the marketplace?						
3.	Can you identify what your product/service uniquely provides that others do not provide?						
4.	Have you studied your competition to understand why they are successful?						
5.	Have you studied your competition to understand how you will be able to effectively compete with them?						
6.	Have you conducted a thorough marketing study to help understand who your customers are, why they buy, at what price, when they buy, and why they would buy from you?						
7.	Have you clearly identified your market niche?						
8.	Have you prepared pro-forma financial statements including a monthly cash flow statement for Year 1 and quarterly statements for Years 2 and 3?						
9.	Have you performed a break-even analysis?						
10.	Have you written a comprehensive business plan evaluated by an independent third party? (For a FREE comprehensive Business Plan Outline go to WWW.JaguarConsulting.com)						
11.	Have you developed a fallback position/strategy if things don't go as expected?						
12.	Do you want to be an owner, an investor, or an operator?						
13.	Have you identified your personal support team and determined where you can turn for help and guidance?						
14.	Have you discussed your business plan with an attorney, accountant, banker, trade suppliers or other business counselors?						
15.	Do you understand the differences between the various types of business entities and which type would be most advantageous for your business?						
16.	Have you determined what your role will be in this business and what tasks and responsibilities you will delegate to others?						

E. FAMILY CONSIDERATIONS:

No.	TOPICS TO BE DISCUSSED AND EVALUATED:	ASSESSMENT		
		NA	Y	N
1.	Does your family understand the personal sacrifices required from all of them in terms of time and financial commitments?			
2.	Are you/they willing to live on less money until the business prospers?			
3.	Do they completely understand how it will affect their lifestyle?			
4.	Do you have a working spouse to ease the initial financial burden?			
5.	Is your family also committed to help by working in the business?			
6.	Do you fully understand how much time you will realistically have available for family activities?			

IMPLEMENTATION		
P	RP	DD

F. PERSONAL FINANCIAL CONSIDERATIONS:

No.	TOPICS TO BE DISCUSSED AND EVALUATED:	ASSESSMENT		
		NA	Y	N
1.	Have you accurately assessed your current financial situation?			
2.	Have you taken an inventory of your personal assets?			
3.	Have you received a recent copy of your credit report and what does it say about you?			
4.	Do you know how you will protect and satisfy your family's financial needs?			
5.	Have you constructed a personal budget?			
6.	Do you know how much of your own money will be required to get started?			
7.	Do you need to use the funds in your retirement plan and are you willing to risk these funds?			
8.	Do you need to use the funds in your investment portfolio and are you willing to risk these funds?			
9.	Do you need to use the equity in your house and are you willing to risk this asset?			
10.	Do you know how much money you need to live on while the business is in the start-up phase?			
11.	Do you know where you can borrow some additional money if needed?			
12.	Will you borrow money from family members? What are their expectations for payment and for working in the business? How will they be impacted if all the money is lost?			
13.	Can you cope with financial uncertainty or do you need the security of a weekly paycheck?			

IMPLEMENTATION		
P	RP	DD

I. CASH REQUIREMENTS:

No.	TOPICS TO BE DISCUSSED AND EVALUATED:	ASSESSMENT			IMPLEMENTATION		
		NA	Y	N	P	RP	DD
1.	Have you calculated the income you can reasonably expect in the first 6 months?						
2.	Have you calculated the income you can reasonably expect in the first year?						
3.	Have you calculated the income you can reasonably expect in the second year?						
4.	Have you calculated the gross profit you can reasonably expect on these volumes of business?						
5.	Have you calculated the effect on profitability if sales meet only "X" % of forecast?						
6.	Have you identified all necessary expenses?						
7.	Is your salary included in these expenses?						
8.	Is the salary adequate to support your family?						
9.	Have you compared this income with what you could make as an employee?						
10.	Does the net income make this venture worthwhile?						
11.	Are you willing to risk an uncertain or irregular income for the next year?						
12.	Are you willing to risk an uncertain or irregular income for the next two years?						
13.	Have you estimated the capital needed to open and operate the business until income equals expenses?						
14.	Have you completed a cash flow statement for the first two years of operation?						
15.	Have you calculated how much money you can invest in the business immediately? Later?						
16.	Have you identified other types of personal assets that you could, if necessary, sell, or on which you could borrow to gain additional funds?						
17.	Have you identified other sources where you could borrow money to infuse in the business?						
18.	Have you discussed your idea with a bank? What does the Commercial Loan Officer think about your idea?						
19.	Does the Loan Officer think enough of the venture to lend you money?						
20.	Do you have a financial reserve available for unexpected needs?						
21.	Have you determined how the total capital available from all sources compares with the estimated capital requirements for starting this business?						

II. CHECKLIST FOR STARTING A SOLE PROPRIETORSHIP.

KEY STEPS	RESPONSIBLE PARTY			
	OWNER	ACCOUNTANT	ATTORNEY	DATE COMPLETE
Conduct market research to determine the viability of your products & services.				
Determine business name.				
Apply for Name Certificate with Secretary of State's Office.				
File Form SS-4 to secure a Federal ID Number.				
Apply for sales tax ID Number (if applicable).				
Apply for state unemployment number.				
Develop a Mission Statement.				
Develop a pricing strategy for your products & services.				
Prepare short-term goals.				
Prepare intermediate goals.				
Prepare a budget and financial goals.				
Determine inventory and equipment needs.				
Negotiate equipment leases.				
Negotiate rental lease.				
Secure financing & establish a banking relationship.				
Develop job descriptions.				
Develop an Employee Handbook.				
Develop non-compete, confidentiality, employee agreements.				
Develop an Operations Manual.				
Establish a method for Owner's Draw.				
Establish a place for keeping records.				
Determine a start date for operations.				
Complete your Business Plan.				
Secure all City, State, and industry specific licenses.				
Form a Management Advisory Committee & select members.				
Select an Accountant.				
Elect an accounting system, either accrual or cash.				
Establish a "Chart of Accounts".				
Become familiar with all state & federal tax requirements.				
Become familiar with payroll tax and depositing requirements.				
Select an Attorney.				
Register all Trademarks, Service Marks, and Patterns.				
Register all Copyrights.				
Secure a Domain Name for your website.				
Select an Internet Services Provider.				
Select a bank and open all necessary accounts.				
Select an insurance agent and secure adequate protection.				
Secure Workman's Compensation Insurance.				
Select a Credit Card merchant.				
Design a logo and a business identity.				
Purchase Business Cards & Stationary.				
Prepare a disaster recovery plan.				