

## Georgia SBDC Network Frequently Asked Questions

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No.	Category	Topic	Question	Answer	References
1	About the GA SBDC		What does the SBDC do?	The SBDC assists existing and prospective business owners to start or grow a business by offering a wide variety of training, providing one-on-one consulting, conducting economic development related market research, and providing technical assistance. The SBDC also offers expertise in international trade and specialty programs and consulting for minority entrepreneurs. Working with a SBDC consultant improves chances for success. For more information, contact your local SBDC.	<a href="http://www.sbdc.uga.edu/index.aspx?page_name=listspeople">http://www.sbdc.uga.edu/index.aspx?page_name=listspeople</a>
2	About the GA SBDC		How do I meet with a SBDC consultant?	All meetings with SBDC consultants are by appointment. If you plan to start a new business, we highly recommend that you take a SBDC pre-business planning class prior to meeting with a consultant. (click on reference for a list of classes. We also recommend completing our Business Development Questionnaire prior to your first meeting with a SBDC consultant (see page 23 of our Business Basics Start-up guide.) The questionnaire will help the consultant understand your business idea and how far along you are in the planning process. If you are already in business, contact your local SBDC to schedule an appointment with a consultant.	<a href="http://www.sbdc.uga.edu/index.aspx?page_name=descontedu">http://www.sbdc.uga.edu/index.aspx?page_name=descontedu</a>

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3	About the GA SBDC		What can I expect when I meet with a SBDC consultant?	Most initial and follow up meetings generally last between one and two hours and are usually scheduled in advance. The initial meeting is important because it affords the SBDC consultant the opportunity to obtain background information about your existing or proposed business, make specific recommendations and also develop a plan of action in terms of what will be required to meet your expectations. Follow up meetings allow consultants to review and monitor the progress on recommendations and the plan of action developed during the initial meeting. Before each meeting it would be helpful to write down a list of concerns you want to discuss and goals that you hope to achieve. In some cases you may have to provide your consultant with information in advance. There is generally no time limit in terms of time spent with a consultant but it is equally important that you schedule your meeting based on need. You will also have an opportunity to provide feedback about your SBDC experience.	<a href="http://www.sbdc.uga.edu/pdfs/StartupBasics.pdf">http://www.sbdc.uga.edu/pdfs/StartupBasics.pdf</a>
4	About the GA SBDC		How much does SBDC charge for its services?	The SBDC provides confidential one-on-one business consulting at no charge. Some services, such as classes, have a nominal fee.	
5	About the GA SBDC		How can I find the SBDC office in my area?	See reference.	<a href="http://www.sbdc.uga.edu/index.aspx?page_name=listingpeople">http://www.sbdc.uga.edu/index.aspx?page_name=listingpeople</a>
6	About the GA SBDC		How is the SBDC funded?	The SBDC is a state and federal partnership program. The University of Georgia system provides approximately two-thirds of our funding and the US Small Business Administration one-third.	

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7	About the GA SBDC		Are the SBDC and SBA the same thing?	No. The SBDC receives a portion of its funding from the US Small Business Administration and works closely with the agency in its delivery of services. For more information about the SBA, click on reference.	<a href="http://www.sba.gov">www.sba.gov</a>
8	About the GA SBDC		I'm already in business. Can the SBDC help me?	Yes. The SBDC provides many services that can help existing businesses cope with growing pains, expand to new markets and plan for the future. Confidential consultations are available to small business owners covering all the basic business functions including business planning, loan proposals, marketing, financial analysis, recordkeeping and procurement. Other special services available through our local offices include mystery shopping, website critique, Business Health Check and the facilitation of strategic planning sessions. Our local offices offer a myriad of training classes directed at helping businesses grow and improve their bottom line at every stage of the growth process, including the nationally recognized FastTrac (R) program developed by the Kauffman Foundation and the award-winning Entrepreneurial Development Certification Program (EDCP.) Specialized services are also available through our International Trade Center, Applied Research Division, and the Minority Business Development Division.	

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9	About the GA SBDC		I have a nonprofit business. Can the SBDC help me?	No. Because the SBDC Network is an economic development arm of the state of Georgia and relies on tax-supported state appropriations, it is mandated to work only with for-profit companies. For information on assistance for nonprofit companies, contact the Nonprofit Resource Center in Atlanta at 404-688-4845.	
10	About the GA SBDC		Does the SBDC offer classes for entrepreneurs?	The SBDC offers a wide variety of training programs to help educate and inform entrepreneurs at all stages of business development. The Entrepreneurial Development Certification Program (EDCP) is an award-winning series of classes designed for the new business owner. The SBDC offers FastTrac (R) for the experienced business owner. ExportGA is a program offered to those businesses who are ready to expand into international markets. Additionally, the SBDC offers online classes through SmallBizU. For a comprehensive list of all classes, click on reference.	<a href="http://www.sbdc.uga.edu/index.aspx?page_name=descontedu">http://www.sbdc.uga.edu/index.aspx?page_name=descontedu</a>
11	About the GA SBDC		Is what I share with the SBDC confidential?	Yes. The SBDC program operates under ethical practices similar to your attorney or your accountant. Any information you share with us is held in strict confidence to the extent permitted by applicable law.	
12	About the GA SBDC		What are the qualifications of SBDC consultants?	SBDC consultants must have a Masters degree in Business or a related field as well as considerable business experience.	

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1	Growing Your Business	Finding Money	How do I know how much money I will need?	Funding needs are usually determined by adding the amount of money needed to cover one-time startup costs including buildings, leasehold improvements, equipment, inventory and working capital for expected operating expenses. For additional information, you may want to purchase Mastering Loan Proposals or contact your local SBDC.	<a href="http://www.sbdc.uga.edu/index.aspx?page_name=business_loan_proposals">http://www.sbdc.uga.edu/index.aspx?page_name=business_loan_proposals</a>
2	Growing Your Business	Finding Money	How do I get a loan?	Lending institutions typically look for the 5 C's when evaluating loan applications. The 5 C's are credit, character, collateral, cash and capacity. Lenders will expect business owners to contribute their own money to the development of the business before they will consider loaning money to a business owner. They also make decisions based on credit score, good character and ability of the business to pay back the loan. For detailed instructions on developing loan proposals, refer to the SBDC publication Mastering Loan Proposals. For further assistance preparing a loan proposal, contact your local SBDC.	<a href="http://www.sbdc.uga.edu/index.aspx?page_name=business_loan_proposals">http://www.sbdc.uga.edu/index.aspx?page_name=business_loan_proposals</a>
3	Growing Your Business	Finding Money	Are there non-traditional loan sources?	Yes. There are several kinds of non-traditional sources of financing such as microlending programs, angel investors, venture capitalists and various other non-bank lenders.~ For a list of some non-traditional financing sources, click on resources link.	<a href="http://www.sbdc.uga.edu/pdfs/MBD_nontraditional_financing_sources.pdf">http://www.sbdc.uga.edu/pdfs/MBD_nontraditional_financing_sources.pdf</a>

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4	Growing Your Business	Finding Money	What documents will I need to apply for a loan?	Typically, you will need a personal financial statement, tax returns for the last three years (if currently in business, both business and personal tax returns), as well as copies of contractual agreements (for example, a copy of a lease). Depending on the situation, lenders will likely want to see a business plan, or at a minimum, financial statements demonstrating how the loan will benefit the business and be paid back. If you are seeking financing for your business, you should consider purchasing our Mastering Business Loan Proposals book.	<a href="http://www.sbdc.uga.edu/index.aspx?page_name=business_loan_proposals">http://www.sbdc.uga.edu/index.aspx?page_name=business_loan_proposals</a>
5	Growing Your Business	Finding Money	Is my credit score important when applying for a loan?	Credit scores are a critical decision factor in evaluating a loan application. Most financial institutions consider the way a person handles his or her personal credit a good indicator of how business credit will be handled. Prior to applying for a loan you should obtain a copy of your personal credit report along with your credit score. Even with a great business plan, a poor credit score can prevent you from getting a loan. The SBDC can help you assess the impact of your personal credit score on business financing.	

