

Every new entrepreneur has a number of steps to follow to ensure their business gets off to a good start. Here's an easy to use checklist which includes friendly reminders and contact information for each step developing a new business.

### **Pre-business—Defining the concept**

1. Define your business and learn as much as you can about it.
2. Assess your strengths and weaknesses. Gain knowledge or get help where needed.
3. Define your product or service.
4. Define your prospective buyers. Determine if there is a need.
5. Obtain data on targeted customers, industry, trade, competition, etc.

### **Your Business—The foundation**

1. Select business structure--sole proprietorship, partnership, corporation, limited liability company or limited partnership. This is an important decision, which should be made after consulting a CPA and attorney.
2. Draft a partnership agreement with legal counsel if you have a partner or partners.
3. Register business name with the County Clerk for sole proprietorships and general partnerships. Registration is advisable, but not required, if doing business in your name only. Registration with the County Clerk registers the business name in the county where the business is registered but does not reserve the name throughout the entire state.
  - Warren County Clerk's Office: Belvidere (908) 475-6211
  - Morris County Clerk's Office: Morristown (973) 285-6130
  - Sussex County Clerk's Office: Newton (973) 579-0900
4. Research state licensing, certification and/or regulatory requirements for your business. Call toll-free in NJ at (800) 533-0186 or, if out of state at (609) 777-2642, to determine what businesses or occupations require state licenses or certification. Call the Business Advocacy Office at (609) 292-3863 for regulatory assistance.
5. Complete NJ-REG to register with the state for tax and related liabilities for businesses operating in New Jersey. NJ-REG is also used to file a new domestic or foreign corporation and limited liability company. You can do an online name search or get forms at [www.state.nj.us/njbgs](http://www.state.nj.us/njbgs), the web address for the NJ Business Gateway. Contact the Client Registration Bureau at (609) 292-1730 for questions on the business registration form. For questions on the public records filing, call NJ Commercial Recording Business Services, NJ Division of Revenue, at (609) 292-9292.
6. Understand and comply with all state and federal taxation requirements for businesses and employers. See [www.state.nj.us/treasury/taxation](http://www.state.nj.us/treasury/taxation) or <http://www.irs.gov>.
7. Consult with your tax professionals and enroll in business taxation training classes, as needed. New Jersey's Taxpayer Customer Service Center is at (609) 292-6400 or toll free at (800) 323-4400. The IRS Business and Specialty Tax Line is at (800) 829-4933.
8. Apply for a Federal Employer Identification Number (EIN). Go to [www.irs.gov](http://www.irs.gov), call (800) 829-3676 to order Form SS-4, or obtain EIN's by calling (800) 829-4933 between 7:30am -5:30pm. Employer Identification Numbers are required if hiring employees.
9. Identify all business laws and regulations applicable to your business.
10. Secure patents, copyrights, trademarks, where applicable.
11. Comply with Federal and/or out of state laws governing interstate commerce if doing business outside of NJ.

### **Location, Location, Location**

1. Research suitability of location for business, investigating traffic, visibility, accessibility, market opportunity, appropriateness of space for use, etc.
2. Negotiate favorable lease or purchase agreement and review with legal counsel.
3. Check local ordinances on zoning, licenses, permits, signage, etc. Contact the clerks of the municipality and county where the business will be located.
4. Weigh and assess location's constraints and benefits to business.
5. Evaluate security requirements to protect site, assets and staff.
6. Assess costs to renovate or modify site, as needed or required, to meet local ordinances.

### **Business and Personal Finances**

1. Order credit report and clear up any discrepancies.
2. Estimate and budget monthly personal expenses.
3. Estimate start-up expenses and cash required for start-up.
4. Project sales revenue and operating expenses.
5. Determine inventory required consistent with estimated sales.
6. Identify reliable suppliers and/or vendors and compare their product quality, pricing and credit terms.
7. Set up bookkeeping and other recordkeeping systems.
8. Compare the cost of lease vs. purchase of equipment.

9. Check for free and clear title when buying used equipment:
  - contact NJ Division of Taxation for unpaid sales tax liens.
  - contact County for UCC filings or chattel mortgages.
  - obtain bill of sale from seller and an affidavit on free and clear title.
10. Draft business plan including income and cash flow projections.
11. Understand lender's criteria for business loans.
12. Submit loan application and comply with lender requirements.
13. Consider alternative means of financing.

### Sales and Marketing—Getting the Word Out

1. Develop detailed marketing plan identifying objectives, target customers, promotion plans and budget.
2. Register with federal, state and municipal governments, if they are potential customers. Obtain certification as a minority, women-owned or small business enterprise. Set up business on bidder's mailing list.
3. Determine what's required to sell your product: such as, bar codes for products sold retail and ISBN's for books.
4. Implement marketing tactics, monitor results and rework the plan, as needed.

### Employee/Staff Issues

1. Investigate employer responsibilities including Federal and State payroll requirements, applications, job descriptions, contracts, Form I-9, etc.
2. Review employee handbook with legal/human resource professional.
3. Verify firm's compliance with IRS criteria for independent contractors and establish appropriate policies and procedures.
4. Establish employee compensation package. At minimum, provide NJ State Unemployment and Disability by registering with the NJ Division of Revenue when you complete NJ-REG. Call the NJ Division of Revenue at (609) 292-1730 and the Division of Employer Accounts, NJ Dept of Labor at (609) 292-2638 for more information.
5. Contact the NJ Dept of Labor, Division of Worker's Compensation at (609) 292-2516 for information on NJ's Labor Laws for Workers' Compensation. Contact your insurance broker for quotations or the Compensation Rating and Inspection Bureau at (973) 622-6014.
6. Consult attorney to develop agreements on prohibition of employees from revealing/using trade secrets and other confidential information while employed or upon termination.

### Insurance—Knowing the risks

1. Secure insurance coverage as needed—workers' compensation, disability, liability, property/fire/theft, life, automobile, group health, flood, business interruption, etc.
2. Obtain appraisals of property and equipment.
3. Develop and implement a security management plan.

### Technology

1. Assess telecommunications and technology requirements for business.
2. Define all equipment, software, network, and implementation costs to support all business functions.
3. Determine what functions should be outsourced and how.
4. Define and implement data security measures, back-up procedures, and disaster recovery systems.
5. Get the appropriate training for all staff.
6. Engage technical specialists/consultants as needed.

### Administration Details

1. Open a business checking account
2. Order business stationary, business cards, invoices, etc.
3. Establish policy, procedures and safeguards for handling checks.
4. Set up policy and transaction processing for credit card payments.
5. Draft formal credit procedures when extending credit.
6. Obtain equipment, furnishings, supplies, etc.
7. Ensure all agreements are in writing.

### Resources—Know when to seek help

1. Obtain technical or professional training, as needed.
2. Consult legal counsel, certified public accountants, insurance brokers, and consultants.
3. Contact the Centenary College Small Business Development Center at (908) 852-1400 ext. 2136.
4. Network with Chamber members and members of your professional or trade association.
5. Check your local college library for books.