# Table of Contents

## Starting Out Right
- Is Entrepreneurship for You? ........................................ 2
- Business Start-Up Checklist ........................................ 3

## SCORE - For the Life of Your Business
- SCORE Counseling Locations .................................... 4
- SCORE Workshops ..................................................... 5

## Business Tips
- Selecting the Right Legal Structure ............................... 6
- Business Plan Guide .................................................. 8
- Franchising .................................................................. 11
- Insurance Considerations ........................................... 12
- Protecting Your Intellectual Property ............................ 14
  - Trademarks/Patents/Copyrights

## Government Regulations & Your Business
- City/County .................................................................. 15
- State – Washington ..................................................... 16
- State – Idaho ............................................................... 17
- Federal ........................................................................ 18
  - Self-employment Taxes ............................................ 19
  - Are you a Hobby or Business? ................................. 19

## U.S. Small Business Administration (SBA)
- Spokane Branch Office .............................................. 20
- SBA Programs and Services ......................................... 21

## Financing for Your Company
- Business Loan Briefings ............................................ 22
- Frequently Asked Questions ....................................... 23
- Business Loan Application Checklist ............................ 24
- Applying for a Loan .................................................... 25
- **SBA Loans**
  - Types of SBA Loans ................................................ 26
  - General Credit Requirements .................................. 27
  - SBA Certified Development Companies and Microloans 28
  - Alternative Financing .............................................. 29
  - Venture Capital ....................................................... 30

## SBA Size Standards .................................................... 31

## Procurement/Contracting
- Contracting Resources/PTACs ..................................... 31
  - (Procurement Technical Assistance Centers)
- Govt. Contracting Checklist ......................................... 32
- SBA Contracting/ Business Development ....................... 33

## Procurement/Contracting (cont’d)
- SBA Surety Bond Guarantee Program ......................... 34
- Contracting Opportunities for Service-Disabled Veterans 34

## Resources
- Resources for Veterans, Women and Minority-Owned Businesses 35
- Small Business Development Center Counseling & NxLevel Training 36
- Business Incubators - Kitchen Centers .......................... 37
- AgriBusiness Resources ............................................ 38
- Food Processing Information ....................................... 39
- Chambers of Commerce ............................................. 39
- Economic Development Councils ............................... 40

## Hiring
- Employees vs. Independent Contractor ....................... 40
- 10 tips for Employers ................................................ 40
- Workforce Development/ Employer Resources ............. 41
- Technology Business Resources ................................ 42

## International Trade
- International Trade Assistance .................................... 43

## Frequently Requested Contacts
- Labeling, Association Resources ................................ 44

## Helpful Information
- Protecting Your Personal Information ......................... 45
- Healthcare Legislation & Tax Incentives ....................... 45
- Glossary of Common Accounting Terms ...................... 46
- Credit Score—How it Affects Access to Capital Supplies and/or Services 48
- Seven Deadly Sins of Business ................................... 49
- Disaster Planning & Information ................................. 50

## Index ......................................................................... 51

---

SCORE is a nonprofit, public service organization dedicated to helping entrepreneurs succeed as small business owners. The material in this publication is based on work supported by the U.S. Small Business Administration (SBA) under cooperative agreement SBAH@-07-S-001. The participation of SCORE, SBA, or the sponsors of this publication shall not be considered an endorsement of any of the views, opinions, products, or services of any cosponsor or other person or entity. All SBA programs or cosponsored programs are extended to the public on a nondiscriminatory basis.
There is no way to eliminate all the risks associated with starting a small business. However, you can improve your chances of success with good planning and preparation. A good starting place is to evaluate your strengths and weaknesses as the owner and manager of a small business. Consider the following:

**Are you a self-starter?**
It will be up to you -- not someone else -- to develop projects, organize your time, follow through on details.

**How well do you handle different personalities?**
Business owners need to develop working relationships with a variety of people including customers, vendors, staff, bankers and professionals such as lawyers, accountants or consultants. Can you deal with a demanding client, an unreliable vendor or cranky staff person in the best interest of your business?

**How good are you at making decisions?**
Small business owners are required to make decisions constantly, quickly, under pressure and independently.

**Do you have the physical and emotional stamina to run a business?**
Business ownership can be challenging, fun and exciting. However, it's also a lot of work. Can you face 12 hour work days six or seven days a week?

**How well do you plan and organize?**
Research indicates that many business failures could have been avoided through better planning. Good organization -- of financial information, inventory, schedules, production -- can help avoid many potential pitfalls.

**Is your drive strong enough to maintain your motivation?**
Running a business can wear you down. Some business owners feel burned out by having to carry all the responsibility on their shoulders. Strong motivation to make the business succeed will help you survive slowdowns as well as periods of burnout.

**How will the business affect your family?**
The first few years of business start-up can be hard to balance against the demands of family life. Financial difficulties before the business becomes profitable which could last months or years. You may have to adjust to a lower standard of living or put family assets at risk.

---

**On the Upside...**

*It's true, there are a lot of reasons not to start your own business.*

*But for the right person, the advantages of business ownership far outweigh the risks.*

- You get to be your own boss.
- Hard work and long hours directly benefit you, rather than increasing profits for someone else.
- Earning and growth potential are far less limited.
- A new venture is exciting.
- Running a business will provide endless variety and challenge and won't settle into a dull routine.

---

**The American Dream: Is Entrepreneurship for you?**

There is no way to eliminate all the risks associated with starting a small business. However, you can improve your chances of success with good planning and preparation. A good starting place is to evaluate your strengths and weaknesses as the owner and manager of a small business. Consider the following:

**Are you a self-starter?**
It will be up to you -- not someone else -- to develop projects, organize your time, follow through on details.

**How well do you handle different personalities?**
Business owners need to develop working relationships with a variety of people including customers, vendors, staff, bankers and professionals such as lawyers, accountants or consultants. Can you deal with a demanding client, an unreliable vendor or cranky staff person in the best interest of your business?

**How good are you at making decisions?**
Small business owners are required to make decisions constantly, quickly, under pressure and independently.

**Do you have the physical and emotional stamina to run a business?**
Business ownership can be challenging, fun and exciting. However, it's also a lot of work. Can you face 12 hour work days six or seven days a week?

**How well do you plan and organize?**
Research indicates that many business failures could have been avoided through better planning. Good organization -- of financial information, inventory, schedules, production -- can help avoid many potential pitfalls.

**Is your drive strong enough to maintain your motivation?**
Running a business can wear you down. Some business owners feel burned out by having to carry all the responsibility on their shoulders. Strong motivation to make the business succeed will help you survive slowdowns as well as periods of burnout.

**How will the business affect your family?**
The first few years of business start-up can be hard to balance against the demands of family life. Financial difficulties before the business becomes profitable which could last months or years. You may have to adjust to a lower standard of living or put family assets at risk.
_1. **Research your business idea**
   - Pick up SCORE and SBDC workshop schedules
   - Use online business information resources, your local reference librarian
   - Try SBA’s automated business start-up assessment tool, a simple 5-minute process to determine if you are ready: [www.sba.gov/content/use-our-starting-assessment-tool](http://www.sba.gov/content/use-our-starting-assessment-tool)

_2. **Schedule an appointment for *free* business counseling**
   - Contact SCORE  (See page 4)
   - Contact SBDC Business Specialist  (See page 36)

_3. **Take entrepreneurial classes**
   - SCORE workshops in person or online  (See page 5)
   - SBDC-sponsored workshops / Nx Level classes  (See page 36)
   - Local college business / entrepreneurial class offerings
   - Online training programs for small business owners [www.score.org](http://www.score.org)

_4. **Get Legal & Accounting Advice and Select Business Structure**
   - The form of business structure has legal and tax implications  (See page 6)
   - Go to [www.business.gov](http://www.business.gov) for online legal and regulatory information
   - Consult an attorney re: business form, leases, and contract law
   - Determine recordkeeping requirements and accounting system
     IRS publication 583, “Starting a Business and Keeping Records” is helpful.

_5. **Investigate business insurance needs**  (See page 14)

_6. **Determine business license/permit and regulatory requirements**
   - Idaho state business  (See page 17)
   - Washington state business  (See page 16)
   - City/County contacts  (See page 15)
   - Employee issues  (See page 40-41)
   - Federal Regulations, including IRS  (page 18-19)

_7. **Do a business plan**  (See page 8)

_8. **Learn about business financing options**
   - Go to a business loan briefing at the Spokane SBA Training Room  (pg 22)
   - Access SBA loan / venture capital information online
     (Go to [www.sba.gov/financing](http://www.sba.gov/financing))
   - Review business plan / loan proposal with SCORE or SBDC counselor
   - Meet with local lenders

_9. **Schedule follow-up meeting with business counselor**
   - Assess readiness to start your business venture with SCORE or SBDC

_10. **Open for business. You’re prepared to start!**
Imagine what it would mean to your business, your family, your success, if you had access to a seasoned business professional—your own private coach—to help you hash out your ideas and bring those ideas to fruition. Now imagine if that service cost your business nothing.

SCORE is a volunteer management counseling program sponsored by the SBA, comprised of active and retired business executives who volunteer their time counseling and advising small business owners on the many aspects of starting and better managing their businesses. The advice provided by these men and women is priceless, but the services are free to you. Remember, whatever path you are following in building or expanding your small business, there is a SCORE counselor who has already traveled the same path. Avoid some of the pitfalls and bumps in the road by learning from their experience.

Clients may meet with a counselor at a SCORE counseling center, or arrange for a "site visit" at their place of business. The counselor chosen to serve you has the experience that most closely parallels your needs.

SCORE has flourished in today’s evolving business environment because of its dedication to quality counseling, low-cost workshops and its commitment to helping others succeed. Nationally, SCORE has over 12,400 volunteers in 389 chapters throughout the country. The 4 chapters in the Inland NW boast more than 90 members.

**SCORE counseling days and hours vary at each location. Please call for an appointment.**

<table>
<thead>
<tr>
<th>Chapter</th>
<th>Phone</th>
<th>Email Address</th>
</tr>
</thead>
<tbody>
<tr>
<td>Colville TriCounty Economic Dev District</td>
<td>(509) 684-4571</td>
<td><a href="mailto:scorenewa@gmail.com">scorenewa@gmail.com</a></td>
</tr>
<tr>
<td>(Ferry, Stevens &amp; Pend Oreille counties)</td>
<td></td>
<td>or (800) 776-7318</td>
</tr>
<tr>
<td>Columbia Basin College (ext. 3139)</td>
<td>(509) 547-0511</td>
<td><a href="mailto:score@paktec.com">score@paktec.com</a></td>
</tr>
<tr>
<td>Economic Develop. Authority-Kittitas Co.</td>
<td>(509) 962-7244</td>
<td></td>
</tr>
<tr>
<td>Ellensburg—<a href="mailto:score@paktec.com">score@paktec.com</a></td>
<td>(509) 933-1847</td>
<td></td>
</tr>
<tr>
<td>Ephrata Chamber of Commerce</td>
<td>(509) 754-4656</td>
<td></td>
</tr>
<tr>
<td>Lake Chelan Chamber of Commerce</td>
<td>(509) 682-3503</td>
<td></td>
</tr>
<tr>
<td>Leavenworth Chamber of Commerce</td>
<td>(509) 548-5807</td>
<td></td>
</tr>
<tr>
<td>Moses Lake Chamber of Commerce</td>
<td>(509) 765-7888</td>
<td></td>
</tr>
<tr>
<td>Omak Chamber of Commerce</td>
<td>(509) 826-1880</td>
<td></td>
</tr>
<tr>
<td>Pasco Columbia Basin College</td>
<td>(509) 547-9755</td>
<td></td>
</tr>
<tr>
<td>Pullman, WA…<a href="mailto:scorepullman@gmail.com">scorepullman@gmail.com</a></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Quincy Chamber of Commerce</td>
<td>(509) 787-2140</td>
<td></td>
</tr>
<tr>
<td>Spokane (all Spokane locations)</td>
<td>(509) 353-2821</td>
<td></td>
</tr>
<tr>
<td><a href="mailto:info@scorespokane.org">info@scorespokane.org</a> (counseling)</td>
<td></td>
<td></td>
</tr>
<tr>
<td><a href="mailto:scorespokanelib@gmail.com">scorespokanelib@gmail.com</a> (market research)</td>
<td></td>
<td></td>
</tr>
<tr>
<td><a href="mailto:scorespokane@gmail.com">scorespokane@gmail.com</a> (workshops/questions)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>TriCities Regional Chamber</td>
<td>(509) 736-0510</td>
<td></td>
</tr>
<tr>
<td>(Kennewick, Pasco, Richland &amp; West Richland)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Waterville Chamber of Commerce</td>
<td>(509) 745-8871</td>
<td></td>
</tr>
<tr>
<td>Wenatchee Valley Chamber of Commerce</td>
<td>(509) 662-2116</td>
<td></td>
</tr>
<tr>
<td>Wenatchee Hispanic Chamber</td>
<td>(509) 662-2116</td>
<td></td>
</tr>
<tr>
<td>Yakima Chamber of Commerce</td>
<td>(509) 248-2021</td>
<td></td>
</tr>
<tr>
<td>Cœur d’Alene/Post Falls</td>
<td><a href="mailto:info@scorespokane.org">info@scorespokane.org</a></td>
<td></td>
</tr>
<tr>
<td>Moscow</td>
<td><a href="mailto:scorespokane@gmail.com">scorespokane@gmail.com</a></td>
<td></td>
</tr>
<tr>
<td>Sandpoint - Bonner Business Center</td>
<td>(208) 263-4073</td>
<td></td>
</tr>
</tbody>
</table>

**SCORE NATIONAL WEB SITE**
E-Mail Counseling - www.score.org

**SCORE Spokane #180**
Serving NE Washington & N. Idaho
801 W. Riverside Ave. Ste 444, Spokane, WA 99201
Phone: (509) 353-2821
scorespokane.org info@scorespokane.org
www.facebook.com/SCOREspokane

**Central Washington Chapter #663**
Serving NE Washington & N. Idaho
300 S. Columbia St, 3rd floor, Wenatchee WA 98801
info@centralwashingtonSCORE.org

**Yakima Valley Chapter #664**
Serving Yakima & Kittitas counties
221 E. 4th, Ellensburg, WA 98926
score@paktec.com (509) 933-1847

**Mid-Columbia Chapter #590**
Serving Central Washington
7130 W. Grandridge Blvd Ste C, Kennewick, WA 99336
info@midcolumbiaSCORE.org

**Ellensburg—Economic Dev. Group of Kittitas**
221 E. 4th, Ellensburg, WA 98926
score@paktec.com (509) 933-1847

For information on other SCORE chapters:
In Western Washington call (206) 553-7320 and in Southern Idaho call (208) 334-1696.

**Call SCORE Today!**
Plan for Success with Small Business Workshops

**In Spokane**

**How To Start A New Business**
Start your business with the right legal, tax, insurance and accounting advice. *(This course is free for Veterans)*

**How To Write A Business Plan**
Understand the steps needed to develop your own plan.

**Small Business Financial RecordKeeping**
Learn about keeping good records, for business taxes and use of financial statements.

Workshops held Wednesdays, from 8:30am - 12:30pm at 801 W. Riverside Avenue, Suite 444, Spokane
For more information E-mail info@ScoreSpokane.org

**Business Marketing & Sales**
Focus on generating revenues. Gain insights on how to identify prospective customers and reach them.

**5th Wednesday—Special Workshop**
In months where there is a 5th Wednesday, a special workshop will be held. Topics include: Protecting Your Idea, Understanding Cash Flow, and Social Media

Cost $40 preregistered; $50 day of class (walk ins)
SAVE $35 only $125 for 4 workshops
register online at: scorespokane.org

---

**In Wenatchee**

**Test Your Start-Up Business Idea**
Tips to check business idea viability plus start-up dos and don’ts.

**Business Plans: Why, What, and How**
Learn why a plan is important and how to do a plan.

**25 Ways To Grow Sales**
Cut advertising costs, expand market share, and learn penny-wise tips.

Workshop schedule varies. Classes above are conducted monthly on a rotating basis at the Wenatchee Valley Chamber of Commerce on Wednesday evenings from 5:30-8:30pm. Call for schedule. Cost is $25 per business.
To register, call SCORE at the Wenatchee Valley Chamber (509) 662-2116.
Additional information at: centralwashingtonscore.org/

**Financing Your Business**
Learn what lenders look for, how the process works, and how to overcome common obstacles.

**Small Business Bookkeeping 101**
Many businesses fail because they are so busy doing the work, they forget to keep “score” with good clean records. Don’t let taxes and poor recordkeeping put you out of business.

---

**In Yakima - Business Development Working Lunch Series**

**Plan Your Business**
Are you ready to start a business? Learn about corporate structure, financing, licensing and getting started.

**Business Plan Basics**
Learn the basic requirements for building a business plan. Find out about target markets, projections & cash flows.

Fee: $15, includes lunch and materials. Location: Central WA Business Resource Center, 9 N. 9th St., Yakima
Register: Call (509) 575-1140, Fax: (509) 575-1508, or E-mail tammy@ycda.com

Workshops on other topics may be held throughout the year, and at other locations upon request. Check Chapter websites or call the SCORE chapter nearest to you. (see page 4)

**LIVE YOUR DREAM—SCORE CAN HELP!**
There are several business entities for a new business owner to select from in determining how to structure their business. These include sole proprietorships, general partnerships, limited partnerships, corporations and limited liability companies. There are three basic issues that are helpful to understand in order to make the selection. They include control, liability, and taxation issues. The purpose of this article is to explain these concepts and entities briefly. You are encouraged to consult with your team of professional advisors (your accountant, attorney and insurance agent) in making sure the entity you select maximizes your goals.

- **Control.** The form of business you select determines the degree of control over your business. A corporation with stockholders has a much different control issue than a partnership or a sole proprietorship.

- **Liability.** Liability is the degree to which your personal assets are exposed to business risks. A business owner can protect his or her personal assets from the business risks by choosing to conduct business in a form that limits liability.

- **Taxation.** A corporation is a separate taxable entity. If the corporation makes a profit, the corporation pays a tax on the profit. It then distributes the profit in the form of dividends, and a second tax is paid. A business owner can avoid double taxation by choosing to conduct business in a form that avoids double taxation.

- **Tax Benefit/Burden.** Three key factors determine the overall tax burden on an entity:
  1. The tax brackets of the owners of the entity;
  2. The amount distributed currently rather than retained by the entity; and
  3. The length of time before the owners dispose of their interests in the entity.

One of the biggest tax advantages the owners of a regular corporation have is that they may also be employees of the corporation. Thus, stockholders who are employed by a regular corporation can qualify for tax-favored fringe benefits that are not available to the unincorporated business owners.

---

**Sole Proprietorship**

The sole proprietorship is the simplest form of business. This is a business owned by one individual. A husband and wife are considered “one” for these purposes, but the business cannot be owned by more than one person or married couple. A sole proprietorship is viewed as an extension of the individual who owns, manages and is directly liable for the business. This entity requires no legal documentation, however, a sole proprietor must comply with general business requirements such as business licenses, Department of Labor regulations regarding unemployment and industrial insurance, and Department of Licensing regulations requiring registration for use of a trade name that does not include the full legal name of the owner of the business. A sole proprietor may apply for an employer I.D. number.

As a sole proprietor, all profits will be reflected on Schedule C of your personal tax return. The sole proprietor is responsible for his/her acts and the acts of employees. The sole proprietor’s personal assets and business assets are exposed to business risks. If it is a simple enterprise (no employees) with few liabilities which may be insured against, this entity may meet your needs.

**General Partnership**

A partnership is an association of two or more persons to carry on as co-owners a business for profit. A general partnership is funded by the amount the partners put in. Generally, a partner receives a percentage interest commensurate with the amount of capital he or she put in. A partnership may be implied from the actions of the partners; however, such an important fact should not be left to implication but should be set out in a formal agreement.

A written partnership agreement cannot be overemphasized. It should address issues of management, additional capitalization, allocation of profits and losses, operational guidelines, and dispute resolution, alterations and termination procedures.

The disadvantage of a partnership is that you are responsible (liable) for your partner. This fact cannot be altered even in a partnership agreement, however, the agreement may contain provisions for contribution and indemnification to cushion the blow.

The partnership will file an informational return; the partner’s percentage share will be considered personal income to the partner.
**Limited Partnership**

Limited partnerships are “layered” partnerships. There is one or more general partners and one or more limited partners. The general partners run the business; the limited partners are passive investors and are prohibited from taking part in management. The liability of limited partners is limited to the amount of their contribution to the partnership.

The name of the entity must contain the words “limited partnership” or “L.P.,” and must be registered with the Secretary of State. An L.P. must file a Master Business License and obtain a federal I.D. number.

**Corporation**

A corporation is a taxable entity considered by law to be an artificial person possessing the same rights and responsibilities as an individual. A corporation is formed by filing with the Secretary of State articles of incorporation. A corporation is also required to have bylaws, which are the rules and guidelines for how the corporation will be run. The corporation will also be required to file a master business application with the state and an application for an employer I.D. number with the IRS. The corporation will receive an annual report form from the Secretary of State, which must be filled out and returned to the Secretary of State to avoid dissolution.

A corporation is liable for its own debts. Its shareholders have limited liability only up to the amount of their investment, so long as the corporation is adequately capitalized and the corporation formalities are observed.

Corporations are subject to double taxation unless the corporation files a “Sub-S” election with the IRS. An S corporation is not subject to double taxation; its income is passed through its shareholders. The election was created for the benefit of small business endeavors. It can, therefore, have no more than 75 shareholders who must be individuals (not other corporations) who are U.S. residents.

**Limited Liability Company**

This entity is a hybrid. It offers the limited liability of a corporation, is not double taxed, and is governed by a formal written agreement. It is formed by filing a certificate with the Secretary of State. The name of the company must contain the words “limited liability company,” “limited liability co.,” “LLC,” or “L.L.C.” The owners must identify whether it will be managed by the members or by a manager (who may also be a member).

Like a corporation, the limited liability company is liable for its own debts; members and managers are not liable for the debts of the company and are not liable to each other except for gross negligence, intentional misconduct, or a knowing violation of the law.

The LLC is funded by the amount the members contribute for membership interest. The LLC may raise additional capital through its existing members and, subject to the agreement, by admitting new members.

An LLC may be expensive to form depending on the complexity of the agreement. If the business will be managed and the profits divided in a simple standard format, and the shareholders qualify, an S corporation may be the more practical entity.

**Limited Liability Partnership**

General partnerships and limited partnerships can apply to be a limited liability partnership by filing a certificate with the Secretary of State.

A partner in an LLP is liable to the same extent as a partner in a general partnership, except a partner is not liable for the negligence or malpractice of another partner.

If the LLP provides professional services, the LLP is required to carry a specified amount of malpractice insurance.

You should consider reviewing your decision regarding your choice of entity with professional advisors. The decisions are not irrevocable and they may be staged to occur at different levels of growth. However, to maximize your goals, consultation prior to making your decision should be the most effective way to do business.