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6	Growing Your Business	Finding Money	Are there government grants for my business?	Generally, there are no government grants available for small businesses. In fact, the term "grant" may be a misnomer, since grants simply pay for services the government needs done. Most government grants are awarded to non-profit organizations or local governments, not to private companies. One possible exception is for companies developing or exporting agricultural goods, including food and forest product. If you think you may qualify for one of these, click on reference. Another exception could be the SBIR or STTR programs, which fund the research and development of technological innovation that meets specific government needs. For more information on these programs, click on reference.	<a href="http://www.sba.gov/SBIR">http://www.sba.gov/SBIR</a>
7	Growing Your Business	Finding Money	Does the SBDC provide financing?	No. The SBDC is an economic development program of the University of Georgia system and does not lend money. SBDC Consultants can help you identify sources of funding to best fit your financial needs.	
8	Growing Your Business	Finding Money	Can I get an SBA guaranteed loan to refinance present debt?	Yes, if the debt is a business debt (i.e. not personal) and the refinance must result in a minimum of 20 percent improvement in cash flow.	
9	Growing Your Business	Finding Money	Can the SBA lend me money?	No, the SBA does not directly lend money. However, it does provide guarantees which eliminate some of the risk to its lending partners, such as banks, community development organizations and microlenders. SBA partners lend money to small businesses based on the guidelines for each of its three loan programs. For more information, click on reference.	<a href="http://www.sba.gov/financing/sbaloan/snapshot.html">http://www.sba.gov/financing/sbaloan/snapshot.html</a>



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10	Growing Your Business	Finding Money	What are angel investors and how do I find them?	An angel investor is a wealthy individual who provides capital for early stage or start-up businesses, usually in exchange for an ownership stake in the company. Angels often provide funding for businesses that need more capital than is available through personal and family investments, but are not large enough to attract venture capitalists. Angel investors often organize themselves into angel networks or angel groups to share research and pool their own capital. For more information, click on reference.	<a href="http://www.angelcapitalassociation.org">www.angelcapitalassociation.org</a> <a href="http://www.angelcapitaleducation.org">www.angelcapitaleducation.org</a>
11	Growing Your Business	Finding Money	How can I get access to venture capital?	As a rule, venture capitalists do not lend to small businesses because the large amount of dollars they invest (millions) are beyond the scope of most start-ups. In a situation where venture capital is an option, investors will look to share in the profits of the business and will expect a huge return in a relatively short period of time. For more information on venture capital, click on reference.	<a href="http://www.vfinance.com">www.vfinance.com</a>
1	Growing Your Business	Legal Issues	What legal form should my business adopt?	Choosing the legal structure for your business depends on several factors including formation requirements, liability issues, tax and succession-related concerns. Common business entities are sole proprietorships, partnerships, C-corporations, S-corporations or Limited Liability Companies (LLC). For information on each type of company, click on reference. It is best to consult with an accountant and/or attorney to choose the appropriate legal entity for your business.	<a href="http://www.nolo.com">www.nolo.com</a>

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2	Growing Your Business	Legal Issues	What is the difference between an employee and an independent contractor?	The major factors to consider in deciding whether a worker is an independent contractor or an employee fall into three main categories namely; behavioral control, financial control and relationship of the parties. Usually a worker is considered an employee only when the business has the right to direct and control the worker. Typically, if you have significant investment in your work you may be considered an independent contractor. If a worker receives health insurance or company paid retirement such arrangement would justify an employee/employer type relationship. Please refer to the IRS Form SS8 or contact the IRS directly when in doubt.	
3	Growing Your Business	Legal Issues	Do I need Workers Compensation Insurance and how do I obtain it?	Georgia employers with three or more employees are required by law to carry Workers Compensation Insurance. This insurance is regulated by the state but sold by local community insurance agents. A minimum of three quotes is recommended. Owners that work in the business are considered employees but can exempt themselves from workers compensation insurance coverage. For more information, visit the Georgia State Board of Workers Compensation.	<a href="http://www.ganet.org/sbwc">www.ganet.org/sbwc</a>

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4	Growing Your Business	Legal Issues	How do I find a good attorney?	To find a good attorney, it may be wise to talk with a several prior to making a selection in order to make sure that there is a good fit between the business owner and the attorney. Generally you want to get an attorney that is familiar with your industry. It is advisable to inquire up front about the rates for the services provided. The business owner may also wish to seek references from other business owners who have used the services of a given attorney. To find attorneys in your area, click on reference.	<a href="http://www.georgiabar.org">www.georgiabar.org</a>
5	Growing Your Business	Legal Issues	What types of insurance should I carry for my business?	You should determine the appropriate type of insurance your company needs based on the different risks inherent to your business. There are many types of insurance available: liability, property and worker's compensation. An insurance agent or broker can guide you to make choices that will effectively meet the specific needs of your business.	
6	Growing Your Business	Legal Issues	What is a copyright and how do I obtain one?	Copyright is a form of protection provided by the laws of the United States (title 17, U.S. Code) to the authors of original works of authorship, including literary, dramatic, musical, artistic and certain other intellectual works. This protection is available to both published and unpublished works. Copyright is secured automatically when the work is created. A work is "created" when it is fixed in a copy or photorecord for the first time. Copyright registration is available. For more information, click on reference.	<a href="http://www.copyright.gov">www.copyright.gov</a>

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7	Growing Your Business	Legal Issues	What is a patent and how do I obtain one?	A patent is a property right granted by the US Government to an inventor "to exclude others from marketing, using or selling the invention in America or importing it for a limited time set when the patent is granted. To get a patent, an application must be filed in the US Patent and Trademark Office. For more information, click on reference.	<a href="http://www.uspto.gov/web/patents/howtopat.htm">http://www.uspto.gov/web/patents/howtopat.htm</a>
8	Growing Your Business	Legal Issues	What are trademarks and servicemarks?	Trademarks (e.g. Coca-Cola) and Servicemark (e.g. UPS) prevent others from using the same name. Trademarks/servicemarks cannot be used to prevent others from making or selling the same goods or services under a clearly different mark. A trademark, issued by the US Patent and Trademark Office, lasts for 10 years and can be renewed. For more information, click on reference.	<a href="http://www.uspto.gov">http://www.uspto.gov</a>
9	Growing Your Business	Legal Issues	Can the SBDC review my legal paperwork (e.g. leases, contracts, etc.)?	SBDC consultants do not provide legal advice. We encourage you to establish a relationship with an attorney that specializes in business issues who can review your legal documents.	

