

### Virtual Workbook V4.5





U.S. Small Business Administration

# CONTENTS





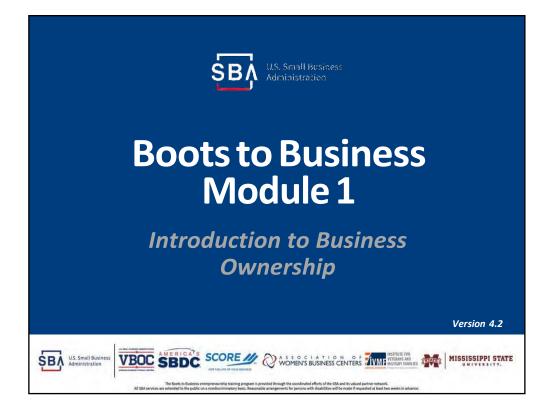
## MODULES

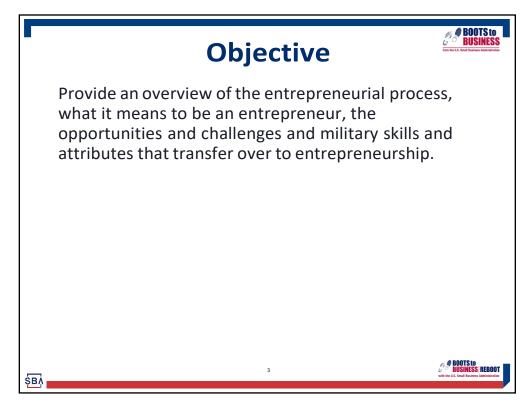
- 3 Module 1: Introduction to Business Ownership
- 25 Module 2: The Right Idea? Basics of Opportunity Recognition
- 42 Module 3: Understanding Markets & Your Competitive Space
- 62 Module 4: The Economics of Small Business Start-up
- 86 Module 5: Legal Considerations
- 105 Module 6: Financing Your Venture
- 139 Module 7: Introduction to Business Planning
- **159 Module 8: Resources to Support Your Efforts**

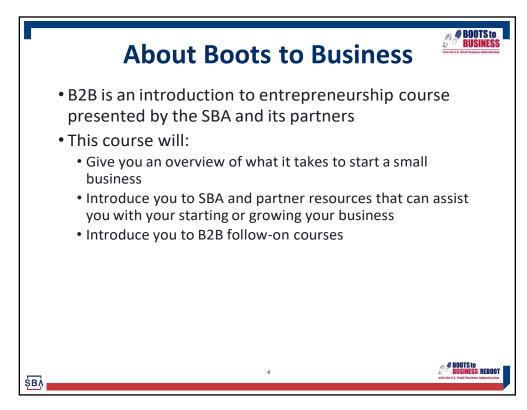


### CLASSROOM DOCUMENTS

- 182 New Venture Feasibility Analysis Tool
- 189 Case Studies
- 190 What's Next?
- **191 Resources**
- **198 Resources Links**
- 200 Glossary



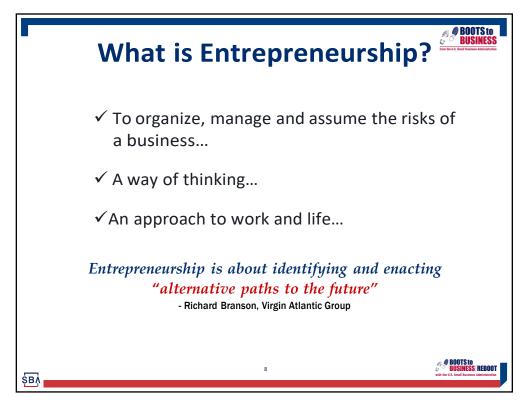


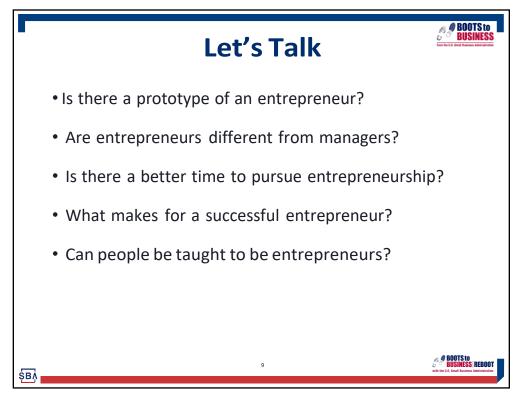








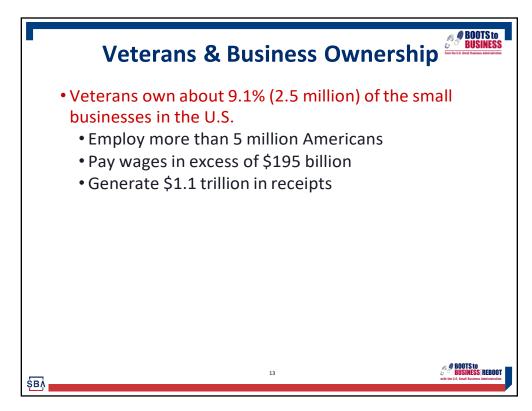






















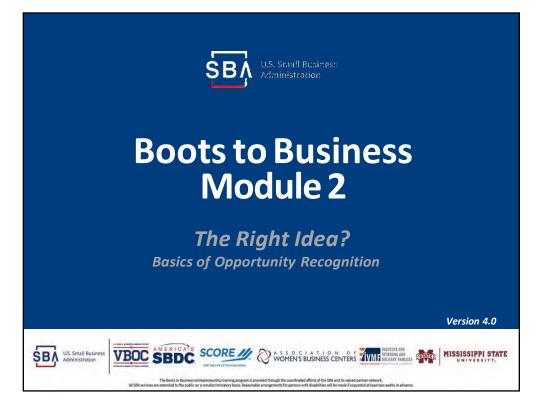


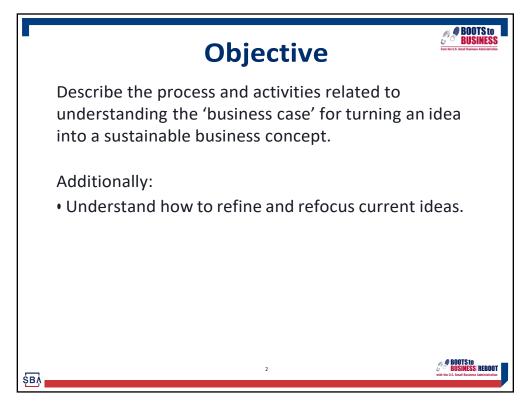




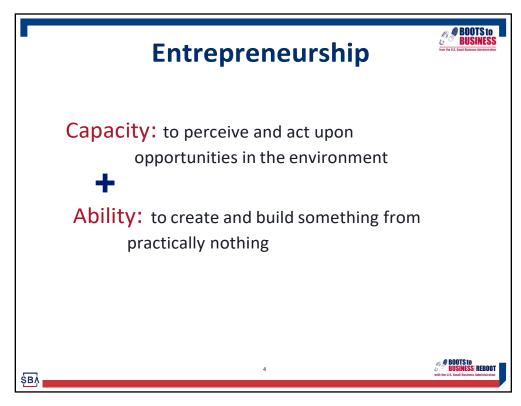


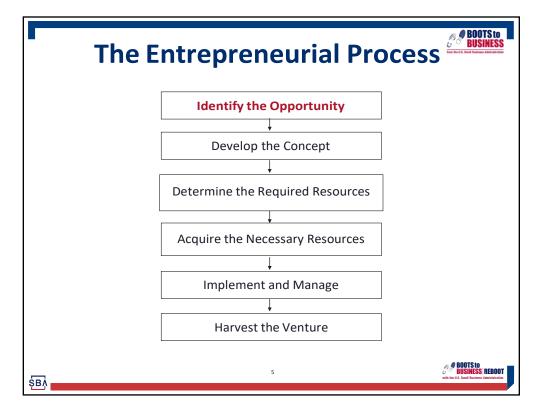


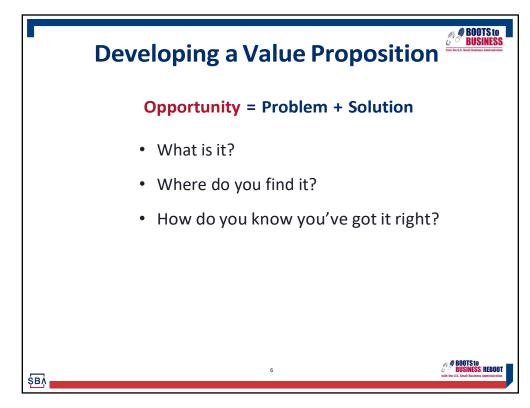


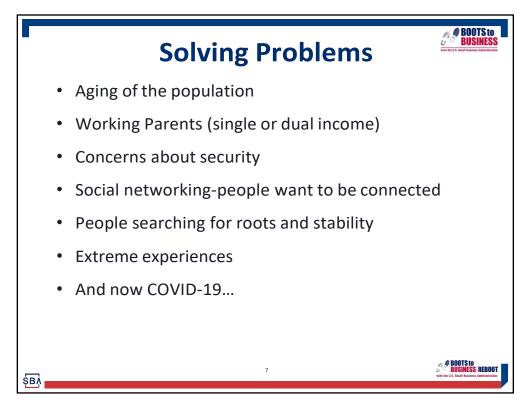


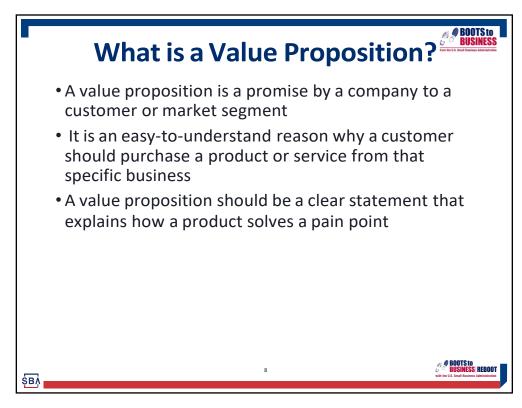


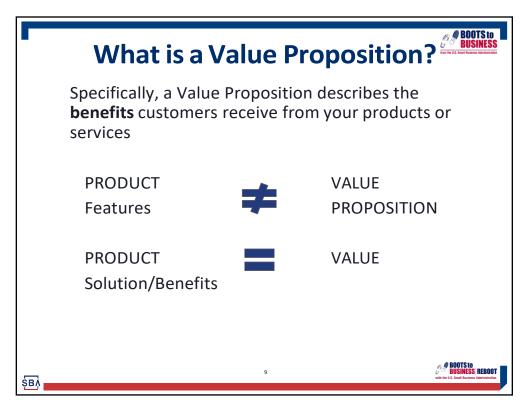








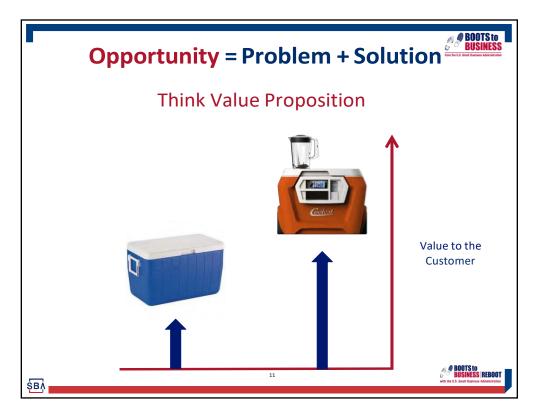


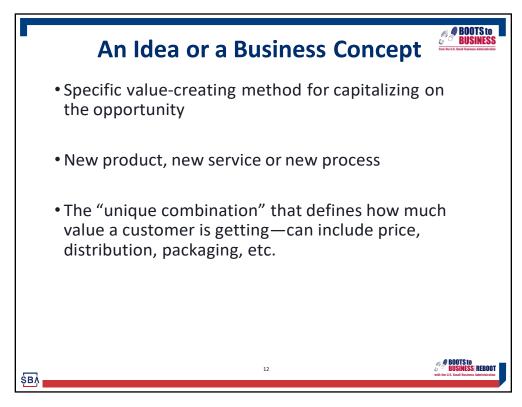


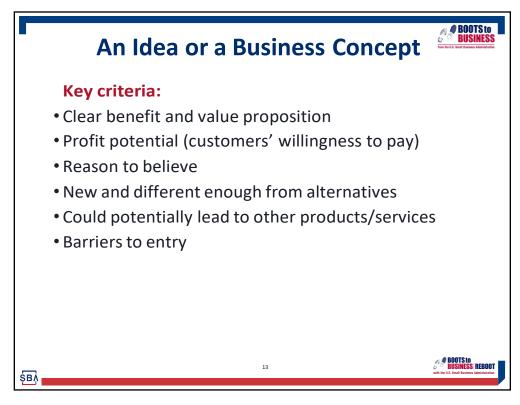
#### **Features vs Benefits**

BOOTS to BUSINESS

Product/Service	Feature	Benefit
Тоу	Batteries Included	Ready out of the box with no disappointed kids
Baby Gifts	Hand Painted Personalized Piggy Bank	Uniquely personal gift that lasts a lifetime
Mobile Phone	Integrated Email App	Check mail wherever you are allowing you to keep in touch with your customers
Lawyer	Expert in Business Law	Advice you need to run your business legally
Realtor	20 years experience selling in the neighborhood	Benefit from expert knowledge of what sells, what sells quickly and for highest amount in your neighborhood
Computer Store	Carry all makes and models	One-stop shopping for comparing all models to find the perfect computer for your needs
Hotel	Located next to the business district	Sleep in and Travel from hotel to meetings in minutes
Web Design	Professional Website Design	Create a positive first impression for your business
Office Chair	Seat adjustment designed by ergonomic experts	Long hours at the office don't translate to poor posture and back pain
		10