L. Diane Emmons is a business and real estate lawyer in Spokane, Washington

For more information on business entities, their benefits, drawbacks and responsibilities with respect to both legal and accounting issues, contact your legal and accounting advisors.

More information is available online at: [www.business.gov/register](http://www.business.gov/register) — for government definitions and advice.
THE BUSINESS PLAN

A good business plan is one of the best things you can do to ensure success. By itself, your business plan will not make your products better, your customers more enthused, your sales greater, or your bank account fatter.

What your plan will do is to make you THINK through your ideas. You will make fewer errors if your actions are based upon research and analysis.

Your business plan...gives you a path to follow. It can help make the future what you want it to be, with goals and action steps to guide your business through turbulent economic cycles.

...lets your banker in on the action. By reading the details of your business plan, your lender gains insight into your situation that will help determine whether or not to lend you money.

...provides a way to communicate your operations, goals, and business philosophy to personnel, suppliers and your other business contacts.

...develops you as a manager by making you construct a clear “blueprint” of your business venture, for better decision making.

While there is no single best format for a business plan, this one has been used successfully by thousands of small business owners. Modify the following format to suit your needs.

GUIDE TO WRITING A BUSINESS PLAN: BEGIN WITH THE BASICS

✔️ Executive Summary
Summarize your plan in two pages or less. Make it enthusiastic, professional, complete and concise. Include the goals and objectives of the business. If applying for a loan, state the amount desired.

If you had five minutes to explain the basics of your business to an investor, what would you say? That is what goes in the summary. Write this section last.

✔️ Company Description
Give a brief company history.
What does your company do?
What are your products?
Who are your customers?
Where are you located?
What are your key strengths?
Is your industry or market growing?
Who are the owners?
Is the firm a proprietorship, partnership, or corporation?

✔️ Products and Services
What are your products (or services)?
Price and quality levels?
Distribution channels (i.e., how are products moved to the customers)?
Major competitors?
What makes your products particularly attractive?

✔️ Marketing
(NOTE: In this section, be as specific as possible. Use statistics and numbers, and note your sources. Too many marketing plans are just enthusiastic fluff).

Product
• Describe the product or service from your customer's point of view.
• What do customers like and dislike about your products, services, and company?
• Why do they patronize you?
• What services are offered as part of the product (delivery, service, warranty, support, refund offers)?

Economics
• What are the characteristics of your industry: growing, declining, changing?
• What is the size of your market?
• What is your share of the market? Is it growing?
• What is the demand for your product?
• Are more firms entering?
• What are the barriers to entry?
• Is it becoming more competitive; are profits being squeezed?

Customers
• Identify your customers, their characteristics, their location.
• Why will they patronize you?
• What do they like about your company?

Competition
• List your major competitors.
• Describe their size, location, reputations.
• Compare your goods and services with theirs.
• What are their major advantages?
• What are yours?

Strategy
• What is your pricing policy? Why?
• How do you promote, advertise, and sell?
• How do you distribute or deliver your products/services?
• What customer services will you offer?
• Relate your strategy to prior discussions of Product. Economics, Customers, and Competition.

✔️ Sales Forecast
Now that you have written a description of your market, you need to do a detailed forecast of sales, by department, month by month, for the coming year.
Operations Plan

- Production
  Methods of production, product development, quality control, inventory control.

- Location
  Describe the physical location and explain why it is appropriate. Is it leased or owned?

- Credit Policies
  Do you sell on credit? What terms? How do you check credit? Collection policies?

- Personnel
  Number and type of employees.
  Pay and personnel policies.
  Do you have position descriptions and training programs?

- Inventory
  How much? What is its value?
  List major suppliers.
  Do they extend credit?
  Who pays freight?
  Do they give discounts?

- Legal Environment
  Licensing, bonding, permits, insurance, zoning, government regulations, patents, trademarks, copyrights.

Management and Organization

Who has management responsibilities?
Resumes of all key managers.
Position descriptions for key employees.
List important advisors, such as attorney, accountant, banker, insurance agent, and advisory board or board of directors.

Personal Financial Statements

Include personal financial statements of all owners and major stockholders.

Startups Expenses and Capital

Carefully research your startup expenses. Keep notes to document your numbers. Organize your figures by dividing startup expenses into major categories. We suggest:
- Buildings/Real Estate
- Leasehold Improvements
- Capital Equipment
- Location & Admin. Expenses
- Advertising & Promotion
- Opening Inventory
- Other Expenses
- Contingencies
- Working Capital

The contingency category is a way of allowing for costs which cannot be foreseen no matter how thorough your planning. Experienced entrepreneurs suggest you add 15% to 20% to your estimated expenses to allow for them.

Working capital is money needed to operate and pay bills while the business gets going. A carefully wrought cash flow projection is the only good way to estimate working capital needs. Starting without adequate working capital will ensure early failure of the business.

If this is a startup, you must also show the sources of capital. Sources could include you, your partners or investors, private lenders, your bank, and perhaps equipment leases.

Financial History

If yours is an established firm, include financial statements for at least the past three years as an appendix to the plan.

Our computer template includes a spreadsheet on which these historical statements can be condensed and laid out side by side for comparison. It is a good idea to include some key ratios in addition to the raw numbers. Current Ratio, Debt to Net Worth. Return on Equity, and Inventory Turnover are a few useful basic ratios.

Include an aging of accounts receivable, showing the total amount owing you from customers, and how much is current, 30 days past due, 60 days, 90 days, and over 90 days past due.

Do the same for accounts payable.

Projected Balance Sheet

Your plan should include a projected balance sheet showing assets (things owned), liabilities (debits), and owner’s equity.

If yours is a startup business, the balance sheet should show your financial position on opening day.

Existing firms should do a projected year-end balance sheet.

If you are using the business plan to apply for a loan, prepare a pro forma balance sheet projecting your financial position as of the day after the loan.

12 Month Profit Projection

In many ways, this is the capstone of your whole business plan. This is where it all comes together, where you show in detail how your company will make a profit.

Start by projecting sales month by month for the coming year. Break monthly sales into categories or departments; for example: by product type, customer group, geographic territory, or different contracts or projects.
A projection built up in this fashion will be more accurate than just guessing total sales for the month. Your Marketing Plan should be the basis for these projections.

Now estimate the Cost of Goods Sold (COGS) for each category of sales for each month. COGS are those expenses directly related to producing or purchasing the product/service you sell. For example: for retailers, COGS is the cost of buying merchandise; for manufacturers and construction, it is direct production labor and materials; for service businesses, it is production, labor and materials. Breaking COGS down into departments will help you see which parts of the business deliver the most profit per sales dollar.

Now estimate operating expenses month by month for the year. These are necessary expenses which are not directly related to buying or making your product/service. They are also known as overhead items. Examples are: telephone, rent, insurance, taxes, and the salaries of office, sales, and management personnel. Use the same categories of expense you use (or plan to use) in the regular Income Statements you get from your accountant. This makes it easier to draw on history in making projections, and it makes it easier to compare your actual statements to your plan as time goes by.

**Cash Flow Projection**

Your profit projection will show how you intend to prosper by having revenues exceed expenses. Now you must show that you can pay your bills while prospering. Bills are paid with cash, not with profits.

A cash flow projection is basically nothing more than a forward look at your checking account. It is derived from the profit projection, but looks at the financial data in slightly different ways. The fundamental differences are:

- On the income side, a cash flow asks not when a sale is made, but rather when cash is actually collected from the customer.

- On the outgo side, the question is not when an expense is incurred, but rather when the check will have to be written to pay the bill.

- Some items show only on one of the two statements, but not on the other. Depreciation, for example is a real business expense, but not an item of cash flow (you never write a check for depreciation). On the other hand, the principle part of a loan repayment is not an expense (only the interest portion is), but it definitely takes cash out of the business, and therefore needs to be shown on the cash flow projection.

By forecasting the status of your bank account, the Cash Flow tells you whether your working capital reserves are adequate. Budgeting does not create sales or put money in the bank, but it can help put you in control. When you know how much the off season will draw down your account, when you know how much it will take to get started on that new contract, when you begin negotiating that new bank loan months in advance because you can foresee the need, then you have gained a little more control over your own destiny.

All your projections should be based on careful research, not casual guesswork. Keep notes detailing your major assumptions, and attach the notes to your projections.

**The preceding was prepared by SCORE/Seattle.**
Hard work, dedication, and sacrifice are essential to the success of any business venture. But to circumvent higher risks associated with starting a new, independent business from scratch, some entrepreneurs choose franchising as a viable alternative. The franchisor provides established business expertise. The franchisee brings the entrepreneurial spirit and drive necessary to make the franchise a success.

What Is Franchising?
A franchise is a legal and commercial relationship between the owner of a trademark, service mark, trade name, or advertising symbol and an individual or group wishing to use that identification in a business. The franchise governs the method of conducting business between the two parties. Generally, a franchisee conforms to the franchisor's business concept and sells goods or services supplied by the franchisor or that meet the franchisor's quality standards.

Before selecting a franchise, consider the following:

Your Investment
• Do you have savings or additional income to live on while starting your franchise?
• Will you purchase the franchise by yourself or with partners?
• Will you need financing and know where can you obtain it?

Your Abilities
• Does the franchise require specialized knowledge or a technical skill-set such as auto repair, home and office decorating, or tax preparation experience?
• How much training does the franchisor provide?
• Have you ever owned or managed a business?

Your Goals
• Will franchise ownership be your primary source of income or will it supplement your current income?
• Are you interested in retail sales or performing a service in a particular industry?
• Do you want to operate the business yourself or hire a manager?
• Would you be happy operating the business for many years?

Franchising Strategy - When evaluating a franchise, closely evaluate the strength of the franchiser; the franchiser's long-term goal; the uniqueness of its product or service; the type of consumer response the product or service is achieving; the amount of fees it charges; the type of support it provides: 1) startup 2) operations 3) marketing; and the length of the contract you will be signing.

Pre-Purchase Detective Work - Routine investigation should be conducted prior to any business purchase. Contact other franchisees before deciding to invest. Obtain a uniform operating circular to understand vital details about the franchisee's legal, financial, and personnel history before signing a contract.

Reasonable Expectations - Before signing, make sure that you will have the right to use the franchise name and trademark, receive training and management assistance from the franchisor, use the franchisor's expertise in marketing, advertising: layouts, displays, and fixtures, and do business in an area protected from other competing franchisees. Some franchisees negotiate to have the franchisor help obtain building permits; purchase or lease equipment, signs and supplies, and construct or remodel the business premises.

Possible Pitfalls - The contract usually benefits the franchisor more than the franchisee. The franchisee is generally subject to sales quotas and often is required to purchase equipment, supplies, and inventory exclusively from the franchisor. The franchisor often has the right to terminate the franchise if it fails to operate the business according to the agreement, becomes delinquent on royalties, or violates other contract specifications.

Get Professional Help - The tax rules surrounding franchisees are often complex. Consult an attorney, preferably a specialist in franchise law, for assistance in evaluating the franchise package and tax considerations. An accountant can help to determine the full costs of purchasing and operating the business as well as assess the potential profit to the franchisee. There are also franchise consultants who can help you find the right franchise. FranNet offers a free book on franchising available through SCORE or from its website: www.frannet.com. FranChoice also offers a franchise buyng guide at www franchoice.com. Both firms offer free consulting on franchise issues.

*SBA Guidance for Franchisees*  

**Franchise Registry**  
[www.franchiseregistry.com](http://www.franchiseregistry.com) offers a listing of franchise companies whose franchisees benefit from a streamlined review process for SBA Loan applications. Participation is voluntary.

*Note: listing on the registry means that the franchise agreement does not impose unacceptable control provisions on a franchisee. It is not an endorsement by SBA nor an indication of the franchise system’s quality or profitability.*

“One out of every three dollars spent by Americans for goods and services is spent in a franchised business”  
International Franchising Association ([www.franchise.org](http://www.franchise.org)).
Types of Insurance to Consider

General Liability - covers legal hassles due to negligence. Every service rendered may be capable of personal injury or property damage. Helps protect against payments resulting from bodily injury or property damage, medical expenses, the cost of defending lawsuits, and settlement bonds or judgments required during an appeal procedure.

Product Liability - Every product is capable of personal injury or property damage. Companies that manufacture, wholesale, distribute and/or retail a product may be liable for its safety. Businesses are considered liable for negligence, breach of an express or implied warranty, defective products, and defective warnings or instructions.

Liability law is constantly changing. An analysis of your liability insurance needs is vital in determining an adequate and appropriate level of protection for your business.

Property - There are many different types of property insurance and levels of coverage available. It is important to determine the property you need to insure for the continuation of your business and the level of insurance you need to replace or rebuild. You must understand the terms of the insurance, including any limitations or waivers of coverage.

Business Interruption - While property insurance may pay enough to replace damaged or destroyed equipment or buildings, how will you pay costs such as taxes, utilities and other continuation expenses during the period between when the damage occurs and when the property is replaced? Business interruption (or “business income”) insurance can provide sufficient funds to pay your fixed expenses during a period of time when your business is not operational.

“Key Man” - If you (and/or any other individual) are so critical to the operation of your business that it cannot continue in the event of your illness or death, you should consider “key man” insurance. This type of insurance is frequently required by banks or government loan programs. It can also be used to provide continuity in operations during a period of ownership transition caused by death or incapacitation of an owner or other “key” employee.

Automobile - It is obvious that a vehicle owned by your business should be insured for both liability and replacement purposes. What is less obvious is that you may need special insurance (called “non-owned automobile coverage”) if you use your personal vehicle on company business. This policy covers the business’ liability for any damage which may result from such usage.

Officer and Director - Under certain circumstances, officers and directors of a corporation may become personally liable for their actions on behalf of the company. This type of policy covers this liability.

Home Office - If you are establishing an office in your home, it is a good idea to contact your homeowners’ insurance company to update your policy to include coverage for office equipment. This coverage is not automatically included in a standard homeowner’s policy.
FIVE TIPS FOR BUYING BUSINESS INSURANCE

1. Assess Your Risks
Insurance companies determine the level of risk they'll accept when issuing policies. This process is called underwriting. The insurance company reviews your application and determines whether it will provide all or a portion of the coverage being requested. Each underwritten policy carries a premium and a deductible. A premium is the price you pay for insurance.

Premiums vary widely among insurance companies, and depend on a number of risk factors, including your business location, building type, local fire protection services, and the amount of insurance you purchase. A deductible is the amount of money you agree to pay when making a claim. Generally, the higher deductible you agree to pay, the lower your premium will be. However, when you agree to take on a high deductible you are taking on some financial risk. So, it's important to assess your own risks before you go shopping.

The National Federation of Independent Businesses provides information for choosing insurance to help you assess your risks and to make sure you've insured every aspect of your business.

2. Shop Around
The extent and costs of coverage vary by company. Some brokers specialize in insuring specific types of business, while others can connect you with policies specific to your business activities. For example, if you operate a tow truck service, you'll want to find an agent that can help find policies that specifically cover automotive service businesses. Often specialist brokers can get you the best coverage and best rates.

3. Consider a Business Owners' Policy
Insurance can be purchased separately or in a package called a business owners' policy (BOP). Purchasing separate policies from different insurers can result in higher total premiums. A BOP combines typical coverages into a standard package, and offered at a premium that is less than if each type of coverage was purchased separately. Typically, BOPs consist of cover property, general liability, vehicles, business interruption and other types of coverage common to most types of businesses. BOPs simplify the insurance buying process and can save you money. However, make sure you understand the extent of coverage in any BOP you are considering. Not every type of insurance is included in a BOP. If your business has unique risks, you may require additional coverage.

4. Find a Reputable, Licensed Agent
Commercial insurance brokers can help you find policies that match your business needs. Brokers receive commissions from insurance companies when they sell policies, so it's important you find a broker that is reputable and is interested in your needs as much as his own. Make sure your broker understands all the risks associated with your business.

Finding a good insurance agent is as important as finding a good lawyer or accountant. You should always look for one that has a license. State governments regulate the insurance industry and license insurance brokers. Many states provide a directory of licensed agents. If you are looking for a new agent start with your state's department of insurance.

5. Assess Your Insurance Coverage on an Annual Basis
As your business grows, so do your liabilities. You don't want to be caught underinsured should disaster strike. If you have purchased or replaced equipment or expanded operations, you should contact your insurance broker to discuss change in your business and how they affect your coverage.

See www.business.gov/manage/business-insurance for additional information.
Trademarks: www.uspto.gov

“Brand name” is a synonym for “trademark.” Trademarks distinguish one firm’s cornflakes or four-wheel-drive station wagons from another’s. Without them, consumers could not buy products they like or avoid those they don’t like. Trademarks may be words, logos or other symbols. They may even be sounds, three-dimensional symbols (such as the well-known McDonald’s golden arches) or colors.

Trademarks are not copyrights or patents. They cannot be used to prevent one firm from copying the goods or services of another, nor from selling its goods or services under a common descriptive (or generic) name.

If a firm has a substantial investment in original research or development of a new product or service, it should consider patent, copyright or similar protection.

However, as patents expire or trade secrets become common knowledge in the industry, other firms will be free to use the technology and to sell it under the name by which it is known to consumers.

Trademark Notice
Anyone can use the (TM) or (SM) symbol but, technically a firm is not permitted to use the circled R symbol unless the mark is federally registered as discussed below). The use of one of these trademark superscripts indicates that the user regards a word or other symbol as its trademark.

Most states have registers covering that state, and federal registers cover the entire United States and its territories and possessions.

Federal Registration
Before one can obtain federal registration, preexisting rights must be established through use in the marketplace. At least with respect to goods, use means that the mark must appear on labels and not merely in advertising.

Federal registration also requires interstate use. This means that the goods or services must cross state lines in one or more bonafide consumer transactions prior to registration.

Trademarks:
Obtain procedural guidance and application forms for nation-wide registration through the U.S. Patents & Trademarks Office.

Patent & Trademark Office www.uspto.gov
Arlington, VA (800) 786-9199

For statewide trademark registration in Washington:
Office of Secretary of State Corporate Division (360) 725-0377
Dolliver Bldg, 801 Capitol Way S, PO Box 40234, Olympia, WA 98504-0234

For statewide trademark registration in Idaho:
Idaho Secretary of State Trademark Division (208) 332-2810
www.sos.idaho.gov/tmarks/tmindex.htm
PO Box 83720, Boise, ID 83720-0800

Patents www.uspto.gov

A patent is an exclusive property right to an invention and is issued by the Commissioner of Patents and Trademarks, U.S. Department of Commerce.

It gives an inventor the right to exclude others from making, using, or selling an invention for a period of 17 years in the United States, its territories, and possessions. Design patents for ornamental devices are granted for 14 years.

U.S. Department of Commerce (571) 272-1000
U.S. Patent and Trademark Office TTY (571) 272-9950
Washington, DC 20231 (Automated line) (800) 786-9199

Check your local library for helpful literature on the patent process. Look for prospective companies in your field of invention through the Thomas Register of Industry, a standard guidebook available at many libraries.

SBDCs have information on protecting your idea, risk management and getting R&D Funding.
In Washington: go to www.wsbdc.org/risk-management
In Idaho: go to www.idahosbdc.org/folder.aspx?f=204

Both the SBDC and SCORE offer periodic trainings on Protecting Your Intellectual property. Check websites for current schedules.

The book entitled, “General Information Concerning Patents,” is now free online at: www.uspto.gov/web/offices/pac/doc/general/

A number of online tools, including patent searches, are available at: www.uspto.gov/patents/index.jsp

Sirti—www.sirti.org
665 N. Riverpoint Blvd., Spokane, WA 99202 (509) 358-2000
Assists with development of high growth firms and intellectual property protection and funding.

Spokane Public Library
906 W. Main, Spokane, WA 99201 (509) 444-5300
Patent Depository, extensive business library.

Washington State University Innovation Assessment Center (509) 335-8842
442 Todd Hall PO Box 644750. Pullman, WA USA 99164-4750
www.business.wsu.edu/iac

Copyrights www.copyright.gov

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 authorships, including literary, dramatic, musical, artistic, and certain other intellectual works. This protection is available to both published and unpublished works and helps authors, composers, and artists avoid the “pirating” of their literary and artistic work.

Information on copyright procedures is available at the BIC. Additional info and registration forms may be obtained through: Register of Copyrights, Library of Congress, Washington DC 20559. Phone: (202) 707-3000 or (877) 476-0778.

www.business.gov provides legal and regulatory information.
**City/County Contacts in Washington and Idaho**

Local city and county licensing requirements vary. Contact your local City or County government office for more information, even if they are not listed here.

- Check with Planning Depts for zoning requirements.
- Check with Building Depts for bldg construction permits.
- Check with your County Health Dept if your business deals with the sale of food.

### B & O Tax

Many Washington State cities have a Business and Occupations (B&O) tax. Check with your local City Treasurer to determine requirements.

### Business Zoning Information

Check with your city or county zoning officials regarding requirements. In Spokane, contact the Property Development Services in City Hall.

### Application for Business License—City or County

Most cities and some counties require a business license or permits if the business is located in the city or county limits. OR does business there, regardless of the physical location of the business. For example, if a construction company’s home office is located in Kennewick, but they do construction in other cities, they need business licenses from each city.

