



BUSINESS RESOURCE GUIDE

JAY & MADISON AREA

Whether you are an established small business, an emerging entrepreneur, or thinking of starting a business there are many resources that can help you along the way with starting, maintaining and growing your business - most of them are free or low cost.

The **Jay-Madison Area Small Business Resource Guide** has been created exclusively for Jay and Madison and the surrounding towns and will put you in touch with the people and programs that will advise, mentor, educate, inform and assist you with all your small business needs.

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Connect with a Small Business Expert

Looking for someone to talk to (at no cost) about:

- *Starting or buying a business*
- *Expansion*
- *Financing*
- *Loan package development*
- *Accounting and recordkeeping*
- *Marketing and sales*
- *Increasing profitability*
- *Cash flow projections*
- *Hiring employees*
- *And more*

The folks in this group can help you with all that and much more. Just ask them!

Maine Small Business Development Centers

www.mainesbdc.org
800-679-7232

Maine SBDC at AVCOG (covering Androscoggin, Franklin and Oxford counties)

125 Manley Road, Auburn, ME 04210
207-783-9186
Rose Creps, Business Advisor
rcreps@avcog.org
Larry Giroux, Business Advisor
lgiroux@avcog.org

Maine SBDC at CEI (covering Kennebec and Somerset counties)

Mid Maine Chamber of Commerce
50 Elm St., Waterville, ME 04904
Allison Watson, Business Advisor
allison.watson@ceimaine.org
207-319-4316

Whether you have an established business or want to start a business, Maine SBDC is the one-stop place for confidential, professional business

management assistance at no cost. Experienced, certified business advisors provide consultation in:

- business startup and acquisition
- business and marketing plans
- financial and business analysis
- market research
- sources of credit and financing
- loan packaging
- cash flow analysis
- accounting and record-keeping
- marketing and sales
- operations
- personnel and more

SCORE

<http://www.scoremaine.org/us>

SCORE locations for Androscoggin, Franklin, Oxford, Kennebec and Somerset counties:

AVCOG	2 Market Square
125 Manley Rd.	South Paris, ME 04281
Auburn, ME 04210	207-743-0499
207-783-3708	oxfordhillsscore@gmail.com
info@scoremaine.org	

68 Sewall Street, Room 512
Augusta, ME 04330
207-622-8509
augustamainescore@gmail.com

SCORE mentors provide free and confidential business counseling and inexpensive or free business workshops on a variety of business topics. SCORE volunteers are ready to help you start a business, expand your business, or reassess your strategies to meet new challenges.

Somerset Economic Development Corporation

41 Court Street
Skowhegan, ME 04976
207-474-0166
Heather Johnson
hjohnson@somersetcounty-me.org
www.somerseteconomicdevelopment.org

Somerset Economic Development Corporation primarily helps startup businesses find resources and works with them on planning and networking.

Women's Business Center at CEI

165 Front Street

Farmington, ME 04938

207-778-6529

Betty Gensel, Program Director

betty.gensel@ceimaine.org

www.ceimaine.org

The Women's Business Center offer's experienced business specialists who can help you at any stage of your business, from start-up to expansion. WBC provides free and confidential business counseling on topics such as business planning, financing options, business skills and buying and selling a business and workshops and training events on business issues. In addition WBC sponsors the Western and Central Maine Women's Business Owners Networking events where participants share experiences and learn from each other and experts about how to maintain or take their business to the next level through marketing, business planning, social media, access to capital and more.

Training and Workshops

There are lots of opportunities to learn about all things small business. You can attend a live workshop or take one of many online workshops. And most of them are free.

Maine Small Business Development Centers

www.mainesbdc.org

Maine SBDC at AVCOG (covering Androscoggin, Franklin and Oxford counties)

125 Manley Road, Auburn, ME 04210

207-783-9186

Rose Creps, Business Advisor

rcreps@avcog.org

Larry Giroux, Business Advisor

lgiroux@avcog.org

Maine SBDC at CEI (covering Kennebec and Somerset counties)

Mid Maine Chamber of Commerce

50 Elm St., Waterville, ME 04904

Allison Watson, Business Advisor

allison.watson@ceimaine.org

207-319-4316

Maine SBDC also offers free or low cost workshops and training on a variety of small business topics such as business startup, business planning, marketing/sales/pricing, government contracting, customer service, cash flow spreadsheets, Quickbooks/taxes and more. Training is presented by SBDC certified business advisors. In addition www.mainesbdc.org has online workshops, at no cost, and available 24/7 and resources, tools, and templates on many small business management issues.