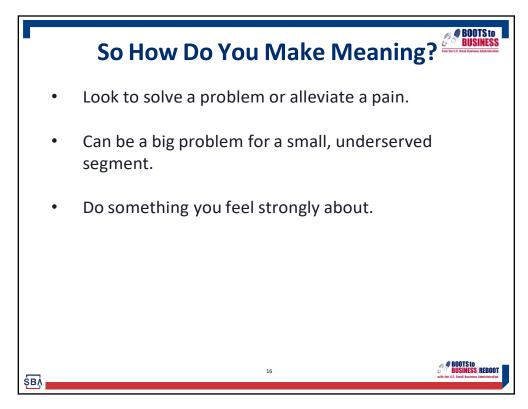


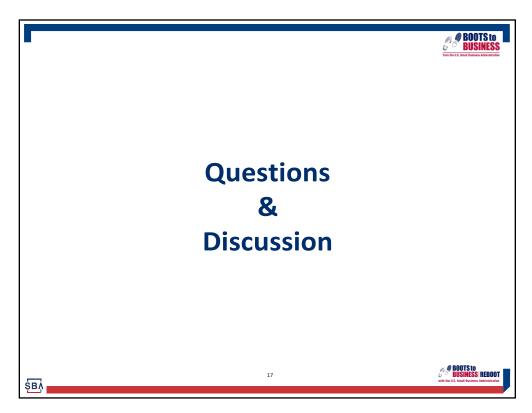








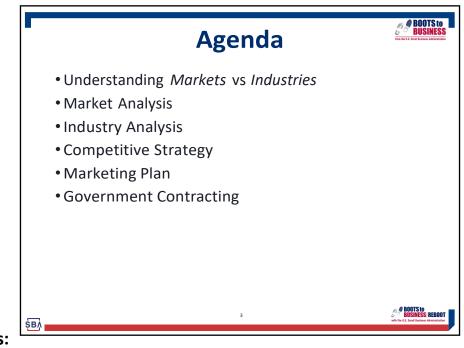




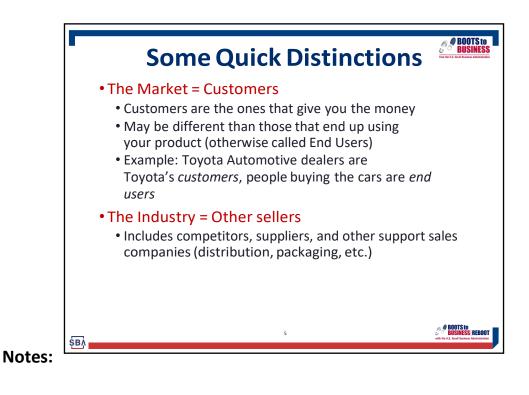


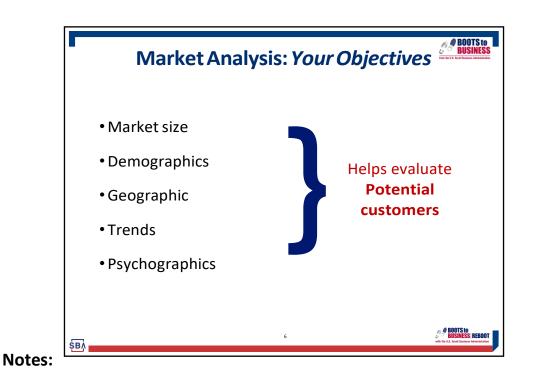


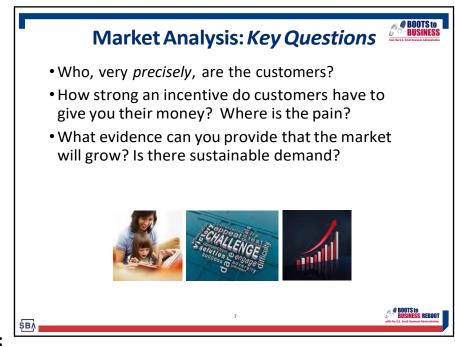
Notes:







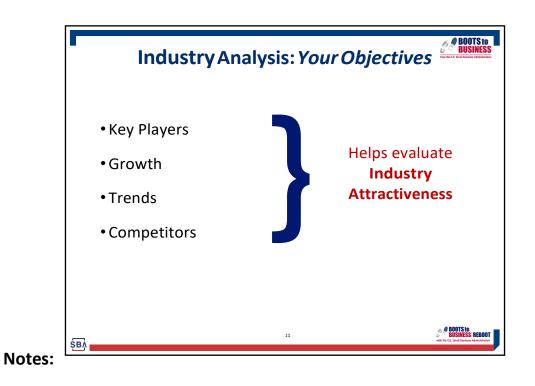


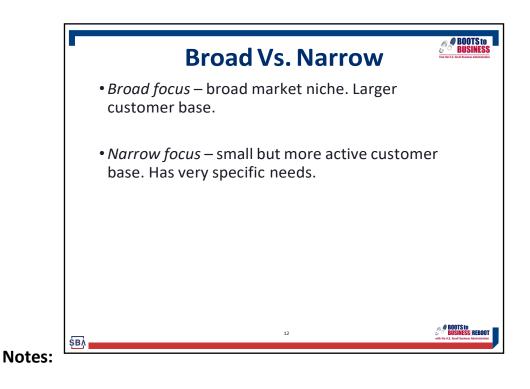


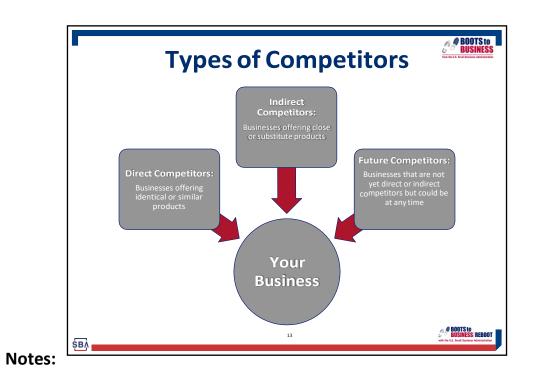


Business research and information	Small business snapshots, market research, industry reports	SBDCNet.org
General business statistics	Find statistics on industries, business conditions	NAICS, USA.gov Statistics, Statistical Abstract of the United States, U.S. Census Bureau
Consumer statistics	Gain info on potential customers, consumer markets	Consumer Credit Data, Consumer Product Safety
Demographics	Segment the population for targeting customers	American Factfinder, Bureau of Labor Statistics
Economic indicators	Know unemployment rates, loans granted and more	Consumer Price Index, Bureau of Economic Analysis

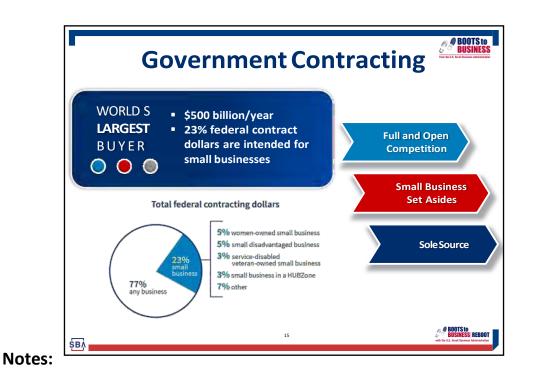


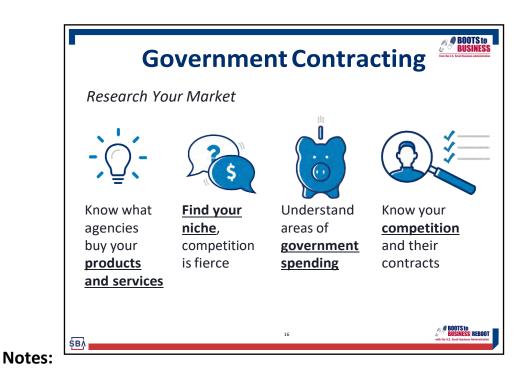






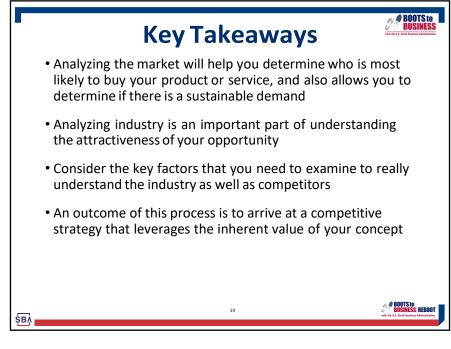






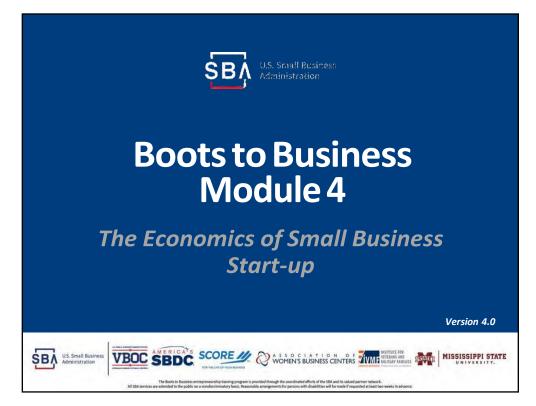


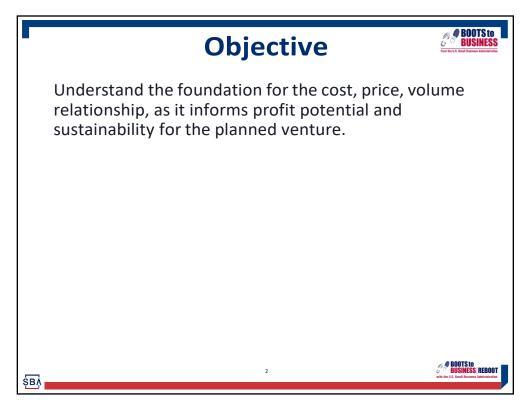




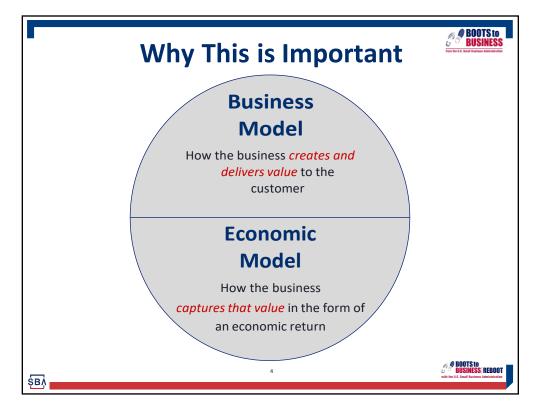
Notes:

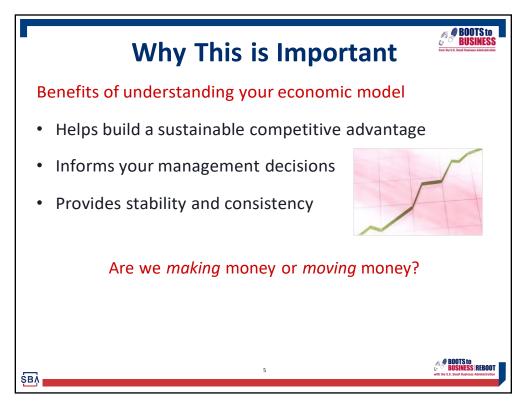


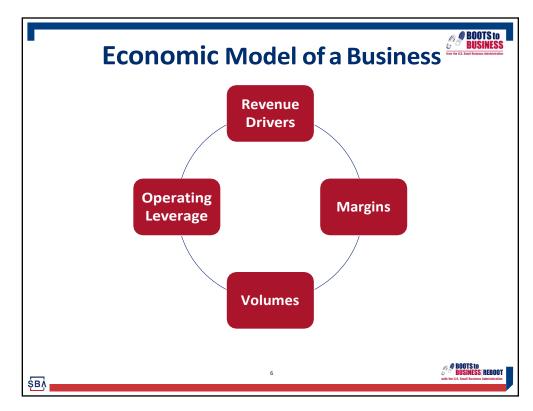


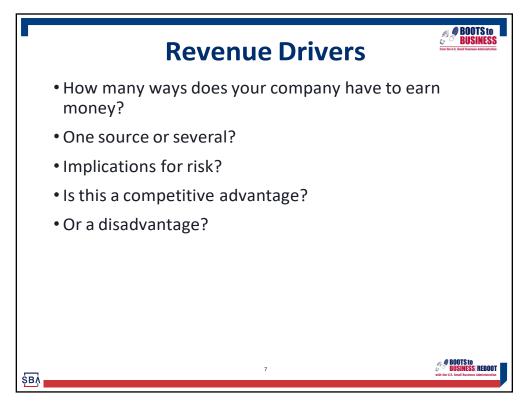


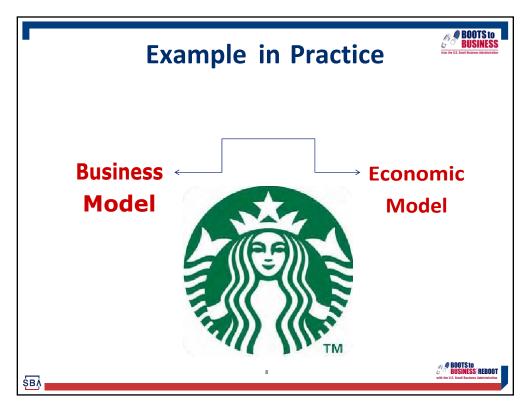


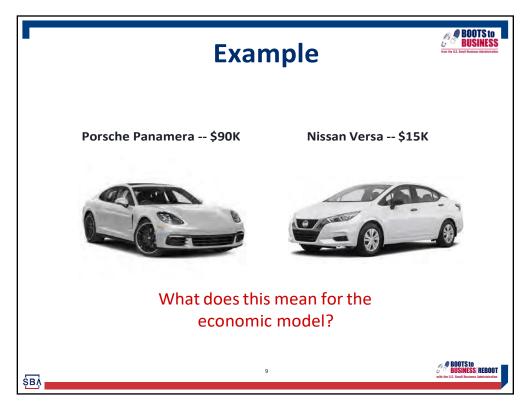


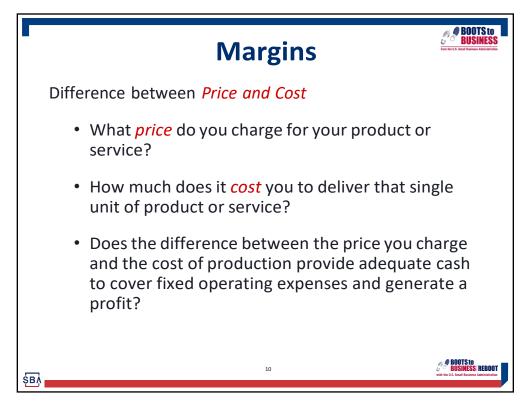


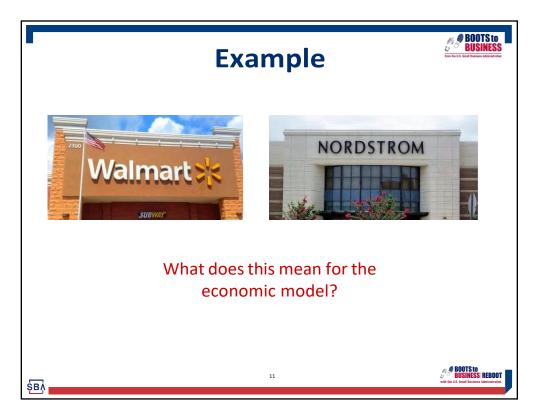


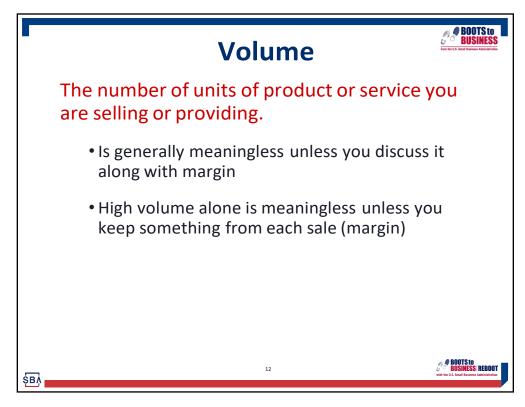




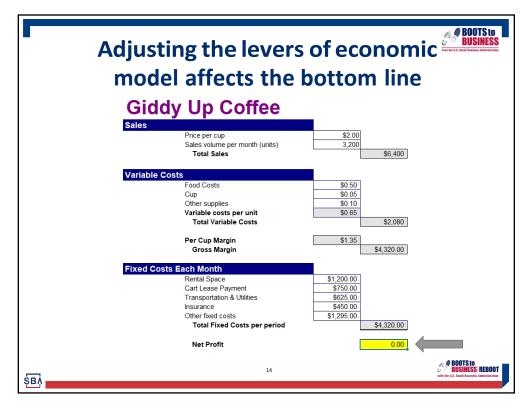


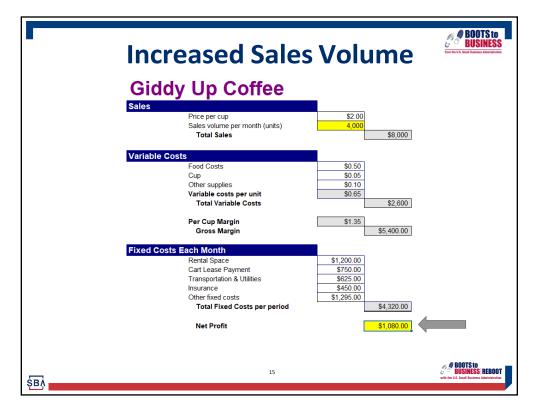


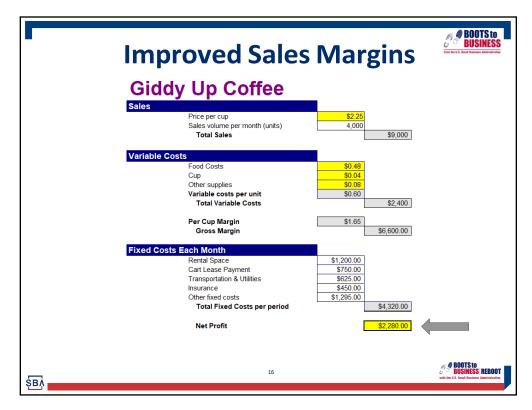


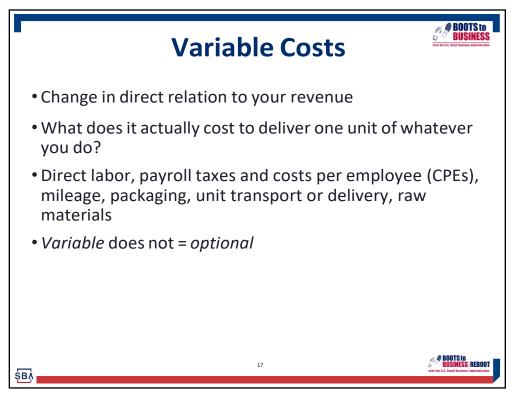


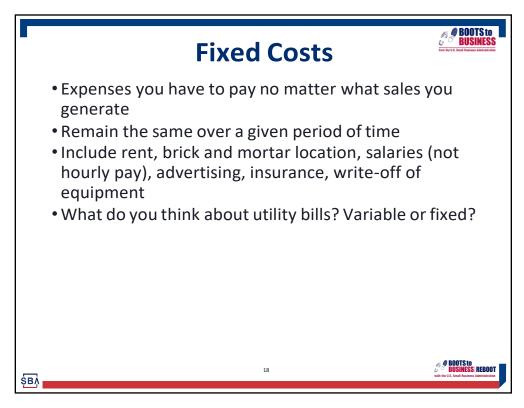


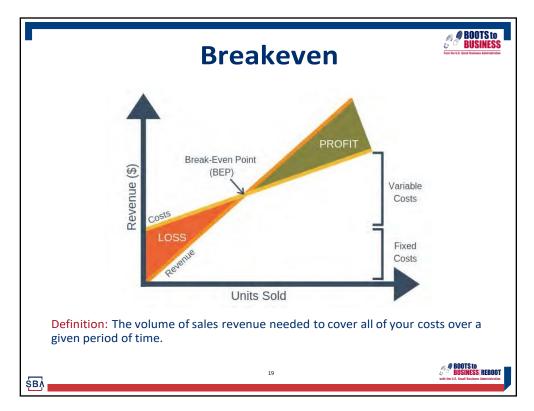


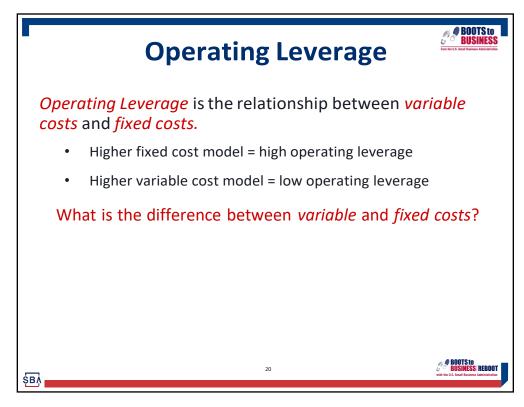


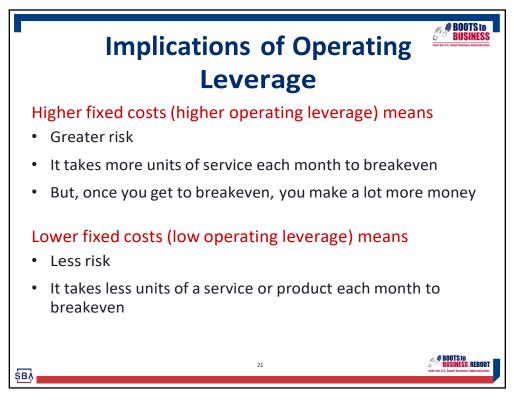


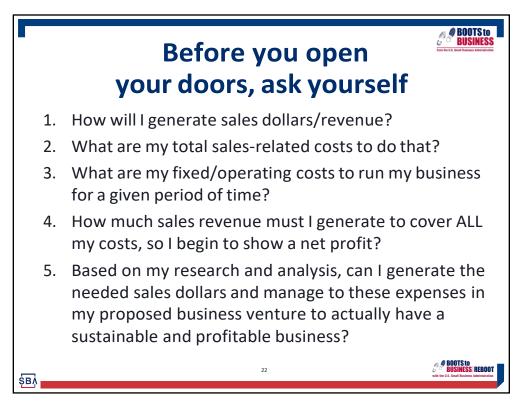


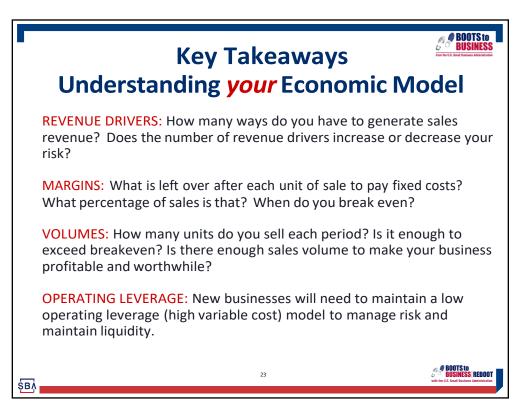


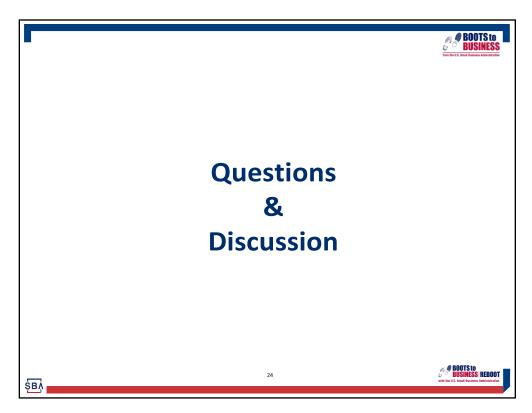


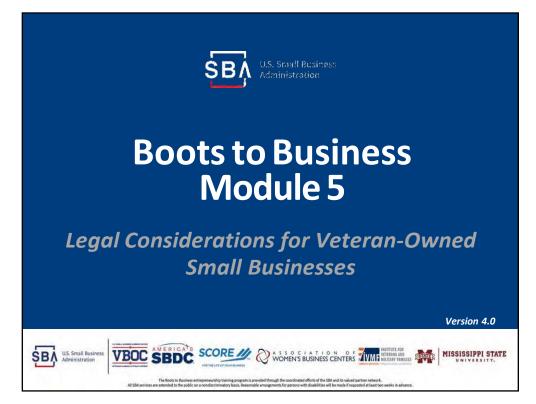


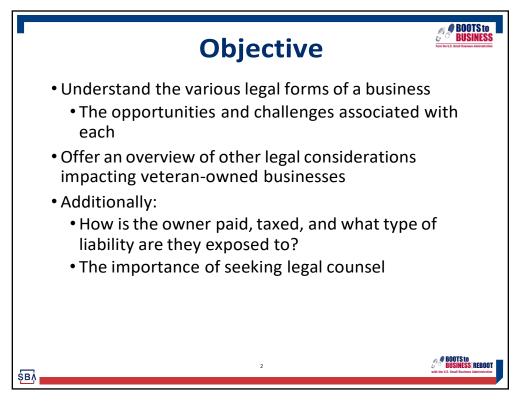




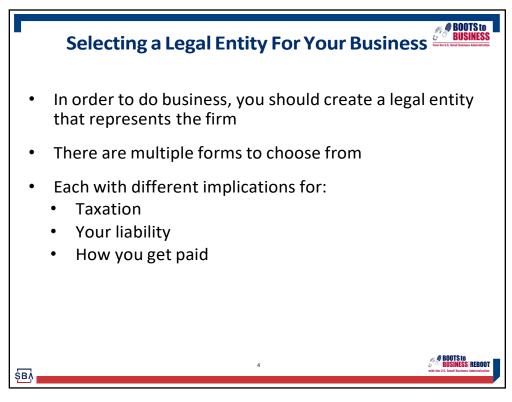


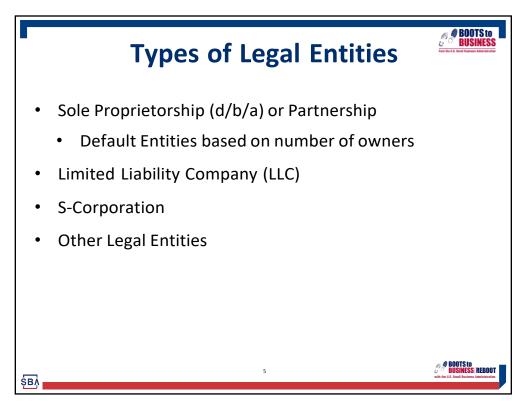


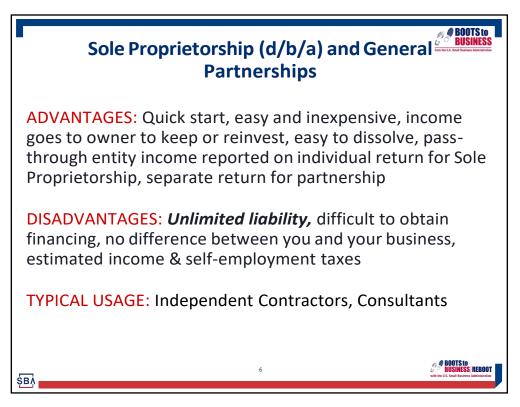