#### Asotin County, WA
**Building & Planning Dept.**
PO Box 610, Asotin, WA 99402-0610

#### Bonner County, ID (Zoning questions)
**Planning Dept.**
1500 Hwy 2, Ste 200, Sandpoint, ID 83864

#### Bonners Ferry, ID
**Environmental (for Restaurants) & Home Health (Day Cares)**
7402 Caribou St., Bonners Ferry, 83805

#### Clarkston, WA
**City Hall**
830 5th Street, Clarkston, WA 99403

#### Coeur d’Alene, ID
**Clerks Office**
City of Coeur d’Alene, 710 E. Mullan Ave. 83814

#### Idaho Health District Office—Panhandle Health District
2195 Ironwood Ct., Coeur d’Alene ID 83814
[www.phd1.idaho.gov](http://www.phd1.idaho.gov)

#### East Wenatchee, WA
**City Hall**
271 9th St NE, E Wenatchee, WA 98802

#### Ellensburg, WA
**Business Licenses, City**
401 N. Anderson St., Ellensburg 98926

#### Kennewick, WA
**Customer Service**
210 W. 6th Ave., Kennewick, WA 99336
[www.ci.kennewick.wa.us](http://www.ci.kennewick.wa.us)

#### Liberty Lake, WA
[www.LibertyLakeWa.gov/licensing](http://www.LibertyLakeWa.gov/licensing)

#### Pasco, WA
**Associate Planner, City of Pasco**
525 N. 3rd Ave., Pasco, 99301

#### Richland, WA
[www.ci.richland.wa.us](http://www.ci.richland.wa.us)

#### Sandpoint, ID
**City Planning Dept., Sandpoint, ID**
(208) 263-3317
**Panhandle Health Dist. (Restaurants)**
(208) 265-6384
**Home Health Program (Day Cares)**
(208) 263-5159

#### Spokane, WA
**City of Spokane Taxes & Licenses (B & O, licenses)**
City Hall, Street Level - 808 W. Spokane Falls Blvd., 99201
**Zoning Dept.:** (509) 625-6149 [www.spokanecity.org/business](http://www.spokanecity.org/business)

#### Spokane County, WA
**Spokane Co. Dept. of Assessments**
- (Pers. /Real Property Tax)
1116 W. Broadway Ave., 99206

#### Stevens County, WA
**Planning Dept., Courthouse Annex, 260 S. Oak St., Colville, WA**
(509) 684-2401

#### Wenatchee, WA
**City Hall, 129 S Chelan Ave, 98801**
(509) 664-3300

#### Yakima, WA
**City of Yakima**
(509) 574-2230
**Yakima Co. Assessor (Property Tax)**
(509) 574-1100
**Yakima Health District (Food)**
(509) 575-4040

Kootenai County, ID
**County Recorder**
451 Govt. Way, Coeur d’Alene, ID 83814

Lewiston, ID
**Building Permits:**
(208) 746-1319
**Community Development, 215 D St, Lewiston, ID 83501**
**Zoning and Land Use:**
(208) 746-1318

Liberty Lake, WA
[www.LibertyLakeWa.gov/licensing](http://www.LibertyLakeWa.gov/licensing)

#### Pasco, WA
**Associate Planner, City of Pasco**
525 N. 3rd Ave., Pasco, 99301

Richland, WA
[www.ci.richland.wa.us](http://www.ci.richland.wa.us)

#### Spokane County, WA
**Spokane Co. Dept. of Assessments**
- (Pers. /Real Property Tax)
1116 W. Broadway Ave., 99206

#### Spokane County Planning Dept., 1026 W Broadway, 99201
(Home-based business permit is required in Spokane County)
[www.spokanecounty.org](http://www.spokanecounty.org)

#### Spokane Regional Health District
[www.srhd.org](http://www.srhd.org)

#### West Richland, WA
**Planning Asst., City of W. Richland, 3801 W. Van Giesen, 99353**
[www.westrichland.org](http://www.westrichland.org)

#### Yakima, WA
**City of Yakima**
(509) 575-6000
**Yakima Co. Public Services (Zoning)**
(509) 574-2230
**Yakima Co. Assessor (Property Tax)**
(509) 574-1100
**Yakima Health District (Food)**
(509) 575-4040
Registering Your Business

You can license your business, register a trade name, and obtain a Unified Business Identifier (UBI) online. The UBI number remains with the business as long as the owners and the ownership type are the same. Use the “Master Business Application” for the following:

- **Trade Names**: A trade name is any name used in the course of business that does not include the full legal name of all the owners of the business. In the case of a limited partnership or a corporation, it is any name that differs in any respect from the name registered with the Secretary of State.

  The trade name registration provides a record of all owners of a business. Registering your trade name does not protect the name from use by others. The right to use a trade name belongs to the one who first uses it in connection with their business. If you do not register the trade name you are not entitled to maintain a lawsuit on behalf of your business in any court of this state.

  List each name you want to register in the Fees section on page one of the application. There is a $5 fee for each name you register.

  Search the Dept. of Licensing for firm names and trade names at: [www.dol.wa.gov/business/checkstatus.html]
  **Note**: If the search result is “No matches were found for your search,” it doesn’t guarantee that the name is not being used, only that it has not been registered.

  Search the Office of the Secretary of State’s Trademark Division for corporation names, trademarks and servicemarks that are registered in this state. Contact their office at (360) 725-0377 or [http://www.sos.wa.gov/corps/](http://www.sos.wa.gov/corps/). Search the Washington Department of Revenue for business records at: [www.dor.wa.gov](http://www.dor.wa.gov), and the Washington Labor and Industries for Building Contractor names at: [www.lni.wa.gov](http://www.lni.wa.gov)

  Search the U.S. Patent & Trademark Office at [www.uspto.gov](http://www.uspto.gov) for federally reserved names and marks.

- **State Excise Taxes**: Everyone engaged in any business activity within Washington state MUST file (Form 2406). Covers state gross receipt taxes (B&O, Public Utility) as well as “sales and use” taxes. (800) 647-7706. Mail completed forms to: Dept. of Revenue, PO Box 47478, Seattle, WA 98504-7478.

- **Specialty & Miscellaneous Licenses**: Contact the Dept. of Licensing’s Master License Service or download a Master Business Application from [www.dol.wa.gov/business](http://www.dol.wa.gov/business).

- **Contractor’s Registration**: Required before construction contractors can submit any bid offer to do any work within Washington State. Get applications from the Dept. of Labor and Industries. Submit application there or to the Contractor’s Registration Section, PO Box 44000, Olympia, WA 98504-4000. Fee plus bond and liability insurance. [www.lni.wa.gov/TradesLicensing/default.asp](http://www.lni.wa.gov/TradesLicensing/default.asp)

  Washington State Business Assistance Hotline: (800) 237-1233 (in Washington) or go to: [access.wa.gov/business/](http://access.wa.gov/business/).

  Washington State Dept. of Revenue—Taxpayer Services
  Phone: 800-647-7706    Web Site: [www.dor.wa.gov](http://www.dor.wa.gov)

Check Environmental Regulations: Permits for air, water, or waste disposal may be required from the WA Dept. of Ecology [www.ecy.wa.gov](http://www.ecy.wa.gov). E. WA: (509) 456-2926 Ctrl. WA: (509) 575-2490

Office of Minority & Women’s Business Enterprises (OMWBE) (360) 753-9693 Website: [www.omwbe.wa.gov](http://www.omwbe.wa.gov)
See page 35 for additional information.

**WASHINGTON STATE OFFICE LOCATIONS**

<table>
<thead>
<tr>
<th>Office of the Secretary of State</th>
<th><a href="http://www.sos.wa.gov/corps">www.sos.wa.gov/corps</a></th>
</tr>
</thead>
<tbody>
<tr>
<td>Washington Dept. of Licensing, Master License Service</td>
<td>PO Box 44810, Olympia, WA 98504-4810</td>
</tr>
<tr>
<td>(360) 902-5799</td>
<td><a href="http://www.dol.wa.gov/forms/700028.html">www.dol.wa.gov/forms/700028.html</a></td>
</tr>
<tr>
<td>Dept. of Labor &amp; Industries - Questions</td>
<td>call (800) 753-6506</td>
</tr>
<tr>
<td>Colville</td>
<td>(800) 509-9174 / (509) 684-7417</td>
</tr>
<tr>
<td>Dept of Labor &amp; Industries</td>
<td>298 S Main St, Suite 203</td>
</tr>
<tr>
<td>Kennewick - Dept. of Labor &amp; Industries &amp; Employment Security</td>
<td>(800) 547-9411 or (509) 735-0100</td>
</tr>
<tr>
<td>Moses Lake</td>
<td>3001 W. Broadway</td>
</tr>
<tr>
<td>Dept of Labor &amp; Industries</td>
<td>(800) 574-2285 or (509) 764-6900</td>
</tr>
<tr>
<td>Okanogan (kiosk only)</td>
<td>Okanogan City Hall, 120 3rd Ave. N</td>
</tr>
<tr>
<td>Oroville (kiosk only)</td>
<td>Oroville City Hall, 1308 Ironwood</td>
</tr>
<tr>
<td>Pullman</td>
<td>1250 Bishop Blvd SE, Ste G</td>
</tr>
<tr>
<td>Dept of Labor &amp; Industries</td>
<td>(800) 509-0025 or (509) 334-5296</td>
</tr>
<tr>
<td>Richland</td>
<td>(509) 734-7526</td>
</tr>
<tr>
<td>Dept of Revenue</td>
<td>1637 Fowler St</td>
</tr>
<tr>
<td>Spokane</td>
<td>132 S Arthur, 2nd Floor, Rm E</td>
</tr>
<tr>
<td>Dept of Revenue, 1330 N Washington, Ste. 5600</td>
<td>(509) 327-0200</td>
</tr>
<tr>
<td>Dept of Labor &amp; Indut. 901 N. Monroe #100</td>
<td>(509) 324-2600</td>
</tr>
<tr>
<td>Employment Security Tax Office</td>
<td>(509) 532-3090</td>
</tr>
<tr>
<td>Walla Walla (kiosk only)</td>
<td>Port of Walla Walla, 310 A St</td>
</tr>
<tr>
<td>Wenatchee</td>
<td>Dept of Revenue 630 N. Chelan Ave, Ste B-3</td>
</tr>
<tr>
<td>(509) 663-9714</td>
<td></td>
</tr>
<tr>
<td>Dept of Labor &amp; Indut. 4310 W. 24th Ave.</td>
<td>(509) 735-0100</td>
</tr>
<tr>
<td>Employ. Security Department 215 Bridge St.</td>
<td>(509) 665-6605</td>
</tr>
<tr>
<td>Yakima</td>
<td>Dept of Revenue, 3703 River Rd #3 98902</td>
</tr>
<tr>
<td>(509) 454-5160</td>
<td></td>
</tr>
<tr>
<td>Dept of Labor &amp; Ind. 15 W. Yakima Ave, Ste100</td>
<td>(509) 454-3700</td>
</tr>
<tr>
<td>Employ. Security Dept. 306 Division St.</td>
<td>(509) 574-0105</td>
</tr>
<tr>
<td>Dept of Social &amp; Health Serv. (Day Care)</td>
<td>(509) 575-4265</td>
</tr>
</tbody>
</table>

Office of the Secretary of State [www.sos.wa.gov](http://www.sos.wa.gov)

Dolliver Bldg., 801 Capitol Way South
PO Box 40234, Olympia, WA 98504-0234

Corporations Division (360) 725-0377
Corporations, non-profits, limited partnerships, LLPs and LLCs must register with the Secretary of State’s office. Foreign or out-of-state corporations must apply for a Certificate of Authority to Do Business in Washington. (Applicants must also register with state tax authorities).

Charities Division [www.sos.wa.gov/charities](http://www.sos.wa.gov/charities) / (800) 332-4483
Organizations engaged in charitable solicitations or registration of a charitable trust must file with the Charities Division. Businesses employing one or more person should also register with the state taxing authorities. The Charitable Solicitations Act, RCW 19.9 applies to both charitable organizations and trusts and independent fund raisers.
Business Resources for the State of Idaho
Access to business tools, information, licenses and forms.  www.business.idaho.gov

Idaho Dept. of Commerce  http://commerce.idaho.gov/
PO Box 83720, Boise, ID 83720  (208) 334-2470
Idaho Commerce provides information on all Idaho Programs for Business, & publishes a “Starting a Business in ID” guide.

Registering Your Business
If a sole proprietorship or general partnership, you must record a "Certificate of Assumed Business Name" with the Secretary of State. If a corporation, you must file duplicate originals of the "Articles of Incorporation" with the Secretary of State to receive a "Certificate of Incorporation." Forms for partnerships, corporations, and LLCs are available online. For more information contact:
Secretary of State of ID - Comm. Div - Business Entities
PO Box 83720, Boise ID 83720-0080  www.sos.idaho.gov/corp/corindex.htm  (208)334-2301

Specialty Licenses
Idaho does not have a single statewide "business license." However, there are numerous state and federal agencies which regulate and license business activities. In complying with regulated business activities and licensing requirements, businesses are encouraged to contact:
Office of Attorney General - Business Regulation Division
210 Statehouse, Boise, ID 83720  (208) 334-2424

State Sales Tax  www.tax.idaho.gov
Idaho has a 6% sales and use tax on tangible personal property purchased, rented or consumed within the state. This tax also applies to admission, fees for recreation, fabrication, labor, motel or hotel accommodations, and catalog sales to Idaho residents. There is also an additional 2% sales tax for hotels, motels, and campgrounds, which is used to promote tourism. Businesses selling or consuming tangible personal property, or involved in recreation or entertainment must file an "Application for Idaho Permit Based Taxes" (Form TCA) with the Idaho State Tax Commission. This will result in the issuing of a "Sellers Permit Number" with directions for the collection and periodic payment of Idaho Sales and Use Tax. For more information contact your local Idaho State Tax Commission or call (208)334-7660 or (800) 972-7660.

Coeur d'Alene Area:
Idaho State Tax Commission  (208) 769-1500
1910 Northwest Blvd., Suite 100, Coeur d'Alene, ID 83814

Idaho Dept. of Labor  http://labor.idaho.gov
317 W. Main Street, Boise, ID 83735  (208) 332-3570
Look no further if you want to search for employees, register a new business, download free labor posters, or access labor market information.

Employer Requirements
There are several requirements that must be addressed by businesses which have employees. Specifically, they must pay employment taxes, acquire worker’s compensation insurance, and follow labor regulations.

Employment Taxes
A business with employees must apply for a Federal (EIN) Number, using form SS-4, available from the IRS (see Federal Registration). After applying the business will receive a Federal Tax Deposit Coupon Book (Form 8109). These coupons are used when the business makes deposits of deducted employee personal income tax payments, joint employee/employer social security tax, Medicare payments, and employer payments for Federal Unemployment tax.

Idaho Employee Income Tax
Idaho requires that each employer file a W-4 form for each employee and obtain a social security number so that state personal income tax can be deducted from paychecks. To complete this process, employees must obtain a “State Withholding Permit” by filing an "Application for Idaho Permit Based Taxes" (Form TCA) with your local Idaho State Tax Commission.

Idaho Unemployment Tax
Idaho businesses with employees are required to pay an unemployment tax. Employers file with an "Unemployment Insurance Status Report" (Form I-71-1) to secure an employer account number and tax rate for the payment of unemployment tax through with Idaho Dept. of Labor. For more information contact your local Job Service Office, or the state Idaho Dept. of Labor office. Phone: (208) 332-3570

Idaho Worker’s Compensation
Most employers operating in Idaho are required to carry worker’s compensation insurance. A business can insure [with one of almost 300 private carriers in the state or with the Idaho State Insurance Fund. For more information:
Idaho Industrial Commission  www.iic.idaho.gov
700 S. Clearwater Lane,  Phone: (208) 334-6000
PO Box 83720, Boise, ID 83720-0041

City and County Regulations
Businesses are encouraged to investigate regulations, permits, and licenses required by the cities and counties where they will locate or operate.

City clerk’s office listings:
www.idahobizhelp.org/regional/City_Clerks.htm

County website listings: go to The ID Assoc. of Counties at: www.idcounties.org/ and click on “counties.”

Idaho Small Business Solutions™ at www.idahobizhelp.org streamlines the licensing process and helps you find business assistance. Use the small business wizard to develop a customized checklist of some of the most important local, state, and federal regulations affecting your business.
Federal Regulations Governing Your Business

Your small business must comply with the numerous local, state and federal regulations. Avoid the temptation to ignore regulatory details. Doing so may avert some red tape in the short term, but could be an obstacle as your business grows.

Most businesses in Idaho and Washington obtain one or more licenses or permits from local, state and federal agencies. The licenses or permits required will be determined by your type of business, its organizational structure, and location.

U.S. Dept of Labor, Wage and Hour Division  www.dol.gov
Regulates working conditions, wages, and payment practices.
(866) 487-2365

Occupational Safety & Health Administration—(OSHA)
U.S. Dept. of Labor  www.osha.gov  (800) 321-6742
OSHA’s mission is to save lives, prevent injuries and protect the health of America’s workers. It establishes and enforces protective standards, and reaches out to employers and employees through technical assistance and free consultations to businesses that want to establish safety and health programs.

Region X OSHA-Training Institute
https://osha washington.edu/
The only OSHA Training Facility in the Pacific NW. Experienced OSHA-approved instructors present up-to-date federal and state safety and health regulations via high-quality, standards-based training throughout the region, and online! Classes are held in Anchorage, Boise, Portland, Seattle and Spokane.

IDAHO
OSHA - Boise Area Office  (208) 321-2960
1150 North Curtis Road, Suite 201, Boise, ID 83706
Safety & Health Consultation Program  (208) 426-3283
Boise St. Univ., 1910 University Dr, MS-1825, Boise, ID 83725
www.boisestate.edu/oschon/
E-mail: consultation@boisestate.edu

WASHINGTON
Washington operates its own occupational safety and health program under a plan approved by the U.S. Department of Labor.
WA Dept of Labor & Industries, Div. of Indust. Safety & Health
P.O. Box 44643, Olympia, Washington 98504
(360) 902-5800  (800) 48-SAFE  (800)-423-7233
E-mail: workshopsched@lni.wa.gov  www.lni.wa.gov/safety
The state has consultants throughout the state to help you.

U.S. Citizenship and Immigration Services (USCIS)
Formerly known as INS  www.uscis.gov
You must fill out an Immigration Form I-9 for each employee and keep it on file. Form I-9 can be downloaded from the Website at www.uscis.gov/i-9. (800) 375-5283
Spokane: (509) 353-0585  Tri-Cities: (509) 373-7223

U.S. Internal Revenue Service (IRS)
A new business owner must be aware of many Federal Tax obligations. The IRS has free publications, representatives to answer tax questions, and tax workshops to acquaint you with required registrations and tax obligations. The IRS free publication, “Tax Guide for Small Business” (Publication 334) and the IRS CD-ROM, “The Small Business Resource Guide” (Publication 3207) are good places to start. To order forms and publications: call (800) 829-3676, or from the Internet: www.irs.gov/businesses. The IRS Web site has a wealth of information & answers to frequently asked questions to view or print out.

SELF EMPLOYMENT TAX: Self-employment tax (SE Tax) is Social Security and Medicare tax primarily for individuals who work for themselves. If you have self-employment earnings of $400 or more, you are liable for paying self-employment tax and must attach a Schedule SE to your Form 1040 tax return. Social Security coverage provides retirement benefits, disability benefits, survivor benefits, and hospital insurance (Medicare) benefits.

EMPLOYER TAXES: If you have employees, you are required to withhold income tax, Social Security (FICA), be liable for the employer’s portion of Social Security taxes and pay unemployment tax, under certain circumstances. Nonpayment of federal taxes can result in audits, penalties, difficulties obtaining bank financing and business closure.

ESTIMATED TAX: If you have earnings from self-employment and/or other income upon which no withholding has been deducted, you need to make estimated tax payments every quarter in order to avoid penalties. For help, consult your business accountant or local IRS office.

INFORMATION RETURNS: If you pay an independent contractor more than $600 a year, issue payee statements by January 31st, and send Form 1099 and transmittal Form 1096 to the IRS by February 28th. If you pay employee wages, Form W-2 must be issued to your employees by January 31st, and W-2s must be sent to the IRS accompanied by transmittal Form W-3 by February 28th.

TAXPAYER ID/EMPLOYER IDENTIFICATION NUMBER (EIN):
You generally use your Social Security number as your taxpayer ID number, also known at your employer identification number (EIN). However, you must have an EIN if you (1) pay wages to one or more persons or (2) are liable for filing one or more persons or (2) are liable for filing tax returns, including those for alcohol, tobacco or firearms.

To get an EIN, fill out a Form SS-4, available at your local IRS office, from the IRS Web site at www.irs.gov, or by calling (866) 816-2065. If you need to apply for your 1st state UBI and EIN, the Dept of Revenue at 4407 N. Division, Suite 300 in Spokane can issue both at the same time. You can also fax your Form SS-4 to (215) 516-3990. If you ask for a reply by fax, you can get your EIN in about five workdays. Requests by mail usually take 5-6 weeks.

TAX QUESTIONS?
CALL: Call toll free (800) 829-1040 for general tax information.
The field assistance phone numbers are as follows: Spokane (509) 353-0508, Tri-Cities (509) 373-0705; and Yakima (509) 454-5675.

U.S. Social Security Administration
(800) 772-1213  www.ssa.gov
Nearly all employees, employers and self-employed persons are required to participate in the social security program. Employers are required to withhold a fixed percentage of employee wages, match each employee’s contribution and make periodic deposits to the IRS. Forms are available from the IRS. Self-employed persons must also make contributions.

U.S. Department of Transportation (USDOT)
(360) 705-7000  www.dot.gov
Businesses in the trucking industry must contact the USDOT to obtain their USDOT number and Federal Highway Operating Authority (ICC) number.
SELF-EMPLOYMENT TAX

Self-employment tax (SE Tax) is Social Security and Medicare tax primarily for individuals who work for themselves. If you have self-employment earnings of $400 or more, you are liable for paying self-employment tax and must attach a Schedule SE to your Form 1040 tax return. Social Security coverage provides retirement benefits, disability benefits, survivor benefits, and hospital insurance (Medicare) benefits.

You figure SE tax yourself using Schedule SE (Form 1040). Social Security and Medicare taxes of most wage earners are figured by their employers. Also you can deduct half of your SE tax in figuring your adjusted gross income. Wage earners cannot deduct social security and Medicare taxes.

Fiscal year filer. If you use a tax year other than the calendar year, you must use the tax rate and maximum earnings limit in effect at the beginning of your tax year. Even if the tax rate or maximum earnings limit changes during your tax year, continue to use the same rate and limit throughout your tax year.

How to Pay Self-Employment Tax. To pay SE tax, you must have a social security number (SSN) or an individual taxpayer identification number (ITIN).

• Obtaining a Social Security Number. If you never had an SSN, apply for one using Form SS-5, Application for a Social Security Card. You can get this form at any Social Security office or by calling (800) 772-1213. Download the forms at www.ssa.gov.

• Obtaining an Individual Taxpayer Identification Number. The IRS will issue you an ITIN if you are a nonresident or resident alien and you do not have and are not eligible to get an SSN. To apply for an ITIN, file Form W-7, Application for IRS Individual Taxpayer Identification Number.

Estimated Taxes. You must pay the tax as you earn or receive income during the year. You generally have to make estimated tax payments if you expect to owe tax, including SE tax, of $1,000 or more when you file your return. If you are a self-employed individual and do not have income tax withheld, you must make estimated tax payments.

Who Must Pay Self-Employment Tax? You must pay SE tax and file Schedule SE (Form 1040) if your net earnings from self-employment were $400 or more.

Your net earnings from self-employment are based on your earnings subject to SE tax. Most earnings from self-employment are subject to SE tax. Some earnings from employment (certain earnings that are not subject to social security and Medicare taxes) are subject to SE tax.

Note: The SE tax rules apply no matter how old you are and even if you are already receiving social Security or Medicare.

Are You Self-Employed?
• You are self-employed if any of the following apply to you:
  • You carry on a trade or business as a sole proprietor or an independent contractor.
  • You are a member of a partnership that carries on a trade or business.
  • You are otherwise in business for yourself.

Trade or business. A trade or business is generally an activity carried on for a livelihood or in good faith to make a profit. You do not need to actually make a profit to be in a trade or business as long as you have a profit motive and make ongoing efforts to further the interests of your business.

Part-time business. You do not have to carry on regular full-time business activities to be self-employed. Having a part-time business in addition to your regular job or business also may be self-employment.