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1	Growing Your Business	Managing My Business	How do I find and retain quality employees?	<p>Many small businesses hire individuals they know or those referred to them by friends and family members. To hire specialized employees, small businesses might work with a staffing agency, headhunter organization, online resume database or simply take out an ad in the classifieds. Retaining employees after hire is very important because of the costs associated with turnover. Employees will stay at their jobs if they are adequately compensated and challenged by their work. For more information on finding and retaining quality people, contact your local SBDC.</p>	
1	Growing Your Business	Marketing	How do I put together a marketing plan?	<p>In developing your marketing plan it is important to analyze your current situation to see how you fit into the market. Based on your current target market and target area, it is important that you consider the following factors to include market share, competition, changes in demographics, attitudes, beliefs, norms and advances in technology. It would be useful to conduct a SWOT analysis to in order to ascertain your company's strengths, weaknesses, opportunities and threats. The analysis should provide you with useful information necessary to define marketing goals and objectives leading to the formulation of strategies aimed at meeting these goals and objectives.</p>	

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2	Growing Your Business	Marketing	How much should I spend on advertising?	The amount you should spend on advertising will depend on the industry and your type of business. A general rule of thumb is that small business owners should allocate from two to five percent of gross sales but as much as 10 to 15 percent of expected gross sales when launching a new product or service or when competing in the mass market. SBDC consultants are available to help you with industry information, delivery vehicles and planning your advertising budget.	
3	Growing Your Business	Marketing	What is the best form of advertising for my business?	Every business has a "best" method of advertising. Experience is a good teacher, so compare the methods used by your successful competitors with what you plan to do. SBDC consultants can help you evaluate advertising alternatives.	
4	Growing Your Business	Marketing	Should I advertise in the yellow pages?	For some retailers and service providers advertising in the yellow pages is practically a necessity (e.g. plumbers or tire dealers. ~Yellow pages advertising can be expensive depending on your listing or ad size and cannot be changed for a year. To find out more about this form of advertising, you may want to contact the Yellow Pages Association at <a href="http://www.buyyellow.com">www.buyyellow.com</a> .	

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5	Growing Your Business	Marketing	How do I find new customers?	<p>The first step in finding new customers is to specifically determine your target market. It may be broken down by age, gender, socioeconomic status, geographic region or any number of behaviors or lifestyles. Once a target market is identified, you can determine the best strategy for reaching it.</p> <p>SBDC consultants have access to demographic data, as well as expertise in designing effective marketing campaigns to target new customers.</p>	
6	Growing Your Business	Marketing	How do I keep my existing customers?	<p>The best way to keep customers is to give them quality service at competitive prices. A rule of thumb to keep in mind is the 80/20 rule-80 percent of your business comes from 20 percent of your customers. It is important to focus marketing efforts on those valuable 20 percent. Business owners must have a customer service plan in place and train all employees to maintain an excellent standard of service and strive to always meet customer expectations. The product or service should be the same every time. It is important to remember that doing business with your company should be pleasurable and memorable for the customer. Problems should be taken care of quickly and completely.</p>	

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7	Growing Your Business	Marketing	Do I need a website?	A website can be an effective marketing tool for some businesses. Before spending money on development and design, investigate whether or not your industry is dependent on this type of marketing. In addition, there will be costs associated with maintenance and hosting services. For more information on whether developing a website is something you should do, talk with your local SBDC.	
8	Growing Your Business	Marketing	Does the SBDC offer classes in marketing?	Yes. These classes provide useful information on how to market your business using effective and unique strategies designed specifically for small businesses. Learn how to maximize your marketing dollars and enhance your profitability. To find a class in your area or to register for an online class, click on reference.	<a href="https://www.sbdc.uga.edu/index.aspx?page_name=descontedu">https://www.sbdc.uga.edu/index.aspx?page_name=descontedu</a>
9	Growing Your Business	Marketing	Does the SBDC conduct market research?	Yes. The SBDC's Applied Research Division is available to provide in-depth customized market research for clients on a fee basis. Additionally, the SBDC International Trade Center conducts global business research. Local SBDC consultants regularly assist clients with identifying key information for inclusion in business or marketing plans or for compiling loan documentation.	<a href="http://www.sbdc.uga.edu/research">www.sbdc.uga.edu/research</a>



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1	Growing Your Business	Procurement	How do I get certified as a woman-owned business?	Businesses or government agencies that are looking to do business with women-owned enterprises typically require the business to be certified as woman-owned. National Women Business Owners Corporation (NWBOC) and the Women's Business Enterprise National Council (WBENC) are the certifying organizations. For assistance in apply for certification, contact your local SBDC.	www.nwbo.orgwww.wbenc.org
1	Growing Your Business	Taxes	Do I need a state tax ID number and how do I obtain one?	Any small business that operates in the state of Georgia may be required for one or more tax-specific ID numbers. These may include Sales & Use tax, employee withholding tax, international fuel tax agreement, motor fuel distribution, coin-operated amusement machines, alcohol and tobacco. For additional information on business registration and contact information, click on reference. All employers are also required to have a Georgia Department of Labor number in order to pay State Unemployment Insurance on behalf of their employees. Applications are available on-line or through your local Department Of Labor office.	www.gatax.org
2	Growing Your Business	Taxes	What is the self-employment tax? Do I have to pay it?	Sole proprietorships and partnerships that report a profit are required to pay self-employment tax in lieu of Social Security and Medicare contributions. Self-employed persons may be required to make quarterly deposits of estimated federal and state taxes based on the profits of the business. For specific information, contact an accounting professional.	

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3	Growing Your Business	Taxes	Are there local business taxes?	All businesses operating in Georgia are required to pay property (ad valorem) taxes on real and personal property of the business. Property taxes are assessed and collected by individual counties. The Georgia Department of Revenue web site ( <a href="http://www.gatax.org">www.gatax.org</a> ) has links to local tax offices through the State Property Tax Division.	<a href="http://www.gatax.org">www.gatax.org</a>
4	Growing Your Business	Taxes	What business expenses can I deduct?	The IRS states that in order for an expense to be deductible, it must be ordinary and necessary in conducting the business. There are many rules as to the documentation that must be provided to maintain the deductibility of an expense. For assistance in clarifying these rules, contact an accounting professional or refer to IRS Publication 535.	
5	Growing Your Business	Taxes	Do I need to collect sales tax?	Yes. If you sell or rent tangible items to the final consumer, you must collect and remit sales and use tax. There are certain types of sales which are exempt. For more information, click on reference.	<a href="http://www.state.ga.us/departments/dor">www.state.ga.us/departments/dor</a>
6	Growing Your Business	Taxes	How do I find a good CPA?	In choosing an accountant it is important that you consider an individual that possess a good working knowledge of your business as well the accounting software package that you are currently using or plan to use. Also ensure that that the prospective accountant has a large small business clientele. Check references from at least three current clients and also make sure that this individual is board certified to practice in the state of Georgia.	

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1	Growing Your Business	Writing a business plan	I'm already in business. Why do I need a business plan?	A business plan provides a reference for determining the degree of success of your business efforts. It should be periodically updated to reflect your current situation. It can be a helpful tool for developing a marketing plan, expanding your current business or obtaining capital for the future. Click on reference for the SBDC publication, "Mastering Loan Proposals." Additionally, the SBDC offers business plan classes locally or online. For a complete list of these classes, click on reference. For individual assistance, contact your local SBDC.	
1	International Business	Finance & Insurance	How do I collect on foreign sales?	Generally, the best way to make sure you receive prompt payment for foreign receivables is to use secure payment terms and/or export credit insurance. This is especially important since collecting bad debts overseas can be difficult and expensive.	