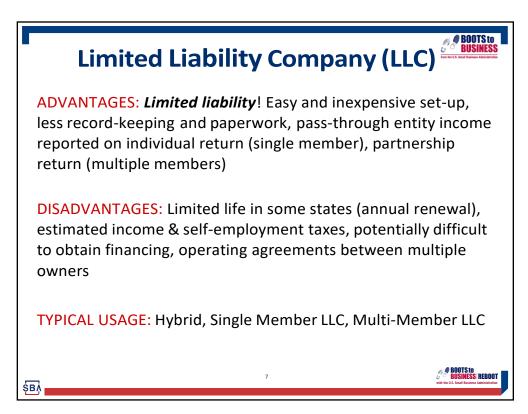


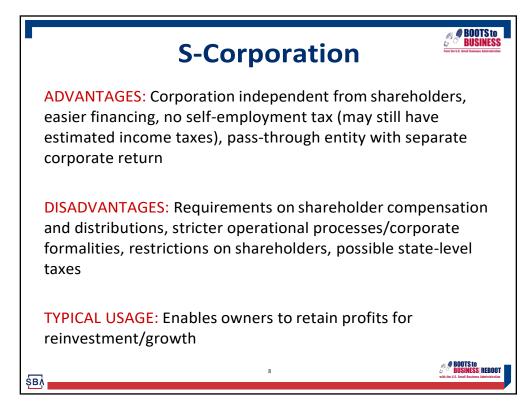




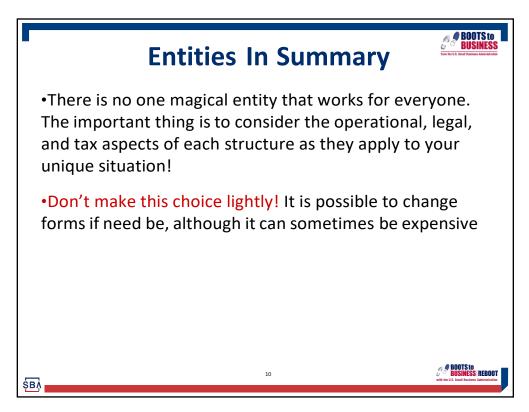




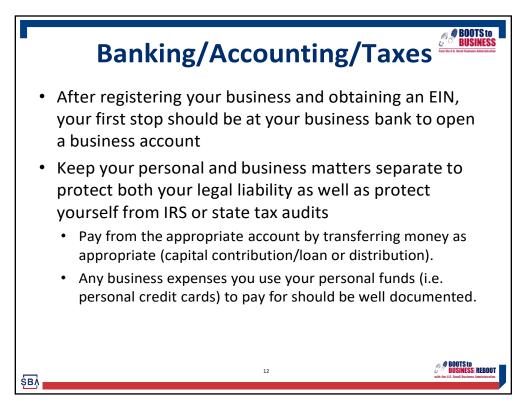


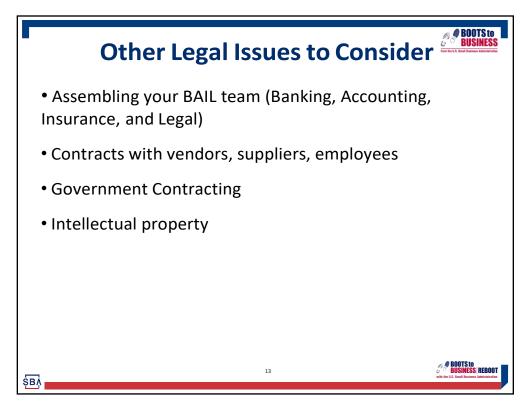


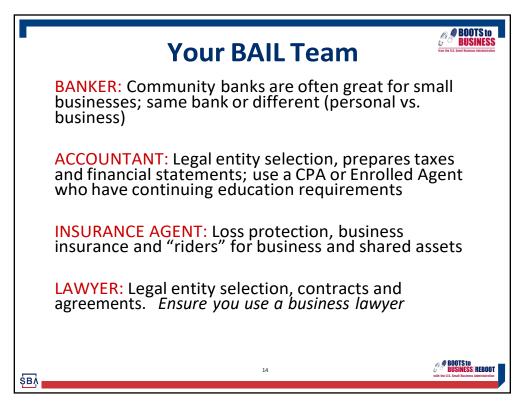


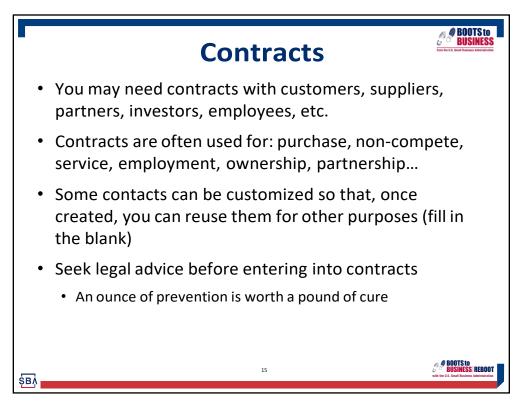


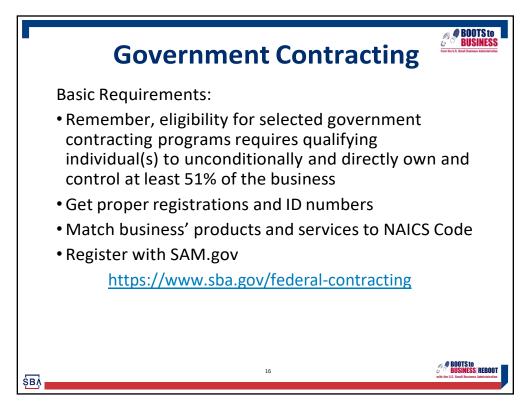


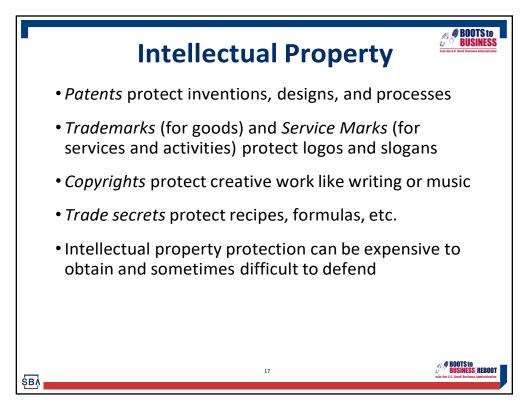




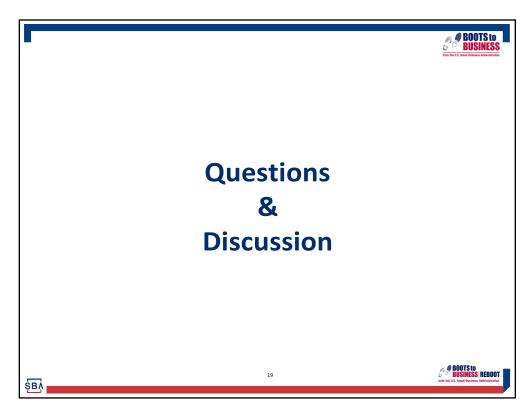




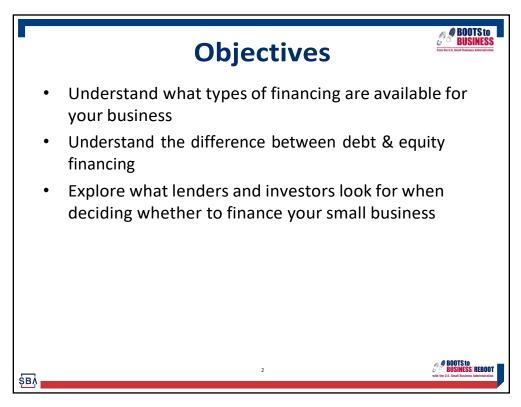


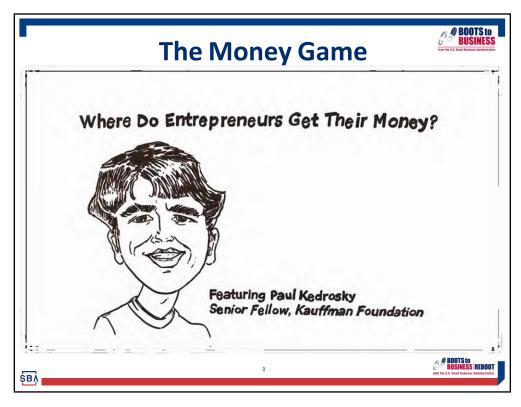


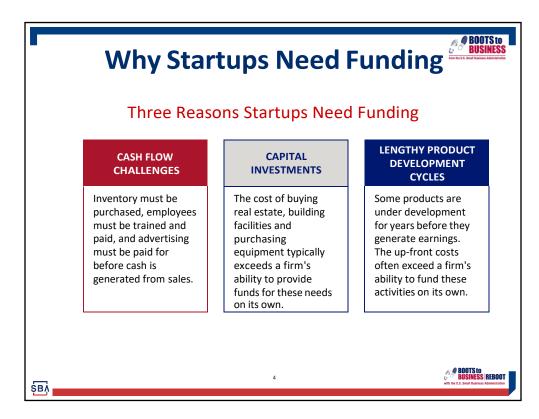


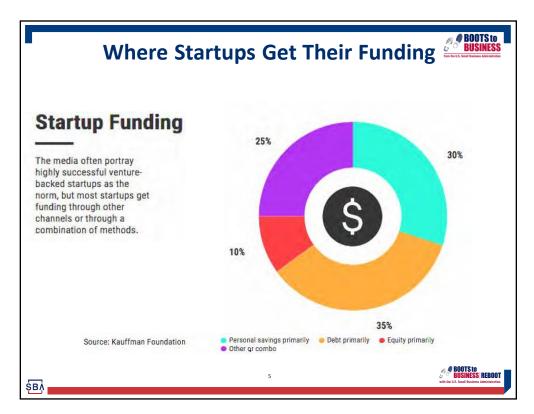


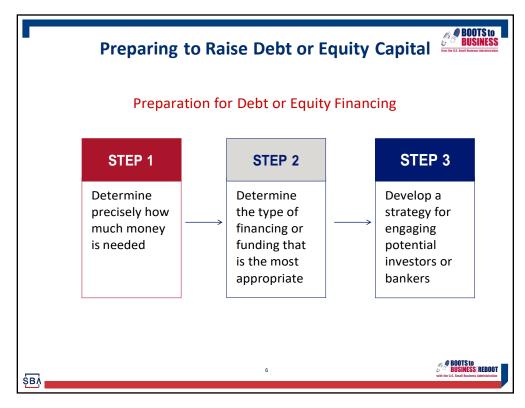


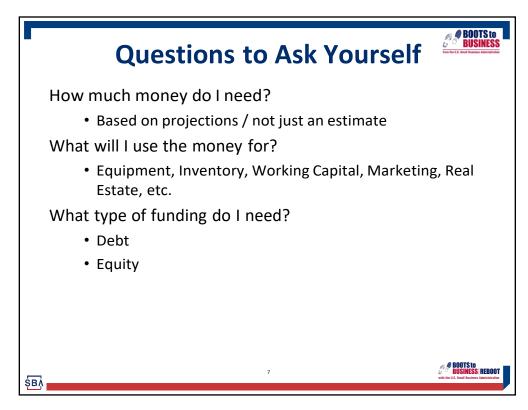


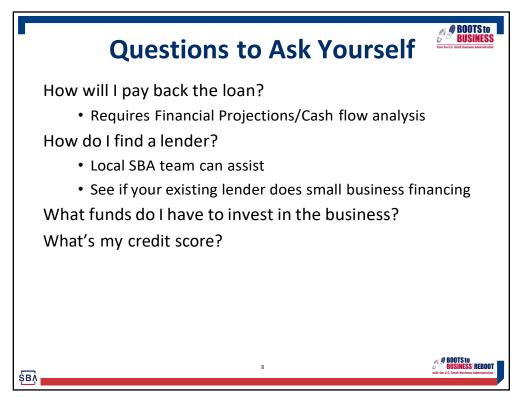


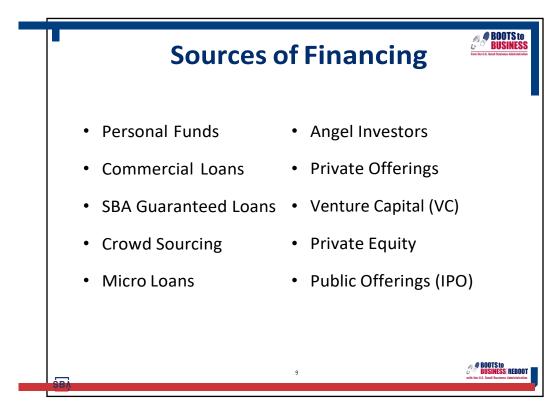




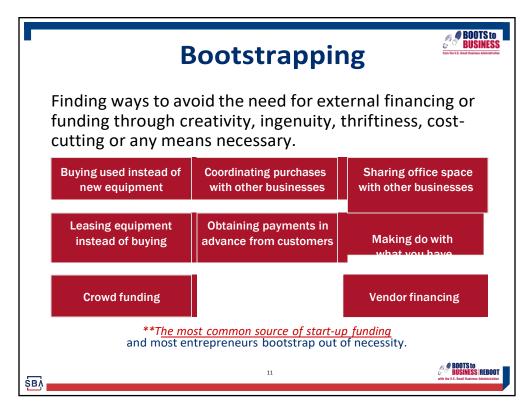


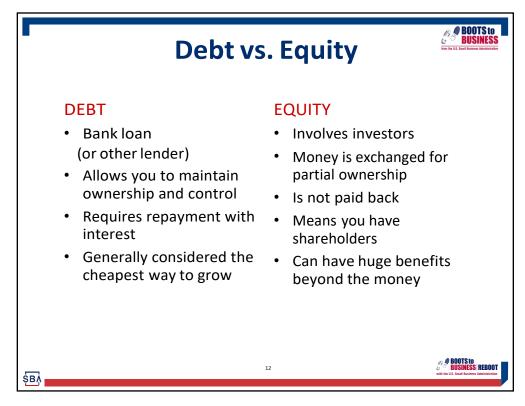


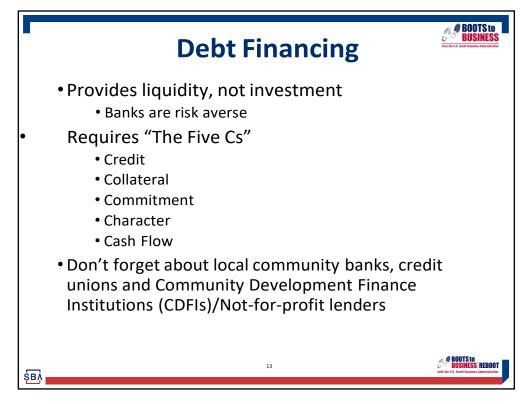


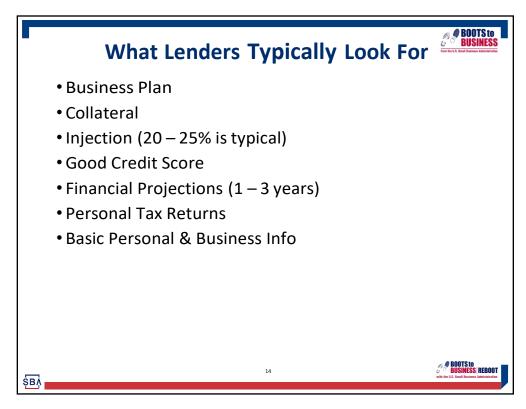










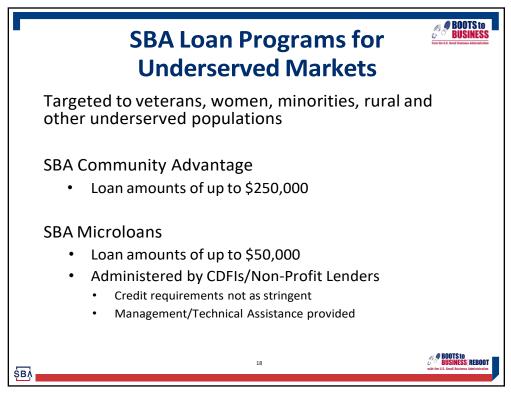


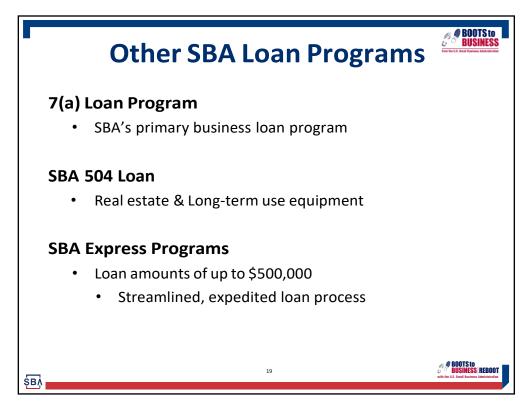




Notes:



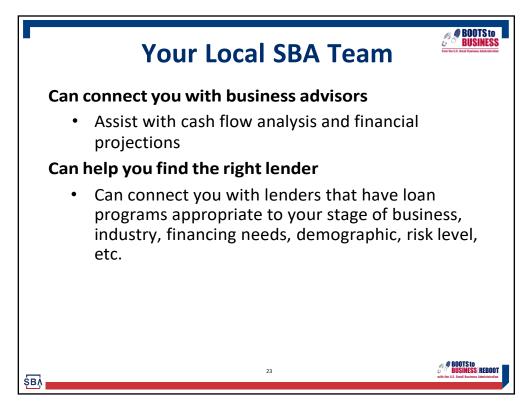




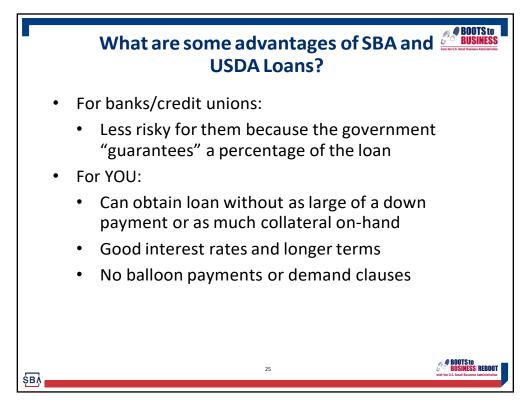


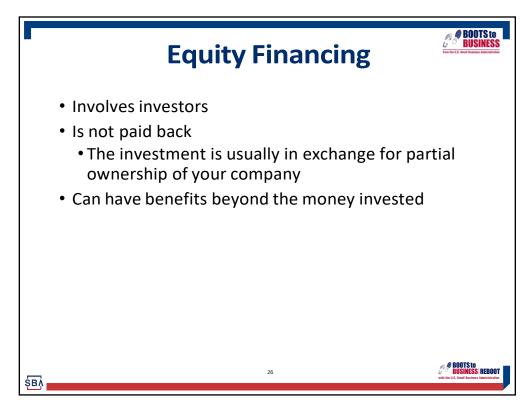


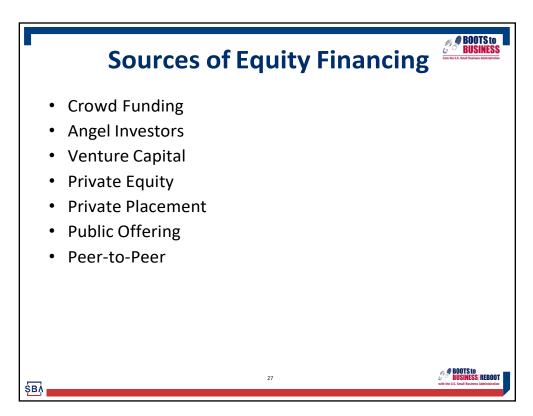


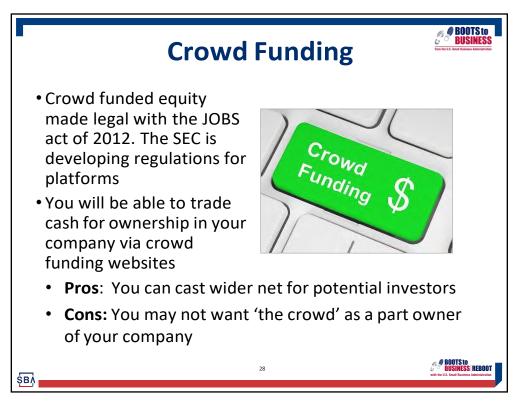




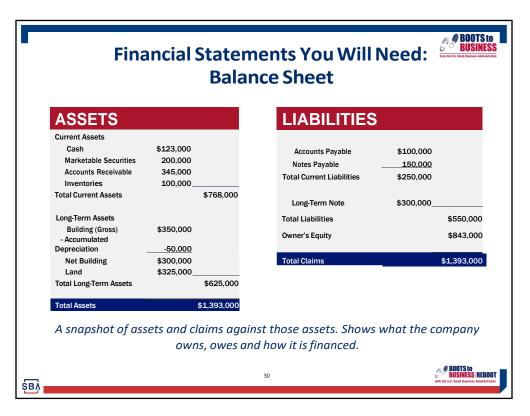






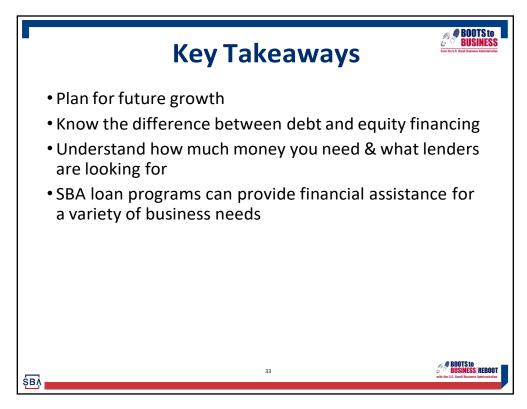


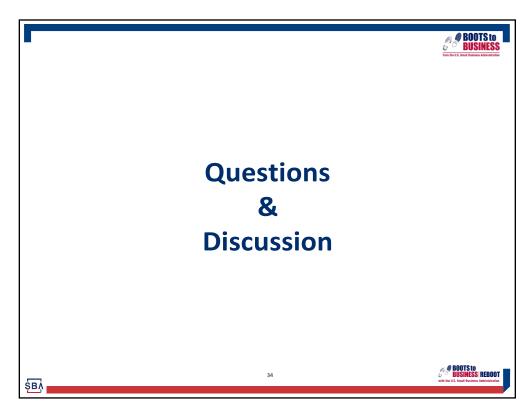


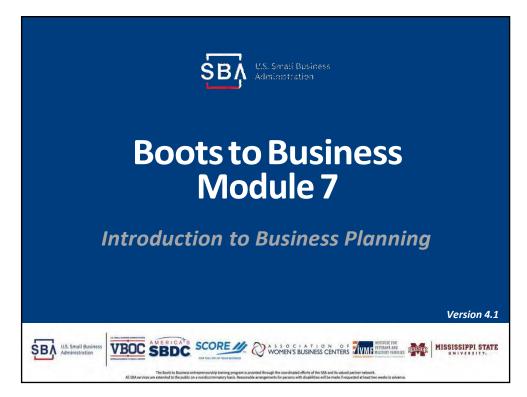


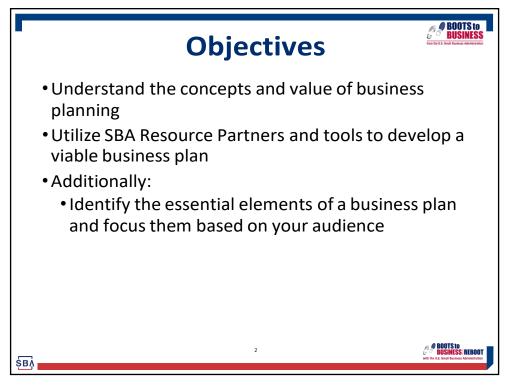
\$1,200,000
850,000
\$350,000
311,000
\$39,000
9,00
\$30,000
12,000
\$18,000
ottom line' of

Flow Statemer         OPERATING ACTIVITIES, CASH FLOWS PROVIDED BY OR         Depreciation/Amortization         Changes in A/P         Changes in Inventory         Total Cash Flow from Operating Activities         INVESTING ACTIVITIES, CASH FLOWS PROVIDED BY OR (U         Payment for acquisition of PPE         Sale of PPE         Total Cash Flow from Investing Activities	(USED) IN: \$50,000 (\$345,000) \$100,000 (\$100,000) (\$277,000)
Depreciation/Amortization Changes in A/R Changes in A/P Changes in Inventory Total Cash Flow from Operating Activities INVESTING ACTIVITIES, CASH FLOWS PROVIDED BY OR (U Payment for acquisition of PPE Sale of PPE	\$50,000 (\$345,000) \$100,000 (\$100,000) (\$277,000) USED) IN:
Changes in A/R Changes in A/P Changes in Inventory Total Cash Flow from Operating Activities INVESTING ACTIVITIES, CASH FLOWS PROVIDED BY OR (U Payment for acquisition of PPE Sale of PPE	(\$345,000) \$100,000 (\$100,000) (\$277,000) USED) IN:
Changes in A/P Changes in Inventory Total Cash Flow from Operating Activities INVESTING ACTIVITIES, CASH FLOWS PROVIDED BY OR (U Payment for acquisition of PPE Sale of PPE	\$100,000 (\$100,000) (\$277,000) USED) IN:
Changes in Inventory Total Cash Flow from Operating Activities INVESTING ACTIVITIES, CASH FLOWS PROVIDED BY OR (U Payment for acquisition of PPE Sale of PPE	(\$100,000) (\$277,000) USED) IN:
Total Cash Flow from Operating Activities INVESTING ACTIVITIES, CASH FLOWS PROVIDED BY OR (I Payment for acquisition of PPE Sale of PPE	(\$277,000) USED) IN:
INVESTING ACTIVITIES, CASH FLOWS PROVIDED BY OR (U Payment for acquisition of PPE Sale of PPE	USED) IN:
Payment for acquisition of PPE Sale of PPE	
Sale of PPE	(\$350,000)
Total Cash Flow from Investing Activities	\$0
	(\$350,000)
FINANCING ACTIVITIES, CASH FLOW PROVIDED BY OR (U	SED) IN:
Issuance of Stock	\$600,000
Dividends	
Net Borrowings	\$150,000
Total Cash Flows From Financing Activities	\$750,000
Net increase/Decrease in Cash:	\$123,000
Cash at beginning of period	\$0
Cash at end of period	\$123,000
Shows sources and uses of cash as v	well as net
change on cash over a specified per	



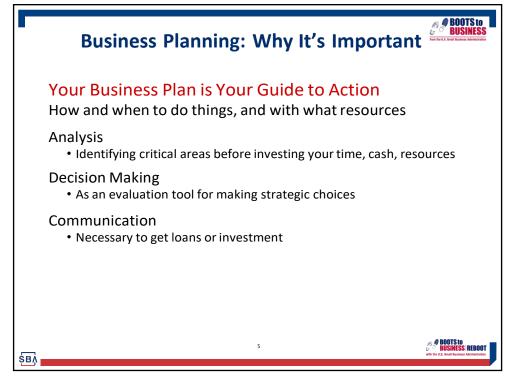


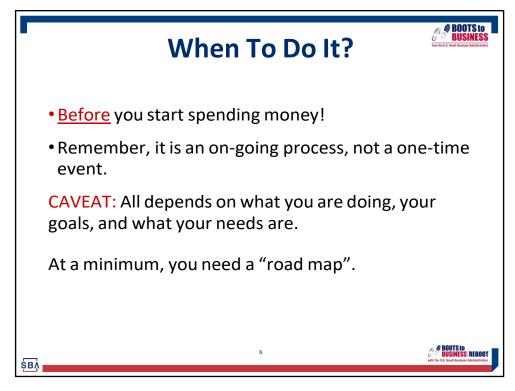




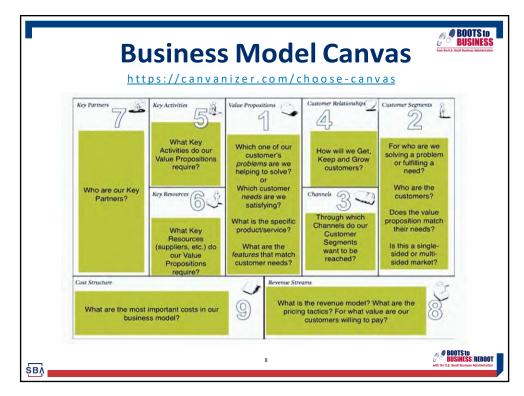




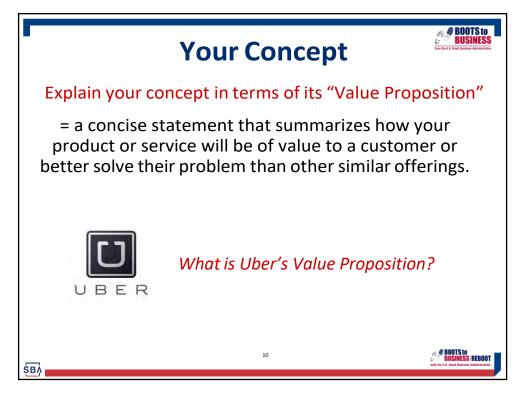




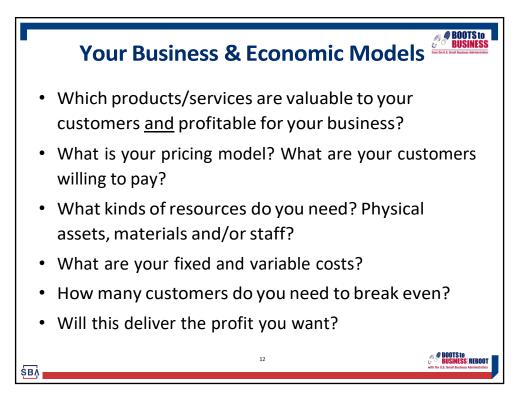












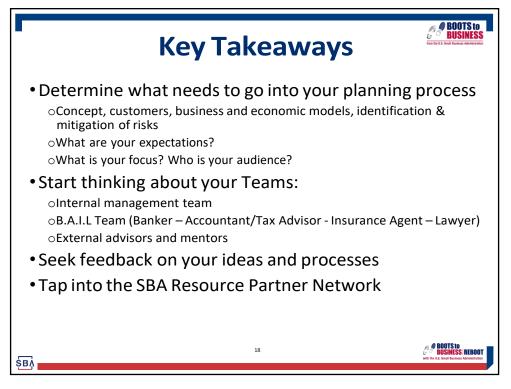


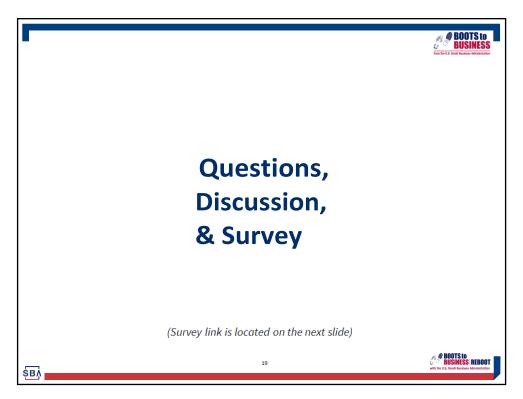






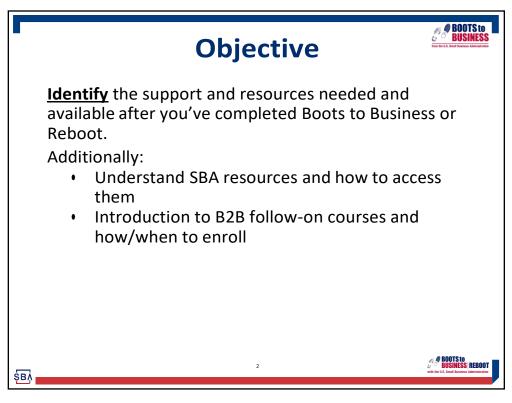
PITFALLS	FIXES
Lack of Clarity <ul> <li>Big idea vs. details</li> <li>Writing style &amp; jargon</li> </ul>	<ul> <li>Provide scenarios and data</li> <li>K.I.S.S: Keep it Simple &amp; Succinct</li> <li>Avoid acronyms</li> </ul>
Lack of Continuity & Consistency <ul> <li>Numbers</li> <li>Verbiage</li> </ul>	<ul> <li>Be conservative in estimates</li> <li>Check your numbers</li> <li>Proofread for errors, spelling, etc.</li> </ul>
<ul> <li>Lack of Realism</li> <li>Financials, market size, suppliers, etc. too optimistic</li> </ul>	Be conservative – compare best and worst case scenarios, and choose the middle
<ul> <li>Lack of Flexibility</li> <li>Failure to assess and internal and external risks</li> </ul>	<ul> <li>SWOT analysis to identify risks and ways to mitigate their impact to maximize potential for success</li> <li>Update as needed</li> </ul>