Sole proprietor. You are a sole proprietor if you own an unincorporated business by yourself, in most cases. However, if you are the sole member of a domestic limited liability company (LLC), you are not a sole proprietor if you elect to treat the LLC as a corporation. For more information on this election and the tax treatment of a foreign LLC, see Form 8832, Entity Classification Election, www.irs.gov.

For additional information, go to: http://www.irs.gov/businesses/small/ or take the IRS’s Small Business/Self-Employed Virtual Small Business Tax Workshop: www.tax.gov/virtualworkshop.

ARE YOU RUNNING A BUSINESS OR ENGAGING IN A HOBBY?
Internal Revenue Service guidelines determine whether an activity is a business or a hobby, an activity not engaged in for profit. In order to make this determination, taxpayers should consider the following factors:
• Does the time and effort put into the activity indicate an intention to make a profit?
• Does the taxpayer depend on income from the activity?
• If there are losses, are they due to circumstances beyond the taxpayer’s control or did they occur in the start-up phase of the business?
• Has the taxpayer changed methods of operation to improve profitability?
• Does the taxpayer or his/her advisors have the knowledge needed to carry on the activity as a successful business?
• Has the taxpayer made a profit in similar activities in the past?
• Does the activity make a profit in some years?
• Can the taxpayer expect to make a profit in the future from the appreciation of assets used in the activity?

If an activity is not for profit, losses from that activity may not be used to offset other income. An activity produces a loss when related expenses exceed income. The limit on not-for-profit losses applies to individuals, partnerships, estates, trusts, and S corporations. It does not apply to corporations other than S corporations.

Further information is available in IRS Publication 535, Business Expenses at www.irs.gov

Self-employment Taxes/ Hobby or Business? 19
The SBA Branch Office in Spokane, Washington serves the eastern 20 counties in Washington and the 10 northern counties of Idaho, an area commonly referred to as the “Inland Northwest.” The area has a population of approximately two million, and approximately 50,000 businesses.

This office assists small business owners and prospective entrepreneurs through training, counseling and business-development programs.

SBA conducts free Business Loan Briefings at the Spokane Regional Business Center. Participants learn about different sources of funding, what lenders look for, and what resources are available to help prepare their loan application. General inquiries regarding SBA loan programs and business assistance, are fielded during Spokane SBA Business Loan Briefings (see pg 22).

Additionally, the SBA Training Room (same address) in Spokane hosts free or low-cost workshops for entrepreneurs on various topics related to starting, operating and growing successful businesses.

SBA resource partners – SCORE “Counselors to America’s Small Business,” and Small Business Development Centers (SBDC) – provide direct technical assistance services. Current and prospective small business owners can contact the SBA or its resource partners directly to take advantage of free and confidential expert business counseling and/or low-cost business management workshops. Spokane SCORE offers workshops and counseling at the Spokane Branch office. To schedule an appointment or register for a workshop go to www.scorespokane.org or call (509) 353-2821. For more information, Email: info@scorespokane.org.

With over 90 percent of Washington and Idaho businesses being classified as small, the SBA financial and business development services are of vital importance to the region.

Directions:
From 1-90 or From the South:
Take Lincoln north 5 lights past freeway. Turn right on Riverside, the Federal Post Office is on the northwest corner. Go 1 block. The SRBC is at the corner of Post and Riverside, on the south (right) side of the street.

From north Monroe:
Turn left on Riverside, which is 1 block after you cross the Monroe Street bridge. The SRBC is on the southwest corner of Post and Riverside.

From north Division:
After you cross the Division Street Bridge, follow the curve to the right, and turn left on Browne. Go 2 blocks south to Riverside, then turn right. The SRBC is on the southwest corner of Post and Riverside 1 block west of the Bus Plaza.

Easiest and least expensive route: Take the bus! The SBA and SCORE office is located 1 block west of the Bus Plaza, at the southwest corner of Post and Riverside.
SBA was created as a federal agency in 1953 to aid, counsel, and protect the interests of small business concerns, to preserve free competitive enterprise, and to strengthen the overall economy of our Nation. SBA works collaboratively with resource partners to provide information, tools and assistance to entrepreneurs and small business owners.

SBA helps entrepreneurs access resources to start a business, and helps existing small companies not only survive but also strengthen their footing, and grow in a tough economy. Playing a major role in economic recovery, the core mission is accomplished thru “SBA’s Three Cs - Capital, Counseling, and Contracts.”

 CAPITAL
SBA finance programs play a central role in helping to stimulate the economy by boosting the availability of capital and building the confidence of both lenders and borrowers. SBA provides guarantees on term and revolving line-of-credit loans made by commercial lenders (banks/credit unions), certified development companies, and microloan lenders. Roughly 30% of SBA loans are made to start-up firms.

The SBA is a direct lender of disaster loans for homeowners, renters, and business owners.

For info on specific loan programs, see page 26, attend an SBA loan briefing, or email to ted.schinzel@sba.gov.

 COUNSELING
SBA resource partners generously share their expertise as trusted mentors for entrepreneurs and small business owners. They conduct low-cost workshops and provide free and confidential business guidance (by appointment).

SBA resource partners in eastern Washington state and north Idaho include:

- SCORE “Counselors to America’s Small Business”
- Small Business Development Centers (SBDC’s)
- Veteran Business Outreach Center (VBOC)

Locations and contacts on pages 4 and 5. Locations and contacts on page 36 Regional resource for veterans. 35

Additional guidance and access to training resources are provided online by SBA at www.sba.gov. For more info on SBA Spokane Branch counseling and training resources, email to patricia.jordan@sba.gov.

 CONTRACTING
Federal goals are that 23% of overall contracts to buy or receive products and services to go to small businesses, with smaller set-aside goals for firms owned by women, minorities, veterans, service-disabled veterans & others.

Procurement Technical Assistance Centers (PTACs) train and assist companies seeking government contracts. PTACs help firms register in the Central Contractors Registry (CCR) - a national database used by federal contract managers and prime contractors to find prospective vendors/contractors. Registration in CCR is required prior to the award of a federal contract, order, or purchase agreement.

There is a self-certification process for small businesses based on established size standards; for disadvantaged businesses; and for firms owned and actively managed by women, minorities, veterans or persons with disabilities.

SBA certifies companies in the 8(a) Business Development and HUBZone programs. For government contracting program info within the SBA Spokane Branch area, see page 33 or email to sharon.pataky@sba.gov.
Attend an SBA Business Loan Briefing to Learn:
What Lenders look for in a credit application;
What resources and financing programs are available; and
What to do and where to go next.

Depending on the amount of money you need, your personal circumstances, and where you reside, there are several options for people looking for a small business loan. There are special loan programs for small businesses in Idaho and Washington. There are also special programs for fixed-asset financing. Go to an SBA Loan Briefing to get information needed to pursue funding for your business!

Schedule a follow-up appointment with a SCORE counselor to review your loan proposal or business plan.

**Go VIRTUAL if you cannot attend a loan briefing in person.**

Use your home or office phone to hear the presenter and your computer to view the PowerPoint Presentation. ReadyTalk enables SBA to offer this easy and no-cost option.

SBA ReadyTalk participation instructions for virtual attendees on loan briefing days:

On the phone:
- Dial toll-free to (866) 740-1260 by noon to join by conference call.
- When prompted, enter Participant Login Access Code of 3109402

On the computer:
- Type the same Participant Login Access Code of 3109402 in the box on the left.
- Fill in a simple participant registration form to join the live session and view the PowerPoint Presentation

*Note - SBA Loan Briefings held in Seattle on the 2nd & 4th Thursdays each month can also be accessed by ReadyTalk using the same directions listed above.
**FREQUENTLY ASKED LOAN QUESTIONS**

**Do you need to be declined by two banks before applying an SBA loan guaranty?**
NO!! On the contrary, you need a bank willing to make the loan. You deal with your bank; they will deal with SBA. If your loan is approved, the loan is funded by the bank and the SBA guarantees a certain percentage based on the loan amount.

**Does the SBA provide grants to small businesses that don’t need to be repaid?**
No. The SBA does not provide grants to start or expand small businesses. SBA guarantees business loans written by the banks. The bank loans the money and in turn receives payment from the borrower each month. The SBA is a silent partner on the loan: If the borrower defaults, SBA purchases a portion of the loan balance, reducing the risk for the bank. However, the amount owed by the business does not change.

**Where can I find information on GRANTS?**
For information on grants available through a variety of Federal, state and local organizations, go to: [www.grants.gov](http://www.grants.gov). The WA State SBDC provides helpful tips about GRANTS on their website: [www.wsbdc.org/grants](http://www.wsbdc.org/grants).

**Does my business qualify for SBA assistance?**
To be eligible, a business must be small per SBA Size Standards. ([See page 31](#))—approximately 98% of businesses are small by size; the business cannot be a non-profit (except employee stock ownership programs); and it cannot be engaged in speculation, lending, investment or rental real estate. Loan funds cannot be used to pay creditors who are inadequately secured. An SBA loan cannot be used if funds are otherwise available (i.e. directly from the lender or from personal assets without hardship to the owners.

**What do I need to do to increase my chances of getting an SBA loan?**
Research and develop a business plan that includes realistic financial projections and an estimate of anticipated earnings. A well-planned and organized presentation will be an important factor in the review of your loan request.

**How much money do I need to put in the business as equity to qualify for an SBA loan?**
For a new business, expect to provide approximately 20 to 30 percent of the total required starting capital. For established firms, the ratio of total debt to net worth after the loan is made should be approximately 4:1 or better.

**How long will it take to get my loan?**
The longest part of the process is getting the documentation together. Once that is done, the lender approves the loan internally, it usually takes SBA 1-5 days to approve a loan.

**Where can I get the loan application?**
Application forms vary depending on the lender and the type of financing used. If the lender determines that an SBA guarantee is required, they will provide you with the forms.

**What is the interest rate on an SBA loan?**
You negotiate the interest rate with your lender subject to SBA maximums. Rates can be fixed or variable, at the lender’s discretion.

**What if I don’t have much collateral?**
When a loan guaranty is approved, SBA expects all available company assets to be offered as collateral. If company assets are insufficient to fully secure the loan, liens on personal assets may be required. Often, this means a second on the family home; however, if adequate collateral simply is not available, this fact alone will not cause SBA to decline an otherwise qualified loan.

**If the SBA doesn’t guarantee my loan what other options do I have?**
If your loan application is denied, don’t give up. There may be other financial resources better suited for your needs. ([Check page 29](#)). There are other companies that use different evaluative techniques and loan money at a slightly higher interest rate than a traditional bank loan. In addition, some states, counties and cities commonly work with local banks to provide financial support to small businesses as part of their economic development programs. Ask your banker to help you explore the options.

Still not sure what is available in your area or where to apply?
The good news is that most of these other lenders require the same kinds of information and documentation. So it’s a good idea to gather what you’ll need before you even start the application process. Here are the typical items required for any small business loan application:

**Loan Application Form** - Forms vary by program and lending institution, but they all ask for the same information. You should be prepared to answer the following questions. It’s a good idea to have this information prepared before you fill out the application:

- Why are you applying for this loan?
- How will the loan proceeds be used?
- What assets need to be purchased, and who are your suppliers?
- What other business debt do you have, and who are your creditors?
- Who are the members of your management team?
- Personal Background

Either as part of the loan application or as a separate document, you will likely need to provide some personal background information, including previous addresses, names used, criminal record, educational background, etc.

**Resumes** - Include evidence of management or business experience, particularly for loans to a new business.

**Business Plan** - All loan programs require a sound business plan to be submitted with the loan application. Include a complete set of projected financial statements, including profit and loss, cash flow and balance sheet. See pages 8 and 36 for more resources on business planning.

**Personal Credit Report** - Your lender will obtain your personal credit report as part of the application process. Prepare by obtaining a credit report from all three major consumer credit rating agencies to discover inaccuracies and blemishes that can hurt your chances of getting a loan approved. Try to clear these up before beginning the application process. (See page 48 to see how your Credit Score affects your ability to get financing.)

**Business Credit Report** - If you are already in business, you should be prepared to submit a credit report for your business. Review your business’ credit report before beginning the application process.

**Financial Statements** - See list at right for financial statement requirements for new and existing businesses.

**Legal Documents** - Depending on a loan’s specific requirements, your lender may require you to submit one or more legal documents. Make sure you have the following items in order, if applicable:

- Business licenses and registrations required for you to conduct business
- Articles of Incorporation
- Copies of contracts you have with any third parties
- Franchise agreements
- Commercial leases
- Sales Agreement (if loan involves purchase of a business)
APPLYING FOR A LOAN: 
WHAT LENDERS EXPECT TO SEE

For An Established Business

1. Current balance sheet listing all assets and liabilities of the business. (Do not include personal items)
2. Income (profit & loss) statements for the past three full years, and current income statement, the same date as the balance sheet, within 90 days of application.
3. Aging of accounts receivable and payable, the same date as your current business financials.
4. Month-by-month projection of revenues, expenses and profits for the next twelve months. Also do a companion cash flow projection for the same period. Explain your major assumptions in an accompanying narrative.
5. Prepare a current personal financial statement for each owner, partner, or stockholder owning at least 20% of the business.
6. List the collateral to be offered as security for the loan, with estimates of the market value of each item.
7. Take this material to your lender. If the lender wants an SBA guaranty for your loan, they will send your loan package to us. You deal with the lender; the lender deals with SBA.

For a New Business

1. Describe in detail the type of business to be established.
2. Describe your experience and management credentials.
3. Prepare a detailed estimate of how much capital will be needed to start. State how much you have and how much you will need to borrow.
4. Prepare a current personal financial statement, listing all personal assets and liabilities.
5. Prepare a month-by-month projection of revenues, expenses and profit for the first twelve months. Also do a companion cash flow projection for the same period. Explain your major assumptions in an accompanying narrative.
6. List the collateral to be offered as security for the loan, with estimates of the market value of each item.
7. Take this material to your lender. If the lender wants an SBA guaranty for your loan, they will send your business plan and application to SBA. You deal with the lender; the lender deals with SBA.

Keeping good records is essential for running a successful business, but even more critical when applying for a loan. Make sure required documents are orderly and accurate. All information you provide will be verified by your lender and the organization guaranteeing the loan. False or misleading information will result in your loan being denied. Finally, make sure you keep personal copies of all loan packages.

Remember — You may never meet the person who makes the final decision on your loan request, so it is important that you detail in writing what you want the Lender to know about you and your company.

REALITY CHECK

A business plan by itself is not enough to get a loan. Your projections must be realistic and attainable. You must invest some of your own money.
SBA helps small businesses obtain needed credit by giving the government’s guaranty on loans made by commercial lenders. Most commercial banks in Eastern Washington and Northern Idaho, and some non-bank commercial lenders participate in this program. Certain commercial lenders have earned certified or preferred status with SBA. This allows them to do an SBA loan with less paperwork and a faster turnaround time.

Business start-ups as well as established small businesses are eligible. Loans can be used for any legitimate business purpose, including working capital, machinery, equipment, furniture and fixtures, leasehold improvements, building acquisition or construction, and in some circumstances debt consolidation. Approximately 30% of loan guarantees are to finance new business start-ups.

SBA Guaranty loans come in many forms. Your banker and an SBA loan officer will confer on which one best fits your needs. In general, they are:

**7(a) Guaranty** - This is the “regular” SBA Guaranty loan. A term loan, repaid in monthly installments. Most often used for loans in the $100,000 to $5 Million range. Usually has a term of 5 to 10 years (up to 25 years if used for real estate). Specific types of loans within the general 7(a) Guaranty Program include:

- **SBAExpress ([www.sba.gov/content/express-programs](http://www.sba.gov/content/express-programs))**
  SBAExpress is available from participating SBA Preferred Lenders for loans up to $1,000,000. These lenders use mostly their own forms, analyses and procedures to process, service and liquidate SBAExpress loans. The SBA guarantees up to 50% of an SBAExpress loan. Unlike standard SBA loans, with SBAExpress, lenders may approve unsecured lines of credit up to $25,000.

- **Patriot Express ([www.sba.gov/content/express-programs](http://www.sba.gov/content/express-programs))**
  Can be used for loans up to $500,000 for start-up, expansion, equipment purchases, working capital, inventory, business-occupied real estate purchases, preparing a business for the possibility of your deployment and setting up to sell goods and services to the government. The SBA guarantees up to 85% depending on the amount borrowed from the lender. Lenders use mostly their own forms, analyses and procedures. Updated lists of Patriot Express lenders are available from local SBA offices. Eligible military community members include:
  - Veterans and Service-disabled veterans
  - Active-duty service members eligible for the military’s Transition Assistance Program
  - Reservists and National Guard members
  - Current spouses of any of the above

- **Advantage Loan Initiative ([www.sba.gov/advantage](http://www.sba.gov/advantage))**
  Provides loans up to $250,000 with a 2 page SBA application. Borrowers still need to provide financial statements and supporting information. Community Advantage (eff. 3/15/11) adds new mission-focused lenders to sources of funding. As the program ramps up, participating lenders will be listed on the SBA state website ([www.sba.gov/wa](http://www.sba.gov/wa)).

- **Export Express ([www.sba.gov/content/export-loan-programs](http://www.sba.gov/content/export-loan-programs))**
  Financing is available for manufacturers, wholesalers, export trading companies and service exporters. Loan applicants must demonstrate that the loan proceeds will enable them to enter a new export market or expand an existing export market. Applicants must have been in business, even if not in exporting, for at least 12 months.
  For loans up to $500,000, Lenders can get a 90% guaranty on loans up to $350,000 and 75% for loans over that amount. Borrowers can use different SBA loan programs and types of loan guarantees simultaneously, as long as the total SBA-guaranteed portion does not exceed the $5,000,000 statutory loan guaranty limit to any one borrower. Call the SBA Export Trade Finance Officer located at the U.S. Export Assistance Center, (206) 553-0051, ext. 228, or e-mail pru.balatero@sba.gov.

- **Idaho Prime Loan Program** ([http://sto.idaho.gov/Programs/IdahoPrime.aspx](http://sto.idaho.gov/Programs/IdahoPrime.aspx))
  This loan program is available only to businesses located in Idaho. Maximum loan is $750,000. The interest rate is prime, adjusted every calendar quarter. Maximum maturity is 10 years.
27

504 Fixed Asset /Certified Development Co. Loans (CDC)
Finances fixed assets for small firms and plays a key role in creating and retaining jobs. Loans require participation of a bank, SBA and a CDC. SBA does not guaranty the bank’s loan. The bank makes a first mortgage loan for about 50% of the project cost. The borrower is expected to come up with at least 10% although start-up businesses and single-purpose structures (i.e. car wash) may require up to 20% from the borrower. The remaining 30-40% is raised by sale of SBA-backed debentures issued by the CDC. Most 504 projects are in the $200,000 to $5.5 Million range. For more information, go to: www.sba.gov/content/cdc504-loan-program. Contact information for CDCs serving this area is on page 28.

MicroLoans (www.sba.gov/content/microloan-program)
SBA’s MicroLoan program helps finance economic development with loans of up to $50,000 to new entrepreneurs without access to conventional credit markets. Under the program, SBA selects community-based non-profit organizations with lending experience to receive loans from SBA of up to $750,000 to create the revolving loan fund. From this fund, the non-profit organization makes smaller loans to small companies. For more information on the MicroLoans available in Eastern Washington and Northern Idaho see page 28.

Disaster Loans - The only direct loan available through the SBA!
SBA is the primary government lender for victims of natural and other physical, federally declared disasters, including hurricanes, floods, earthquakes and civil disturbances. Direct, low-interest SBA loans make recovery affordable for homeowners, renters and small or large businesses when disaster damages exceed insurance coverage. Adversely impacted small businesses are encouraged to use free SBDC services for help in getting their businesses back on track and to prepare documentation required for an SBA disaster loan.
Call the Sacramento SBA Disaster Office at (800) 488-5323 for an application, or for more information on the disaster program, go to www.sba.gov/content/current-disaster-declarations

GENERAL CREDIT REQUIREMENTS

SBA uses much the same credit criteria as any private lender. Four primary tests of creditworthiness are:

1) Repayment Ability: You must show that you can meet business expenses, owner’s draw, and loan payments from the earnings of the business. This is usually demonstrated through historical performance and/or thoroughly documented cash flow projection.

2) Management: You must show ability to operate the business successfully. For a start-up, you should have experience in the type of business you propose to start, as well as significant work experience at a management level.

3) Equity: The owners must have enough of their own capital at stake in the business:
   For a New Business (or when buying a business) you should have approximately one dollar of cash or business assets for each three dollars of loan or more.
   For an Established Firm, the after-the-loan business balance sheet should show no more than four dollars of total debt for each dollar of net worth (i.e., a 4:1 Debt/Equity ratio) although this may vary by industry.

   The Definition of Equity: Pledging of non-business assets (often a second mortgage on your personal residence) may be required for collateral. However, this should not be confused with equity in the sense it is used here. As used here, equity is the owner’s net investment in the business.

4) Credit History: Your personal and company credit histories will be reviewed. Prudent Lenders prefer applicants who have a history of meeting their obligations. If your credit record has blemishes, but there are extenuating circumstances, you will want to explain fully.

Financing For Your Company: SBA’s Loan Guaranty Program
SBA CERTIFIED LENDING COMPANIES

Ameritrust Certified Development Co.  
www.ameritrustcdc.com  (206) 402-3971  
SBA 504 fixed asset financing in WA state.

Evergreen Business Capital  
www.evergreen504.com  (800) 878-6613  
Central WA  (509) 829-5314  
Eastern WA  (509) 468-2932  
SBA 504 Fixed Asset Financing and Rural Loans in Central Washington for up to $250,000.

Northwest Business Development Association  
www.nwbusines.org  (208) 772-0584  
Spokane  (509) 458-8555  
Yakima  (509) 575-1440  
SBA 504 Fixed Asset Financing and other business loans.

Panhandle Area Council (PAC)  
www.pacni.org  (208) 537-3539  
SBA 504 Fixed Asset Financing in Boundary, Bonner, Kootenai, Shoshone, and Benewah counties in ID.

MICROLOAN LENDERS

Community Capital Development (CCD)  
info@seattleccd.com  (877) 537-3539  
www.seattleccd.com/drupal/  
Provides loans from $2,500 to $250,000 to small businesses that qualify, graduate from Business Review or Entrepreneurial Training Workshops, complete a business plan and loan package. In Eastern WA, CCD covers Adams, Chelan, Douglas, Ferry, Grant, Lincoln, Kittitas, Klickitat, Okanogan, Pend Oreille, Stevens & Yakima Co.

Washington Cash  
www.washingtoncash.org  (206) 352-1945  
Provides self-employment training and lending to low-income women, people with disabilities, new immigrants and others. In Eastern WA offers SBA MicroLoan services in Ferry & Kitsap counties.