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2	International Business	Finance & Insurance	What international payment terms should I use?	<p>With new overseas customers, you should require substantial or full advance payment, typically by wire transfer to your bank account. You can also use a secure payment mechanism, letter of credit, irrevocable and confirmed on a US bank. If extended payment terms are prerequisite to getting the business, you may need to obtain export credit insurance. With insurance, you can offer your customer extended payment terms of 30 - 120 days. And, if your receivable is secure, you may be able to borrow working capital against it. International credit card payments are not considered secure, as they are subject to fraud. If you must use credit cards, it is advisable to get the payment up-front, and then wait up to 72 hours before shipping.</p>	
3	International Business	Finance & Insurance	How do I finance foreign receivables?	<p>To finance foreign receivables, banks will require secure collateral, like commercial assets in the US, or a confirmed letter of credit secured with export credit insurance. If your bank is still reluctant to extend you credit, you can apply for an SBA working capital loan guarantee. This guarantee protects your bank against default, and thus encourages them to accept your business.</p>	

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4	International Business	Finance & Insurance	What types of insurance are available for my product?	<p>In most cases, it is prudent to obtain shipping insurance on your products and export credit insurance on your foreign receivables. Export credit insurance is available from both private and public sources. To obtain this insurance, your foreign buyer must be able to document credit-worthiness. Export Import Bank of the United States (EXIM) export credit insurance (covers 95 percent of your goods? value against buyer default and political risks, like foreign government expropriation and acts of terrorism. It usually costs slightly less than 1% of the shipment's value. Private insurance may also be available. It is usually cheaper, but typically covers only about 80% of your shipment's value, and does not cover political risks. The rates for export credit insurance vary from country to country based on perceived risk. Insurance may not be available at all for some high-risk countries.</p>	
1	International Business	Logistics	How do I export goods from the US?	<p>If you are planning to export products, you should consult with US Customs on licensing and inspection regulations. You should also check to make sure you comply with foreign government safety and performance standards. There are currently just three countries to which exporting is illegal: North Korea, Iran and Cuba. We strongly urge you to retain the services of a competent freight forwarder to manage your shipments and the associated documentation. Many freight forwarders are listed in the phonebook.</p>	

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2	International Business	Logistics	How can I import goods to the US?	<p>You can import goods into the US by land, sea or air, depending on the type of product and its value. To import commercial goods into the US, you must clear US Customs and pay any import duties on the products. For shipments larger than a small sample box, you probably need to employ the services of a customs house broker to receive the shipment and take care of the associated paperwork. Dozens of customs house brokers are listed in the phonebook. You will be subject to special regulations if you are importing items like alcohol, firearms, explosives, cosmetics, pesticides, drugs or motor vehicles. Agricultural products are also subject to special health and insect control regulations. Products coming into the US must also meet American safety and performance standards. (e.g., UL certification for electrical devices).</p>	
3	International Business	Logistics	Do I need an import/export license?	<p>Generally, you don't need a special import or export license unless you are trading in regulated items like alcohol, firearms, explosives or drugs. You may also need a special permit if you are shipping to restricted countries.</p>	

## Georgia SBDC Network Frequently Asked Questions

No.	Category	Topic	Question	Answer	References
4	International Business	Logistics	Are there restrictions on the product I want to import/export?	Yes, there are restrictions on the movement of some types of goods including firearms, military equipment, drugs, cosmetics and food/agricultural products. For example, Europe does not allow the importation of any genetically-modified food products, which include most foods sweetened with corn syrup. There are also other countries, like Cuba, where the US Government strictly limits the types of goods you may ship (e.g., only food and medicine.) The SBDC and your customs house brokers or freight forwarders can help you determine if such restrictions apply to you.	
5	International Business	Logistics	What taxes and duties apply to international shipments?	Most countries levy some customs duties or taxes on incoming goods. These may range from a few percent to very high rates in protected markets, like Brazil. The US Customs Bureau assesses duties on products coming into the US, and foreign governments assess duties on US exports. In addition to duties, special taxes may also be applied to protected industries, like textiles and steel. Some countries also levy a value added tax (VAT) which can range up to 20% or more. The best way to estimate your total tax and duty liability is to work with your freight forwarder or customs house broker. The SBDC can also help you perform some relevant online research. Finally, the US has special free trade agreements with Canada, Mexico and numerous other countries under which you may pay very low duty rates or no duty at all.	

## Georgia SBDC Network Frequently Asked Questions

No.	Category	Topic	Question	Answer	References
6	International Business	Logistics	What is the best way to ship my product?	The preferred shipping method for your goods depends on their size, weight, value and perishability, and on the required speed of delivery. Surface freight (truck, rail, and ship) is generally the cheapest option for heavy or bulky goods, but transit time can be up to 8 weeks depending on the route. The cheapest surface rates are for full container loads (20 foot or 40 foot containers.) Air freight is expensive, but may be a reasonable option for time-critical small, light, high-value items and for perishables. To determine the best shipping method for your situation, we recommend consulting with a professional freight forwarder or customs house broker.	
1	International Business	Marketing	How do I expand sales overseas?	The SBDC's international trade staff can help you find and develop overseas business opportunities. They can identify new high-potential global markets for your product or service, and suggest effective marketing strategies. The staff can also help you locate the working capital you need to fulfill international orders. Often, this work is done in cooperation with other state and federal agencies that have overseas staff in your target markets.	



## Georgia SBDC Network Frequently Asked Questions

No.	Category	Topic	Question	Answer	References
2	International Business	Marketing	Does the SBDC conduct international market research?	Yes, the SBDC's international trade consultants routinely provide global market research for clients. The staff helps clients determine which overseas markets offer the best opportunity for their product or service and locate customers and/or business partners in high-potential markets. These consultants also work closely with other partner organizations that have overseas staff who can perform in-country research.	
3	International Business	Marketing	Where can I get research information on overseas markets?	There is a wealth of data available on overseas markets. You can tap into numerous publicly available online sources or proprietary databases through the SBDC. Information is available to help you assess both the opportunities and risks associated with foreign markets and to help you understand their character and business customs. The SBDC can help you find and assess this information.	
4	International Business	Marketing	How can I locate overseas customers, distributors, sales reps and business partners?	There are several ways to locate overseas business contacts, including online research, consulting with in-country trade specialists and attending international trade shows and trade missions. Ultimately, you should try to meet potential business partners face-to-face, which may require a trip to the market. The SBDC staff can help you decide what makes the most sense for you and your business.	

## Georgia SBDC Network Frequently Asked Questions

<b>No.</b>	<b>Category</b>	<b>Topic</b>	<b>Question</b>	<b>Answer</b>	<b>References</b>
5	International Business	Marketing	How do I develop an entry strategy for overseas markets?	First, you need to develop good background information on target markets, how they work, what they currently import and the competitive situation there. With this information in hand, the SBDC can help you formulate an effective market entry strategy and a targeted export marketing plan. We also recommend that you consult with in-country specialists with the US Department of Commerce or the Georgia Department of Economic Development.	
6	International Business	Marketing	How do I find out about international trade shows and missions?	There are a number of good online trade show directories which list thousands of shows by industry, location, organizers or dates. From these you can determine the main events that address your target market. Government and industry groups also sponsor pavilions at scores of overseas shows, a low-cost way to gain international exposure. Also, there are numerous trade missions to and from overseas markets. The SBDC can help you sort through these shows and missions to see if any meet your needs.	
7	International Business	Marketing	Is financial support available for overseas marketing?	No, there is generally not financial support available for overseas marketing. One exception is certain agricultural and forest products, which may be eligible for marketing support from the US Department of Agriculture. The Georgia state government also provides some support for group pavilions at a few key overseas events, which can reduce the cost to exhibitors.	

## Georgia SBDC Network Frequently Asked Questions

<b>No.</b>	<b>Category</b>	<b>Topic</b>	<b>Question</b>	<b>Answer</b>	<b>References</b>
8	International Business	Marketing	Does the government have overseas staff to help market my product?	Yes. There are in-country trade specialists located in key markets around the globe with the US Department of Commerce, the the USDA and the Georgia Department of Economic Development. These trade specialists do not actually sell your goods but can help you make business contacts.	
9	International Business	Marketing	How do I price my products for overseas sales?	You need to be price competitive and you need to make a reasonable return on your investment. The SBDC International Trade Center can help you estimate all of the component prices to be considered: production, shipping, duties, insurance and distributor mark-up to determine a realistic end-price for your goods. In-country trade specialists can help validate your end-price.	
1	International Business	Planning	How do I know I'm ready to explore the international marketplace?	Export marketing is not cheap or easy. Before committing to an overseas marketing program you must determine if you have the time and resources to do it right. You are probably not ready to tackle the global marketplace if you are still struggling to establish a market for your goods within the US. Conversely, if you are reasonable well-established here, exporting may offer a way to grow your business. Before embarking on an international sales campaign, make sure that your management is committed and that your product is competitive.	