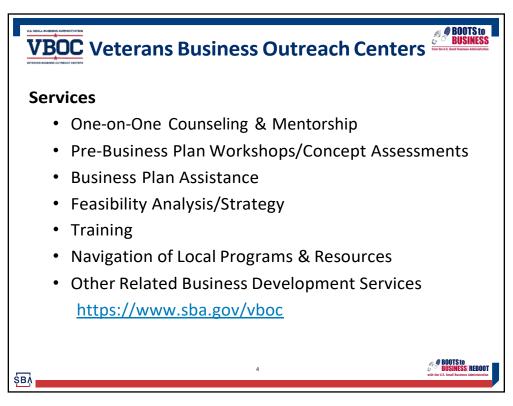


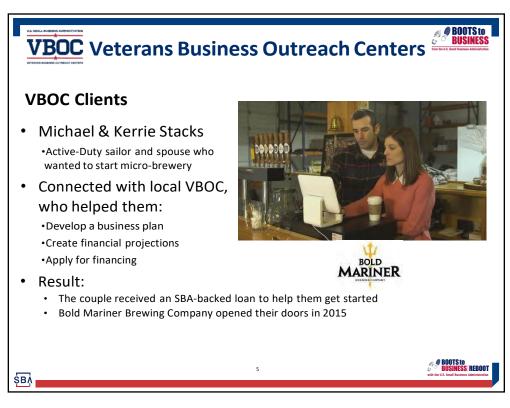


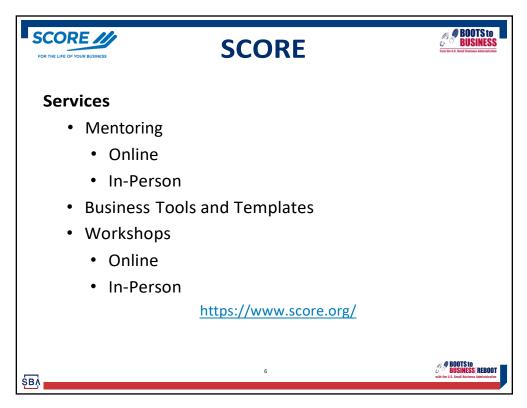










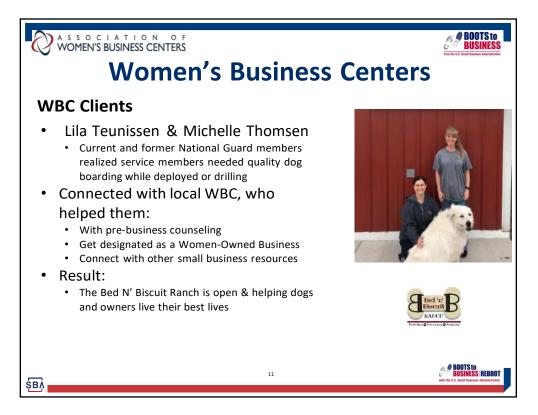


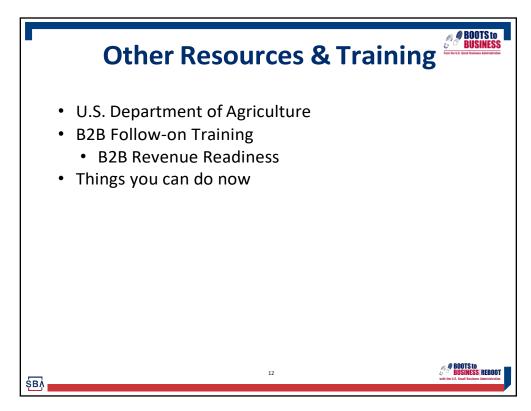












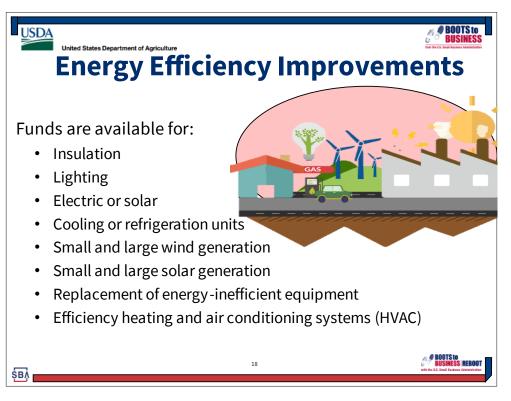








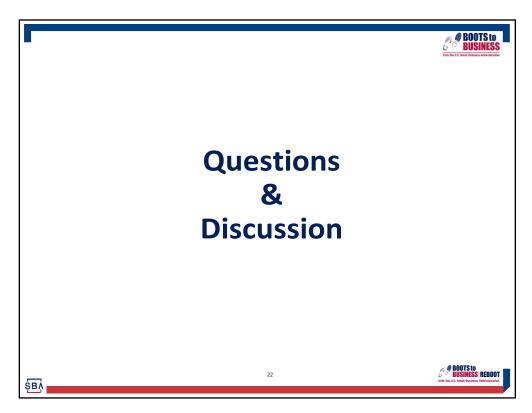












# CLASSROOM DOCUMENTS



U.S. Small Business Administration



## **New Venture Feasibility Analysis Tool**

### **GETTING STARTED**

Starting a new business is difficult and the hard truth is that most new businesses don't survive past five years. With that said, those that do find success as a business owner, express great personal and professional satisfaction.

Importantly, one of the factors that differentiates those who success as business owners from those who don't, is a clear and well understood plan of action related to both the business itself, and also to their own professional development as a business owner. Entrepreneurship is a dynamic process, and it's imperative to constantly adapt to changing market conditions, competitive threats, and customer preferences. The choices you make at the time of founding the business will have important and enduring implications for the long-term success of the venture.

The purpose of the New Venture Feasibility Analysis Tool is to help you ask yourself the 'right' questions - and hopefully formulate an approach to answering those questions - before you launch the business. If you can leverage this tool as a means to make adjustments to your start-up plan prior to launching the venture, you'll likely avoid some classic pitfalls that may cost you dollars and reputational capital down the road.

Using the tool itself is straightforward. Answer the questions to the best of your ability and through research and experience continue to refine and focus your answers over time. You likely won't be able to answer/address all the issues and questions right now, but that's okay. Some questions will require further research and reflection. However, there is value in understanding where that further research and reflection is required, and thus using this tool as a means to develop a plan of action to conduct the research necessary to support the successful launch of your new business.

### PART I: YOUR ENTREPRENEURIAL MOTIVATION >> COMPLETE ON YOUR OWN

An attribute that distinguishes successful business owners is an understanding of their entrepreneurial mission, and the underlying reasons why business ownership is uniquely suited for agiven individual. Part one of the stool is designed to make you reflect on your own situation and think deeply about business ownership as a vocation for yourself.

Reflect on why it is that you want to launch and grow a business. Upon reflection, list the top three reasons why you are motivated to pursue business ownership as a vocation for yourself on the next page.

Reason 1:	
Reason 2:	
Reason 3:	

Given the above listed motivations, consider each in the context of other goals that you or other family may have established. Indicate whether or not your motivations for pursuing business ownership conflict with or complement other goals that you or your family may have established. In cases where there is a conflict, indicate how you plan to resolve that conflict.

Goals	Conflict or Compliment?
Education	
Family	
Lifestyle	

Approach to resolve conflict (if any):

Education:			
Family:			
Lifestyle:			
Other:			

### PART II. THE OPPORTUNITY AND VALUE PROPOSITION >> APPLIED ACTION SESSIONI

#### **OPPORTUNITY EVALUATION 1**

a. What problem are you solving, or what pain are you alleviating? Describe it below in two to three sentences.

b. For whom are you solving it (i.e., who is your customer)? Describe below in two to three sentences the attributes of your primary customer.

c. What is the best alternative currently available to them to solve this problem right now? Describe the product/service below, and state where are you perceive it as an alternative to your proposed product/service.

d. What are two to three other alternatives and who provides them? Describe below.

e. How is your solution different from the NBA and other alternatives? Describe below in two to three sentences.

#### **OPPORTUNITY EVALUATION 2**

[Insert description of customer] is willing to pay [insert price range] for [insert description of your concept]. For example: *"Collegestudentsarewillingtopayupto\$20forapillthatmakes them smarter."* 

### PART III. MARKETS ANDCOMPETITORS >> APPLIED ACTION SESSIONII

1. Who (very specifically) are your customers? List/describe potential customer segments below.

2. What trends in the market suggest that your concept will resonate with consumers? List two or three of those trends below.

3. Accessing Your Competitive Space: What is your NAICS code(s)? Go to www.census.gov/eos/www/naics to identify code(s) that fit your proposed venture, and list them below.

4. Assessing your Competitors: Competitor mapping (fill in the blank). Use the tool below to map your competitive space and determine the nature of competitive rivalry.

Competitor	Products/ Services (similar or different)	Price (sim., high, low)	Reach (local, regional national)	Sales Channels (storefront, online)	Rivalry (direct, indirect)

### PART IV. ECONOMICS OF YOUR BUSINESS >> APPLIED ACTION SESSION III

Using the chart below, detail the economic model (as you see it today) that represents your venture.

		Implications for Risk
Revenue Drivers	one, few, many	
Volumes	low, medium, high	
Margins	low, medium, high	
Operating leverage	low, medium, high	

Given the above, list three critical outcomes that you must be able to deliver to make your economic model viable.

Critical Outcome 1:			
-			
Critical Outcome 2:			

Critical Outcome 3:

### PART V. LEGAL/FINANCING YOUR VENTURE >> APPLIED ACTION SESSION IV

Given your understanding of legal forms of business, what is the most likely legal form that you should/will pursue?

Given the above, list (if any) questions or issues that remain unclear to you related to the appropriate legal form for your proposed venture. *Note: use these questions as a basis for discussions with the legal expert that will help you form the venture.*  In the context of launching a venture, list below the two or three most significant uses for start-up capital (i.e. facilities cost, inventory, salary, etc.). *Note: focus on these uses of capital as you consider the most appropriate source adventure financing*.

Given uses for start-up capital listed above, brainstorm strategies to leverage 'bootstrapping' techniques to mitigate your overall capital requirements. Detail those below.

### PART VI. BUSINESS PLANNING >> APPLIED ACTION SESSION V

SWOT Analysis is a tool used to evaluate the strengths, weaknesses/limitations, opportunities, and threats involved in the business venture. It involves specifying the objective of the business venture and identifying the internal and external factors that are favorable and unfavorable to achieve that objective. In this case, you can use the SWOT technique to highlight those issues, opportunities, and challenges that must and should be addressed in your plan. The elements of SWOT are as follows:

- Strengths: characteristics of the business concept, or project team that gives it an advantage over others
- >> Weaknesses (or limitations): characteristics that place the team at a disadvantage relative to others
- » Opportunities: external chances to improve performance (e.g., make greater profits) in the environment
- » Threats: external elements in the environment that could cause trouble for the business or project

Given the above, for each of the categories, list 3 to 5 strengths, weaknesses, opportunities, and threats as you perceive them now. Remember, strengths and weaknesses are focused internally (yourself/your team), and opportunities and threats are focused externally (the market/our competitors).

STRENGTHS	WEAKNESSES/LIMITATIONS
OPPORTUNITIES	THREATS

On your own (following the training session), look at your list of strengths and weaknesses and compare them to the list of opportunities and threats. Are your strengths sufficient to counter external threats? Are your weaknesses such that you will not be able to take advantage of external opportunities?

Ask and answer these questions and address both in the business plan. Where there are shortcomings that you address, specify a plan of action that you intend to pursue in order to overcome/mitigate any identified weaknesses, and best leverage the firm's strengths in the marketplace.

### PART VII. PERSONAL SUPPORTPLAN >> APPLIED ACTION SESSION VI

To find local resources that off for small business counseling, go to www.sba.gov/tools/local-assistance and use the zip code locator to find your local resources. List below the name and contact information for those local resources you plan to leverage to support your entrepreneurial strategy:

# CASE STUDIES

## **CASE STUDY OPTION#1**

SGT John Smith is leaving the Army after 10 years and moving to Binghamton, NY, his home town. His wife was hired at the local hospital, so they have a reliable income. They have agreed to use their \$10,000 in savings as start-up capital for a landscaping company. John plans to buy basic equipment for himself and a two-person crew to use during the spring and summer. He also plans to buy a plow blade to plow snow in the winter, mitigating landscaping seasonality. He is looking for contracts using his existing network, so feels confident in purchasing the equipment.

## **CASE STUDY OPTION #2**

Col. Jane Rivera is retiring from the Marine Corps. She has decided to move to Washington, DC to pursue her dream of being a security consultant in the defense industry. She maintains a Top Secret security clearance and has bona fide credentials in the field and excellent contacts in large defense contracting companies. Jane is single with \$100,000 in savings and plans to launch the company with very little start-up expense. She has a potential two-year contract with Lockheed and is considering hiring a project team so she can focus on growing her customer base rather than servicing one contract.

## **CASE STUDY OPTION #3**

Phil Dyer is retiring from the Air Force in three months. His wife, Mary is a veteran and earned a hospitality management degree while working as a local restaurant manager. They have \$250,000 in home equity and very little in savings. Phil and Mary want to open a local craft beer brew pub. Their mutual passion, knowledge of the market, Mary's degree and practical experience work in tandem to make this an attractive option for them. Mary is handling planning and Phil intends to take on a greater role in real estate and financial planning after his retirement. They are looking forward to the next phase of life but are a little nervous about taking the leap.



U.S. Small Business Administration



## WHAT'S NEXT?



### BOOTS TO BUSINESS REVENUE READINESS (B2B RR)



B2B RR is a six-week online training program designed to build on the business idea conceptualized during the introductory two-day B2B course and help you take your business idea from concept to actionable plan in a relatively short timeframe.

Structured as a virtual, interactive classroom, the program consists of "live" instructor-led sessions twice-per-week with corresponding assignments focused on identifying customers, developing a business model and drafting a business plan. Each session is recorded for those who are unable to attend the 'live' session, providing you the flexibility to incorporate the course into your own schedule.

As a cohort participant, you will receive individualized feedback on your assignments from experienced business professionals. Upon conclusion of the course, B2B RR personally connects you with an appropriate veteran-focused small business mentor to further assist in achieving your business goals.

Through its extensive network of experienced course instructors, interactive curriculum, and individualized feedback, B2B RR launches you on to the path of entrepreneurial success and connects you with the resources for sustained growth.

### **SBA LEARNING PLATFORM**



The SBA Learning Platform's online portal hosts a variety of selfpaced online training courses and videos to help small business owners explore and learn about the many aspects of business ownership. The SBA Learning Platform has courses designed to help you throughout every stage of business ownership – including planning, launching, managing, or growing your business.

The planning courses teach you about financing your business, legal requirements, or how to write a business plan. Other courses are specifically designed to introduce young entrepreneurs to the basics of creating and financing a successful business.

Ready to launch your business? SBA Learning Platform courses are designed to help you take the next step and turn your business idea into a reality, with classes on social media marketing, savings plans, sales, and tips to help you find investors. You can also take courses that help you master day-to-day operations; from customer service, to accounting, to marketing 101.

For more information about the SBA Learning Platform, visit sba.gov/sba-learning-platform.