Panhandle Area Council  
www.pacni.org  (208) 772-0584  
Email: paulferg@pacni.org  
Offers SBA MicroLoan Program in the 5 northern counties of Idaho, Revolving loan fund and USDA loans.

Clearwater Econ. Development Assoc. (CEDA)  
www.clearwater-eda.org/  (208) 746-0015  
1626 6th Avenue, Lewiston, ID 83501  Loans from $2,500 to $150,000 and technical assistance in Clearwater, Idaho, Latah, Lewis and Nez Perce counties where conventional financing is unavailable.

AHANA - African American, Hispanic, Asian & Native American Business Association  
www.ahana.org  25 W. Main, Ste 300, Spokane WA 99201  (509) 209-2634  
Email: bcabildo@ahana.org  Loans up to $15,000 for working capital, expansion and/or start-ups at prime plus 2.25% fixed term. Need viable business plan.

SNAP Financial Access  
www.snapassets.org  212 S. Wall St., Spokane, WA 99201  (509) 457-7174  
Small business development programs to assist moderate to low income persons from Spokane County in starting or expanding a business. Free technical assistance provided, as well as business plan training. Loans from $500 to $50,000.

Spokane Neighborhood Economic Dev Alliance (SNEDA)  
715 E. Sprague Ave., Spokane, WA 99202  (509) 444-7633  
In specific areas of the City of Spokane, offers loans of $5,000 to $50,000, risk-based interest (10-17%). For info, contact Thomas R. Speight.

Tri-Cities Enterprise Center (TEC)  
(3 locations)  
2000 Logston Blvd, Richland 99352  (509) 375-3268 ext 112  
Email: info@enterprisecenter.net  
SBA MicroLoan Lender for Benton and Franklin Counties. Loans between $500 and $35,000. Training is required.

Tri-County Economic Development District (TEDD)  
986 South Main St. Ste. A, Colville, WA 99114  
www.teddondline.com  ruralloans@plex.com  
(509) 684-4571 or  (800) 776-7318  
Provides rural and revolving loans (up to $250,000) and Microloans in Adams, Asotin, Ferry, Garfield, Grant, Lincoln, Pend Oreille, Stevens, Whitman, and rural Spokane County.

Rural Community Development Resources (RCDR)  
24 S. 3rd Ave., Yakima, WA 98902  (509) 453-5133  
E-mail: rcdr@charter.net  
Provides business assistance, training, and microloan programs from $2,000 to $35,000 in the greater Yakima area for equipment, inventory, working capital, franchise purchases and/or cash flow restructuring.

Child Care Micro-loan Fund — in Eastern Washington  
Loans up to $5000 to licensed family child care homes and $25,000 to centers. Funds assist with start-up facility costs, health and safety improvements, minor renovations of licensed child care businesses, and operational equipment acquisition. Loan applicants receive up to 30 hours of free technical assistance and business training.

Ferry, Lincoln, Pend Oreille, Spokane Stevens, & Whitman counties call Family Care Resources at (509) 209-2613

Alternative Financing

Washington State Dept. of Commerce
www.choosewashington.com/business/financing

WA State Regional Finance Specialists help entrepreneurs obtain financing for start-up and expansion projects. Staff reviews business project proposals, determines financing alternatives, packages applications, and presents projects to appropriate lending authorities. Priority projects create employment opportunities in distressed and timber-impacted areas of the state, and/or support development of minority & women-owned business.

Reg. #4—Adams, Asotin, Columbia, Ferry, Garfield, Grant, Lincoln, Pend Oreille, Spokane, Stevens, Walla Walla & Whitman Counties:
Terry Lawhead terry.lawhead@commerce.wa.gov
(509) 990-2416

Reg. #3—Benton, Chelan, Douglas, Franklin, Kittitas, Klickitat, Okanogan, & Yakima Counties:
Kenny Spain kenny.spain@commerce.wa.gov
(509) 393-6373

Business Develop. Managing Director:
Mary Trimarco mary.trimarco@commerce.wa.gov
(206) 256-6146

Benton Franklin Council of Governments
(509) 943-9185
PO Box 217, Richland, WA 99352

Nontraditional loan funds for gap financing in manufacturing, value-added processing, service & retail. For businesses in Benton, Franklin and Walla Walla counties.

HAEIFC Private Business Loans
loans@haeific.com
www.hanfordfund.com/business-loans
(509) 539-6509

Benton/Franklin County revolving loan fund. The project must create jobs in Benton and Franklin Counties. Loans $150,000+

Cascadia Revolving Fund
Email: info@cascadiafund.org
www.cascadiafund.org/generalinfo.html
1901 NW Market St, Seattle, WA 98107
(206) 447-9226

Provides loans and technical support to small businesses in WA that are in distressed areas (i.e. rural, timber-dependent), child care, or where owners are low/moderate income, minorities, or women. Loan amounts vary by program -$500 - $500,000.

Evergreen Business Capital Rural Loan Fund
402 E. Yakima Ave, Ste 440, Yakima, WA 98901
(509) 574-3130
www.evergreen504.com

Loans for rural businesses in Kittitas, Klickitat & Yakima counties in WA. Amounts from $10,000 - $250,000.

NW Native Development Fund (see p. 35) www.thenndf.org
Serves Colville, Spokane and Kalispell Indian Reservations.

North Central Washington Business Loan Fund
PO Box 3032, Chelan, WA 98816
(509) 860-4330
E-mail: nclwfloanfund@wni.net www.nclwfloanfund.org/

Offers loans from $5,000 to $150,000 for start-up and expanding businesses requiring real estate, equipment or working capital (including inventory) in Chelan, Douglas & Okanogan counties and the Colville Indian Reservation.

Quest Revolving Loan Fund gbuckrfl@wenatchee.org
300 S Columbia St., Wenatchee, WA 98801
(509) 663-5711

Covers Chelan and Douglas Counties. Provides gap financing to existing businesses to meet fixed asset or working capital demand. Priority is given to manufacturing, value-added projects, new markets for agricultural products, economic diversification, and growth potential to meet economic or community needs. Loan size: $5,000—$100,000.

SIRTI Technology Growth Fund (509) 358-2000
665 N. Riverpoint Blvd, Spokane, WA 99202 www.sirti.org
$5,000-$500,000 loans in ten Eastern Co. in WA and five northern counties in ID. Need high potential for success, business plan and capable management team.

U.S. Dept. of Agriculture Business & Industry Loans
For commercial financing of rural businesses and job creation. (See page 38.)

U.S. Dept. of Interior Loan Guaranty Fund www.bia.gov
LoanGuaranty@bia.gov Chandler Allen, (202) 208-7166
For Native Americans - Loans can be to individuals (up to $500,000) or tribal-owned entities (to $12 million). See page 33.

U.S. Department of Transportation
www.osdbu.dot.gov/financial/stlp.cfm
400 Seventh St. SW Room 9410, Washington, DC 20590
(800) 532-1169
The Short Term Lending Program provides working-capital lines of credit of up to $500,000 to disadvantaged business enterprises (DBE) which hold or are in the process of obtaining a transportation related contract. Must be DBE certified or a certified SBA 8(a) contractor.

Washington State Linked Deposit Program
Decreases interest rates up to 2% on small business loans for qualified businesses. Loan limit $1 million per loan, 10 year maximum term. See participating bank list online. Commercial financing for lines of credit, accounts receivables, working capital, equipment purchases, and real property acquisition.

- WDVA Veterans Linked Deposit Program
www.dva.wa.gov/financing/ldp/communications@dva.wa.gov (800) 562-1064

- OMWBE Linked Deposit Program
www.omwbe.wa.gov/financing/ldp/communications@dva.wa.gov (866) 208-1064
Businesses must be certified as Minority or Woman-Owned by OMWBE to participate. For information on certification go to: www.omwbe.wa.gov/certification.
**Venture Capital, Angels & SBICs:**

**Venture Capital**

Venture capital is a type of equity financing that addresses the funding needs of entrepreneurial companies that for reasons of size, assets, and stage of development cannot seek capital from more traditional sources, such as public markets and banks. Venture capital investments are generally made as cash in exchange for shares and an active role in the invested company.

Venture capital differs from traditional financing sources in that venture capital typically:

- Focuses on young, high-growth companies;
- Invests equity capital, rather than debt;
- Takes higher risks in exchange for potential higher returns;
- Has a longer investment horizon than traditional financing;
- Actively monitors portfolio companies via board participation, strategic marketing, governance, and capital structure.

**Angel Investors** - What is an “angel?”

Angel investors are accredited individuals who invest their own money in (usually) early-stage companies in return for equity in the company. In addition to providing needed seed funding, an angel may also take an active role in guiding the entrepreneur, advising the company, taking a seat on the company’s board, or even joining the company as an executive. An active and effective angel group is a vital component of a thriving, innovative economy.

Spokane Angel Alliance info@connectnw.org/ 601 W. Riverside Ave. Ste 1410, Spokane, WA 99201. www.connectnw.org (509) 358-2114 (see below 1st)
The Spokane Angel Alliance is an organization of individual accredited investors and corporate members in the Inland NW.

How do you get angel investment capital for your business?

First, determine whether your company is an appropriate candidate for angel investment (the majority of small businesses are not). In general, an angel deal will be a business with an innovative product, a scalable business model, and potential for a high return on investment. Next, ask yourself: “do I really want angel investors?” Remember that you are selling part of your company, giving up a percentage of control and potential profit. If the answer is yes, call Connect NW at (509) 358-2114.

**Small Business Investment Co. (SBIC)**

The SBIC Program fills the gap between the availability of venture capital and the needs of small businesses that are growing rapidly. Licensed and regulated by the SBA, SBICs are privately owned and managed investment firms that make capital available to small businesses through investments or loans. SBIC’s are: high risk venture capital, and may charge higher interest rates than other sources of financing. For more information on SBICs, go to:

http://www.sba.gov/content/sbic-program-0

**SBA Size Standards**

SBA regulations define what is considered a “small” business concern for purposes of obtaining financial, managerial and government contract procurement assistance. Under the size criteria, one set of standards for each industry applies to all SBA financial & government contract procurement programs.

Each North American Industry Classification System (NAICS) Code has a specific industry size standard. For complete rules, see Code of Federal Regulations, Chapter 13 Part 121. Available at the Public Library.

NAICS lists a greater number of advanced technology and service industries than the SIC system. You can find the complete size standards at www.sba.gov/size, or the U.S. Bureau of Census at: www.census.gov/eos/www/naics.

Outlined below are general size standards. There are many exceptions within the general industry categories. Access the Web sites referenced above to check your specific industry.

Can’t find your industry? Email questions to sizestandards@sba.gov or call (202) 205-6618

**SBA Size Standards**

**AGRICULTURE:** Crops and livestock (except beef cattle feedlots and chicken egg farms) - 3 fiscal year average annual receipts do not exceed $750,000.

**CONSTRUCTION:** General construction size standard is $31,000,000 average annual receipts for the past three fiscal years. Size standard for many specialty contractors is $13,000,000 average annual receipts for the past 3 fiscal years.

**TRANSPORTATION:** Considered small if average annual receipts for the past 3 fiscal years do not exceed specified amounts per www.sba.gov/size that range between $6.5 million and $30 million.

**MANUFACTURING:** A business primarily engaged in manufacturing is considered small if its average number of employees does not exceed 500 over the preceding completed 12 calendar months (some exceptions up to 1,500 employees).

**SERVICE:** A concern primarily engaged in a service industry is considered small if its average annual receipts do not exceed $6,500,000 for the past three fiscal years.

**RETAIL:** In most industry classifications, a retail concern is considered a small business if its average annual receipts do not exceed $6,500,000 for the past 3 fiscal years.

**WHOLESALE:** A concern primarily engaged in wholesaling is considered small if its average number of employees does not exceed 100 over the preceding completed 12 calendar months.

Under the 504 Program, the business qualifies as small if it does not have a tangible net worth in excess of $7.5 million and does not have an average net income in excess of $2.5 million after taxes for the preceding two years.

**Alternate Size Standards:** The Small Business Jobs Act expanded the number of businesses eligible for SBA loans by increasing the alternate size standard to those with less than $15 million in net worth & $5 million in average net income.
PROCUREMENT/GOVERNMENT CONTRACTING

DoD’s Ctrl. Contractor Registration (CCR)  [www.ccr.gov](http://www.ccr.gov)  (Dynamic Small Business Search)  CCR is a portal for entering and searching small business sources to assist with marketing small business good to the federal government. Need help? Call the CCR help desk toll free at [888) 227-2423](http://888) 227-2423 or your nearest PTAC. CCR registration is a MUST for SBA certification and any small business wishing to do business with the federal government.

Register on-line at [www.bpn.gov/ccr](http://www.bpn.gov/ccr).

- Available free of charge to small firms seeking federal, state or private- sector contracts
- Provides opportunity to create, view and update business profile
- Links firms to current procurement opportunities through electronic connection
- Creates a marketing tool to sell your product or service to both government and private sector
- Provides access to buyers looking for qualified vendors

Key Websites:

- **Acquisition Central**  [https://www.acquisition.gov](https://www.acquisition.gov)  Acquisition Central is here to help every member of the acquisition community by providing one website for all things acquisition. Learn about regulations, systems, resources, opportunities, and training.
- **Federal Business Opportunity**  [www.fedbizopp.gov](http://www.fedbizopp.gov)  Search over 18,000 federal business opportunities!
- **USA.gov - Government Web Portal**  [www.usa.gov](http://www.usa.gov)  USA.gov supplies direct on-line access to official federal, state, local and tribal government transactions, services and information.
- **Gateway for Women-Owned Businesses Selling to the Government**  [http://www.womenbiz.gov](http://www.womenbiz.gov)

GSA Advantage  [https://www.gsaadvantage.gov](https://www.gsaadvantage.gov)  (253) 931-7956  Toll-free: [866) 606-8220  General Services Administration –includes getting on the GSA Schedule to sell to all federal agencies, marketing to the government, and listing your products on GSA’s e-tools.


Procurement technical assistance and info about contract opportunities in Idaho for businesses wanting to sell to government agencies & large corps.

**Idaho Dept of Transportation / DBE Support Services**  3311 West State St, Boise, ID 83707-1129  [www.idt.idaho.gov/business/business.htm](http://www.idt.idaho.gov/business/business.htm)

The ID Disadvantaged Business Program (DBE) assists minority, women and disadvantaged business owners in developing and promoting their businesses in the highway construction industry.

WA State Office of Minority & Women’s Bsns Enterprise  (360) 753-9693  [www.omwbe.wa.gov](http://www.omwbe.wa.gov)

Info on Public Procurement Contracting and Affirmative Action.

Washington State Dept. of General Administration  (360) 902-7400  [www.ga.wa.gov/purchase](http://www.ga.wa.gov/purchase)

Take advantage of the numerous contracting opportunities available to agencies throughout Washington being offered by the State’s buyer of goods and services.

Procurement Technical Assistance Centers (PTACs) assist small businesses with marketing and selling products and services to federal, state and local governments.

- The PTACs can provide:
  - Computer Bid Match Service
  - Interpretation of Solicitations
  - Assistance with government registrations & certifications
  - Training and Seminars
  - Specification, Standards and Drawings
  - Marketing Assistance

**Eastern WA PTAC - Operated by Greater Spokane Inc.**  
PTAC Manager:  Leslie Miller,  (509) 321-3641  
801 W. Riverside Avenue, Suite 240, Spokane, WA 99201  
E-mail:  ptac@greaterspokane.org  
For more info, go to [www.greaterspokane.org/government-contracting.html](http://www.greaterspokane.org/government-contracting.html)

**E WA PTAC**  serves the following Washington counties:  Spokane, Adams, Asotin, Columbia, Ferry, Garfield, Lincoln, Pend Oreille, Stevens, Walla Walla & Whitman.

**Tri City PTAC**  — at Tri City Regl. Chamber of Commerce 7130 W. Grandridge Blvd, Suite C, Kennewick, WA 99336  
Serves Benton & Franklin Counties.  (509) 736-0510  
E-mail:  ashley.coronado@tricityregionalchamber.com

**Yakima PTAC**  - at Yakima County Dev Association  
PTAC Contact:  Tammy Everts  Email:  tammy@ycda.com  
Serving counties:  Benton, Franklin, Kittitas, Klickitat, Skamania, Walla Walla & Yakima,

**PTAC in Everett - Operated by Snohomish County EDC**  
PTAC Manager:  Kylene Binder  kbinder@snoedc.org  
Serves:  Chelan, Douglas, Grant, Kittitas, Klickitat, Okanogan and Yakima Counties.

**Native PTAC**  [www.nativeptac.org](http://www.nativeptac.org)  (206) 816-6596  
650 S. Orcas St., Suite 219, Seattle, WA 98108  
The Native American PTAC helps individual and tribally-owned Native firms to become more successful in contracting with federal, state and local govt.  [information@nativeptac.org](mailto:information@nativeptac.org)

For other PTACs in Washington, go to:  [www.washingtonptac.org/contactus.shtml](http://www.washingtonptac.org/contactus.shtml)

Natl. listing of PTACs:  [www.aptac-us.org/new/](http://www.aptac-us.org/new/)

For PTACs in ID, see ID Commerce & Labor listing above.
Government Contracting: Where Do I Start?

Use this checklist to help you prepare to bid on private and government procurement opportunities.

- **Get a computer and get on the Internet!** Even if you don’t have your own website, you must at least have an e-mail address to conduct business with the government.

- **Find your DUNS (Data Universal Numbering System) number.** Get this number by calling Dun & Bradstreet Toll Free at (866) 705-5711 or visit their website at [http://fedgov.dnb.com/webform/](http://fedgov.dnb.com/webform/). This free of charge process only takes a few minutes.

- **Find out your NAIC (North American Industry Classification System) codes.** These codes describe what your business does.

- **Use the U.S. Census “SIC to NAICS” website** at [www.census.gov/pub/epcd/naics/nsic2ndx.htm](http://www.census.gov/pub/epcd/naics/nsic2ndx.htm) to determine your NAICS codes. Be sure to keep these codes handy, as you may need them when filling out Government registrations or searching for bids.

- **Register your business with the Central Contracts Registration.** Their website is [www.bpn.gov/ccr](http://www.bpn.gov/ccr) Companies who want to do business with the Federal Government are required to be registered in CCR.

- **After signing up for CCR, be sure to complete your ORCA (Online Representations & Certification application) at [https://orca.bpn.gov](https://orca.bpn.gov).** This registration allows you to enter your reps and certs information just once for use on all future government contracts.

- **After signing up for CCR, be sure to fill out the additional information to register in the Dynamic Small Business Search at the CCR website.** This website provides a database for government contractors and prime contractors to use when they are looking for vendors. [http://dsbs.sba.gov/dsbs/search/dsp_dsbs.cfm](http://dsbs.sba.gov/dsbs/search/dsp_dsbs.cfm).

- **Be sure to keep track of your CAGE code.** If you don’t have a CAGE code, you will get one when you sign up for the Central Contractor’s Registration. The Federal Government may use this code when pays you for goods and services.

- **Find your local PTAC** by visiting the website at [www.aptac-us.org/new/](http://www.aptac-us.org/new/). Your local PTAC assists with registrations, answers questions and offers workshops.

- **See if your company qualifies for SBA procurement certifications such as HubZone or 8(a).** See page 33.

- **Minority and women-owned business should apply for certification** through the WA State Office of Minority and Women’s Business Enterprise at [www.omwbe.wa.gov](http://www.omwbe.wa.gov) or register at [www.itd.idaho.gov/civil/overview.htm](http://www.itd.idaho.gov/civil/overview.htm) with the Idaho Dept. of Transportation. Certification/Registration helps you get contracts with state and local agencies and schools. OMWBE’s special loan program also has discounted interest rates.

- **Most Federal agencies have government contracting specialists.** Find agency reps who work with small businesses at [www.osdbu.gov/offices.html](http://www.osdbu.gov/offices.html).

- **Visit the Fed Biz Opps website** to register as a vendor and have bids e-mailed to you at [https://www.fbo.gov](https://www.fbo.gov).

- **Visit the General Services Administration at [www.gsaadvantage.gov](http://www.gsaadvantage.gov).** Check out the GSA schedule and see the variety of goods and services listed. You may want to consider applying for a GSA contract (called a “schedule”) which allows government buys to purchase from you at a prearranged price. You can find out how to apply for a GSA schedule at their website.

- **Don’t forget about your local government agencies and entities.** Check with your local cities, ports, school districts, counties and other local agencies for information on their purchasing practices, small works rosters, vendors’ lists, etc.

**Tips to Remember:**
- Print out online applications and fill them out on paper before doing them online.
- Always keep copies with dates submitted.
- Write down and save passwords, registration numbers, MPINS or TPINS—they are hard to replace!
- Use the Help Desks for questions. Keep track of who and when you called.
- If the Help Desk was not helpful, document the call, hang up, call back and talk to someone else.

*Keep documentation of everything!*
Eligibility criteria:
SDBs can self-certify at longer through SBA Small Disadvantaged Business Certification (SDB) is no procurement issues.
Government contracting info and (253) 931 SBA Procurement Assistance Center Central Contract Registration (CCR). See page 31.
Encourages government contracts for small firms through contracts, either as prime contractors or subcontractors.
businesses in meeting the requirements to receive govt. Administers several programs and services that assist small businesses in meeting the socially disadvantaged criteria as defined under the 8(a) program above

Available to businesses that:
• meet SBA’s small business size standards
• have been operating for at least two years prior to application
• are owned by persons who are U.S. citizens
• are owned at least 51% socially & economically disadvantaged individuals

Socially disadvantaged groups include:
- Black American
- Hispanic American
- Asian Pacific American
- Native American
- Subcontinent Asian American

Others must provide evidence as to how they have been discriminated

Economically disadvantaged businesses must have:
• personal net worth must be less than $250,000 (equity in primary residence and in business excluded)
• a product or service regularly purchased by the U.S. govt.

Apply online at www.sba.gov/8abd - click on “Apply for 8a Business Development Certification Program”

For more information about the SBA 8a Program contact:
- Eastern WA (509) 353-2810; sharon.pataky@sba.gov
- North ID (208) 334-1696; irene.gonzalez@sba.gov

SBA Govt Contracting (206) 553-0390 (206) 553-8546 1200 Sixth Avenue, Suite 1805, Seattle, WA 98101-1128 Administers several programs and services that assist small businesses in meeting the requirements to receive govt. contracts, either as prime contractors or subcontractors. Encourages government contracts for small firms through Central Contract Registration (CCR). See page 31.

SBA Contract Assistance for Women Business Owners
Web site: www.womenbiz.gov
Consolidated website of official information for women-owned businesses selling to the government.
Contractors and vendors can find and register in the Central Contractor Registration (CCR) database and the Electronic Posting System (EPS).

