STRIKE IT RICH AT THE REFERENCE DESK!
THE VALUE OF LOCAL LIBRARIES AS RESOURCES FOR BUSINESS

Business Information and Libraries

This year is the centennial of the first business branch of a major U. S. public library. In 1904 the Business Branch of the Newark, New Jersey Public Library opened. This was started by John Cotton Dana, one of the pioneers of modern librarianship. Since then libraries have expanded their business collections and services to serve job seekers, entrepreneurs or the self-employed, the personnel of existing small- and medium-sized businesses, and the personnel of local corporations. By the 1930s business collections that included financial manuals, industrial directories, stock guides, and business journals, newspapers, and trade magazines had become a national phenomenon in urban public libraries. In recent times, public libraries have become part of statewide networks to promote the creation of new businesses, hosted seminar and "how to" workshops, created Web sites of online resources, and, in larger urban centers, created separate business collections and service centers for aspiring entrepreneurs, either for free or for a nominal cost.

Business Plans

I. **Rationale for Creating a Business Plan**
    (*from* the U. S. Small Business Administration Web site; available from
    http://www.sba.gov/young/columbiacollege/k_12.nsf/vwHTMLPages/develop.html)

A Well Written Business Plan:

- Helps you focus your energy constructively
- Forces you to analyze the business
- Provides details on the industry's potential
- States your plans for gaining a percentage of that industry
- Clarifies and quantifies your goals and objectives
- Explains your current status and your expected financial and management needs
- Develops effective strategies to deal with expected and unexpected situations
- Identifies critical risks and crucial events
- Serves as a communication tool for potential external financial sources
- Details how you will repay all debts and shows the projected financial results of your business

Presenting the Business Plan:

- Understand the plan thoroughly
- Rehearse the presentation beforehand
- Be familiar with all presentation equipment that you plan to use
- Expect a critical and skeptical audience
- Be able to handle the questions asked
- Accept any criticism constructively

"Businesses with fewer than 20 employees have only a 37% chance of surviving 4 years and only a 9% chance of surviving 10 years."
Of these failures only 10% close involuntarily because of bankruptcy and the remaining 90% close because the business was not successful, did not provide the level of income desired or was too much work for their efforts.
("Some of the Reasons Why Businesses Fail and How to Avoid Them." Entrepreneur Weekly, Issue 36, 3-10-96.)

Proper Planning is Essential for a New Business

Business Plan Outline for a New Company – Information Broker
(Information Professional)

Company: Information North Carolina Inc (INC, Inc)
Industry: Information (all other information services)
NAICS: old 514199
            new 519190
(find NAICS codes at http://www.census.gov/epcd/www.naics.html or using Advanced Search field codes in *ABI/Inform Global*)

General Resources

- *WSJ.com Startup Journal* http://www.startupjournal.com/runbusiness/
  Includes business plan tools, survival strategies, franchising and ecommerce.
- *CCH Business Owner's Toolkit* http://www.toolkit.cch.com/tools/tools.asp
  Includes ready to use templates and tools to help in the startup process.
- U.S. Small Business Administration http://www.sbaonline.sba.gov/
- *Business Owner's ideacafe* http://www.businessownersideacafe.com/
- *Entrepreneur's Help Page* http://www.tannedfeet.com

Step 1
Business History and Industry Outlook
This will be the text that describes the thinking behind the concept and will be supported by research.

- **Industry Information**
  This will include trends, strategy, research, problems etc.
  Some libraries will have resources such as:
    o *S&P'S Industry Surveys* (electronically part of *NetAdvantage*),
    o *Mergent*
    o *Datamonitor.*
  These resources may be available in a local academic institution – check and refer your patron.

  Available in many libraries –
    o *ValueLine* – contains one-page industry summaries.

  Available to **all** libraries (in NC) –
    o *ABI/Inform Global* (*Complete*) – use the Advanced Search and choose NAICS from the drop down box – click through to the industry you want.
    o *Business Source Elite* – this database often drops the last number in a NAICS search so maybe use if for general article searches. e.g. search the term - information professional – then within the citation check the subject terms and keywords for other words you can use in a search.
    o *netLibrary* – type Plunkett's into the search box to retrieve industry and company directories from Plunkett's Publishing. e.g**.** *Plunkett's Health Care Industry Almanac.* This includes an industry overview, statistics and company information.
    o *Regional Business News*

  South Carolina – use the Gale (Infotrac) databases in DISCUS.

  Useful Web sites include:
  Competia.com http://www.competia.com/express/index.html
  Links to industry sites, companies, regulations, associations.

  YAHOO!FINANCE http://biz.yahoo.com/ic/ind_index.html
  Industry profiles very much like those in the subscription section of hoovers.com Includes leaders and laggards, product and management news.

Step 2
Products/Service
What makes your product or service special? Who do you intend to serve?
What fees do you intend (or need) to charge?
- Find someone in the same business (not necessarily the same area) and ask for information.
- Contact an association – see what help, or statistics, it will provide. For an information professional this will be the Association of Independent Information Professionals http://www.aiip.org/index.html
- Check listservs – for this business SOLOLIB-L may have answers.
- Check *ABI/Inform, Business Source Elite, Regional Business News* Gale databases in DISCUS (South Carolina)

Step 3
Market Examination

- **Bureau of Economic Analysis**
  http://www.bea.doc.gov/bea/regional/data.htm
  Annual estimates of gross state product. Website features interactive tables and maps that offer customization by industry, GSP component, state or region and year.