New Ventures Maine (NVME)

www.newventuresmaine.org

Western Maine area:

108 Perham Street, Suite #2
Farmington, ME 04938
Karleen Andrews
Karleen.andrews@maine.edu
207-778-2757

Central Maine area:

UMA, Handley Hall, 5th floor
331 Water Street,
Augusta, ME 04330
Jean Dempster
dempster@maine.edu
207-621-3434

New Ventures Maine can help you research your business idea, get organized, put a plan together and turn your dream into reality. They offer several classes for small businesses: Introduction to Self-Employment, Business Basics and Venturing Forth: Business Planning for Entrepreneurs – a 60-hour course in business planning. That course covers: your customer, competition, marketing, record keeping, taxes, financing, legal aspects, and more. At the end of the class, students will have a completed business plan.

SCORE

<http://www.scoremaine.org/us>

125 Manley Rd.
Auburn, ME 04210
207-783-3708
info@scoremaine.org
<https://androscoggincounty.score.org>

2 Market Square
South Paris, ME 04281
207-743-0499
oxfordhillsscore@gmail.com
<https://oxfordhills.score.org>

68 Sewall Street, Room 512
Augusta, ME 04330
207-622-8509
augustamainescore@gmail.com
<https://augustame.score.org>

These SCORE chapters conduct a variety of regularly scheduled, low-cost or free educational workshops and roundtable sessions that provide information and techniques necessary for establishing and managing a successful business. SCORE also offers free, online workshops at www.score.org.

U.S. Small Business Administration (SBA)

www.sba.gov

The SBA's online Learning Center has a wealth of training opportunities for small businesses: online webinars, videos, podcasts and learning tools, checklists and worksheets on a wide range of topics: Finding Capital to Start Your Small Business, Health Care and Small Business, How to Prepare a Loan Package, Employee Recruitment and Retention, Tips for Women Entrepreneurs, Selling Your Business, Finding and Attracting Investors, Cybersecurity for Small Business, Crowdfunding and much more. And it's all available at no cost 24/7.

University of Maine Cooperative Extension

<https://extension.umaine.edu>

Franklin County Office
138 Pleasant Street, Suite #1
Farmington, ME 04938
207-778.4650 or 800-287-1478
extension.franklin@maine.edu

Somerset County Office
7 County Drive
Skowhegan, ME 04976
207-474-9622 or 800-287-1495
extension.somerset@maine.edu

Educational workshops, programs and business management publications are available to Maine people on a variety of business-related topics, such as: marketing, pricing, financial management, internet marketing, recordkeeping and customer service. In addition the program has an extensive online small business library with resources on many small business management topics including business management, healthcare, lending agencies and trade associations. There also is a comprehensive website devoted to resources for small food businesses in Maine.

Marketing and Sales

Many of the resources listed in the Small Business Experts and Training and Workshops categories offer information, counseling and training events on many marketing topics. Here are some additional resources.

Franklin County Chamber of Commerce

PO Box 123
615 Wilton Road
Farmington, ME 04938
207-778-4215
www.franklincountymaine.org
director@franklincountymaine.org

The Franklin County Chamber of Commerce is an organization that promotes and supports its members. Member benefits include: advertisement, promotion and visibility opportunities, and community involvement, networking occasions, advocacy, support and education.

Jay, Livermore and Livermore Falls Chamber of Commerce

PO Box 458
Livermore Falls, ME 04254
207-500-2464
www.jay-livermore-lf.org
info@jay-livermore-lf.org

The Jay, Livermore and Livermore Falls Chamber of Commerce advances and promotes the development of commercial, industrial, civic and social interests of Jay, Livermore and Livermore Falls and surrounding communities. It is a membership-based organization that promotes the community through promotional, sponsorship and publicity opportunities, business referrals, networking and educational seminars and workshops and offers advertising and group rates on insurance

Madison Business Alliance

PO Box 172
Madison, ME 04950
www.madisonme.org
mba@madisonmaine.com

The Madison Business Alliance is a community-focused organization, supporting and connecting Madison business owners and bringing attention to their businesses, attractions and upcoming events in Madison. Benefits include opportunities to showcase your business and network with other businesses, sponsor local events and make a name for your business, a listing of your business on the MBA website and updates on decisions that affect your business and more.