**U.S. SMALL BUSINESS ADMINISTRATION** 

VETERANS BUSINESS OUTREACH CENTERS

## Veterans Business Outreach Center Program

If you are an aspiring entrepreneur or small business owner seeking to start, purchase, or grow your business, the Veterans Business Outreach Center (VBOC) Program is your one-stop shop and can assist you by providing:

⊠ Transition assistance programs

- Boots to Business the entrepreneurship track of the Department of Defense's Transition Assistance Program offered on military installations worldwide
- Boots to Business | Reboot an extension of Boots to Business, delivering the same information and benefits to veterans, members of the National Guard and Reserves, and military spouses in more accessible off-base locations

Business training and workshops on topics such as:

- Business planning
- Financing your business
- · Small business and social media marketing
- Human resources and hiring

 $\boxtimes$  Business tools and resource referrals

- Connection to mentors
- Referrals to other partners and programs
- Preparation to engage SBA lending institutions
- Access to market research databases
- Application assistance for federal contracting certification program

☐ Tailored business counseling and mentoring in-person and online

#### Top reasons to contact a VBOC:

- ⊠ You are thinking about small business ownership as a post-service career
- You could benefit from additional management expertise, mentorship, and access to capital and market opportunities
- ☑ You are preparing to apply for a Small Business Administration (SBA) backed loan or a federal contracting certification
- ⊠ You need help creating your business plan







#### **Veterans Business Outreach Centers**

- Providence, RI Connecticut, Maine, Massachusetts, New Hampshire, Rhode Island, Vermont www.vbocnewengland.org
- 2 Watervliet, NY New Jersey, New York, Puerto Rico, U.S. Virgin Islands www.vbocregion2.com
- 3 Norfolk, VA Virginia, West Virginia www.odu.edu/vboc
- 4 Columbia, MD District of Columbia, Maryland Delaware, Pennsylvania Coming Soon
- 5 Panama City, FL Florida www.vboc.org
- 6 Fayetteville, NC North Carolina www.fsuvboc.com
- 7 Nashville, TN Tennessee, Kentucky www.pathwaylending.org/vboc
- 8 Starkville, MS Alabama, Louisiana, Mississippi www.vboc.msstate.edu
- 9 Warner Robins, GA Georgia, South Carolina www.gavectr.org/vboc
- 10 Flint, MI Indiana, Michigan, Ohio www.vetbizcentral.org
- 11 Milwaukee, WI Illinois, Minnesota, Wisconsin www.wwbic.com/veterans

- 12 Edinburg, TX West, Central, and South Texas www.utrgv.edu/vboc
- 13 Arlington, TX Arkansas, North Texas, Oklahoma www.uta.edu/vboc
- 14 Albuquerque, NM Colorado, New Mexico www.nmvboc.org
- 15a St. Louis, MO Iowa, Kansas, Missouri, Nebraska www.vetbiz.com
- Kansas City, MO Iowa, Kansas, Missouri, Nebraska www.vetbiz.com
- Billings, MT Montana, Utah, Wyoming
   www.bigskyvboc.org
- Grand Forks, ND North Dakota, South Dakota 17 www.und.edu/dakotasvboc
- 18 Fairfield, CA Northern California www.norcalvboc.org
- 19 Carlsbad, CA Southern California www.socalvboc.org
- Sierra Vista, AZ Arizona, Southern Nevada 20 www.arizonavboc.org
- Honolulu, HI American Samoa, Guam, Hawaii 21 www.hilo.hawaii.edu/vboc

Seattle, WA – Washington, Alaska, Idaho, Oregon, 22 Northern Nevada www.businessimpactnw.org/vboc



U.S. Small Business Administration Learn more at sba.gov/vboc

All SBA programs and services are extended to the public on a nondiscriminatory basis.



Small Business Development Centers (SBDCs) provide assistance to small businesses and aspiring entrepreneurs throughout the United States and its territories. SBDCs help entrepreneurs realize the dream of business ownership and help existing businesses remain competitive in a complex, ever-changing global marketplace. SBDCs are hosted by

leading universities and state economic development agencies and funded in part through a partnership with SBA.

SBDC advisors provide aspiring and current veteran and military small business owners a variety of free business consulting and low-cost training services including: business plan development, manufacturing assistance, financial packaging and lending assistance, exporting and importing support, disaster recovery assistance, procurement and contracting aid, market research help, 8(a) program support, and healthcare guidance.

#### LEARN MORE AT WWW.SBA.GOV/TOOLS/LOCAL-ASSISTANCE/SBDC.

WOMEN'S BUSINESS CENTERS

Women's Business Centers (WBCs) represent anationalnetworkofover100educational centers throughout the United States and its

territories, which are designed to assist women in starting and growing small businesses. WBCs seek to "level the playing field" for women entrepreneurs, including women veteran, service member, and women spouse entrepreneurs, who still face unique obstacles in thebusiness world.

SBA's Office of Women's Business Ownership (OWBO) oversees the WBC network, which provides comprehensive training and counseling on a variety of topics in several languages.

#### LEARN MORE AT <u>www.sba.gov/tools/local-assistance/wbc</u>.



The SCORE Association, supported by SBA, is a nonprofit association of thousands of volunteer business counselors throughout the U.S. and its territories dedicated to helping small businesses and veteran-owned small businesses get off the ground,

grow, and achieve their goals through education and mentorship.

SCORE provides volunteer mentors who share their expertise to aspiring and existing veteran, service member, and military spouse small business owners across 62 industries; free and confidential business mentoring in person, via email or by video; free business tools, templates, and tips online, and inexpensive or free business workshops and webinars.

LEARN MORE AT <u>www.sba.gov/tools/local-assistance/score</u>.



## **Empowering Veteran Entrepreneurship** from Transition to Small Business Success

#### **SBA Supports:**



Transitioning or active duty service member



Veteran of any era

National Guard or Reserve member

Military spouse

# U.S. SMALL BUSINESS ADMINISTRATION

Whether starting, purchasing, or growing a business, VBOCs are a one-stop shop for transition assistance, training, counseling, and resource connections.

#### Federal Advisory Committees

#### Shaping Policy for Veteran Entrepreneurship

#### Interagency Task Force on Veterans Small Business Development coordinates federal efforts to increase and improve veteran small business development

#### Advisory Committee on Veterans Business Affairs serves as an independent source of advice and policy recommendations to the Federal Government about veteran-owned business affairs

The U.S. Small Business Administration's Office of Veterans Business Development empowers veterans, active duty service members, National Guard and Reserve members, and military spouses at every stage of business ownership.

#### **Starting & Growing Your Business**

### Receive management expertise through free counseling, training, and entrepreneurial education.

#### $\boxtimes$ Boots to Business

Offered on military installations worldwide, service members and their spouses can learn business ownership fundamentals, analyze the feasibility of a business idea, and tap into the SBA ecosystem.

#### $\boxtimes\,$ Boots to Business Reboot

No access to a military installation? Held in local communities throughout the U.S., veterans, Reserve and National Guard members and their spouses can learn the basics of business ownership, evaluate the feasibility of a business idea, and connect with the SBA ecosystem.

#### ☑ Women Veteran Entrepreneurship Training Program (WVETP)

A network of SBA partners deliver small business development support to women service members, veterans, and military spouses. Programs are offered in a variety of formats – from online workshops to hands-on mentorship.

#### Service-Disabled Veteran Entrepreneurship Training Program (SDVETP)

Receive entrepreneurial training and learn about the tools and resources available specifically for Service-Disabled Veteran-Owned Small Businesses (SDVOSBs).

#### Pursue federal procurement opportunities and technical assistance.

#### ☑ Veteran Federal Procurement Entrepreneurship Training Program (VFPETP)

Want to enter or expand into government contracting? Learn how to best position a veteranownedbusiness to win and retain government contracts through federal procurement training.

#### **Funding Your Business**

#### Gain access to capital at any stage of business through various SBA loan programs.

#### 🖂 7a Loan Program

Small business loans up to \$5 million through commercial lenders for facilities, equipment, inventory, and working capital

#### 🖂 CDC/504 Loan Program

Long-term loans up to \$5 million through Certified Development Companies (CDCs) for real estate and large equipment

#### 🖂 Community Advantage Loan Program

Loans up to \$250,000 through non-profit lenders for business personal property (FF&E) and working capital

#### ⊠ Microloan Program

Loans up to \$50,000 through non-profit financial institutions (who also provide technical assistance) for working capital

#### Military Reservist Economic Injury Disaster Loan Program

Loans up to \$2 million directly through the SBA for working capital if a National Guard or Reserve small business owner or essential employee is called-up to active duty

Fee Relief for Veteran Borrowers: Zero upfront guaranty fees on select SBA Express Loans for members of the veteran and military small business community (including military spouses and widows)

Join the ranks of the next great generation of veteran business owners today. Visit www.sba.gov/ovbd to learn more.



### **Accessing Capital for Your Veteran-Owned Business**

You've brainstormed, researched, and are almost ready to launch. How are you going to fund your new veteran- or military-owned business? The U.S. Small Business Administration (SBA) guides you through the process of accessing capital, debunking common misconceptions along the way.



The SBA is NOT a loan provider. Instead, you can receive an SBA-backed loan through your local lender.

**There is one exception:** the SBA provides direct loans for disaster assistance, including the **Military Reservist Economic Injury Disaster Loan (MREIDL)** program.



Starting a business doesn't have to be expensive. Veterans typically need less than \$50,000 to start their business. In fact, 51% report using \$25,000 or less in capital for startup or acquisition.<sup>1</sup>



Noting your military status may have its benefits.

zero upfront guaranty fees on SBA Express Loans.



Banks are not the only place to receive funding for your business. Nonprofit lenders may also provide access to capital. Connect with an SBA representative to learn more about the different types of certified lenders.

#### Accessing Capital Through the SBA

	WHAT	AMOUNT	FROM	FOR
7(a) Loan Program	Small business loans	Up to \$5M	Commercial lenders	Facilities, equipment, inventory, working capital, lines of credit
504 Certified Development Company Loan Program	Long-term loans	Up to \$5M	Certified Development Companies (CDCs)	Real estate, large equipment
Microloan Program	General loans	Up to \$50K	Non-profit lenders who also provide free training and technical assistance	Working capital, equipment, inventory, supplies
Community Advantage Program	General loans	Up to \$250K	Non-profit lenders	Personal property (FF&E), working capital
Military Reservist Economic Injury Disaster Loan Program (MREIDL)	Disaster loans	Up to \$2M	SBA	To meet necessary operating costs if a National Guard or Reserve owner or essential employee is called up to active duty

https://www.sba.gov/sites/default/files/advocacy/435-veteran-owned-businesses-report.pdf . All SBA services are extended to the public on a nondiscriminatory basis.

Want to learn what funding options are available for you and your veteran owned business?

#### Ready to connect with a lender?

Find your nearest Veterans Business Outreach Center atSBA.gov/VBOC.

SBA's Lender Match matches YOU—the borrower—with SBA-approved lenders. Get started at SBA.gov/LenderMatch



### **Government Contracting for** Your Veteran-Owned Business

Tap into the U.S. Small Business Administration to navigate through the complexities of government contracting and learn how to best position your veteran owned business in the federal marketplace.

#### What is Government Contracting?

The process where you sell your goods or services to and for use by the government.



The process generally starts with

procurement, where an agency defines their requirements and determines the best method for purchasing services.

Acquisition is what occurs once you've already won an agency contract.

#### Did you know?

U.S. government agencies buy nearly\$100 billion worth of goods and services from small businesses each year

#### **Do I Need to Be** Certified?

The government must adhere to certain set-aside guidelinesmeaning there's a certain percentage of business set aside for different types of companies. Small Business Certification isn't necessary for day-to-day operations, but highly recommended if you're planning to sell to the government.

Here are a few certifications to consider if you're a veteranor military-owned small business:

#### 8(a) Business Development Program

51% owned and controlled by a socially and economically disadvantaged individual or group of individuals. Certain presumed groups include African American, Hispanic Americans, Asian Pacific Americans, and Subcontinent Asian Americans<sup>1</sup>

#### Service-Disabled Veteran-Owned Small Business (SDVOSB)

At least 51% owned, operated, and controlled by one or more veterans with a service-connected disability

> The federal government's goal is to award at least 3% of all contracting-and 3% of subcontractingdollars to SDVOSBs each year.

#### Veteran-Owned Small Business (VOSB)

At least 51% owned and controlled by U.S. citizens who are veterans of the **U.S. Armed Forces** 

> Typically, this only certifies you to do business with the Department of Veterans Affairs (VA). While it's good for other agencies to know you are a certified veteran-owned small business (VOSB), many federal agencies have their own systems of self-certification for the businesses who wish to do business with them. Large businesses with subcontracting plans have goals to subcontract with veteran-owned businesses.

#### How Can I Prepare My #VetBiz for Government Contracting?



The Veteran Federal Procurement **Entrepreneurship Training Program** (VFPETP) equips veteran businessowners with the knowledge and skills required to successfully enter and compete for government contracts. The program offers three levels depending on contracting experience - starting, growing, or expanding internationally.



Set up a meeting with a local SBA District Office or SBA Resource Partner — including Veterans Business Outreach centers (VBOCs), SCORE, Small Business Development Business Centers (WBCs) – to chat with an experienced adviser who can guide you through either the contracting or certification process.



The SBA's online tools, such as the Government Contracting Classroom, provide you with a basic understanding of the federal marketplace - and how you can start to position your business to compete for contracts.

#### Supporting

The SBA provides surety bonds for certain surety companies - and also covers the different types, including bid, payment, performance, and ancillary.

Surety bonds help small businesses win contracts by providing the customer with a guarantee that the work will be completed.

<sup>1</sup> According to the Small Business Act. Other individuals may be admitted to the program if they provide evidence of their disadvantaged status due to race, ethnicity, gender, physical handicap, or isolated residence. All SBA services are extended to the public on a nondiscriminatory basis.



Helping Transitioning Service Members and Veterans with Rural Small Business

Find out if your business is rural

✓ Visit <u>bit.ly/usdabusinessmap</u> to see if your business qualifies



step 1

Identify which program fits your business needs

- ✓ Loans and Loan Guarantees: bit.ly/Loans-and-Loan-Guarantees
- Processing and Marketing of Products: bit.lv/Processing-and-Marketing
- Energy Efficiency Improvements: bit.lv/Energy-Efficiency-Improvements



- Step 3: Visit your local USDA Service Center Locate an office at <u>bit.ly/usda-locator</u>
  - RURAL IS CLOSER THAN YOU THINK

For more information on USDA's Rural Development programs and services visit:

## **Resource Links**

- Module 1
  - o <u>Transition Mission: Navy Veteran Starts Military Care Package Company</u>
- Module 2
  - o <u>'The Art of the Start Guy Kawasaki' Video</u>
- Module 3
  - o Market research tools
    - Business research and information
      - <u>SBDCNet.org</u>
    - General business statistics
      - NAICS
      - USA.gov
      - US Census Bureau
      - <u>Statistical Abstract of the United States</u>
    - Consumer statistics
      - Federal Reserve Board Data and Analysis
      - <u>Consumer Credit Data</u>
      - <u>Consumer Product Safety</u>
    - Demographics
      - Census Business Builder
      - Bureau of Labor and Statistics
    - Economic indicators
      - <u>Consumer Price Index</u>
      - Bureau of Economic Analysis
    - Government Contracting
      - Procurement Technical Assistance Centers
    - Marketing Resources
      - System for Award Management (SAM.gov)
      - <u>Federal Procurement Data System (FPDS.gov)</u>
      - Dynamic Small Business Search System
      - <u>Subcontracting Networking System (SubNet)</u>
    - Other Resources
      - USA Spending
      - GSA Subcontracting Directory
      - DoD Prime Contracting Directory
      - <u>Veterans Institute for Procurement</u>
- Module 4
  - o <u>Financial Projections Template</u>

## **Resource Links**

#### • Module 5

- o Choosing a Business Structure
- o How to Hire an Attorney
- o How to Write a Business Contract
- o Federal Contracting Guide
- Module 6
  - o <u>'Money Game' Video</u>
  - o <u>'No, entrepreneurs, most of you don't need angel investors or venture capitalists' Article</u>
  - o <u>'Where Do Startups Really Get the Money to Start?' Article</u>
  - o <u>SBA Loans</u>
  - o USDA Loans
  - o Calculate Your Startup Costs
- Module 7
  - o <u>Business Model Canvas Video</u>
  - o Business Model Canvas Template
  - o SBA Business Plan Tools
  - o SCORE Business Plan Tools
  - o Local Assistance Finder
- Module 8
  - o <u>Veterans Business Outreach Center (VBOC) Program</u>
  - o SCORE Mentor Program
  - o Small Business Development Centers (SBDC)
  - o Women's Business Centers (WBC)
  - o <u>Procurement Technical Assistance Centers</u>
  - o SBA Export Assistance
  - o SBA Surety Bond Program
  - o Small Business Innovation Research (SBIR) Small Business Technology Transfer (STTR) Programs
  - o <u>SBA Office of Advocacy</u>
  - o USDA Eligibility
  - o <u>USDA Service Center Locator</u>
  - o USDA Small Business Programs and Services

#### Other Resources

- o Office of Veterans Business Development Resources
- o Veterans Business Outreach Center (VBOC) Program
- o Boots to Business Revenue Readiness Course
- o SBA Learning Center

**ANGEL INVESTOR:** An angel investor is an individual who provides capital for a business or businesses start-up, usually in exchange for convertible debt or ownership equity. Angel investors usually give support to start-ups at the initial moments (where risks of the start-ups failing are relatively high) and when most investors are not prepared to back them.

