



Clarksville

AREA CHAMBER OF COMMERCE®

**STEPS TO
SUCCESS**

A GUIDE TO STARTING YOUR BUSINESS IN CLARKSVILLE



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From Your Chamber

Clarksville-Montgomery County provides ample opportunities for success as a small business owner. Clarksville offers a growing, pro-business community, a wealth of resources and assistance, and a supportive Chamber of Commerce to help its entrepreneurs succeed. The city-county is currently home to the second fastest growing Metropolitan Statistical area in the country as well as being the fifth fastest growing city in the nation. Clarksville is also the fastest growing city in the State of Tennessee and has the fourth highest per capita income, surpassing the state average by 112 percent. Clarksville-Montgomery County has also been named one of the best places to start a business, raise a family and retire in the country.

This booklet identifies the initial, critical steps to start a small business, as well as the offices and resources available and/or required in the process. It is designed as a guide for searching out more detailed information. The Chamber also offers information about the Clarksville market, provides seminars, and introduces the community through publications, ribbon cutting ceremonies, and after-hours get-togethers.

**We wish you the best in your business pursuits here in Clarksville.
The Business Development Committee
Clarksville Area Chamber of Commerce**

STEP **one**

STUDY THE MARKET

Before you invest any money into your business, you must know if there is a demand for your product or service and to what extent that demand is being served by the competition. In today's business world, the major competitive tool is information – information about your customers and about your competition.

Is there a need for your product?

Who is willing to buy it?

Where are they?

How many people need your product?

What are their buying habits?

Can you provide more quality, better prices & more convenience than the competition?

You can find some information by visiting libraries, news stands, and bookstores, talking with those in the business, or searching computerized databases and the Internet. However, for other necessary information, you may need assistance to find, organize, and interpret the data. Information and advice can be very expensive; so, first check to see what free trade or governmental services are available.

STEP **one**

INFORMATION RESOURCES

Tennessee Small Business Development Center

www.apsu.edu/extended/small_business

601 College St., McReynolds Bldg., Clarksville, TN 37040 • 931-221-1370 ext. 261 • Fax 221-7748

The APSU TSBDC should be your first stop for business information. The TSBDC provides confidential individual consultations, workshops, business research services, and referrals to other resources at low or no cost. The local TSBDC is supported by the Clarksville Area Chamber of Commerce, Austin Peay State University, and the U.S. Small Business Administration.

SCORE (Service Corps of Retired Executives) www.scorenashville.org

50 Vantage Way, Ste 201, Nashville 37228 • 615-736-7621

Free service is provided by retired business executives through the support of the Small Business Administration. Provides general advice and direction to prospective small business owners.

U.S. Small Business Answer Desk www.sba.gov/asksba

1-800-8-ASK-SBA

Assistance in the following areas: starting a business; financing; counseling and training; publication and tapes; minority small businesses; Veteran Affairs, Women's Business Ownership, international trade, and government contracting.

LOCAL RESOURCES

Clarksville Area Chamber of Commerce www.clarksvillechamber.com

25 Jefferson St., Suite 300, Clarksville, TN 37040 • 931-647-2331 • 800-530-2487

Provides statistical information about the characteristics of the local market and helps identify sources of assistance in all areas of business.

Regional Planning Commission www.cityofclarksville.com/planningcommission

329 Main St., Clarksville, TN 37040 • 931-645-7448 • Fax 645-7481

Accumulates area statistical information and develops forecasts for city and county planning purposes

Felix Woodward Library www.library.apsu.edu

Austin Peay State University, 601 College St., Clarksville, TN 37040 • 931-221-7346

STEP **one**

Clarksville-Montgomery County Public Library www.clarksville.org
350 Pageant Ln, Clarksville, TN 37040 • 931-648-8826

GENERAL PUBLICATIONS

Business Periodical Index: *a list of current news and research articles on business related topics. For small business, look under "entrepreneurs, entrepreneurship, new venture planning, small business." Located at both libraries.*

Business Dateline: *an electronic database of regional business information. Located at the Public Library.*

Encyclopedia of Trade Associations: *a list of trade associations, their publications, trade shows, etc. Trade associations are one of the best sources of information about a particular industry or trade. Available at both libraries.*

Tennessee Small Business Information: *information about different forms of ownership, state and federal business taxes, employer responsibilities, state business regulations, state and federal financial assistance programs, a business planning guide, and state and federal management and technical assistance. Available from the Department of Economic and Community Development, 312 Eighth Ave N, Nashville, TN 37243, 615-741-2626.*

Entrepreneur's Magazine, INC Magazine, Fortune Magazine, Business Week, Wall Street Journal: *all provide general information about small business issues, news, and trends. They are available in the libraries and local bookstores. Specialized magazines and newspapers are usually available through the trade associations of the particular industry.*

U.S. Small Business Administration

50 Vantage Way, Ste 201, Nashville, TN 37228 • 615-736-5881 • 800-733-2894
Published tapes and booklets, most of which can be ordered for \$1 or less.

STEP **one**

ELECTRONIC SERVICES

DOD Electronic Commerce Information Center www.acq.osd.mil/scst/index.html
800-EDI-3414

Provides information on how to do business with the government electronically.