Maine Made America's Best Program

Maine Products Marketing Program
59 State House Station, 111 Sewall Street
Augusta, ME 04333
207-624-7489
info@mainemade.com
www.mainemade.com

The Maine Department of Economic and Community Development's Maine Made Program builds recognition for hundreds of exceptional Maine made products and their producers. Producers of high quality Maine made products can participate in a number of program features including the Maine Made website, America's Best product identification labels, kiosk display opportunities and trade show participation. On the Maine Made website, members are entitled to a profile page with website and email links to further promote their products. There is no fee to apply and a very modest cost to participate in the program.

New England Made Giftware & Specialty Food Show

Giraffe Events, LLC
35 Storer Street
Saco, ME 04072
207-781-5756
info@nemadeshows.com
www.nemadeshows.com

Giraffe Events is the owner and producer of the New England Made Giftware & Specialty Food Shows (NEM), a wholesale, juried show featuring exclusively New England made giftware and specialty food that takes place twice a year – in Portland, ME and Sturbridge, MA. Both shows feature New England-made products including home décor, pottery, apparel, accessories, jewelry, toys and games, candles, books, cards and prints, glassware, bath and body products, furniture, spices, candy, sauces and other specialty food items. There is a fee to participate.

Skowhegan Area Chamber of Commerce

23 Commercial St.

Skowhegan, ME 04976

207-474-3621

www.skowhegan-chamber.com

The Skowhegan Area Chamber of Commerce can provide businesses with referrals, advocacy, networking opportunities, leadership, information and resources. The Chamber's name has strong and immediate recognition and is associated with businesses that foster an improved business climate and community support. Many businesses and individuals turn first to the Chamber for information about area businesses.

Financing Sources and Information

These organizations are alternative sources of financing for small businesses.

Androscoggin Valley Council of Governments (AVCOG)

125 Manley Rd.

Auburn, ME 04210

207-783-9186

www.avcog.org

Rose Creps, Business Advisor

rcreps@avcog.org

AVCOG provides financing assistance for start-ups, expansions and modernizations throughout the tri-county area (Androscoggin, Franklin, and Oxford). In addition to their direct loan programs, AVCOG also provides assistance to businesses in accessing other local and state sources of financing.

Direct loan programs are:

- **Micro Loan Program** – to be used for building improvements, furniture and fixtures, equipment, inventory, supplies and working capital. Loan amount is \$50,000.
- **Business Loan Program** - to be used for building improvements, furniture and fixtures, equipment, inventory, supplies, working capital and /or refinancing debt. Loans range from \$35,000 to \$150,000.

CEI – Capital for Opportunity and Change

30 Federal Street

Brunswick, ME 04011

207-504-5900

www.ceimaine.org

CEI offers business financing and technical support for a wide range of small businesses.

Financing opportunities include:

- **Direct loans** to start-up, existing and growing small businesses in Maine and beyond, in amounts ranging from \$5,000 to \$3,000,000.

- **Venture capital investments** in small businesses located in New England and the mid-Atlantic region. Investments range from under \$500,000 to over \$1 million.
- **Targeted loan programs** for energy and environment; agriculture; healthy food; waterfront and fisheries; refugee and immigrant businesses and childcare businesses.

Community Concepts Finance Corporation (CCFC)

17 Market Sq., PO Box 278
 So. Paris, ME 04281
 207-333-6419
<http://www.ccfcmaine.org>
 Zachary Maher, loan officer
zmacher@community-concepts.org

CCFC is a certified Community Development Finance Institution serving Androscoggin, Franklin and Oxford Counties. CCFC provides loan capital to business start-ups, micro and other businesses who cannot qualify for conventional financing and are seeking to start, expand or strengthen their business and technical assistance.