**B-CORPORATION:** A benefit corporation is a for-profit corporation recognized by a majority of U.S. states. Certified B-Corporations are different from C-Corporations in that B Corporations are dedicated to "social and environmental performance" in purpose, accountability, and transparency, but are not different in how they're taxed.

**BAIL TEAM:** A network of key legal and financial entities that can help your small business succeed and grow; comprised of your Banker, Accountant, Insurance Agent and Lawyer.

**BALANCE SHEET:** A financial statement that reports a company's assets, liabilities, and shareholder equity at a specific point in time.

**BOOTSTRAPPING:** Using creativity, ingenuity, or any means possible to obtain resources other than borrowing money or raising capital from traditional sources.

**BREAKEVEN ANALYSIS:** A break-even analysis is a calculation of the point at which revenues equal expenses.

**BUSINESS MODEL**: A company's plan for how it competes, uses its resources, structures its relationships, interfaces with customers, and creates and delivers value to its customers. See also, Economic Model definition below.

**BUSINESS MODEL CANVAS:** A one-page summary describing the high-level strategic details needed to get a business (or product) successfully to market.

**BUSINESS PLAN:** A written document describing all the aspects of a business venture, which is usually necessary to raise money and attract high-quality business partners.

**C-CORPORATION:** Refers to any corporation that, under United States federal income tax law is taxed separately from its owners.

**CASH FLOW:** represents the amount of money coming in, and going out, of a company or organization during a specific time period.

**CASH FLOW STATEMENT:** A statement that measures how well the company generates cash to pay its debt obligations and fund its operating expenses.

**COMMUNITY DEVELOPMENT FINANCE INSTITUTION (CDFI):** CDFIs are private sector financial institutions that are 100% dedicated to delivering responsible, affordable lending to help low-income, low-wealth, and other disadvantaged people and communities join the economic mainstream.

**COMPETITIVE STRATEGY:** A long-term action plan of a company which is directed to gain competitive advantage over its business rivals after evaluating their strengths, weaknesses, opportunities, and threats in the industry and comparing it with your company's own.

**COMPETITOR ANALYSIS:** A detailed evaluation of a firm's direct, indirect, and future competitors.

**COPYRIGHT:** A form of intellectual property law that protects original works of authorship, including literary, dramatic, musical, and artistic works, such as poetry, novels, movies, songs, computer software and architecture. A copyright does NOT protect facts, ideas, systems, or methods of operation.

**CREDIT SCORE:** A credit score is a three-digit number, usually on a scale of 300 to 850, that lenders use to evaluate the probability that an individual will repay loans in a timely manner. The higher the score, the better a borrower looks to potential lenders. A credit score is based on credit history: number of open accounts, total levels of debt, and repayment history, and other factors.

**CROWDFUNDING:** The use of small amounts of capital from a large number of individuals to finance a new business venture. Makes use of easy accessibility of vast networks of friends, family and colleagues through social media websites.

**DEBT FINANCING:** Money that is borrowed by a business and paid back, with interest, within an agreed time frame.

**DEMAND:** A customer's desire to purchase goods and services and willingness to pay a price for a specific good or service.

**DIFFERENTIATION STRATEGY:** A strategy that firms use to provide unique or different products to customers. Firms using this strategy typically compete on the basis of quality, service, timeliness, or some other dimension that creates a unique value for customers.

**DIRECT COMPETITORS:** Businesses offering identical or similar products/services.

**ECONOMIC MODEL:** A business economic model describes how your business works from an economic perspective. Simply put, it describes how the business captures the value a business creates and delivers to its customers, in the form of an economic return to the owner(s).

**ENTREPRENEURSHIP:** The vision to perceive and act upon opportunities in the environment coupled with the ability to create and build something from practically nothing.

**EQUITY FINANCING**: A way for businesses to raise capital by selling shares in the business. This differs from debt financing, where the business secures a loan from a financial institution.

FEASIBILITY ANALYSIS: A preliminary evaluation of a business idea to determine if it is worth pursuing.

**FINANCIAL PROJECTIONS:** Using existing or estimated financial data to forecast your business' future income and expenses. They often include different scenarios so the entrepreneur can see how changes to aspects of the finances (such as higher sales or lower operating expenses) might affect profitability.

**THE FIVE C's:** (Character, Capacity, Capital, Collateral, and Conditions) is a system used by lenders to gauge a borrower's creditworthiness.

**FIXED COSTS:** The costs that a company incurs in operating a business, whether that cost generates sales or not.

**FRANCHISE DISCLOSURE DOCUMENT:** A legal disclosure document that must be given to individuals interested in buying a U.S. franchise, as part of the pre-sale due diligence process. The document provides a clear picture of how the business relationship between the franchisee and the franchisor will be conducted.

**FRANCHISING:** A form of business organization in which a business (franchisor) that already has a successful product or service licenses its trademark and method of doing business to other businesses (franchisees) in exchange for fee and royalty payments.

**FUTURE COMPETITORS:** Businesses that are not yet direct or indirect competitors but could become competitors at any time.

**GOVERNMENT LOAN GUARANTEE:** A contractual obligation between the government, private creditors (such as banks and other commercial loan institutions) and a borrower that the Federal government will cover the borrower's debt obligation in the event that the borrower defaults. Note: In the event of a default, the borrower is still responsible for repaying the debt to the federal government.

**INCOME STATEMENT:** A financial statement that shows a company's income and expenditures. It also shows whether a company is making a profit or loss for a given period.

**INDIRECT COMPETITORS:** Businesses offering similar, but not exactly the same, products or services as another business.

**INDUSTRY:** A group of firms producing a similar product or service, such as airlines, fitness drinks, or video games.

**INDUSTRY ANALYSIS:** Business research that focuses on the potential of an industry.

**LIFESTYLE COMPANY:** Businesses that provide their owners the opportunity to pursue a particular lifestyle and earn a living while doing so (e.g., ski instructors, golf pros, tour guides).

**LIMITED LIABILITY COMPANY (LLC):** A form of business organization that combines the limited liability advantage of the corporation with the tax advantages of a partnership or sole proprietorship.

**LIMITED LIABILITY PARTNERSHIP (LLP):** Limited liability partnerships are similar to limited partnerships but give limited liability to every owner. An LLP protects each partner from debts against the partnership, but they won't be responsible for the actions of other partners.

**LIQUIDITY:** Refers to how easily assets can be converted into cash. Assets like stocks and bonds are very liquid. Large assets such as property and equipment, which take longer to liquidate, are not as liquid.

MARGIN: The difference between the cost price and selling price of a product or service.

**MARKET:** Any place where makers, distributors or retailers sell, and consumers buy. Businesses that operate in markets are usually in competition with other companies offering similar goods or services.

**MARKET ANALYSIS:** An analysis that breaks down the industry into segments and zeros in on the specific segment (or target market) to which the firm will try to appeal.

**MARKET RESEARCH:** The process of gathering, analyzing and interpreting information about a market, about a product or service to be offered for sale in that market, and about the past, present and potential customers for the product or service; research into the characteristics, spending habits, location and needs of your business's target market, the industry as a whole, and the particular competitors you face.

**MARKETING STRATEGY:** A firm's overall approach for marketing its products and services.

**MICROLOAN:** Loans up to \$50,000 to help start up, rebuild, re-open, repair, enhance or improve a small business. Loans are provided by SBA-backed nonprofit community-based organizations with experience in lending as well as management and technical assistance.

**NONPROFIT ORGANIZATION:** A nonprofit organization is a business that has been granted tax-exempt status by the Internal Revenue Service (IRS) because it furthers a social cause and provides a public benefit. The organization must explicitly state in its organizing papers that it will not be used for the personal gain or benefit of its founders, employees, supporters, relatives, or associates. Nonprofit organizations are sometimes called NPOs or 501(c)(3) organizations, based on the section of the tax code that permits them to operate.

**NORTH AMERICAN INDUSTRY CLASSIFICATION SYSTEM (NAICS) CODES:** Government applied industry codes based on products/services offered and primary business activity (in revenues).

**OPERATING LEVERAGE:** The extent to which a firm commits itself to high levels of fixed operating costs (which vary with time, such as insurance, rent, salaries but not interest) as compared with the levels of variable costs (which vary with volume, such as for energy, labor, material).

**OPPORTUNITY:** A favorable set of circumstances that creates a need for a new product, service, or business.

**OPPORTUNITY RECOGNITION:** The process of perceiving the possibility of a profitable new business or a new product or service.

**PARTNERSHIP:** A business organization in which two or more individuals manage and operate the business. Both owners are equally and personally liable for the debts from the business.

**PARTNERSHIP AGREEMENT:** A document that details the responsibility and the ownership shares of the partners involved in the organization.

**PATENT:** A government authority or license conferring a right or title for a set period, especially the sole right to exclude others from making, using, or selling an invention.

PRICE: The amount of money consumers pay to buy a product or service.

**PRIMARY MARKET RESEARCH:** Research that is original and is collected firsthand by the entrepreneur by, for example, talking to potential customers and key industry participants.

**PRIME CONTRACTOR:** Prime contractors work directly with the government. They manage any subcontractors and are responsible for ensuring that the work is completed as defined in the contract. To become a prime contractor, the business must be registered with the System for Award Management (SAM).

**PROCUREMENT TECHNICAL ASSISTANCE CENTER (PTAC):** PTACS provide local, in-person counseling and training services for small business owners. They are designed to provide technical assistance to businesses that want to sell products and services to federal, state, and/or local governments.

PROFIT: When revenue generated from a business, exceeds the expenses and costs involving in sustaining it.

**PROJECTIONS:** Show the expected revenues, expenses, and cash flows of a business over a forecast period.

**REVENUE:** The income generated from sale of goods or services, or any other use of capital or assets, associated with the main operations of an organization before any costs or expenses are deducted.

**REVENUE DRIVER:** Anything that generates revenue for the company.

**RISKS & ASSUMPTIONS:** Risks are events that, should they happen, could cause a company's revenues or profits to be lower than what the owner had forecast, while assumptions are things you assume will be true in the future, such as customer needs, resources, financial factors, and the competition.

**S-CORPORATION:** A regular corporation that has between 1 and 100 shareholders and, that passes-through net income or losses to shareholders in accordance with Internal Revenue Code.

**SBA LOANS:** The SBA works with lenders to provide loans to small businesses. The agency doesn't lend money directly to small business owners. Instead, it sets guidelines for loans made by its participating lenders. SBA reduces the risk for lenders and makes it easier for them to access capital. This makes it easier for small businesses to get loans.

**SBA RESOURCE PARTNER:** A nationwide network of small business advisors that provide high-quality training and counseling, designed to meet the needs of small business owners.

**SCORE:** An SBA resource partner that includes the largest network of volunteer business mentors in the nation.

**SECONDARY MARKET RESEARCH:** Data collected previously by someone else for a different purpose that can be applied to an entrepreneur's market analysis.

**SMALL BUSINESS DEVELOPMENT CENTER (SBDC):** An SBA resource partner that provides management assistance to current and prospective small business owners.

**SOLE PROPRIETORSHIP (D/B/A):** The simplest business form under which one can operate a business. The sole proprietorship is not a legal entity. It simply refers to a person who owns the business and is personally responsible for its debts. D/B/A stands for "Doing Business As."

**SUBCONTRACTOR:** Unlike prime contractors, subcontractors do not work directly with the government, but instead work for other contractors. Some government contracts require large companies to subcontract with a small business. This creates more opportunities for small businesses to get involved in federal contracting.

**SUSTAINABILITY:** The capacity of a business to endure through market fluctuations.

**SYSTEM FOR AWARD MANAGEMENT (SAM):** A federally operated information system that allows government agencies and contractors to search for companies based on ability, size, location, experience, ownership, and more. Businesses that want to bid on government contracts or receive grants must be registered in the SAM system.

**TARGET MARKET:** The limited group of individuals or businesses that a firm goes after or tries to appeal to at a certain point in time.

**TRADEMARK:** A recognizable insignia, phrase, word, or symbol that denotes a specific product and legally differentiates it from all other products of its kind.

**TRENDS:** A shift or change in the fundamental business dynamics within an industry.

**USDA:** The U.S. Department of Agriculture (USDA) is a federal agency responsible for developing and executing laws related to farming, forestry, rural economic development, and food. USDA also provides funding opportunities for rural small businesses through loans, loan guarantees, and grants.

**VALUE PROPOSITION:** A concise statement that summarizes why a consumer should buy a product or use a service. Should convince a potential customer that one particular product or service will add more value or better solve a problem than other similar offerings.

**VARIABLE COSTS:** Costs that are not fixed, that a company incurs as it generates sales. Costs will vary with sales: when sales go up, the cost to deliver those sales go up. When sales go down, the cost to deliver those sales go down.

**VENTURE CAPITAL:** Money that is invested by venture capital firms in start-ups and small businesses with exceptional growth potential.

**VETERANS BUSINESS OUTREACH CENTER (VBOC):** An SBA resource partner that provides business training, counseling and resource partner referrals to veterans, transiting service members, National Guard and Reserve members and military spouses.

**VOLUME:** The number of units of product or service a firm sells or provides.

**WORKING CAPITAL:** Cash and liquid investments that a business has on hand to pay for day-today operations.

**WOMEN'S BUSINESS CENTER (WBC):** An SBA resource partner that helps women succeed in business by providing training, mentoring, business development, and financing opportunities.

# JOIN THE B2B COMMUNITY

## >> GET SBA VETERAN ENTREPRENEUR NEWS AND INFORMATION

## >> ACCESS AND DOWNLOAD COURSE PRESENTATIONS

## >> SIGN UP FOR B2B FOLLOW-ON TRAINING OPPORTUNITIES

>> VISIT SBAVETS.FORCE.COM/S/LOGIN/REGISTER





U.S. Small Business Administration















U.S. Small Business Administration

Version 4.5 | April 2022