WomenBiz.gov also offers forecasts (planned purchases by agencies), best practices, acquisition news, calendar of events, and info on mentor-protégé programs

SBA Women-Owned Small Business Program (WOSB)
E-mail: wosb@sba.gov www.sba.gov/wosb Helps women-owned businesses in 83 under-represented industries secure government contracting. (Eff. Feb. 2011)

SUB-Net This subcontracting network of the SBA’s Office of Government Contracting not only relates its services but provides a competitive venue for contractors and subcontractors to post notices of subcontracting opportunities.

HUBZone Empowerment Contracting Program
A “place-based” federal contracting program serving new market communities with low income or high unemployment.
Available to small businesses who meet the following conditions:
• meet SBA Small Business size standards
• located in an eligible “Historically Underutilized Business Zone”
• at least 35% of its employees must be HUBZone residents
• at least 51% owned and controlled by U.S. citizens; and
• Economically disadvantaged businesses personal net worth must be less than $750,000 (equity in primary residence in business excluded)

Provides “place-based” opportunities for federal prime contract and subcontract benefits.

Electronic application available at www.sba.gov/hubzone U.S. Small Business Administration (202) 205-8885 409 Third Street, S.W., 8th Floor, Washington, DC 20416 https://eweb1.sba.gov/hubzone

HUBZone Questions? E-Mail them to hubzone@sba.gov or call the HUBZone help desk at (202) 205-8885.

www.sba.gov/contracting
SBA Surety Bond Guarantees

The Surety Bond Guarantee Program helps small and emerging contractors obtain bid, performance and payment bonds. The SBA guarantees up to 90% of a bond issued by a surety company for construction, service, supply and manufacturing contracts. To qualify as a small business, an applicant’s annual receipts must meet the NAICS standard.

The Seattle Bond Office handles applications for bond guarantees on behalf of contractors domiciled in nine western states and thirteen southern states. For more information, call (206) 553-2746.

Surety Bond Companies

Cochrane & Company (800) 441-4535
Kara Skinner, Underwriter kskinner@cocraneco.com
1333 Rustle Road, Spokane, WA 99229

Construction Bonding & Mgmt. Services of WA., Inc. 
Nicolas Fix, Rick Fix, Underwriters, PO Box 75715, 11050 5th Ave. N.E. Suite # 206, Seattle, WA 98125 
(800) 742-8815; (206) 361-9693

Contractors Bonding & Insurance Co., Inc. (CBIC) 
Brian Schick brains@cbic.com and Mark Noma, markn@cbic.com
1213 Valley Street (PO Box 9271), Seattle, WA 98109-0271 
(800) 765-2242; (206) 628-7200

Contractors Bonding & Insurance Co., Inc. (CBIC) 
Marci Houts marcih@cbic.com and Hans Rauth hansr@cbic.com
901 N. Monroe, Suite #340, Spokane, WA 99201 
(509) 326-2244; (800) 368-2242

Hartford Fire Insurance Company 
601 Union St., Seattle, WA 98101-2341 
Larry Christianson (206) 292-0050

The Hartwell Corporation 
Douglas Ball (208) 522-5656 
Airport Plaza, 1084 N. Skyline Dr., Idaho Falls, ID 83402 
PO Box 51019, Idaho Falls, ID 83405-1019

Integrity Surety LLC www.integritysurety.com 
938 N. 200th St., Suite D, Seattle, WA 98133 
Kara Skinner (206) 546-1397

McDonald Insurance Group jeff@mcdonaldins.com 
Jeff Stewart Kirkland, WA 98083 (425) 897-5974

Superior Underwriters 
Johnis Sinon, Margaret Robbins, Underwriters 
2027 152nd Avenue, N.E., C-24, Redmond, WA 98052 
mardier@gsusuperior.com (425) 643-5200

WUIA dba The Bond Shop (800) 726-8771, ext. 3561 
3425 Broadway, Everett, WA 98206 maryf@thebondshop.net (425) 317-3561

Wolf-Majesky-Rapp, Inc. 
Walter Wolf, Judy Rapp, Jim Majeskey, Underwriters 
4005 E. Broadway, Spokane, WA 99220 
(509) 535-9178; (800) 736-5592

Contracting Opportunities for Service-Disabled Veterans

Small Business Concerns owned and controlled by service-disabled veterans may be eligible for set-aside or sole-source contracts. These contracts were put in place to help the federal government meet its 3% veteran contracting goal.

Federal contracting officers may now set-aside or award sole-source contracts to Service-Disabled Veteran Owned (SDVO) Small Business Concerns (SBC) as follows:

1. Set-aside contracts may be available if there is a reasonable expectation that two or more SDVO SBC will submit bids at a fair market price.
2. Sole-source contract awards may be allowed if there is not a reasonable expectation that two or more SDVO SBC will submit bids and the anticipated contract price does not exceed $3 million ($5 million for manufacturing contracts).

You can participate in this procurement program if:

1. 51% or more of the SDVO SBC is owned by one or more service-disabled veterans.
2. The management and daily business operations of the SDVO SBC is controlled by one or more service-disabled veterans or the spouse of such veteran if the veteran is permanently and severely disabled.
3. At the time of contract offer, an SDVO SBC is small as defined by the size standard corresponding to the NAICS code (13 CFR 121.201) assigned to the contract.

Veteran-owned and service-disabled veteran-owned small businesses must now provide the Veterans Affairs Dept. with documentation proving their status before being considered for priority set-aside contracts. (Previously they could self-certify.) They must also recertify their status annually to remain in the program with the Center for Veterans Enterprise - www.va.gov/OSDBU/veteran/verification.asp

34 Surety Bond Guarantees/Contracting Opportunities for Service-Disabled Veterans
RESOURCES FOR VETERANS


Veterans Business Outreach Center (VBOC)  
http://seattleccd.com/drupal/VBOC
Lynn Trepp, 1437 S. Jackson Street, Seattle WA 98144  
info@seattleccd.com (206) 324-4330, ext 139
Assists veterans, service-disabled veterans, reservists, National Guard members, and active-duty service members preparing to transition from military service to business ownership in WA, OR, AK & ID. Delivers business counseling, training, and coordinates resources so veteran entrepreneurs can:
- Create competitive business plans
- Prepare loan request packages & obtain financing
- Manage a business profitably
- Expand their business networks

WDVA Veterans Linked Deposit Program  
www.dva.wa.gov/linked%20deposit.html
For certified Veteran-owned businesses in WA. (See page 29)

Veterans Transition Franchise Initiative (VetFran)  
www.franchise.org/veteran-franchise.aspx
Nearly 400 member companies of the International Franchise Association offer financial incentives such as specific discounts on franchise fees to honorably discharged veterans interested in owning a franchise.

SBA Patriot Express Loans (See page 26)  
http://www.sba.gov/content/express-programs

RESOURCES - NATIVE AMERICANS

Northwest Native Development Fund  www.thenndf.org
PO Box 148, Nespelem, WA 99155  (509) 634-2624
Serves Colville, Spokane and Kalispell Indian Reservations, as well as as tribal members, descendents, and those employed by tribally owned businesses. Works with local lenders to provide financial & technical assistance for those who may not qualify for outside funding. Business plan, marketing and financial plan development assistance provided.

ONABEN - Oregon Native American Business & Entrepreneurial Network  www.onaben.org
Ralph C. Honhongva, WA State Operations Coordinator  
ONABEN, 3201 BROADWAY, STE C, Everett, WA 98201  
(503) 968-1500 www.indianentrepreneurship.com
ONABEN offers training and support focused on developing entrepreneurship in Native American communities in the NW.

U.S. Dept. of Interior Loan Guaranty Fund  www.bia.gov
Office of Indian Energy and Economic Development  
Chandler Allen, LoanGuaranty@bia.gov  (202) 208-7166
Loans up to $500,000 for individuals, up to $5 million for Indian-owned businesses, and up to $12 million for tribe or tribally-owned businesses. At least 51% federally recognized ownership by American Indian, tribe or Alaska Native is required.

Native PTAC  www.nativeptac.org  (206) 816-6596
650 S. Orcas St., Suite 219, Seattle, WA 98108. See page 31.

Resources for Women & People of Color

AHANA Business & Professional Association  
25 W Main, Suite 300, Spokane, WA 99201  www.ahana.org  
bcabildo@ahana.org  (509) 209-2634
AHANA stands for Asian/Hispanic/African/Native American. Support group for entrepreneurs of color in the Inland NW.

Idaho Transportation Dept./Bureau of Civil Rights  
Disadvantaged Business Enterprise (DBE) Support Services  
P.O. Box 7129, Boise, ID 83707  (800)634-7790  (208) 334-4442
Program to assist minority, women and disadvantaged business owners in developing and promoting their businesses in the highway construction industry. Provides training, certification, and information.  
http://ltd.idaho.gov/civil/

National Association of Women Business Owners (NAWBO)  
Inland Northwest Chapter  www.nawboww.org
Spokane, WA  E-mail: info@nawboww.org
Local and national network of women business owners who share ideas, learn, and expand opportunities for themselves and other women business owners.

Rural Community Development Resources (RCDR)  
Attn: Luz Gutierrez, PO Box 9492, Yakima, WA 98909  
rcdr@charter.net  http://rcdr.biz/  (509) 453-5133
Specializing in the start-up or expansion of small businesses, RCDR provides business assistance and training resources, as well as an SBA microloan program in the greater Yakima area.

SBA Minority Enterprise Development - 8(a)  See page 33.

SBA Online Women’s Business Ctr.  
www.onlinewbc.gov  or  www.sba.gov/content/womens-business-resources
Information on starting, financing and managing business, as well as procurement, contacts, and resources can be found at this site.

Washington State Office of Minority and Women’s Business Enterprise (OMWBE)  
P. O. Box 41160, Olympia, 98504  www.omwbe.wa.gov  (360) 753-9693 / (866) 208-1064
Increases state contract opportunities for bonafide minority and women’s businesses. Certifies qualifying small businesses, and runs the Linked Deposit Program which can reduce the interest rate on loans to certified businesses.

OMWBE Linked Deposit Program  (See page 29)
Businesses must be certified as Minority or Woman-Owned by OMWBE to participate.  www.omwbe.wa.gov/financing/ldp/

Women Executives of Liberty Lake (WELL)  - includes Spokane Valley & Post Falls  www.well99019.webs.com

Women in Business (WIB) Coeur d’Alene  www.cdawib.com

Women in Business-Sandpoint Chamber  www.sandpointchamber.org/women-in-business.html

SCORE for Women Entrepreneurs:  www.score.org/women  
SCORE for Minority Entrepreneurs:  www.score.org/minority.html
SMALL BUSINESS DEVELOPMENT CENTERS (SBDC)

Sponsored by the SBA in partnership with state and local governments, the educational community and the private sector to provide business management and technical assistance, training, and up-to-the-minute research services to small business owners and managers to improve profitability and stimulate growth.

Centers are staffed by business development specialists, who have owned and managed a wide variety of small businesses, that provide one-on-one counseling to small business owners at no charge.

SBDC Certified Business Advisors guide clients on financial, marketing, production, organizational, engineering and technical issues, as well as assisting with feasibility studies.

EASTERN WASHINGTON

www.wsbdc.org

WA STATE SBDC
Lead Office—sbdc@wsu.edu
WA State University
534 E Spokane Falls Blvd.
Spokane, WA 99202-0399
Phone: (509) 358-7765
Brent Rogers, State Director

MOSES LAKE SBDC (509) 793-2373
Big Bend Community College
7662 Chanute St., Bldg. 1800
Moses Lake, WA 98837-3299
Email: allanp@bigbend.edu

OKANOGAN SBDC (509) 826-5107
Economic Alliance of Okanogan Co
320 Omak Avenue, #400, P. O. Box 626
Omak, WA 98841
Email: blakeney@methow.com

PULLMAN SBDC (509) 335-8081
WSU Research and Technology Park
1610 NE Eastgate Blvd Suite 650
Pullman WA 99163
Email: tcornelison@wsu.edu

SPOKANE SBDC (509) 358-7890
SIRTI, 665 N. Riverpoint Blvd., Ste 201
Spokane, WA 99202-0399
E-mail: alan.stanford@wsu.edu
rthorpe@wsu.edu, & cdoyl@wsu.edu

TRI-CITIES SBDC (509) 735-6222
TRIDEC, 7130 W. Grandridge, Suite A
Kennewick, WA 99336
Email: bavisis@columbiabasin.edu

WENATCHEE SBDC (509) 682-6997
Wenatchee Valley College
1300 5th St., Rm. 1028 Wells Hall
Wenatchee, WA 98801
Email: jim.fletcher@wsbdc.org

YAKIMA SBDC (509) 454-7612
Greater Yakima Chamber
10 N 9th St., Yakima WA 98901
Email: linda@yakima.org

NORTH IDAHO

www.idahosbdc.org/

Idaho State SBDC (Lead Office)
Boise State University
1021 Manitou Ave., Boise, ID 83725-1655
Phone (208) 426-3875 / (800) 225-3815
James Hogge, State Director

Lewiston SBDC (208) 792-2465
Lewis-Clark State College
500 8th Ave., Lewiston, ID 83501
Phone: (208) 792-2465
Email: jjorgens@lcsc.edu

Post Falls SBDC (208) 666-8009
N. Idaho College, Workforce Training Ctr.
525 W. Clearwater Loop, Post Falls, 83854
Email: william_jhung@nic.edu

NxLEVEL — BUSINESS PLAN DEVELOPMENT COURSES

Do you have the essential skills and tools to survive as an entrepreneur? NxLevel provides a practical, hands-on and common-sense approach to developing business by combining education, counseling, and business networking. Price for the 10-13 wk evening courses include manual and workbook. NxLevel courses are held on a recurrent schedule with various community sponsors.

In the Spokane area—
Call the Greater Spokane Valley Chamber of Commerce at (509)-924-4994

Call your local SBDC for schedules and prices of NxLevel in other areas.

Graduates of the NxLevel Course showed a 200% increase in sales after 1 year compared to a 6% average growth rate for business in WA in 2005.
What is a small business incubator?
A small business incubator is a flexible method of encouraging the development of new businesses and fostering local economic development. Incubators are facilities in which a number of new and growing businesses operate under one roof with affordable rents, sharing services and equipment, and having equal access to a wide range of professional, technical and financial programs.

Why small business incubators?
Community development depends heavily on small business. Small business accounts for more jobs than larger businesses, and it generates more than one-half of all major innovations. What's more, small businesses are more cost efficient in research and development than larger ones.

Incubator facilities provide an environment where public and private resources can combine to meet the needs of small businesses during their critical stages of development.

Who benefits from business incubators?
Small businesses, the community and sponsoring organizations all benefit from business incubators in different ways:

**Small Business (Tenants)**
* Share experiences, office resources and conduct business with one another, thereby reducing business start-up risks.
* Develop increased awareness of and access to financial, professional and technical assistance.
* Gain access to facilities and equipment otherwise unavailable or unaffordable.
* Increase their visibility
* Pay below-market rent
* Share reduced building maintenance

What is a kitchen center?
Kitchen Centers are licensed food production facilities. Kitchen tenants time-share space in the kitchen, according to the amount of time needed, saving considerable expense over equipping their own kitchen in leased or owned quarters. They use commercial ovens, steam kettle, hot water bath, jar filler, and other special equipment that is often unavailable to early-stage businesses.

Usage is often available to those who would use the kitchen on a regular weekly schedule and to others such as caterers, church groups or organizations who only need to reserve time on an occasional basis. Storage space, both dry and cold is often also available.

Some Kitchen Centers that are also business incubators may offer an on-site dietitian to provide assistance with recipe, labeling and packaging, and safety and sanitation needs.
AGRIBUSINESS RESOURCES

Washington State Department of Agriculture
PO Box 42560, Olympia WA 98504-2560
Phone: (360) 902-1800  http://agr.wa.gov

Washington State Agricultural Statistics Service:
Phone: (800) 727-9540  www.nass.usda.gov/wa

Idaho State Dept. of Agriculture  www.agri.state.id.us
PO Box 796, Boise, ID 83701-0796
Phone: (208) 332-8500
Free publication: “Starting a Specialty Foods Business”

ASSOCIATIONS:
Ag Bureau, Greater Spokane Inc./Ag Expo
Programs supporting agribusiness, regional farm expo.
Website: www.agshow.org  Phone: (509) 321-3633
Email: moleary@greaterspokane.org

Rural Roots, Inland NW Community Food Systems Assn
Bringing Home the Harvest quarterly newsletter
PO Box 8925, Moscow ID 83843  www.ruralroots.org
Phone: (208) 883-3462  Email: collette@ruralroots.org

Pacific Northwest Farm Direct Marketing Association
Phone: (360) 574-3773  Email: Bi-ZiFarms@juno.com

Spokane Tilth  Email: office@spokanetilth.org
WA Tilth Journal of Organic and Sustainable Agriculture
35 W. Main, Spokane WA 99205  Phone: (509) 456-2148

Northeast Washington Small Farm Association
Community Agricultural Development Center
985 S. Elm, Colville, WA 99114  Phone: 509-684-2588
Email: akowitz@communityagcenter.org

PUBLICATIONS:
Idaho Farmers Market Manual 2010
A comprehensive guide to market establishment, management, and promotion
Phone: (208) 332-8535  www.agri.idaho.gov/Categories/Marketing/Documents/Establishing%20a%20Farmers%20Market%202010.pdf

SUSTAINABLE AGRICULTURE RESOURCES:
Sustainable Agriculture Research & Education (SARE)
Website: www.sare.org  Phone: (202) 720-7948

Natl. Sustainable Agriculture Information Service
Website: www.attra.ncat.org  Phone: (800) 346-9140
Phone (Español)  (800) 411-3222

U.S. DEPT OF AGRICULTURE (USDA)
USDA Rural Development Programs
In Washington State:  www.rurdev.usda.gov/wa
In Idaho State:  www.rurdev.usda.gov/id

USDA National Institute for Food & Agriculture
To tap into the huge network of resources for farming, ranching or country living, through your local Cooperative Extension Office, go to: www.nifa.usda.gov/Extension/

USDA Resources for Small Farms
www.nifa.usda.gov/familysmallfarms.cfm

USDA Rural Information Center offers information on funding, educational resources, emergency preparedness, publications, and free webinars. http://ric.nal.usda.gov/

USDA BUSINESS & INDUSTRY (B&I) LOANS
For commercial financing of rural businesses and job creation. Lenders use their own forms, loan documents, and security instruments, and submit documentation to USDA.

- USDA B&I Loan Sizes: No minimum; Usually B&I loans range from $200,000 to $5 million, but can go higher.
- Rate: Set by Lender, may be fixed or variable rate.
- Maximum Term: Working capital – 7 yrs, Equipment—15 yrs, Real estate—30yrs.
- Fees: Lender’s reasonable and customary fees. USDA charges an initial guarantee fee equal to 2% of the guaranteed amount plus an annual renewal fee.
- Authorized Loan Purposes: Real estate, buildings, leasehold improvements, equipment, inventory, & permanent working capital, professional services, feasibility study costs, loan fees & costs (including B&I guarantee fee). Lines of credit cannot be guaranteed.
- Borrower Eligibility: Project must be in a rural area – beyond any 50,000+ population city and its urbanized periphery.

For more information, Contact your area USDA B&I Loan Specialists:

Veronica.Baer@wa.usda.gov  (509) 454-5740, Ext. 134

Ted.Anderson@wa.usda.gov  (509) 924-7350, Ext. 115
Serves Chelan, Douglas, Ferry, Grant, Lincoln, Okanogan, Pend Oreille, Spokane, and Stevens counties.

Margaret.Hair@id.usda.gov  (208) 762-4939 ext. 117
Serves Northern Idaho.
Food Processing

Commercial food products must be prepared according to local and state regulations. Check with your local health district for permits and licensing requirements.

WA State Department of Agriculture (509) 533-2490
222 N Havana St, Rm. 203, Spokane WA 99202
http://agr.wa.gov/FoodAnimal/default.htm

Spokane Regional Health District Food Program
1101 W College Ave, Spokane WA 99201 (509) 324-1500
www.srhd.org/services/foodsafe.asp

Panhandle Health District, Environmental Division
2195 Ironwood Ct, Coeur d’Alene ID 83814 (208) 667-9513
www.phd1.idaho.gov

Northeast Tri County Health District www.netchd.org
(800) 873-6162 or (509) 477-3131
605 Hwy 20, Newport WA 99156
Serves Ferry, Stevens & Pend Oreille Co.

Bonner Business Ctr and N Idaho Specialty Food Assoc.
804 Airport Way, Sandpoint ID 83864 (208) 263-4073
http://bonnerbusinesscenter.com/

Heart of Washington (360) 902-1800
c/o WA State Dept. of Agriculture, PO Box 42560, Olympia, WA 98504-2560 Attn: Communications Director
www.heartofwashington.com Email: HOW@agr.wa.gov

Tri-County Community Kitchen (509) 684-2588
985 South Elm St, Ste. A, Colville WA 99114
http://stevens.wsu.edu/Agriculture/kitchen.htm

RELATED WEBSITES:

NW Food Processors Assoc. represents food processors in ID, OR & WA. Resources, workshops, Expo. www.nwfpa.org

www.foodsafety.gov
The gateway to government food safety Information.

www.fmi.org—The Food Marketing Institute has publications, food & health safety, grocery, demographic & marketing info.

<table>
<thead>
<tr>
<th>HISPANIC CHAMBERS OF COMMERCE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Central WA Hispanic Chamber (509) 833-8186 <a href="http://www.cwhcc.com">www.cwhcc.com</a> <a href="mailto:info@cwhcc.com">info@cwhcc.com</a></td>
</tr>
<tr>
<td>Hispanic Bsns. &amp; Professional Assoc. of Spokane <a href="http://www.hbpaspokane.org">www.hbpaspokane.org</a> (509) 979-3466 <a href="mailto:info@hbpaspokane.org">info@hbpaspokane.org</a></td>
</tr>
<tr>
<td>North Central WA Hispanic Chamber (509) 665-9900 <a href="http://www.ncwhcc.org">www.ncwhcc.org</a> <a href="mailto:tsandoval1652@nwi.net">tsandoval1652@nwi.net</a></td>
</tr>
<tr>
<td>Tri-Cities Hispanic Chamber (509) 542-0933 <a href="http://www.tricitieshispanicchamber.com">www.tricitieshispanicchamber.com</a> info@(see website at left)</td>
</tr>
</tbody>
</table>

Chambers of Commerce

Clarkston Chamber of Commerce………. (509) 758-7712
www.clarkstonchamber.org

Coeur d’ Alene Chamber of Commerce….. (208) 664-3194
www.cdachamber.com

Ellensburg Chamber of Commerce………(509) 925-3138
www.ellensburg-chamber.com

Ephrata Chamber of Commerce………..(509) 738-9010
www.ephrata-area.org

Greater Pasco Area Chamber……………..(509) 547-9755
www.pascochamber.org

Greater Spokane Incorporated…………..(509) 624-1393
www.greaterspokane.org

Kellogg Chamber of Commerce…………(208) 784-0821
www.silvervalleychamber.com/

Lake Chelan Chamber of Commerce…..(509) 682-3503
www.lakechelan.com

Moscow Chamber of Commerce…………(208) 882-1800
www.moscowchamber.com

Post Falls Chamber of Commerce…….(208) 773-5016
www.postfallschamber.com

Pullman Chamber of Commerce………. (509) 334-3565
www.pullmanchamber.com

Sandpoint Chamber of Commerce………..(208) 263-2161
http://sandpointchamber.org

Spokane Valley Chamber of Commerce…..(509) 924-4994
www.spokanevalleychamber.org

Tri-City Regional Chamber of Commerce…(509) 536-0510
www.tcrchamber.com

Walla Walla Valley Chamber……………………(509) 525-0850
www.wvvchamber.com/

Wallace Chamber of Commerce………….(208) 753-7151
www.wallaceidahochamber.com

Wenatchee Valley Chamber……………..(509) 662-2116
www.wenatchee.org

West Richland Chamber………………….(509) 967-0521
www.westrichlandchamber.org

Yakima Chamber of Commerce……………. (509) 248-2021
www.yakima.org

Washington State Chamber of Commerce online directory available at www.wcce.org

The above represents a partial listing only.