## Georgia SBDC Network Frequently Asked Questions

<b>No.</b>	<b>Category</b>	<b>Topic</b>	<b>Question</b>	<b>Answer</b>	<b>References</b>
2	International Business	Planning	What's the best overseas market for my product or service?	You can determine your best export opportunities through a combination of desk and field market research. Desk research includes the examination of current trade data for your product including what countries are importing it, which markets are growing and which markets pose acceptable commercial risk. Next, you may request in-country help from of the US Department of Commerce, USDA or Georgia Department of Economic Development. Each has trade specialists in several countries that can help you determine your competitiveness to approach potential customers and/or sales representatives.	
3	International Business	Planning	Do I need a business plan for international business?	Yes. All companies need a business plan. Your international operations should be incorporated into the plan. If you are just starting to market internationally, we recommend that you revise your business plan to incorporate the international operations. An international business plan defines your overall strategy and goals. It also provides a baseline against which you can rate your actual performance.	
4	International Business	Planning	Will I need to learn another language?	English has become the international business language, however developing foreign language skills can give you a marketing edge. You should try to learn a few basic phrases and pleasantries as a courtesy to your foreign customers. Language skills are more important if you are concentrating on a specific foreign market or region, especially if English is not widely spoken.	

## Georgia SBDC Network Frequently Asked Questions

No.	Category	Topic	Question	Answer	References
5	International Business	Planning	Do I need to translate my sales literature?	For most markets, it is generally a good idea to translate sales literature. Even if your customers can read English, presenting information in their language demonstrates your commitment to the market. Also, you should probably translate your measurements into metric, and print your literature on A4 sized paper that will fit into overseas files and envelopes.	
6	International Business	Planning	Will my product or service have to be adapted for overseas markets?	Many products must be modified for overseas sale. Each country has its own safety, quality and performance standards, which may impact what you can sell. This is an issue for anything that might pose a health or safety risk, like machinery, drugs, foodstuffs, or pressure-treated lumber. Many products must also conform to the metric system. Electrical items may require modification to function safely at 220 volts. Finally, overseas buyer preferences for size, color and functionality can necessitate product changes.	
7	International Business	Planning	How do I find information on cultural business practices in other countries?	Basic cultural guidance is available in many publications, including ?Country Commercial Guides? from the US Department of Commerce. More detailed cultural information can be found in ?Culture-grams? which you can access through the SBDC.	
1	Minority Business	Certification	What is the definition of a minority-owned business?	A minority-owned business is a proprietorship, partnership, corporation or joint-venture that is 51 percent owned, operated and controlled by United States citizens who are members of the following racial groups: African American, Asian American, Hispanic American and Native American.	

## Georgia SBDC Network Frequently Asked Questions

<b>No.</b>	<b>Category</b>	<b>Topic</b>	<b>Question</b>	<b>Answer</b>	<b>References</b>
1.5	Minority Business	Certification	What is 8a Certification?	The SBA's 8(a) Business Development Program, named for a section of the Small Business Act, is a program created to help small disadvantaged businesses (SBD) compete in the American economy and access the federal procurement market. The applicant firm must be a small business, unconditionally owned and controlled by one or more socially and economically disadvantaged individuals who are of good character and citizens of the United States and must demonstrate potential for success. Eligible businesses must be in existence for 2 years and have a net worth of less than \$250,000, excluding personal home.	
2	Minority Business	Certification	How do I determine which certification to obtain?	Determining the correct certification depends on the government entities and private corporations that you want to do business with. Before starting any certification process, check with the organization, evaluate whether this may be a good future client, then complete and turn in the certification information in a prompt manner so that the opportunities that it creates can be realized as soon as possible.	

## Georgia SBDC Network Frequently Asked Questions

No.	Category	Topic	Question	Answer	References
3	Minority Business	Certification	Which documents will I need to file for certification?	Since a number of different organizations offer minority certification, document requirements can vary from organization to organization. Some commonly required documents are copies of business license, articles of incorporation, corporate by-laws, corporate and personal federal tax returns, stock certificates and board meeting minutes. The SBDC can review and assist with minority certification application.	
4	Minority Business	Certification	How long does it take for my business to receive certification?	The certification process for the 8(a) business development (BD) and SDB programs are set in regulation. For the SDB program, there is a 15-day screening period and a 75-day overall processing time. For the 8(a) BD program, there is a 15-day screening period and a 90-day overall processing time.	
5	Minority Business	Certification	Do I need to certify as a Woman-Owned Business and how do I obtain the certification?	You are not required to be certified as a Woman-Owned Business; however many corporations and government agencies require WBE (woman business enterprise) certification to be eligible for contracting and procurement opportunities. National Women Business Owners Corporation (NWBOC) and the Women's Business Enterprise National Council (WBENC) are the certifying organizations. Many local and state agencies may also have certification programs. For more information read the article "Get Certified and Grow Your Woman-Owned Business." For assistance in applying for certification, contact your local SBDC.	<a href="http://www.sbdc.uga.edu/pdfs/mcdonell06.pdf">http://www.sbdc.uga.edu/pdfs/mcdonell06.pdf</a>

## Georgia SBDC Network Frequently Asked Questions

No.	Category	Topic	Question	Answer	References
1	Minority Business	Finding Money	Are there grants for minority-owned businesses?	No. There are no grants available for minority-owned businesses. Grants are available for established nonprofit organizations for the purpose of training, community development or technical assistance.	
2	Minority Business	Finding Money	Do certain groups get preferences on government lending programs?	No. Eligibility to qualify for an SBA-guaranteed loan is based on size standards and must be a for-profit business. However, the SBA Community Express loan program targets businesses owned by minorities, women and veterans.	
3	Minority Business	Finding Money	I've heard that foreign nationals get free money to start a business. Is that true?	No. Foreign nationals do not have access to free money. They use the same traditional and non-traditional financing sources to start their own businesses, as well as community-based financing options.	
4	Minority Business	Finding Money	Are there special loan programs for minorities?	The SBA Community Express Loan Program is offered to designated geographic areas serving mostly low and moderate income areas and minority, women and veteran-owned small businesses.	
5	Minority Business	Finding Money	How do I get bonding?	There are several different types of bonds. The most common is the surety bond. A surety bond is a three-party instrument between a surety, the contractor and the project owner. The agreement binds the contractor to comply with the terms and conditions of a contract. If the contractor is unable to successfully perform the contract, the surety assumes the contractor's responsibilities and ensures that the project is completed. For more information on bonds, click on reference.	<a href="http://www.sba.gov/financing/bonds/osgprogram">www.sba.gov/financing/bonds/osgprogram</a>



## Georgia SBDC Network Frequently Asked Questions

No.	Category	Topic	Question	Answer	References
1	Minority Business	Marketing	How do I reach specific minority market segments?	To effectively reach a specific minority segment, a company needs first to carefully research the dynamics of the market and need for the product. Demographic and lifestyle information is essential in designing a strategy to reach the specific customer group.	
2	Minority Business	Marketing	Should I modify my product for specific ethnic customers?	If preliminary research indicates that you will generate a higher level of acceptance, you may need to modify your product for specific ethnic groups. In some instances products do not need to change, what needs to change is the market approach, including advertising and customer service.	
3	Minority Business	Marketing	How do I find demographic information on minority markets?	The US Census Bureau has historic information gathered the previous census. Institutions such as the University of Georgia Selig Center for Economic Growth have historic and projected demographic information. Click on reference to contact the Selig Center.	<a href="http://www.Selig.UGA.EDU">www.Selig.UGA.EDU</a>
4	Minority Business	Marketing	How do I find government procurement opportunities?	Government contracting opportunities exist at the local, state and federal level. Registering with the Federal Central Contractor Registration database is the first step to find federal procurement opportunities. You can find out about state contract opportunities through the Georgia Department of Administrative services. In addition, you should contact your local government to find out bid postings and registrations. It is also helpful to subscribe to entities that publish bid information or send out notices of bid opportunities via fax or email.	<a href="http://www.ccr.gov">http://www.ccr.gov</a> , <a href="http://www.doas.ga.gov">http://www.doas.ga.gov</a>