Kennebec Valley Council of Governments (KVCOG)

17 Main St., Fairfield, ME 04937
 207-453-4258 ext. 223
www.kvcog.org
 Sarah Ross, Business and Economic Development Manager
sross@kvcog.org

KVCOG provides financing assistance for start-ups, expansions and modernizations throughout the region. In addition to their direct loan programs, KVCOG also provides assistance to businesses in accessing other local and State sources of financing. In order to be eligible for the business loan program, the business must be located in Kennebec, Somerset, or western Waldo County. The business must be unable to finance the proposed project from its own resources or through commercial credit or other federal, state or local programs at reasonable rates and terms. Eligible uses include: real estate acquisition, building improvements, furniture and fixtures, equipment, inventory, supplies, working capital and/or refinancing debt.

Finance Authority of Maine (FAME)

5 Community Drive, P.O. Box 949
 Augusta, ME 04332-0949
 207-623-3263 or 1-800-228-3734
business@famemaine.com
www.famemaine.com

The focus of the Business Division at FAME is to help businesses access capital to grow, expand and succeed; thus, creating new employment opportunities that will benefit the people and communities of Maine. FAME offers a variety of financial programs from traditional loan insurance to direct loans to small businesses.

Libra Future Fund (LFF)

PO Box 17516
Portland, ME 04112
207-879-6280
www.librafoundation.org/libra-future-fund

The Libra Future Fund awards grants to young entrepreneurs in Maine between the ages of 18-29 who reside in Maine at least 8 months of the year. Grant awards are typically \$5,000 or less. The types of projects for which LFF awards grants are typically entrepreneurial in nature, but the Board will entertain ideas for research and economic development projects. All projects must demonstrate the potential to contribute to Maine's economic growth.

Madison Office of Economic Development

26 Western Ave.
PO Box 190
Madison, Me 04950
207-696-3334
www.madisonmaine.com
edd@madisonmaine.com

The Town of Madison offers local grant and loan opportunities to foster business growth and economic development. Funded by revenue from the Tax Increment Financing (TIF) District, the programs are facilitated through the Town Office and all applications are reviewed by the Board of Selectmen. These opportunities help with projects designed to make property improvements or otherwise enhance the ability to do business.

Maine Technology Institute (MTI)

8 Venture Ave.
Brunswick Landing
Brunswick, ME 04011
207-582-4790
www.mainetechnology.org

The Maine Technology Institute (MTI) is an industry-led, publicly-funded, nonprofit corporation that offers early-stage capital and commercialization assistance in the form of competitive grants, loans and equity investment for the research, development and application of

technologies that create new products, processes and services, generating high-quality jobs across Maine.

Somerset Economic Development Corporation

41 Court Street
Skowhegan, ME 04976
207-474-0166
Heather Johnson
hjohnson@somersetcounty-me.org
www.somerseteconomicdevelopment.org

The Somerset Economic Development Corporation helps businesses grow through financing options, grant management or connecting them with other business contacts and resources. They also have a loan program for businesses located in Somerset County. Business owners are required to seek bank financing first as the program is considered gap financing.

U.S. Small Business Administration (SBA)

Maine District Office
68 Sewall Street
Augusta, ME 04330
Diane Sturgeon, Deputy District Director
Diane.sturgeon@sba.gov
207-622-8551
www.sba.gov/me

The Maine District SBA office is responsible for the statewide delivery of SBA's programs which include financial assistance for new and existing businesses through guaranteed loans made by banks and non-bank lenders. The SBA district office can help guide you towards small business-friendly banks. It does not provide direct loans; it works with lenders to provide loans. Your lender will submit your loan package to SBA for approval.

Regulations, Licensing and Permits

Where do you start when you need information about permits, licensing, regulations, zoning, etc.? Start with the town hall where your business is located, then contact Business Answers. Here are some resources that can help you.

Business Answers

Maine Department of Economic and Community Development (DECD)
59 State House Station
Augusta, ME 04333
1-800-872-3838 (in state)
1-800-541-5872 (out of state)
business.answers@maine.gov
www.maine.gov/businessanswers

Business Answers, a program of the Maine Department of Economic and Community Development, assists new and existing businesses with start-up and expansion. Through their One-Stop Business Licensing Center, they offer information on all of the state licenses your business is required to have. In conjunction with the online service, they also operate a toll-free 800-line which you can call and get answers to all of your questions, including:

- Starting and operating a business
- State licensing, permits and regulation requirements
- Your business name
- Becoming an employer
- Being self-employed

If they don't know the answer to your business question, they will refer you to someone who does. Governor's Account Executives are available to help with problems and concerns which arise as you work with other State agencies.