Go to www.uschamber.com/chambers/directory to find the Chamber nearest you.
ID Directory of Economic Development Organizations [link]
The Idaho economic development directory below links to the websites and contacts for many economic development organizations in Idaho and related content such as Area Profiles and Area Surveys as executive summaries about business locations.

Clearwater Economic Development Assn. (CEDA) [link]
1626 6th Ave, Lewiston, ID 83501
208-746-0015
Operates in the public interest to improve economic opportunities, increase employment skills and sustain preferred lifestyles for residents, communities and businesses in North Central Idaho.

Jobs Plus [link]
202 Sherman Avenue, Coeur d’Alene, ID 83816
(208) 667-4753 Toll-Free (800) 621-5600
North Idaho business recruiting. Provides information to businesses considering relocation and/or expansion to North Idaho.

WA Economic Development Councils [link]
EDCs across the state provide local business assistance resources, community profiles, seminars, industrial site information, export assistance, and financing assistance to small businesses.

Grant County Economic Development Council [link]
(509) 764-6579
6594 Patton Blvd NE, Moses Lake, WA 98837
Provides demographic and site selection information for the cities and counties, economic and job outlook.

Port of Walla Walla [link]
(509) 525-3100
310 A St, Walla Walla Regl. Airport, Walla Walla 99362
Includes small business tools, current economic plan and incentives, demographic and site selection information.

Tri-County Industrial Development Council (TRIDEC) [link]
(509) 735-1000
TRIDEC serves Benton and Franklin counties. Offers comprehensive and business-specific assistance to companies interested in expanding to the Tri-Cities as well as resources for new and growing businesses already located in the region.

Employee vs. Independent Contractor – 10 Tips for Business Owners

If you are a small business owner, whether you hire people as independent contractors or as employees will impact how much taxes you pay and the amount of taxes you withhold from their paychecks. Additionally, it will affect how much additional cost your business must bear, what documents and information they must provide to you, and what tax documents you must give to them.

Here are the top ten things every business owner should know about hiring people as independent contractors versus hiring them as employees.

1. Three characteristics are used by the IRS to determine the relationship between businesses and workers: Behavioral Control, Financial Control, and the Type of Relationship.
2. Behavioral Control covers facts that show whether the business has a right to direct or control how the work is done through instructions, training or other means.
3. Financial Control covers facts that show whether the business has a right to direct or control the financial and business aspects of the worker’s job.
4. The Type of Relationship factor relates to how the workers and the business owner perceive their relationship.
5. If you have the right to control not only what is to be done, but also how it is to be done, then your workers are most likely employees.
6. If you can direct or control only the result of the work done -- and not the means and methods of accomplishing the result -- then your workers are probably independent contractors.
7. Employers who misclassify workers as independent contractors can end up with substantial tax bills. Additionally, they can face penalties for failing to pay employment taxes and for failing to file required tax forms.
8. Workers can avoid higher tax bills and lost benefits if they know their proper status.
9. Both employers and workers can ask the IRS to make a determination on whether a specific individual is an independent contractor or an employee by filing a Form SS-8 – Determination of Worker Status for Purposes of Federal Employment Taxes and Income Tax Withholding – with the IRS.
10. You can learn more about the critical determination of a worker’s status as an Independent Contractor or Employee at IRS.gov by selecting the Small Business link. Additional resources include IRS Publication 15-A, Employer’s Supplemental Tax Guide, Publication 1779, Independent Contractor or Employee, and Publication 1976, Do You Qualify for Relief under Section 530? These publications and Form SS-8 are available on the IRS Web site at [link] or by calling the IRS at (800) 829-3676
**REGIONAL RESOURCES**

**WorkSource Spokane**  
S. 130 Arthur, Spokane, WA 99202  
(509) 532-3000; TTY: (509) 532-3084  
www.go2worksource.biz  
Business services and resources at no cost. Screening, recruitment, hiring events, interview space, labor market information, tax incentives, and links to other business resources.

**Career Path Services**  
www.careerpathservices.org  
10 N. Post, Suite 200, Spokane, WA  
(509) 326-7520; TTY: (509) 323-1243  
Free workforce services: recruiting, advertising, applicant pre-screening, job skills training, and assistance placing laid-off workers.

**Community Colleges of Spokane**  
www.iel.spokane.edu  
Institute for Extended Learning (IEL)  
3939 N Freya, Spokane, WA 99217  
(509) 533-4800  
Provides workforce training, management and technical assistance/counseling for northeast WA. Includes Work Keys, a three-stage employability skills assessment tool. Designed to ensure that you have the right, skilled people staffing your business positions.

**Spokane Regional Health District**  
Food worker/handler permit—call: (509) 324-1500  
www.srhd.org/services/foodsafe.asp

**WA STATE RESOURCES**

**Industrial Insurance Registration:** Registration authorizes deductions of medical aid and supplemental pension premiums from wages and establishes accounts for industrial insurance, supplemental pension and medical aid. Contact any Dept. of Labor & Industries office (pg. 16). For general information on health and safety rules call: (800) 423-7233.

**Unemployment Insurance Registration:** Employers file quarterly reports showing total wages paid, individual employee earnings, Soc. Security numbers, hours worked and tax due with payment. Contact any Employment Security Dept. office (p. 16) for forms and required poster. In Spokane, call (509) 532-3090.

**IDAHO STATE RESOURCES**

**ID Workforce Development Training Fund**  
Provides funds for worker training where new jobs are created. For more information contact: Bsns. Development Specialists, Idaho Commerce & Labor, 317 W Main St, Boise, ID 83735. www.labor.idaho.gov  
E-Mail: www@labor.idaho.gov (208) 332-3570 ext 3327

**FEDERAL RESOURCES**

**U.S. Internal Revenue Service (IRS)**  
http://www.irs.gov/businesses/small/  
For Employment taxes

**U.S. Social Security Administration (SSA)**  
www.ssa.gov/pgm/business.htm  
Resources for Employers & the self-employed.

**Occupational Safety & Health Administration (OSHA), U.S. Dept. of Labor**  
www.osha.gov  
Provides safety consultations for small business as well as overseeing and enforcing safety regulations.

**U.S. Equal Employment Opportunity Commission (EEOC)**  
Toll free: (800) 669-4000; TTY: (800) 669-6820  
www.eeoc.gov  
Offers confidential mediation to resolve employment discrimination disputes. Helps avoid lengthy litigation by providing a neutral mediator to assist in reaching a voluntary, negotiated agreement.

**KEY INTERNET RESOURCES FOR EMPLOYERS**

**Posters—Required State & Federal**  
No charge. State links also have Federal posters.  
WA: www.lni.wa.gov/IPUB/101-054-000.asp  
ID: http://labor.idaho.gov  
www.irs.gov/businesses/small  
Has information on federal & state taxes, forms, hiring and reporting requirements  
www.dol.gov/elaws  
The E-Law Advisor tool helps employers determine which laws administered by the U.S. Dept of Labor apply to their business. Provides compliance information.

**Minimum Wage Information—WA**  
www.lni.wa.gov/WorkplaceRights  
www.go2worksource.biz  
www.tourworksource.com/tricitiesworks  
WorkSource Spokane or TriCities can help employers recruit, train, develop and retain employees; gather information about the labor market, and develop a diverse workforce.  
http://labor.idaho.gov/  
Assists business in solving employment and training-related challenges; helps people with career transitions. Has info on labor markets and Idaho Labor Laws.

**www.sba.gov/ - Search for “hiring”**  
Does your business need new employees? Learn how to do it right—job descriptions, taxes, employee handbooks and more.
Connect Northwest    www.connectnw.org  
(509) 358-2114  info@connectnw.org
601 W. Riverside Ave., Ste. 1410, Spokane, 99201
Connects science and technology based companies with the resources necessary to succeed. It provides coaching, mentoring, business plan and presentation preparation, seminars, and networking events. Serves WA, ID, & MT.

Impact Washington    www.impactwashington.org  
Sirti Technology Ctr., 120 N Pine St., #290, Spokane 99202  
(509) 343-3170  psazama@impactwashington.org
Impact Washington (formerly Washington Manufacturing Service), is a not-for-profit organization that fosters economic growth in Washington by helping manufacturers become more competitive in national and global markets. Trained and experienced manufacturing representatives work closely with local manufacturers to assess their needs and then develop an appropriate action plan.

ISO Registration    www.iso.org/  
(ISO = International Organization for Standardization)
ISO 9000 management system helps businesses produce consistent, high-quality products and services. Many companies will only do business with firms that are ISO-registered. And, registration has become mandatory for many government contracts.

MIT Enterprise Forum of the Northwest  
(425) 280-1968  www.mitwa.org/  
PO Box 472, Mountlake Terrace, WA 98043
The Northwest Enterprise Forum promotes the establishment and growth of innovative technology companies through creative programs that educate and entertain entrepreneurs.

Small Business Innovation Research (SBIR)  
SBIR programs fund early-stage R&D projects at small technology companies — projects that have the potential for commercialization in the private sector and/or military markets. Offered by the Dept. of Defense.  www.sbir.gov

For answers to technical questions about specific SBIR solicitations, submit written question through the SBIR/STTR Interactive Topic Information System (SITIS). All questions and answers are posted electronically for general viewing until the solicitation closes. sbirhelp@brtrc.com  www.dodsbir.net/sitis

Technology Alliance    www.technology-alliance.com
Statewide consortium of technology-based businesses, Washington’s leading research institutions, and high tech trade associations. Focuses are education, promoting Washington as a technology leader and fostering innovation.

Sirti    www.sirti.org  (509) 358-2000
665 N. Riverpoint Blvd., Spokane, WA 99202-1665
Sirti is staffed by experienced technology entrepreneurs and business professionals skilled at accelerating startups and high-growth technology companies. An incubator for fast-growth companies to accelerate technology-based companies through entrepreneurial coaching; no-cost business services, access to capital, and legal services needed for formation, IP protection and long-term growth.

Small Business Development Center - Federal Technology Resources  
(206) 464-5450
180 Nickerson, Suite 205, Seattle, WA 98109
Norman Brown, Technology Transfer Specialist Technology-based companies in Washington can significantly leverage their R&D budgets by accessing the facilities, equipment, inventions and technical expertise available at the federal labs. Recent laws make it easy for businesses to acquire exclusive rights to federal or shared technology. Call for more information on how to utilize the federal technology resources.

Terabyte Triangle (TT)    www.terabytetriangle.com
In Spokane. Hosts Internet speeds up to 20 gigabits with “plug-and-go” locations for startups and existing companies. A heavily wired and wireless metro area ideal for e-commerce, software development, and multi-media businesses. TT also has state-of-the-art wet labs ideal for bio-tech.

(509) 372-4299
P. O. Box 999, 3230 Q Street MS K8-17, Richland, 99352  
nancy.moore@.pnl.gov  www1.eere.energy.gov/industry
Contact point for inventors who are interested in participating in the U.S. Dept. of Energy Inventions & Innovation Program.

Washington State Innovation Assessment Ctr. (IAC)  
Center for Entrepreneurial Studies, 501 Johnson Tower, Pullman, WA 99164-4851  
Phone: (509) 335-8842  
jthornley@wsu.edu  www.business.wsu.edu/iac
Helps inventors and small business owners determine the potential commercial success of a new product, process or service. Inventions can be evaluated from the idea phase to fully developed, market-ready prototypes. Offers the Innovation Assessment Report - which serves as an objective, comprehensive evaluation of your new product idea, a patent search to determine if patents have been issued for similar products.

WA Technology Center    www.watechcenter.org  
(206) 685-4809 at the University of Washington  
(206) 685-1920 in Seattle  info@watechcenter.org
Commercial Research workshops & seminars focusing on technology development and commercialization of economic benefit. Creates industry-university partnerships, provides outreach to industry.
INTERNATIONAL TRADE ASSISTANCE

The U.S. Commercial Service’s USEACs can help experienced and new exporters identify and qualify leads for potential buyers, distributors, joint venture partners and licensees from both private and public sources. The extensive USEAC network of domestic and international commercial offices attached to U.S. Embassies can help reach 95% of current markets for U.S. products.

USEAC Offices combine the export promotion and finance services of the U.S. Commercial Service / U.S. Dept. of Commerce, the Export Finance Assistance Center of Washington and the U.S. Small Business Administration.

Seattle Regional Office, 4th and Vine, 2601 4th Ave., Ste 320, Seattle WA 98121.
Phone: (206) 553-5615  E-mail: seattle.office.box@mail.doc.gov

Are you ready to Export?
Six Steps to Exporting Success
www.export.gov/begin

For those who are ready to export, contact:

U.S. Commercial Service
U.S. Department of Commerce  www.buyusa.gov/spokane
801 W. Riverside Avenue, Suite 100, Spokane, WA 99201
Phone: (509) 353-2625  spokane.office.box@mail.doc.gov
Serves Eastern Washington region.

U.S. Department of Commerce  www.buyusa.gov/boise
700 West State Street, 2nd Floor, Boise, ID 83720
Phone: (208) 334-3857  boise.office.box@mail.doc.gov
Serves Idaho, including Panhandle area.

Bureau of Industry & Security  www.bis.doc.gov
U.S. Department of Commerce  (408) 998-7402
Processes licenses for US Exports. Also has helpful online training and several helpful publications available by download.

Idaho Dept. of Commerce—Div. of Intl. Business
http://commerce.idaho.gov/international/ (208) 334-2470
P.O. Box 83720, 700 West State St., 2nd floor, Boise, 83720
Promotes expansion of international trade and investment and support of international tourism, as well as export assistance to Idaho firms.

International Trade Alliance (ITA)  www.intrade.org
601 West Main Avenue, Suite 315, Spokane, WA 99201
Phone (509) 443-1470, info@intrade.org
The ITA provides essential info on international trade, trends, and support programs for its members. Its mission is to develop and expand international markets and trade for businesses while enhancing the image and competitiveness of the region as an international community with global attitude, awareness and communication strategies. They provide support to their members through business seminars and conferences, contacts within the international community, and a quarterly newsletter.

Institute for the Advancement of Developing Economies
WSU Research & Tech. Park, Bldg. 1, 1345 NE Terre View, Sect. G-1E, Pullman, WA 99163 corporate.lade@gmail.com
The institute offers free research or advice to individuals and organizations that are seeking to engage in business in developing parts of the world.

U.S. Export Assistance Centers (USEAC)
http://www.buyusa.gov/seattle/

SBA Export Assistance Center  (206) 553-0051, ext. 228
SBA offers a free online training: “Take Your Business Global”. Call Pru Balatero for more information on that, and on Export Financing. (See page 26.) E-Mail: pru.balatero@sba.gov.

WA State SBDC—International Trade Program, Spokane
Offers New to export seminars, and international trade advice. T. Chambers, Director. For information call: (509) 358-7890.

Spokane Intl.Translation and Language Service, Inc.
502 E. 3rd Ave., Spokane, WA 99201
www.spokanetranslations.com/  (509) 327-8064
Offers services of experienced translators and interpreters to industries throughout the Inland NW in over 80 languages.

U.S. Customs Service  www.customs.gov
(509) 353-2833
Primary duties include the assessment and collection of all duties, taxes and fees on imported merchandise, the enforcement of customs and related laws, and the administration of certain navigational laws and treaties.

Washington State Department of Agriculture
WSDA Intl. Marketing Program  ag-export@agr.wa.gov
(360) 902-1915  http://agr.wa.gov/marketing/international/International Trade Specialists:
Yakima- (509) 457-7137, E-mail: danderson@agr.wa.gov
Kennewick- (509)-735-3666, rweber@agr.wa.gov
Promotes export of agricultural products and services. Provides information on market intelligence, market access and market development.

Washington State Dept. of Commerce—Intl. Trade
www.choosewashingtong.com/business/international
BusDevInfo@commerce.wa.gov  (206) 256-6100
Provides services to expand export markets for Washington products and helps develop new markets for service firms and manufacturers.

Business.gov offers an Export/Import Guide at:
www.business.gov/expand/import-export/
Frequently Requested Contacts

Attorney General
ID—(208) 334-2424 WA—(800) 551-4636
Upholds Consumer Protection Act and enforces laws against anti-competitive business practices.

Better Business Bureau - Reports business reliability
(509) 455-4200 (Spokane) (800) 356-1007 Toll-free
info@spokane.bbb.org  http://spokane.bbb.org/
Serves Eastern WA, N. ID & MT

BIZStreet, GSI  www.bizstreetsspokane.com
Workshops, Advisors, Home-Based Connection and Procurement Technical Assistance Center (509) 459-4118.

Business Links, Tri Cities  www.tricity.wsu.edu/links
or (509) 372-7142
Business LINKS provides resources for startups, newly established businesses and established businesses.

Chambers of Commerce (see listing on page 39)

Credit Reports—www.annualcreditreport.com
Equifax  (800) 685-1111
Experian  (888) 397-3742
TransUnion  (800) 888-9821

Federal Information Number
(all Federal Agencies)  (800) 688-9889

FEMA (800) 462-9029

Internal Revenue Service (IRS)  www.irs.gov
Tax information & forms  (800) 829-1040

NxLevel Training - Spokane/Spokane Valley
Greater Spokane Valley Chamber, (509) 924-4994

Association Resources

Association of Washington Business  www.awb.org
(206) 824-2910 Seattle  (360) 949-1600 Olympia  (800) 521-9325
Provides a statewide voice to lobby for issues of businesses in WA

Family Care Resources  www.community-minded.org/family
W 315 Mission Avenue, Spokane, WA 99201  (509) 482-0996
Resources include library & funding for child care providers.

Association of WA State Hispanic Chambers of Commerce
1100 Dexter Ave. N., Ste 100, Seattle, WA 98109  www.awshcc.com
info@awshcc.com  (206) 329-5534

Independent Business Association  (425) 453-8621
Lobbies on behalf of small bsns. Provides info on laws, regs & taxes.

WA State Bar Assoc.—Lawyer Referral Services  www.wsba.org
Spokane: (509) 456-6032  Statewide: (800) 945-9722
Referrals for small firms needing legal help.

Idaho State Bar Lawyer Referral Service  (208) 334-4500
http://isb.idaho.gov/

Natl. Federation of Independent Business (NFIB)
4160 Sixth Avenue SE, Suite 201, Lacy, WA 98503
(360) 786-8675 or (800) NFIBNOW  www.nfib.com
NFIB’s purpose is to influence Public Policy at the State and Federal level and be the resource for Small Business in the U.S.

Posters, Required (see page 41)

SNAP Business Resource Center (509) 456-7174 x 111
www.snapwa.org/node/275  heyamoto@snapwa.org
Entrepreneurial library in Spokane, open by appt.

Spokane Regl. Convention & Visitors Bureau
www.visitspokane.com  (509) 624-1341 or (888) Spokane

Spokane Dept. of Taxes & Licensing
Spokane City Business License  (509) 625-6070

Spokane Public Library - Business Reference Librarian
906 West Main, Spokane, 99201 (509) 444-5336
www.spokanellibrary.org—Select “Research”
The Spokane Public Library is a quick and reliable way to get answers to your business-related questions and do market research.

Spokane Visitors Center  (509) 747-3230

U.S. Customs Service - Taxes on imported goods
(509) 353-2833

U.S. Citizenship & Immigration Services (USCIS formerly INS)
www.uscis.gov  Toll free (800) 357-2099
(509) 353-0585 (Spokane)  (509) 373-9246 (Tri-Cities)

U.S. Social Security Administration  (800) 772-1213


(800) ASK-USPS (275-8777) - Look up zip codes

Labeling

U.S. Dept. of Agriculture
Labeling requirements for food
http://www.fsis.usda.gov/factsheets/
Food_Labeling_Fact_Sheets/index.asp
(509) 533-2490

UPC Council (Uniform Product Codes)
UPC Bar Codes for Product Packaging
(800) 543-8137 or (513) 435-3870
www.gs1us.org

Bar Code Basics
Access a Free Guide to Bar Coding at
www.barcodehq.com/primer.html

Clothing Labels Guidance
US Consumer Products—Safety Commission
www.cpsc.gov/cpspub/pubs/clothpub.html

44  Frequently Requested Numbers
By Lesley Fair

What’s in your file cabinet right now? Tax records? Payroll information? And what’s on your computer system? Financial data from your suppliers? Credit card numbers from your customers? To a busy marketer, those documents are an everyday part of doing business. But in the hands of an identity thief, they’re tools for draining bank accounts, opening bogus lines of credit, and going on the shopping spree of a lifetime — at the expense of your company, your employees, and the customers who trust you.

Sophisticated hack attacks make the headlines, but many security breaches could be prevented by commonsense measures that cost companies next to nothing. That’s why the Federal Trade Commission (FTC) has published an interactive tutorial: Protecting Personal Information: A Guide for Business, with practical tips on securing sensitive data. The specifics depend on the size of your company and the kind of information you have, but the basic principles remain the same. Whether you work for a multinational powerhouse with branches around the world or a start-up based in a home office, a sound information security plan is built on these five key practices:

• Take stock. Know what personal information you have in your files and on your computer. Understand how personal information moves into, through, and out of your business and who has access — or could have access to it.

• Scale down. Keep only what you need for your business. That old business practice of holding on to every scrap of paper is “so 20th century.” These days, if you don’t have a legitimate business reason to have sensitive information in your files or on your computer, don’t keep it.

• Lock it. Protect the information you keep. Be cognizant of physical security, electronic security, employee training, and the practices of your contractors and affiliates.

• Pitch it. Properly dispose of what you no longer need. Make sure papers containing personal information are shredded, burned, or pulverized so they can’t be reconstructed by an identity thief.

• Plan ahead. Draft a plan to respond to security incidents. Designate a senior member of your team to create an action plan before a breach happens.

Lesley Fair is an attorney in the FTC’s Bureau of Consumer Protection who specializes in business compliance. To learn what you can do to protect your information and that of your customers, go to: http://www.ftc.gov/infosecurity/.