## Georgia SBDC Network Frequently Asked Questions

No.	Category	Topic	Question	Answer	References
5	Minority Business	Marketing	How do I get assistance to respond to a Request for Proposal (RFP)?	The SBDC works closely with the Georgia Procurement Assistance Center (GPAC). GPAC's mission is to assist business owners with proposal issues.	www.gtpac.org.
1	Starting Your Business	Finding Money	How do I know how much money I will need?	Monetary needs are generally determined by adding the amount of money needed for upfront costs such as buildings, equipment, inventory, etc. to the expected operating expenses for a period of time, such as six months or a year. These operating expenses should cover the owner's salary as well as the debt service on any loans. From this data, develop a detailed monthly cash flow projection covering one year and an annual projection covering three years. This process helps ensure the borrowed money can be repaid and the business will prosper. The SBDC Network will be happy to help you with this procedure, for free!	
2	Starting Your Business	Finding Money	Is my credit score important when applying for a loan?	Credit scores are increasingly becoming a critical decision factor in successfully obtaining a loan. Most financial institutions consider the way a person handles his or her personal credit as a good indicator of how business credit will be handled. Prior to applying for a loan you should obtain a copy of your personal credit report along with your credit score. Even with a great business plan, a poor credit score can prevent you from getting a loan. The SBDC can help you asses the impact of your personal credit score on business financing.	

## Georgia SBDC Network Frequently Asked Questions

<b>No.</b>	<b>Category</b>	<b>Topic</b>	<b>Question</b>	<b>Answer</b>	<b>References</b>
3	Starting Your Business	Finding Money	How do I find out what my credit score is?	<p>You can obtain your credit score from each of the three major credit-reporting agencies as well as other independent organizations. Unlike your free credit report allowable twice a year under Georgia law, you may have to pay a fee to obtain your credit score. Some independent organizations may offer a free credit report and credit score, but there is often a catch. It is important that you check these organizations for references before you provide them with personal information. For additional information, click on reference</p>	<p><a href="http://www.myfिकासcore.com">http://www.myfिकासcore.com</a></p>
4	Starting Your Business	Finding Money	Are there government grants for my business?	<p>Generally, there are no government grants available for small businesses. In fact, the term grant may be a misnomer, since grants simply pay for services the government needs done. Most government grants are awarded to non-profit organizations or local governments, not to private companies. One possible exception is for companies developing or exporting agricultural goods, including food and forest product. If you think you may qualify for one of these, click on reference. Another exception could be the SBIR or STTR programs, which fund the research and development of technological innovation that meets specific government needs. For more information on these programs, click on reference.</p>	

## Georgia SBDC Network Frequently Asked Questions

No.	Category	Topic	Question	Answer	References
5	Starting Your Business	Finding Money	What documents will I need to apply for a loan?	Typically, you will need the following documents: a credit report, personal financial statement, tax returns for the last three years (if currently in business, both business and personal tax returns), as well as copies of contractual agreements (for example, a copy of a lease). Depending on the situation, lenders will likely want to see a business plan, or at a minimum, financial statements demonstrating how the loan will benefit the business and be paid back. If you are seeking financing for your business, you should consider purchasing our Mastering Business Loan Proposals book, which you can find at: <a href="http://www.sbdc.uga.edu/index.aspx?page_name=business_loan_proposals">http://www.sbdc.uga.edu/index.aspx?page_name=business_loan_proposals</a> .	
6	Starting Your Business	Finding Money	Does the SBDC make loans?	The SBDC does not make loans. However, the SBDC can assist you in preparing to obtain financing. Writing a business plan, making cash flow projections, and suggesting various sources of financing (including SBA loans) are all available to you.	
7	Starting Your Business	Finding Money	Will the US Small Business Administration lend me money?	No, the SBA does not directly lend money. However, it does provide guarantees which eliminate some of the risk to its lending partners (Banks, Community Development Organizations, and Microlending Institutions). SBA's partners lend money to small businesses based on the guidelines which have been set by the SBA for each of its three loan programs (for more information on these programs, go to: <a href="http://www.sba.gov/financing/sbaloan/snapshot.html">http://www.sba.gov/financing/sbaloan/snapshot.html</a> ).	

## Georgia SBDC Network Frequently Asked Questions

<b>No.</b>	<b>Category</b>	<b>Topic</b>	<b>Question</b>	<b>Answer</b>	<b>References</b>
8	Starting Your Business	Finding Money	Are there non-traditional loan sources?	Yes. There are several kinds of non-traditional sources of financing such as microlending programs, angel investors, venture capitalists and various other non-bank lenders. For a list of some non-traditional financing sources, click on reference.	
9	Starting Your Business	Finding Money	What are angel investors and how do I find them?	An angel investor is a wealthy individual who provides capital for early stage or start up businesses usually in exchange for an ownership stake in the company. Angels often provide funding for businesses that need more capital than is available through personal and family investments but are not large enough to attract venture capitalists. Angel investors often organize themselves into angel networks or angel groups to share research and pool their own capital. Two good sources of information with more details about angel investors and how to find them are <a href="http://www.angelcapitalassociation.org">www.angelcapitalassociation.org</a> and <a href="http://www.angelcapitaleducation.org">www.angelcapitaleducation.org</a> .	
10	Starting Your Business	Finding Money	How can I get access to venture capital?	As a rule, venture capitalists are not looking to fund small businesses because the large amount of dollars they typically invest (millions) are beyond the scope of most start-ups. Also, VC's invest in companies that they believe will generate huge returns in a relatively short period of time. If you think your company would be attractive to VCs, the Georgia SBDC can help you create the financial projections you will need as well as help you identify interested venture capitalists.	

## Georgia SBDC Network Frequently Asked Questions

No.	Category	Topic	Question	Answer	References
11	Starting Your Business	Finding Money	Can I get an SBA guaranteed loan to refinance present debt?	Yes, if the debt is a business debt (i.e. not personal) and the refinance must result in a minimum of 20 percent improvement in cash flow.	
1	Starting Your Business	Legal Issues	What legal entity should my business be?	There are a multitude of choices for your business entity but the most common are: sole proprietorship, partnership, C Corporation, S Corporation or Limited Liability Company(LLC). Choosing the legal structure for your business usually is a function of liability and tax considerations. Also, as businesses mature, their legal structure may change to accommodate growing complexities. Look at the principles and/or investors for considerations of liability, residency or tax consequences that can influence the choice. Secondly, examine the nature of the business to gauge risks inherent in its operations. Finally, consult with your accountant and legal advisor for input on legal entity choice.	
2	Starting Your Business	Legal Issues	Do I need a lawyer to start a business?	Even though an attorney is not required, we recommend you consult an attorney, especially if the company you seek to form has more than one owner. Forms and instructions for each type of business entity are available at the Georgia Secretary of State's office.	<a href="http://www.georgiacorporations.org">www.georgiacorporations.org</a>