Local Town Clerks, Code Enforcement Officers or Planning Boards

Check with your local town clerk, code enforcement officer or planning board for any requirements from the town in which your business is located.

Maine Small Business Advocate

Office of the Secretary of State
148 State House Station
Augusta, ME 04333-0148
207-626-8410
Peggy Schaffer, Small Business Advocate
sos.office@maine.gov
<http://www.maine.gov/sos/sba>

Maine's Small Business Advocate serves as an independent voice for Maine small businesses within the state's regulatory system, ensuring it functions fairly and effectively. The Advocate works directly with small businesses of less than 50 employees that have specific grievances with one or more regulatory agency's enforcement actions. The Advocate's top priority is to assist small businesses to understand and comply with Maine's many regulatory requirements.

Red Tape Hotline

Maine Department of Economic and Community Development (DECD)
59 State House Station
111 Sewall Street
Augusta, ME 04333
207-624-7486
www.maine.gov/decd

If you are a business needing assistance with licensing, permitting or regulatory issues, please call the above number.

Other Resources

If you're interested in getting certified as a disadvantaged, or woman- or minority-owned business; looking for information on how to do business with local, state and government agencies; need assistance with importing or exporting; or how to accelerate the growth of your business, these resources can help.

Disadvantaged Business Enterprise Supportive Services (DBE)

40 Harlow Street
Bangor, ME 04401
207-942-6389
www.emdc.org

The Maine Department of Transportation manages the Maine Disadvantaged Business Enterprise (DBE) program as a way to ensure nondiscrimination and create a level playing field in the award of federally assisted contracts. All disadvantaged, women and minority business owners providing transportation construction or related services are encouraged to apply for certification. The DBE Supportive Services are part of that program and hosted by Eastern Maine Development Corporation. If you are a certified Maine DBE there are a number of services available to you through this program:

- Business counseling
- Orientation to the program
- Information technology
- Website development
- Tuition reimbursement
- EMDC training and events

Maine Center for Entrepreneurs (MCE)

PO Box 8628
Portland, ME 04104
207-774-8111
info@mced.biz
www.mced.biz

MCE is a private, non-profit that helps Maine's most promising entrepreneurs to grow through innovation. It offers: workshops on

marketing and money; Top Gun which is a selective entrepreneurship acceleration program and the Cultivator Food, Beverage and Agriculture Scale-up Accelerator program. It also has a Maine Mentor Network that provides expert assistance and mentorship statewide for scalable entrepreneurs.

Maine International Trade Center (MITC)

2 Portland Fish Pier, Suite 204
Portland, ME 04101
207-541-7400
info@mitc.com
www.mitc.com

MITC helps Maine businesses enter and expand global markets for their products and services. MITC provides one-on-one consulting and research, affordable group trade show participation, connections around the world, export reimbursement funds for small businesses and more.

Maine Procurement Technical Assistance Center (PTAC)

Hosted by Eastern Maine Development Corporation
207-942-6389
maineptac@emdc.org
www.maineptac.org

PTAC works with Maine-based companies that are interested in selling their products and/or services to local, state or federal government agencies, either as prime contractors or subcontractors. Maine PTAC's experienced counselors provide a wide range of counseling services to assist Maine PTAC clients who want to market to government agencies and government prime contractors. For the PTAC office closest to you contact the above email or phone number.

Here is additional information that you may find helpful.

How do I register my small business?

How you register your business depends on what type of business entity you choose and what activity you are going to be engaged in. If you decide to incorporate or become a limited partnership or a limited liability company, you will need to register that entity with the Bureau of Corporations at the office of the Secretary of State. That office can be reached at 207-624-7736.

If you organize your business as a sole proprietorship (a business owned and operated by an individual) or a general partnership, you do not need to register your business entity with the state. However, there may be certain state, city, or town permits or licenses that are required to operate your business.

Do I have to register my business name? How do I determine if the name I choose is okay to use?

State statute requires that every business enterprise operating under an assumed name must register that name in the city or town in which it is located. This is often called filing a "D/B/A", which stands for "doing business as," and a nominal fee is typically charged. What you do beyond this depends on a number of factors. If you incorporate, become a limited partnership or limited liability company, the name of the business would be registered with the Bureau of Corporations. To determine whether a name you're considering is in use by another corporation, or is protected by a trademark or service mark, you should contact the Bureau of Corporations at 207-624-7736. Unfortunately, proprietorship names are not tracked by any one central agency. However, you can employ the following tactics to safeguard against using another business's name. Check the telephone listings of surrounding communities; your local library should have the various regional directories. You can also check for the name in the *Maine Business and Professional Directory* or the *Maine Register*.