RED FLAG RULES—The Red Flags Rule requires companies and organizations that extend credit or handle sensitive data to implement a written Identity Theft Prevention Program to detect the warning signs – or "red flags" – of identity theft. A program tailored to your needs can reduce the damage identity thieves can do to your business. For more information, go to: http://business.ftc.gov/privacy-and-security/red-flags-rule

FEDERAL TRADE COMMISSION—FOR BUSINESS http://business.ftc.gov/ Protect your business from fraud, learn what you can and cannot say in advertising and marketing materials. What you should know if you extend credit to your customers. There are also legal resources and plain-language guidance for particular industries. These lists aren’t exhaustive. If you don’t find what you’re looking for here, use the search function.

HealthCare.gov

Go to www.HealthCare.gov for the latest information on health care legislation, health insurance for your employees and tax benefits for your business.

You will find materials related to the implementation of the Affordable Care Act, the comprehensive health care reform law enacted in March 2010, and any amendments made since that time.

TAX INCENTIVES FOR BUSINESS

Tax incentives for Business include:

- Tax credits for health insurance—www.healthcare.gov
- 5-year Carry back of Net Operating Losses—will require amending past tax returns
- Businesses can expense up to $500,000
- Deductions for employer-provided cell phones
- Small Business Capital Gains—zero capital gains for investing in small business
- Increased deductions for start ups

This is a general overview of business tax incentives only. For more information go to: www.irs.gov and talk to your accounting professional.
Accounts Payable – Money you owe to your suppliers for items purchased. Generally you won’t pay cash, but will have 10 or 30 days to pay the bills.

Accounts Receivable – Money owed you by your customers. If you are in a retail trade, you probably won’t get paid right away, but in 30 days or so.

Alternative Financing – Financing that is other than conventional bank financing, i.e. venture capital, factoring, etc.

Amortization – The process of gradually paying of the principal of a loan. Also, expenses can be amortized by pro-rating them over a fixed period.

Asset-based lender – A lender who loans money based primarily on the value of an asset – accounts receivable, inventory, a piece of equipment, real estate which is primary criterion for banks.

Balance Sheet – An accounting form that lists total assets, liabilities and equity (net worth) on a particular date.

Balloon Payment – A large payment due on a loan. Generally a balloon payment is required when amortization is longer than the maturity of the loan.

Break Even Analysis – A method of calculating how much sales revenue a company must generate in order to cover its basic expenses. This method is used to determine when a company (or business) will become profitable.

Capitol – The ownership interested in a business remaining after its liabilities are deducted. Also known as common stock plus retained earnings, or an equity.

Cash Flow – The supply of money that comes into and out of your business from all sources.

Collateral – Assets pledged to secure a loan.

Collections – The process of collecting money that is owed to your firm by customers.

Current Assets – Cash or other assets you expect to use in the operation of the firm within one year.

Current Liabilities – Debts payable within one year, including current portions of long-term debt.

Debt Financing – A method of financing by borrowing money; a loan that must be repaid, such as a bank loan.

Depreciation – An accounting procedure which holds that fixed assets such as building, equipment or computers which wear out or become obsolete. In accounting, the decline in the value of an asset is considered an expense and is subtracted from the various income into a business as part of the income statements. Assets can be depreciated by several methods.

Equipment Leasing – The practice of leasing equipment needed for a business rather than purchasing it outright. An advantage to leasing is that the money to use the equipment is paid out gradually rather than in a lump sum in the beginning.

Equity Investor – Ownership interest possessed by shareholders in a corporation – stock as opposed to bonds.

ESOP – An Employee Stock Ownership Plan, which allows employees to purchase ownership shares of their employer tax-free.

Factoring – Selling your accounts receivable to someone who then has the right to collect them for you. Factors pay less than full value for an invoice and make their money by collecting the full amount when it is due.

Feasibility Study – A research document that evaluates the likelihood of a proposed project.

Fixed Asset – Long-term assets such as buildings, equipment, or property that is not expected to be converted to cash in the near term. (Usually on one year or less).

Floating Debt – Continuously renewed or refinanced short term debt of companies or governments used to finance on-going operating needs.

Float Loan – A loan which is used to fund a project on an interim basis, usually used as a “bridge” loan until such time when more permanent financing is obtained. Borrowers need a letter of credit to be eligible for this loan.
Funding – To provide funds to finance a project.

Funding source – Source (Federal, state or private $$$) when dollars for a fund originates.

Gap Financing – Gap targets small business that 1) fall below bankable credit standards and 2) cannot easily obtain financing without outside assistance. Gap Financing is financing of this credit gap, usually by State and local governments.

General Partner – In a limited Partnership (one legal form to organize your business), the general partner controls and manages the business and also assumes full personal liability for the business.

Income Statement – An accounting form that reports business revenues, expenses, and the resulting profit or loss for a particular period of time. Also called “Profit and Loss” Statement or “Statement of income and expenses.”

Interest Rate – The cost of money charged by lender for use of funds.

Inventory – Materials you buy to be resold through your business or to use as raw materials to make something you then sell.

Leasehold Improvements – Upgrading or customizing of space you have leased or purchased to house your business.

Letter of Credit – A financial instrument issued by a bank to provide a commitment of credit availability to any outside supplier, can be used as a “back-up” credit enhanced or viewed as a sort of credit guarantee.

Leverage – Debt in relation to equity in a firm’s structure. Measured by the debt-to-equity ratio.

Limited Partner – In a limited partnership, limited partners are part-owners of the business but do not have right to manage or control it. They also are liable only to the extent of the capital they have invested in the partnership.

Line of Credit – Commitment by a bank to lend funds to a borrower up to a specified amount over a specified future period.

Loan Packaging – A loan application package must be submitted by the applicants on most loan requests. A loan packager will assist the applicant in completing the application package.

Maturity Date – Can be defined in terms of the size of the business loan amount requested. Usually micro-loans are considered loans in the range of $500-$35,000.

Prime Rate – An interest rate formally announced by a bank to be the lowest available to a particular time to its most credit-worthy customers. SBA uses the prime rate published in the Wall Street Journal.

Seed Capital – Small amounts of capital available to new businesses to get them started.

Unencumbered assets – Properties owned free and clear of all liens (creditor’s claims).

Venture Capital – Investment money generally from professional investors to be invested in start-up or expanding business that have large growth potential.

Working Capital – The money you use to keep your business running. In accounting, working capital is the difference between current assets and current liabilities.
Credit scores estimate the risk a lender or creditor incurs by predicting creditworthiness — the probability that a consumer will make payments when due and fully repay a debt. Credit scores are used by lenders/creditors to help determine whether consumers qualify for particular credit cards; mortgages, auto or business loans; products or services. Generally, consumers with higher scores are less risky borrowers so lenders usually reward them with lower interest rates on loans.

Information such as your bill-paying history, the number and type of accounts you have, late payments, collection actions, outstanding debt, and the age of your accounts, is collected from your credit application and your credit report. Creditors may consider additional information provided in your credit application such as your job or occupation, length of employment, or whether you own a home.

Guidance from www.myfico.com to increase your creditworthiness:

Payment History Tips
- Pay your bills on time. Delinquent payments and collections can lower your FICO credit score.
- If you have missed payments, get current and stay current. The longer you pay your bills on time, the better.
- Be aware that paying off a collection account will not remove it from your credit report. It stays on it for seven years.
- If you are having trouble making ends meet, contact your creditors or see a legitimate credit counselor to negotiate payment arrangements that you can manage.

Amounts Owed Tips
- Keep balances low on credit cards and other “revolving credit.” High outstanding debt can affect a credit score.
- Pay off debt rather than moving it around. To improve your credit score pay down your revolving credit. Owing the same amount but having fewer open accounts may lower your score.
- Don’t close unused credit cards as a short-term strategy to raise your score.
- Don’t open a number of new credit cards that you don’t need, just to increase your available credit. This approach could backfire and actually lower your credit score.

Length of Credit History Tips
If you have been managing credit for a short time, don’t open a lot of new accounts too rapidly. New accounts will lower your average account age, which will have a larger effect on your score if you don’t have a lot of other credit information. Also, rapid account buildup can look risky if you are a new credit user.

New Credit Tips
- Do your rate shopping for a given loan within a focused period of time such as 14 days. FICO scores distinguish between a search for a single loan and a search for many new credit lines, in part by the length of time over which inquiries occur.
- Re-establish your credit history if you have had problems. Opening new accounts responsibly and paying them off on time will raise your credit score in the long term.
- Requesting and checking your own credit report won’t affect your score, as long as you order your credit report directly from the credit reporting agency or through an organization authorized to provide credit reports to consumers.

Types of Credit Use Tips
- Apply for and open new credit accounts only as needed. Don’t open accounts just to have a better credit mix - it probably won’t raise your credit.
- Have credit cards but manage them responsibly. Having credit cards and installment loans (and making timely payments) will raise your credit score. Someone with no credit cards, for example, tends to be higher risk than someone who has managed their credit cards responsibly.
- Note that closing an account doesn’t make it go away. A closed account will still show up on your credit report, and may be considered by the score.
The Seven Deadly Sins of Business

From sloppy accounting to poor hiring, here are the business-killing traps that every entrepreneur must avoid.

**Sloppy accounting** Done properly, accounting is a diagnosis of everything that's right and wrong with your company. You should be able to complete a pro forma income statement at the beginning of the year that shows your recipe for making money. Crucially, you need to understand the ratio of sales to expenses that will result in profitability. You want to be able to say, "This business needs to gross $800K for me to have a $100K profit," as opposed to merely saying, "I hope I can make $100K one day."

**Unrealistic pricing** You must truly understand your costs, which include often-neglected components like scrap, freight, damages, theft and obsolescence. Once you do, you need to figure out what your cost of goods sold (COGS) number must be for you to make money. Keep in mind that your selling price is not your average selling price -- you have to factor in discounts, which will increase your COGS number.

**Naive hiring** It takes patience and skill to hire the right people. Busy entrepreneurs can easily be romanced by the applicant who says, "I work hard and I'm a fast learner. I just haven't had the right opportunity." Here's the trick to smart hiring: Call references, ask them the right questions, and listen hard to their answers. Key question: "If Bob is so great, how come he doesn't work for you anymore?" I want to hear this kind of reply: "Bob is brilliant. I'd rehire him in a second, but his wife got transferred." A long silence at the other end of the line tells me this candidate isn't worth my while.

**Fear of firing** No sane person enjoys letting people go, but it's necessary if you want to run a great company. As in any competitive endeavor, it's critical to have the best people. It's easy to keep mediocre employees around, especially when they are nice and loyal -- but it will hurt you sooner or later. Here's a good test: Would you be relieved if anyone on your team quit tomorrow? If the answer is yes, you've got a problem.

**Lack of standards** One of your main jobs is to set standards in such essential areas as quality control, customer service and the company's public image. In my picture framing business, the standard for quality control is arm's-length inspection: If you can't see a problem at arm's length, you're fine.

**Lack of controls** It's easy enough for customer service failures, pricing errors and quality issues to get lost in the shuffle. You need to identify and fix these problems before they do lasting damage. In my business, one out of 200 times there's a problem with a framing job: the wrong mat, the wrong color and so on. Every screwup gets a "hot ticket" assigned to it. The mistake gets fixed, and every month I have a record of what the problems are and who's causing them.

**Poor branding** Recently I gave a speech to an audience of appliance dealers. I told them to focus on the layout of their stores, their signage, even how their employees dress. One dealer said, "We tried that branding thing and it didn't work." Wrong answer. In business you brand yourself every day in a million ways. The real question is whether your branding helps or hurts your bottom line.

Most entrepreneurs aren't naturally talented in all seven of these areas, and that's the reason a lot of businesses fail. But failure is a great teacher. Learn and you will earn.

Jay Goltz employs 110 people at Artists Frame Service, Chicago Art Source and Jayson Home & Garden, all based in Chicago. He is the author of The Street-Smart Entrepreneur (Addicus Books).
According to Washington State Emergency Management:  
Almost 40% of small businesses that close due to a disaster event never re-open. 91% of Americans live in places at moderate to high risk of earthquakes, volcanoes, tornadoes, wildfires, hurricanes, flooding, high-wind damage or terrorism. Though each situation is unique, any business can be better prepared if it plans carefully, puts emergency procedures in place, and practices for emergencies of all kinds.

Make a supply kit - A well-designed supply kit is invaluable during and after a disaster.

- Water
- Food
- Tarps
- First-aid kit
- Plastic bags
- Tool kit
- Blankets

- Duct Tape
- Radio and Batteries
- Cleaning Supplies
- Flashlights (no candles or matches)
- Gloves (rubber and leather)
- Camera (to document damage)

**Advise your employees to store a small supply at work of critical personal items, such as prescription medications.

Structural Fires
- Install and maintain smoke alarms or a fire suppression system.
- Conduct fire drills regularly.
- Reduce clutter – it is a fuel source and can block exits.
- Take proper precautions regarding smoking and lit candles.

Flooding
- Most standard insurance policies do not cover flood damage & the resulting loss of income. Check with your insurance agent.
- Build with flood-resistant materials to reduce damage.
- Find out the 100-year flood level of your structure.
- Consider working with a licensed contractor to raise electrical and HVAC system above the 100-year flood level mark.
- Raise computers, electronics, and important files off the floor.
- Work with a licensed plumber to install a backflow valve to prevent sewage backup.
- Move critical items above flood level during a flood watch.

Wildfires
- Maintain a 30 foot “combustible-free” zone around your facility.
- Keep grass mowed and irrigated, remove combustible material.
- Build and renovate with flame-resistant materials.
- Keep the roof and gutters clear of debris.
- Attach non-flammable, fine-gauge screening over all chimneys.

Earthquake
- Ensure that your facility is up to code.
- Use natural gas lines with flex connections & auto shut-off valves.
- Use flexible water lines and/or couplings to toilets, sinks, and in sprinkler systems.
- Secure equipment to the floor or walls to prevent tipping.
- Make sure anything with a drawer or door, like filing cabinets, has latches with a manual release.

If your business lost money as a result of a disaster, you may be eligible for a 4% loan from the SBA or FSA (Farm Service Agency).

- Disaster loans are available only when there is a federally declared disaster.
- For more information & a list of all current disaster declarations go to: www.sba.gov/content/current-disaster-declarations

Tornado
- Assign one person to monitor weather alerts.
- Establish interior, preferably basement, locations for employees to gather. Bathrooms, corners, and short hallways are safest.
- Remember, a “watch” means a tornado could happen and a “warning” means you should take immediate cover.
- Keep surplus blankets in a shelter area.

Employees
- Identify an internal shelter in case authorities say to stay there.
- Establish a spokesperson to speak to the media and the public.
- Document each employee’s job and emergency contact info.
- Decide who is in charge when regular managers are unavailable.
- Create a phone tree and designate individuals who will initiate the communication process.
- Train your employees on the plan & review it with them regularly.

Customers
- What if customers are present if a disaster strikes?
- Keep communications open.
- Keep a copy of your customer records off-site.
- Have an alternate worksite from which to communicate to customers during recovery.

Suppliers
- Maintain a contact list of all your regular suppliers and a backup list of alternates to avoid supply disruption.

**IMPORTANT WEBSITES**

American Red Cross - www.redcross.org
Institute for Business & Home Safety—www.disastersafety.org

Equipment
- Maintain an inventory of all equipment used by your business.
- Keep a maintenance schedule for all equipment, as well as manufacturer and service contact information for each.

Property
- Make sure your facility meets all local building and fire codes.
- Know where utility shut off s are located & how to operate them.

Records
- Document all processes that make your business run from phones, to finances, to distributing your product or service.
- Develop a schedule for backing up all computer records.
- Keep current copies of paper and computer files off-site.

Insurance
- Insurance coverage can mean the difference between reopening after a disaster strikes or having to close your doors.
- Meet regularly with your insurance agent to ensure you have adequate coverage & knowledge of how to quickly file a claim.
- Consider a policy that will reimburse you for business disruptions in addition to physical losses.

Additional tips
- Get a weather alert radio and monitor it.
- Post emergency numbers & procedures throughout your facility.
- Post evacuation routes and procedures for staff and customers.
- Plan ahead to accommodate individuals with special needs.
INDEX

A-
Accounting Terms, Glossary of .......... 46
Advantage Loan Initiative 26
AgriBusiness Resources 38
Agriculture, Department of 38
Angel Investors 30
Association Resources 38, 44

B-
Bar Codes.......................... 44
BiZStreet 44
Bonding 34
Business Incubators 37
Business Plan Guide 8
Business Start-Up Checklist 3
Business Structure/Organization 6-7

C-
CDCs/Certified Lending Companies 28
Chambers of Commerce.............. 39
Child Care Resources. 29, 44
City/County Regulations 15
Clothing Labels 44
Contracting with the Government 31-34
Cooperative Extension Offices for AgriBusiness 38
Copyrights 14
Corporation 7, 16, 17
Credit Report Agencies 44, 48
Credit Scores 48
Customs 43

D-
Directions to SBA, & SCORE Spokane ... 20
Disaster Planning & Information 45

E-
Economic Development Councils........ 40
EIN Employer/Taxpayer ID Number 18-19
Employment/Personnel 19, 40-41
Export Assistance 43

F-
Federal Business Regulation Agencies 19, 38, 43
Federal Trade Commission 45
Financing 23-30
Food Producers, Information Resources 37
Franchising 8
Frequently Requested Phone Numbers 43

G-
Government Contracting................ 31-34
GSA—General Services Administration 31
Grants 23

H-
Healthcare.................................. 45
Hispanic Chambers of Commerce 39
HUBZone Govt. Contracting Program 33

I-
Idaho State
  Agriculture, ID Dept. of ............... 36
  Business Licensing / Taxes / Regulatory Agencies 17, 41
  Disadvantaged Business Enterprise 31, 32, 35
  Immigration (INS is now USCIS) 19, 43
  Incubators/Kitchen Centers/Virtual Incubators 37
  Independent Contractor 40
  Insurance 12, 13
  Intellectual Property 14
  International Trade 43
  IRS — Internal Revenue Service 18-19, 40-41
  ISO 9000 / 14000 42

J-
Job services................................ 41

K-
Kitchen Centers.......................... 37

L-
Labeling/ Product Packaging........... 44
Lawyer Referral Service 44
Legal Structure 6-7
Lenders, Alternative 29
Licensing, Idaho 17
Licensing, Washington 16
Limited Liability Partnership or Company (LLP or LLC) 7
Loan Application Checklist 24
Loan, Applying for 25
Loan Briefings 22
Loans, Alternative Sources 28-30
Loans, Frequently Asked Questions 23
Loans, SBA 26-27
  7(a) Guaranty 26
  504, Fixed Asset 27
  Disaster 27
  Export Working Capital/Export Express 26
  General Credit Requirements 27
  Idaho Prime Loan Program 26
  Interest Rates / Fees 28
  Lines of Credit/ SBA Express 26
  Microloans 27-29
  Patriot Express Loans for Veterans & their spouses 26
  SBA Express 26
  Loans, USDA 38
<table>
<thead>
<tr>
<th>M-</th>
<th>Page #</th>
</tr>
</thead>
<tbody>
<tr>
<td>Microloan Lenders</td>
<td>27-29</td>
</tr>
<tr>
<td>Military—Loans for</td>
<td>26</td>
</tr>
<tr>
<td>Minority Enterprise Development (8a)</td>
<td>32</td>
</tr>
<tr>
<td>Minority Business Resources</td>
<td>28-29, 32, 35, 39</td>
</tr>
<tr>
<td>Minimum Wage in WA (web address)</td>
<td>41</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>N-</th>
<th>Page #</th>
</tr>
</thead>
<tbody>
<tr>
<td>NAICS (Industry Size Standards)</td>
<td>30</td>
</tr>
<tr>
<td>Native Americans, Resources for</td>
<td>29, 35</td>
</tr>
<tr>
<td>NAWBO, Inland NW Chapter</td>
<td>35</td>
</tr>
<tr>
<td>NxLevel SBDC Classes</td>
<td>36</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>O-</th>
<th>Page #</th>
</tr>
</thead>
<tbody>
<tr>
<td>OMWBE</td>
<td>29, 35</td>
</tr>
<tr>
<td>OSHA</td>
<td>16, 18, 41</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>P-</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Partnerships</td>
<td>6-7</td>
</tr>
<tr>
<td>Patents</td>
<td>14</td>
</tr>
<tr>
<td>Patriot Express Loans</td>
<td>26</td>
</tr>
<tr>
<td>Procurement Assistance</td>
<td>31-34</td>
</tr>
<tr>
<td>PTAC, Procurement Technical Assistance Center</td>
<td>31</td>
</tr>
<tr>
<td>Protecting Your Personal Information</td>
<td>45</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Q-</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Q</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>R-</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>R</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>S-</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>S</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>T-</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Taxes, Federal</td>
<td></td>
</tr>
<tr>
<td>Taxes, Idaho</td>
<td>18</td>
</tr>
<tr>
<td>Taxes, Washington</td>
<td>17</td>
</tr>
<tr>
<td>Taxpayer ID/EIN Number</td>
<td>18-19</td>
</tr>
<tr>
<td>Technology business resources</td>
<td>42</td>
</tr>
<tr>
<td>Trademarks</td>
<td>14</td>
</tr>
<tr>
<td>Trade Name Registration and Search, WA</td>
<td>16</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>U-</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>U</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>V-</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>V</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>W-</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>W</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Z-</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Z</td>
<td></td>
</tr>
</tbody>
</table>

---

**Special Thanks to Patty Jordan, SBA, for her help, and SCORE Seattle for some of the articles.**

**To provide corrections, additions or future updates to this SCORE Small Business Resource Guide, please contact:**

info@scorespokane.org
SCORE®
Counselors to America's Small Business

Small Business Resource Guide

For Businesses Located in Spokane, North Idaho, Eastern & Central Washington
This Small Business Resource Guide would not have been possible without the gracious contribution of these Sponsors

It takes a sharp banker to cut through red tape.

Get your SBA loan at Sterling. Our experts can help you qualify and obtain the funds you need sooner so you can get your business plans underway. You’ll also enjoy flexible terms at minimal cost. Call today.

Your SBA Loan Experts:
Bucky Marshall, Business Development Officer (509) 363-8174
Cliff Poffenroth, Business Development Officer (509) 363-8175

STERLING SAVINGS BANK
sterlingsavingsbank.com


One thing about owning a small business, it helps to have a bank with big resources to back you up. Like Banner Bank. Whether you need to shore up inventory, expand your current business, need to make some improvements or have a business idea that will change the course of your world, Banner will find the loan that addresses all of your needs. Then augment it with the expertise and services necessary to help you grow. To see what you can do for your business, drop by your nearest Banner branch or visit www.bannerbank.com.

Better ideas. Better banking.
1-800-272-9033
Serving the Northwest with over 80 locations.
www.bannerbank.com