- **U.S. Dept of Labor – Bureau of Labor Statistics**
  http://www.bls.gov/
  U.S. Economy at a Glance – Regions, States, Counties
  http://www.bls.gov/eag/home.htm

- **County Business Patterns**
  http://fisher.lib.virginia.edu/collections/stats/cbp/
  Provides county, state, and national level business data from 1977 to the most recent year available. Statistics include number of establishments, payroll (annual and 1st quarter), number of employees, and number of establishments by size class for 2 digit SIC industry groupings and from 1997 at the 2-digit NAICS class. The data is collected annually by the Bureau of the Census

- **Economic Development Information System,** NC Dept. of Commerce
  http://cmedis.commerce.state.nc.us/countyprofiles/
  Provides demographic profiles of each county. Data include unemployment rate, employment and wages by sector, announced jobs and investments, and announced closings and layoffs.

- **Economic Profiles North Carolina**
  http://www.rich.frb.org/research/regional/profiles/north_carolina/
  Information by county from the Federal Reserve bank of Richmond – data includes types of jobs.

- **LINC (North Carolina)**
  http://linc.state.nc.us/
  LINC is "the most valuable Web resource for NC statistical data." Features: Over 1000 data items from state and federal agencies; Historical data and projections, 1960s to 2020; State, county, municipality, township, tract, block group, and block coverage; Definitions and help screens; Customized report capabilities; Preformatted topic reports, including census profiles; Continual updates incorporating newly released data

- **South Carolina Economic Indicators & Outlook** (from the Moore School of Business, USC)
  http://research.moore.sc.edu/Publications/Indicators/data.htm
  Not only indicators and outlook but also presentations and studies.

- **South Carolina Statistical Abstract**
  http://www.ors2.state.sc.us/abstract/index.asp

- **Radius Search**
  http://mcdc2.missouri.edu/websas/caps.html
  This application lets the user specify a site (point location using lat/long coordinates or by entering a ZIP code) anywhere in the U.S. along with one or more radius values in miles. Data includes population, housing, income and race.

Many libraries will have print (or CD) publications such as *Demographics USA*, *Lifestyle Market Analyst* and some New Strategist publications such as *American Men and Women: Demographics of the Sexes*

Some of the larger public libraries will also buy – only for their area – *MPA Market Profile Analysis* (from Donnelly Marketing Information Services) e.g. Greensboro Public Library.

Use databases such as *ABI/Inform Complete, Business Source Elite* and *Regional Business News* or Gale databases in DISCUS (South Carolina)

Step 4
Competition
What are comparable businesses in the area doing that could affect you.

ReferenceUSA Business enables you to retrieve lists of business.
Also check *Regional Business News* and *North Carolina Newsstand* or databases in DISCUS (South Carolina)

Then walk and take notes!

Step5
Marketing
How are you going to get the type of clientele you want to frequent your establishment.
Decide on the type of publicity you need – fliers etc then………
One can purchase mailing lists OR find a library that has *ReferenceUSA Business* and *ReferenceUSA Residential* and make your own lists.

Also there is marketing advice in sample plans at http://www.bplans.com/samples/wsj.cfm and at http://www.sampleplans.com/

Excellent advice and guides at SBA http://www.sba.gov/starting_business/marketing/basics.html

Also use any of the databases previously mentioned for articles.

Step 6
Operations
What local and state licenses and permits are needed.

What equipment will you need – check prices in computer/furniture catalogs or http://www.thomasregister.com for companies and online catalogs

Will you own or rent property? Check with local realty contacts, city officials (some town and cities have commercial property programs) and try PikeNet http://www.pikenet.com/pike?func=showHome
Click on USA/Canada, then choose your state – lists resources and services.

What money will you need……try some of the sample forms at http://www.toolkit.cch.com/tools/tools.asp
And at http://www.sbaonline.sba.gov/library/forms.html

Step 7
Administration & Management
Everyone must give a personal statement when applying for a loan or grant. Forms are at
http://www.sbaonline.sba.gov/library/forms.html

How will you manage your business – will you employ others or most likely in this instance, you will operate as a sole proprietorship. That's a tax designation, which means that you and your business are one and the same. Business income and expenses will be reported on Schedule C of your tax return. About 80% of U.S. businesses are operated as sole proprietorships.
Try some of the NC LIVE databases or Gale databases in DISCUS (South Carolina) and talk to people on list servs e.g at http://www.businessownersideacafe.com/

Step 8
Potential Problems & Solutions
Be proactive in preparing for the unexpected! Obviously, the best way to avert small business problems is by anticipating them before they occur.

Prepare a SWOT (strengths, weaknesses, opportunities, threats) analysis. If you already have developed a plan to handle problems that could disrupt your business, you can quickly move from identifying a problem that has occurred (let's analyze it), to the plan (here's the plan) to solving it (let's get to work). Recognizing a business threat early on will save time, money and larger headaches later.

Use the databases mentioned at other times plus any industry information you have gathered to look at possible problems and opportunities.

Step 9
Financial Information
One of the best places to check for help in working out this part of the plan is the SBA – check first,
http://www.sba.gov/starting_business/financing/basics.html
At the left you will find all the steps needed in setting out the financial part of the plan.

Check also *CCH Business Owner's Toolkit* http://www.toolkit.cch.com/tools/tools.asp
for ready to use templates.

For industry financial information check (if available)
- *D&B Industry Norms & Key Business Ratios*
- *RMA Annual Statement Studies*
- *Almanac of Business and Industrial Financial Ratios*

Whether or not these are recommended to patrons depends upon the sophistication of the user! They can be difficult to understand and sometimes it is easier not to mention them.

Step 10
Business Summary
The last step.
- Compile all the information into a winning business plan.
- Sample plans and guides may help in formulating the final plan. There is an excellent business plan workbook at http://www.ksbdc.org . Click on
  "freebies", then business plan.