## Georgia SBDC Network Frequently Asked Questions

No.	Category	Topic	Question	Answer	References
3	Starting Your Business	Legal Issues	Where do I obtain a business license?	Business licenses are issued by the municipality or county in which your business is located and fees may vary by location and type of business. For more information, call your local city or county business license office.	
4	Starting Your Business	Legal Issues	Do I need a special license for my business?	Certain businesses are subject to special permits, licenses and inspections. These include schools, employment agencies, child care centers, securities dealers, motor transport, financial institutions, public entertainment, detective agencies, cosmetologists, heating and air, refrigeration, plumbers and electricians. Information about licensing, permits and inspections can be found through your local licensing or inspection office or through the Secretary of State.	<a href="http://www.sos.state.ga.us/plb">www.sos.state.ga.us/plb</a>
5	Starting Your Business	Legal Issues	Can the SBDC review my legal paperwork (i.e. leases, contracts, etc.)?	SBDC consultants do not provide legal advice. We encourage you to establish a relationship with an attorney that specializes in business issues who can review your legal documents.	
6	Starting Your Business	Legal Issues	What is the difference between an employee and an independent contractor?	If you have care, custody and control over how your "worker" does the job, classify them as an employee. Generally the definition of employee is an individual uses your tools, comes to work on your schedule, and you supervise their efforts. An independent contractor owns his/her own company and offers their services or products to several clients. A freelance floral designer who works overflow for several florists during the year is an independent contractor; the floral designer who only works for you part time is an employee. The IRS	<a href="http://www.irs.gov">www.irs.gov</a>

## Georgia SBDC Network Frequently Asked Questions

<b>No.</b>	<b>Category</b>	<b>Topic</b>	<b>Question</b>	<b>Answer</b>	<b>References</b>
7	Starting Your Business	Legal Issues	How can I best comply with immigration laws?	The SBDC strongly advises management to periodically review the laws dealing with immigration and maintain compliance with federal and state laws. Click on reference for filing requirements.	<a href="http://www.uscis.gov/graphics/lawsregs/handbook/hand_emp.pdf">http://www.uscis.gov/graphics/lawsregs/handbook/hand_emp.pdf</a> <a href="http://www.exsyssoftware.com/CORVID/corvidsr?KBNAME=../sba_demo/classify.cvR">http://www.exsyssoftware.com/CORVID/corvidsr?KBNAME=../sba_demo/classify.cvR</a>
8	Starting Your Business	Legal Issues	Do I need Workers Compensation Insurance and how do I obtain it?	Georgia employers with three or more employees are required by law to carry Workers Compensation Insurance. This insurance is regulated by the State but sold by local community insurance agents. A minimum of three quotes is recommended. Owners that work in the business are considered employees but can exempt themselves from workers compensation insurance coverage. For more information, visit the State of Georgia State Board of Workers Compensation website.	<a href="http://www.ganet.org/sbwc">www.ganet.org/sbwc</a>



## Georgia SBDC Network Frequently Asked Questions

<b>No.</b>	<b>Category</b>	<b>Topic</b>	<b>Question</b>	<b>Answer</b>	<b>References</b>
9	Starting Your Business	Legal Issues	What are trademarks and service marks?	A trademark (for example: Coca-Cola) and a servicemark (for example: UPS) are ways to protect someone else from using the same name as the one you have selected to market a product or service. A trademark/servicemark may be used to prevent others from using a similar mark, though it cannot be used to prevent others from making or selling the same goods or services under a clearly different mark. A trademark, issued by the US Patent and Trademark Office, lasts for 10 years and can be renewed. For more information and trade and servicemarks, go to <a href="http://www.uspto.gov">http://www.uspto.gov</a> .	

## Georgia SBDC Network Frequently Asked Questions

<b>No.</b>	<b>Category</b>	<b>Topic</b>	<b>Question</b>	<b>Answer</b>	<b>References</b>
10	Starting Your Business	Legal Issues	What is a patent and how do I obtain one?	<p>A patent is a document that grants an inventor protection of his or her unique invention or technology for a limited period of time. It excludes others from making, using, offering for sale, selling, or importing the invention. To be patentable, the invention must be new, useful, and non-obvious. Patents are only granted to the inventor but as a property can be: sold, assigned, pledged, mortgaged, licensed, bequeathed, and donated. There are three types of patents: utility, design, and plant. As obtaining a patent is expensive, the inventor should first determine if there is a market for the invention and conduct a patent search to determine if there are existing patents that would preclude his invention or that are so similar as to make his invention worthless. If he decides to proceed, the inventor should file a patent application with the United States Patent and Trademark Office (USPTO). The entire process can take 18-24 months depending on the complexity of the invention.</p>	
11	Starting Your Business	Legal Issues	What is a copyright and how do I obtain one?	<p>A legal device that provides the owner the right to control how a creative work (either published or unpublished) is used. A copyright is comprised of a number of exclusive rights, including the right to make copies, authorize others to make copies, make derivative works, sell and market the work and perform the work. Any one of these rights can be sold separately through transfers of copyright ownership. For more information, click on reference link.</p>	<a href="http://www.copyright.gov">www.copyright.gov</a>

## Georgia SBDC Network Frequently Asked Questions

No.	Category	Topic	Question	Answer	References
1	Starting Your Business	Marketing	How do I find and attract customers?	The first step is to have a clear understanding of your customers' market segments (customers fitting into smaller subgroups broken down various ways: for example: by geography, age, behaviors or lifestyle). ~Knowing your customers' market segments helps you determine the most effective way (newspaper ads, direct mail, radio, networking) to reach each segment. ~Consultants at the Georgia SBDC Network have access to demographic data, as well as expertise in designing effective marketing campaigns to help you find new customers for your business.	

## Georgia SBDC Network Frequently Asked Questions

No.	Category	Topic	Question	Answer	References
2	Starting Your Business	Marketing	How do I put together a marketing plan?	<p>The first step in creating a marketing plan is to analyze your current situation and see how you fit into the ?market.? You must consider factors such as competition, the economy, political, legal and regulatory environments, advances in technology, and the changes in demographics, attitudes, beliefs, norms, customs and lifestyles of your target market. Next, you must conduct a SWOT (strengths, weaknesses, opportunities, threats) analysis to determine what internal strengths and weaknesses exist as well as what external opportunities and threats exist, so you can then determine what needs to be done, marketing objectives and how it will be accomplished, marketing strategies. Then the strategies need to be put into action and the results must be measured and evaluated to see if goals are being met or if changes need to be made. Please contact your nearest SBDC office for further details and assistance in developing a marketing plan for your business.</p>	

## Georgia SBDC Network Frequently Asked Questions

<b>No.</b>	<b>Category</b>	<b>Topic</b>	<b>Question</b>	<b>Answer</b>	<b>References</b>
3	Starting Your Business	Marketing	How much should I spend on advertising?	How much you should spend on advertising will depend on the industry, your marketing strategy and your intended delivery vehicles. If you are selling business to business you probably do not need to spend very much, but if you are selling to consumers in a mass market you will need to spend a lot more for advertising. A general rule of thumb is that small business owners should allocate from two to five percent of gross sales but as much as ten to fifteen percent of expected gross sales when launching a new product or service or when competing in the mass market. Georgia SBDC consultants are available to help you with industry information, delivery vehicles and planning your advertising budget.	
4	Starting Your Business	Marketing	What is the best form of advertising for my business?	Every business has a "best" method of advertising. Experience is a good teacher, so compare the methods used by your successful competitors with what you plan to do. Use caution if you plan to do something radically different from what others have done. Create and utilize evaluation methods as part of your advertising campaign in order to judge the effectiveness of your efforts. SBDC consultants can help you evaluate advertising alternatives and evaluation methods.	