Do I need a business license?

The State of Maine does not license all businesses; however, your business may need state and/or local licenses or permits depending on the particular activity you are engaged in.

To obtain more information about licensing you can contact Business Answers, a program of the Maine Department of Economic and Community Development at 1-800-872-3838 (in-state) or 1-800-541-5872 (out-of-state). The office's operating hours are Monday through Friday between 9 a.m. and 5 p.m. Its One-Stop Business Licensing Center will give you the information needed to obtain the appropriate licenses for your business. You will also need to check with your Town or City Clerk to determine local licensing requirements.

What legal form of business should I choose?

There are four primary legal forms of business from which to choose from: sole proprietorship, partnership, Limited Liability Company and incorporation (both C-corporation and Subchapter S.)

A **sole proprietorship** is owned by an individual (or a married couple) and it may have one or more employees. Operating a sole proprietorship means that the owner is personally responsible for all liabilities of the business. Also, the owner is taxed on a personal level for all profits generated by the business.

A **partnership** occurs when two or more people agree to share ownership of a business. This form of business allows the partners to share complimentary skills and resources. The owners share, and pay personal taxes on the profits of the business. Additionally, each partner is individually responsible for the liabilities of the business.

Another option is to form a **Limited Liability Company (LLC)**. This legal form, which became effective in Maine on January 1, 1996, is a combination of the corporate form (providing limited liability) and the partnership form (allowing you to be taxed as in a partnership).

The **corporate entity** is created when your business registers with the Secretary of State's Bureau of Corporation. This enables the owners to take advantage of the limited liability aspect of the corporate ownership and to raise equity by selling shares of the company. For-profit entities have the option to choose either a **C-corporation** or **Subchapter S-corporation** status. If you become a C-corporation, the corporate profits are taxed, and then the owners will be taxed on their share of the profits and compensation (i.e. dividends and wages) received from the corporation. A **Subchapter S-corporation** does not pay a corporate tax.

If you have any questions regarding these forms of business entities, please feel free to call a Small Business Expert listed in this Guide and seek advice from an attorney.

Do I need a sales tax number and how do I register for one?

If you sell tangible personal property, or provide certain fabrication, rental, or other particular services, you must obtain a sales tax identification number, also known as a seller's certificate, from the State of Maine.

To obtain the appropriate forms you may visit the Maine Revenue Services Website or you can call 207-624-9693. If wholesalers and retailers are reselling your product(s) you would not charge sales tax, but would provide them your sales tax number for a resale certificate. Additionally, you would not charge sales tax to consumers who purchase your product outside of Maine, although they would be responsible for a use tax. Keep in mind that after you register, your sales, regardless if sales tax is charged or not, must be reported regularly to the State of Maine's Sales Tax Division.

Catalog Sales and Internet Sales

A retailer which solicits sales through a catalog or internet web site is responsible for collecting sales tax in Maine if the retailer has a significant presence in Maine. Retailers registered in Maine selling goods to Maine residents must collect Maine

sales tax since the retailer has a presence in Maine and the sale occurs in Maine. This is true regardless if the sale occurred in the retailer's store, if the goods are ordered over the telephone or if the goods are ordered through the retailer's web site.

If the retailer receives orders through mail-order or the internet from non-residents and the goods are shipped out-of-state, the sale is not taxable in Maine. If the retailer is not required to register in Maine, the sales are not subject to Maine's sales tax but the purchaser is subject to Maine's use tax on such a purchase.

How do I register to become an employer?

To register as an employer, you need to obtain a federal Employer Identification Number (EIN) by filing an IRS Application. You will also need to register for state income tax withholding and for unemployment contributions by filing the Application for Tax Registration at Maine Revenue Services' website: maine.gov/revenue, via their online registration service or contact them at 207-626-8475.

Have employees complete and keep in employer's files: Employee's Withholding Certificate W-4 obtained from the IRS and Employment Eligibility Verification Form I-9 obtained from the U.S. Department of Citizenship and Immigration. Obtain Worker's Compensation Insurance from your business insurance carrier. Maine employers are required to report newly hired or rehired employees to the Maine Department of Human Services (DHS) within 7 days. Contact DHS Support Enforcement and Recovery at 207-624-4168 for more information. Obtain and post required labor posters. For more information on becoming an employer, hiring employees or to obtain labor posters, contact the Maine Department of Labor at 207-623-7900.

What type of insurance should I obtain for my small business?

When you start your own business, there are various types of business insurance that should be considered essential and others that, while not essential, may be desirable and add to the security of a business. Most businesses will require some type of general liability insurance and many businesses obtain an "umbrella policy" that covers a variety of risks including personal property, liability, fire, theft, and medical payments.

If you have employees, you will need to obtain workers compensation insurance. Additionally, if your business owns or uses vehicles for business purposes, automobile coverage is necessary. Beyond this, what other forms of insurance obtained depends on what risks are incurred in operating your business, and what kind of supplementary coverage you want to employ to provide additional security for your business.

The following is a list of certain types of insurance that you may need to consider: Key Person Insurance, Flood Insurance, Fidelity and Surety Bonds, Boiler and Machinery Insurance, Product Liability, Business Interruption Insurance, Overhead Expense, Disability Insurance, and Life Insurance. The best course of action is to contact an insurance agent, or several agents, for a consultation regarding the appropriate types of insurance for you and your business.

Business Plan Guidelines

Every business venture can benefit from the preparation of a carefully written business plan.

The purpose of a business plan is to:

1. Help you think through the venture and ensure that you have considered all your options and anticipated any potential difficulties.
2. Convince potential lenders and investors that you are in control of the project and that their money will be safe with you.
3. Serve as an operating guide as you turn your ideas into a viable business.

The following pages provide a suggested outline of the material that should be included in your business plan. The final product should be tailored to fit the circumstances and personality of you and your business.

Business Plan Outline

1. **Cover:** Name, address, and phone number of business. Give your plan a businesslike appearance by typing it on high quality paper and putting it in a vinyl or cardstock binder or a three-ring notebook.
 2. **Title Page:** The business name, address, and phone number, and add the names and addresses of the principal owners. Also show the date of issue of the plan and type "copy number _____" so you can number and control the copies.
 3. **Executive Summary:** A brief (one page) statement of the business plan objectives. Address the following questions and add additional information that will help you achieve your goals. (You may choose to write this page last.)
 - A. What is the purpose of this plan? Will it be used as:
 - An operating guide?
 - A financing proposal?
 - B. What business structure have you chosen (i.e. sole proprietorship, partnership, limited liability, corporation, S corporation?)
 - C. Who are the principals and what are their proportions of ownership?
 - D. Why will the venture be successful?
- For a financing proposal:**
- E. Who is requesting the funds and how much is needed?
 - F. What will the money be needed for?

- G. How will the funds be repaid?
- H. What collateral will be offered to secure the loan?
- I. Why does a loan or an investment make sense?
 - impact on local economy
 - job creation
 - increased tax base
 - investment in the future of the community

4. Table of Contents: A single page showing major topics and page references

5. Description of Business: Answer as many of the following questions as are appropriate:

- A. What business are you in?
 - Type of business: primarily merchandising, manufacturing, or service?
 - What is the nature of the product(s) or service(s)?
 - What will be special about your business?
- B. What market do you intend to service? What is the total market, and what is your expected share?
- C. How can you serve the market better than your competition?
- D. Present status of the business: start-up, expansion of a going concern, or take-over of an existing business?
- E. If you will be doing any contract work, what are the terms? Reference any firm contracts and include them as supporting documents.
- F. Do you have letters of intent from prospective suppliers?

For an existing business:

- G. What is the history of the business?
- H. What does the owner wish to see at this time?
- I. If the business is going downhill, why? How can you turn it around?
- J. How will your management make the business more profitable?
- K. What changes do you plan to make in the business?
- L. What is the purchase price formula? Give breakdown for building, improvements, equipment, inventory, and goodwill.

Note: If it will be a seasonal business, make sure the seasonality is reflected in your narrative and financial projections with appropriate footnotes.