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5	Starting Your Business	Marketing	Do I need a website?	A website can be an effective marketing tool for some businesses. Before spending money on development and design, investigate whether or not your industry is dependent on this type of marketing. In addition, there will be costs associated with maintenance and hosting services. For more information on whether developing a website is something you should do, talk with your local SBDC.	
6	Starting Your Business	Marketing	Should I advertise in the Yellow Pages?	For some retailers and service providers, advertising in the Yellow Pages is practically a necessity (for example, plumbers or tire dealers ? providers of goods and services that we often buy on an urgent basis ? our sink gets clogged or we have a flat tire). Yellow Pages advertising can also be expensive depending on your listing or ad size. Don't overlook the fact that the content of your ad can't change for a year. To find out more about this form of advertising, you may want to contact the Yellow Pages Association by clicking on the reference link.	<a href="http://www.buyyellow.com">www.buyyellow.com</a>

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7	Starting Your Business	Marketing	Does the SBDC conduct market research?	Yes, the SBDC's Applied Research Division ( <a href="http://www.sbdc.uga.edu/research">www.sbdc.uga.edu/research</a> ) is available to provide in-depth customized market research for clients on a fee basis. Research staff works closely with entrepreneurs to help them better understand their market, designing market-based studies in the form of surveys or focus groups to analyze shopping patterns, consumer preferences, and other essential characteristics about the market for their product or service. In addition, SBDC business consultants regularly assist (at no charge) clients with identifying key information for inclusion in business or marketing plans, or for compiling loan documentation.	
9	Starting Your Business	Marketing	Does the SBDC offer classes in marketing?	Yes. These classes provide useful information on how to market your business using effective and unique strategies designed specifically for small businesses. Learn simple secrets on how to maximize your marketing dollars and enhance your profitability. Check to see if there is a class scheduled in your area by visiting our website (see reference links).	<a href="https://www.sbdc.uga.edu/index.aspx?page_name=descontedu">https://www.sbdc.uga.edu/index.aspx?page_name=descontedu</a> <a href="http://www.smallbizu.org/georgiasbdc">http://www.smallbizu.org/georgiasbdc</a>

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1	Starting Your Business	Taxes	Do I need a Federal Employer Identification number?	Your business needs an EIN if it has employees, has a Keogh Plan, or files one of the following tax returns: excise, fiduciary or alcohol, tobacco and firearms. A sole proprietor with no employees and none of the other items listed above may still need an EIN for fraud protection, contracts procurement and some loan programs. To apply for a Federal EIN, click on reference.	<a href="http://www.irs.gov">http://www.irs.gov</a>
2	Starting Your Business	Taxes	Do I need a state tax ID number and how do I obtain one?	All employers are required to have a State withholding number. This number is used to identify and deposit State of Georgia income tax withheld from employee checks. Contact the Georgia Department of Revenue Income Tax Division at 404-417-2311 or <a href="http://www.gatax.org">www.gatax.org</a> . All employers are also required to have a Georgia Department of Labor number in order to pay State Unemployment Insurance on behalf of their employees. Applications are available on-line or through your local Department Of Labor office.	<a href="http://www.dol.state.ga.us">www.dol.state.ga.us</a>
3	Starting Your Business	Taxes	What is the self-employment tax? Do I have to pay it?	Sole proprietorships that report a profit on the IRS Schedule C are required to pay self-employment tax on that profit. The self-employment tax rate is 15.3 percent of the profits of the business (the same as the total of the employer and employee's Social Security and Medicare contributions). Sole proprietors are not subject to IRS Form 941 withholdings, but they may be required to make deposits of estimated federal and state taxes based on the profits of the business.	



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4	Starting Your Business	Taxes	Are there local business taxes?	All businesses operating in Georgia are required to pay property (ad valorem) taxes on real and personal property of the business.~ Property taxes are assessed and collected by individual counties.~ The Georgia Department of Revenue web site has links to local tax offices through the State Property Tax Division.	<a href="http://www.gatax.org">www.gatax.org</a>
5	Starting Your Business	Taxes	Do I need to collect sales tax?	Yes. If you sell or rent tangible items to the final consumer, you must collect and remit sales and use tax. There are certain types of sales which are exempt. For more information, click on reference.	<a href="http://www.gatax.org">www.gatax.org</a>
6	Starting Your Business	Taxes	How do I find a good CPA?	To find a good certified public accountant (CPA), ask the professionals in your area who rely on using financial statements produced by CPAs. For example, your local bankers, attorneys, successful business owners or SBDC consultants should be able to supply you with several excellent referrals. Then you should interview several CPAs to determine which one can communicate effectively with you as well as negotiate a price you are willing to pay for the accounting/tax services needed to operate your company. It is a good idea to obtain an engagement letter from the CPA that includes the services to be provided and the costs of the services.	

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7	Starting Your Business	Taxes	What business expenses can I deduct?	As a small business, the types of expenses that are deductible are very important to consider. The Internal Revenue Service states that in order for an expense to be deductible, it must be ordinary and necessary in conducting the business. There are many rules as to the documentation that must be provided to maintain the deductibility of an expense. For assistance in clarifying these rules, seek assistance from you local Small Business Development Center consultant.	
1	Starting Your Business	Writing a business plan	Why do I need a business plan?	A well-written business plan improves your probability of success by helping you evaluate the feasibility of your business idea in an objective way. The plan is much like a road map for your business and helps you identify opportunities, avoid mistakes, and develop production, administrative and marketing plans, as well as budget guidelines. The plan also serves as the foundation for your funding proposal and provides lenders and investors essential details about your operation, financial strategy and the amount and type of financing your venture requires. To see an example of a business plan, click on reference. For a comprehensive list of local and online business plan classes, click on reference.	
2	Starting Your Business	Writing a business plan	What are the elements of an effective business plan?	A business plan includes sections on operations, marketing, management and finances. For an example business plan outline, click on reference.	<a href="http://www2.gsu.edu/~wwwsbp/Busplan_Outline.pdf">http://www2.gsu.edu/~wwwsbp/Busplan_Outline.pdf</a>

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3	Starting Your Business	Writing a business plan	What is a feasibility study?	A feasibility study is a detailed preliminary evaluation of your business idea to see if it is worth pursuing. A feasibility study includes the assessments of the management team, market prospects and potential pitfalls.	
4	Starting Your Business	Writing a business plan	Will the SBDC write my business plan for me?	No. The SBDC can assist you in developing your own business plan. For a comprehensive list of local and online business plan classes, click on reference.	
5	Starting Your Business	Writing a business plan	Who should write my business plan?	You should. Writing your own business plan will force you to think through important issues that you may not otherwise consider. Contact your local SBDC for assistance in developing your business plan. For a comprehensive list of local and online business plan classes, click on reference.	

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6	Starting Your Business	Writing a business plan	Do you recommend business plan software?	The advantage of off-the-shelf business planning software is that it helps you organize your business plan and gives you good examples to help you craft your own document. Most software packages generate charts and graphs from the financial spreadsheets incorporated into the plan. The disadvantage is that these plans often look "canned." Loan officers receive hundreds of these plans and can instantly recognize them. If you copy the examples from the business plan software into your plan, loan officers will recognize that it is not your work and will probably discount its credibility. All you need to create your own business plan is a word processing program and a spreadsheet program. Your local SBDC office can provide you with guidelines, examples, individual counseling as well as classes to help you write an effective business plan.	
7	Starting Your Business	Writing a business plan	How long will it take to write my business plan?	Writing a business plan is a difficult and arduous task and can take anywhere from 20 hours to several months. It depends on the complexity of the business venture or project that you are planning and how much information is needed to thoroughly complete it.	
8	Starting Your Business	Writing a business plan	Does the SBDC offer classes on writing business plans?	Yes! Classes are offered locally or online. For a comprehensive list, click on reference.	<a href="https://www.sbdc.uga.edu/index.aspx?page_name=descontedu">https://www.sbdc.uga.edu/index.aspx?page_name=descontedu</a> <a href="http://www.smallbizu.org/georgiasbdc">http://www.smallbizu.org/georgiasbdc</a>