6. Business Location:

- A. What is your business address and why did you choose that location?
- B. Will the building be leased or owned?
- C. What are the terms and length of the lease contract?
- D. What renovations will be needed and at what cost?
- E. Describe the neighborhood (e.g., stable, changing, improving, deteriorating)
- F. What other kinds of businesses are in the neighborhood?
- G. How much can your business expand before you will be forced to move or add on to the present building?

7. Licenses and Permits:

- A. Is your business name registered with the Maine Secretary of State?
- B. State how you will be affected by local zoning regulations.
- C. What other licenses or permits will you be required to obtain?

8. Management:

- A. What is your business and management experience?
- B. What education have you had, including both formal and informal courses that contributes to your managerial abilities?
- C. Are you physically suited to the job?
- D. Do you have direct operational and/or managerial experience in this type of business?
- E. Describe your organizational structure and include a brief description of who does what. (Include an organizational chart if necessary.)
- F. List proposed salaries and wages.
- G. What other management resources will be available (accountant, lawyer, SBDC)?

9. Personnel: Write a paragraph or two about your personnel needs.

- A. What are your anticipated personnel needs?
- B. What skills must your employees have?
- C. Can you use part-time help to meet changing business volume?
- D. Will you have to train people, and at what cost?

10. Insurance: Describe your potential business risks and tell what insurance coverage you will purchase to protect yourself.

11. The Market: Generally explain who needs your product or service and how you plan to reach them.

- A. What is the present size and growth potential of the market?
- B. What percent of the market will you have now and in the future?
- C. Describe age, sex, occupation, lifestyle, income, etc., of your various market segments.
- D. How will you attract and keep your segment of this market?
 - product quality
 - price
 - place
 - promotion
 - persuasion-personal selling
- E. What features or services will you offer that will justify your price?
- F. How will you handle credit sales?
 - extend your own credit
 - accept major credit cards

12. Competition: Briefly describe your competition and tell how their operations are similar and dissimilar to yours. What is your unique selling proposition and how will you use it to control your market share?

13. Financial Data:

- A. Source and application of funds statement
- B. Capital equipment list
- C. Current balance sheet and income statement (less than 90 days old)
- D. Break-even analysis
- E. Projected income statement
 - detail by month, first year
 - detail by quarter, second year
 - notes of explanation and assumptions
- F. Cash flow projections
 - detail by month, first year
 - detail by quarter, second year
 - notes of explanation and assumptions
- G. Projected balance sheet
 - Notes of explanations and assumptions
- H. For an existing business
 - income statements
 - balance sheets and/or
 - tax returns for past three years

14. Supporting Documents:

- A. Personal resumes for all principals
 - B. Personal financial statements for all principals
 - C. Letters of reference
 - D. Letters of intent from prospective suppliers or customers
 - E. Copies of all leases, contracts, or agreements, deeds, or other legal documents
 - F. Any other information that might help your cause or answer potential questions
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For more information or if you have specific questions please contact the Maine Small Business Development Centers at 800-679-7232 or 207-780-4420.

What are some of the telephone numbers and websites I need to know?

Telephone Numbers and Websites

Business Answers: 800-872-3838 (in state) or 800-541-5872 (out of state)
www.maine.gov/businessanswers

IRS Forms: 1-800-TAX-FORM or 829-3676 or www.irs.gov

Maine Bureau of Corporations, Elections and Commissions: 207-624-7736
<http://www.maine.gov/sos/cec>

Maine Department of Economic and Community Development:
207-624-9800
<http://www.maine.gov/decd>

Maine Department of Human Services: Support Enforcement and Recovery: 207-624-4168
<http://www.maine.gov/dhhs/ofidser>

Maine Department of Labor: 207-623-7900
<http://www.maine.gov/labor>

Maine Revenue Services:
Sales tax questions: 207-624-9693
Income tax questions: 207-626-8475
<http://www.maine.gov/revenue>

Maine Small Business Development Centers: 207-780-4420 or 800-679-7232
www.mainesbdc.org

U.S. Department of Citizenship and Immigration Services: 1-800-375-5283
<https://www.uscis.gov>

Didn't find what you're looking for?

Call the:

Maine Small Business Development Centers

at:

800-679-7232 or 207-780-4420

Email: mainesbdc@maine.edu

www.mainesbdc.org

We will be happy to assist you with your small business questions or help you find the right resources.

Please note that while every effort has been made to ensure that the information contained in this publication is accurate, the information is subject to change without notice.

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