The Small Business Institute www.sbaer.uca.edu

National Data Center and the Advancement Network

All provide an electronic link through the Internet with the Small Business Administration, the Library of Congress, and other small business related organizations. To sign on the Network, call 501-450-5377 or use their Internet address.

INTERNATIONAL RESOURCES

International Trade Administration www.trade.gov

Nashville District, 211 Commerce St, Ste 100 Nashville, TN, 37132 • 615-259-6060

TSBDC International Trade Center www.tsbdc.org

211 Commerce St, Third Floor, Nashville, TN 37201 • 615-743-3058

FAMILY-OWNED BUSINESS RESOURCES

The Center for Family Business www.belmont.edu/centers

Belmont University, 1900 Belmont Blvd, Nashville, TN 37212 • 615-460-5481

MINORITY-OWNED BUSINESS RESOURCES

Nashville Office of Minority Business Enterprise

320 6th Ave N, Nashville, TN 37243-0405 • 615-741-2545

STEP **one**

Office of Minority Enterprise Development

Small Business Administration, 50 Vintage Way, Ste 202, Nashville, TN 37228-1526
615-736-5881

Tennessee Minority Supplier Development Council

Metro Center, Plaza 1 Building, 220 Athens Way, Ste 105, Nashville, TN 37228-1300
615-259-4699

Nashville Minority Business Center

14 Academy Pl, Ste 420, Nashville, TN 37228-1526 • 615-255-0432

FEMALE-OWNED BUSINESS RESOURCES

The National Association for Women Business Owners

1112 8th Ave S, Nashville, TN 37203 • 615-248-3474

The Women in Business Development Center

4515 Poplar Ave, Ste 217, Memphis, TN 38117 • 901-374-0397

National Association of Women Business Owners

3125 S Mendenhall, Box 376, Memphis, TN 38115 • 901-542-0962

Institute for Women as Entrepreneurs

University of Tennessee, School of Business Administration
615 McCallie Ave, Chattanooga, TN 37403 • 423-755-4412

Women's Resource Center

1112 8th Ave S, Box 101024, Nashville, TN 37224 • 615-248-3474

STEP **two** **WRITE A BUSINESS PLAN**

Business Plan Components:

Company Description

Market Analysis

Financial Statements

Developing a business plan forces you to think through each of the critical areas of your business and is essential if you need to raise capital from investors or financial institutions. Lenders expect you to understand the components of your business plan and what sources of information were used.

The Tennessee Small Business Development Center (TSBDC) offers online and conventional workshops on how to write a business plan. The TSBDC also offers free client counseling and business plan work books and templates. For more information on the TSBDC please visit www.tsbdc.org or call 931-221-1370 or 931-221-1036.

For a free business plan template, visit www.score.org/template_gallery.html.

A thoroughly researched and well written business plan will put you on the right track to start and sustain your business.

STEP **two**

WRITING A PLAN

Business Plan Components:

- Executive Summary
- Organizational Plan
- Marketing Plan
- Financial Documents
- Supporting Documents

Executive Summary

- Serves as an overview of business telling who you are, where you are headed, and how you intend to get there.
- Summarizing key points

Organizational Plan

- Includes general information about your industry and specific information about your business.
- Describe the legal structure of your business, product and/or service, management and personnel, accounting and recordkeeping system, insurance, facilities, location, and issues of security.

Marketing Plan

- Provide information about the overall market and your target market (demographics, customer, price, product, place, and promotion).

Financial Documents

- Include records showing past, current, and projected finances.
- Provide a Summary of Financial Needs and Loan Fund Dispersal Statement.

Supporting Documents

- Include resume for owner and key managers, credit reports, copies of leasing agreements, letters of reference, contracts, and other legal documents.

STEP three

COMMUNICATE WITH YOUR POTENTIAL CUSTOMERS

Attract Attention

Get People to Buy

Thank and Retain Customers

You must teach others who, what, and where you are, but to do so you must first learn how and where to reach them. Identify the characteristics of those individuals or groups most likely to buy from you-particularly what sources of information they use in making decisions about products or services such as yours and what media they tune in to. Identify the features, advantages, and benefits of your product or service.

- Keep in mind it is much cheaper to retain existing customers than to continuously find new ones.
- Develop a portfolio of messages and medium to reach different segments of the market and repeat, repeat, repeat your message.
- Include an interesting and user-friendly website.
- Develop a consistent theme, color, and slogan that appears in all messages to reinforce your name and brand awareness. Pick the brains of your trade associations, marketing experts and medias, and listen to your customers more than you talk to them.
- Support a related charitable or sports event.
- Make sure your location and points of contact are always obvious.

STEP **four**

ACQUIRE AND SECURE A STRONG FINANCIAL BASE

A key reason for failure in small business is insufficient capital to start up and maintain operations during the introductory phase of the business. You can identify and project the typical costs of operating a business by contacting the appropriate trade association(s) which usually track and organize financial data relevant to the particular industry.

Keep in mind that once you have your operations set up, you must have sufficient cash flow to market your products and services and pay your bills and taxes. On average, most businesses do not break even for at least five years.

Be prepared by planning to live on personal resources for a period of time.

- Personal savings and loans from family and friends.
- Loans backed by cash value of life insurance policies.
- Mortgages on business real estate and second mortgages on residential properties.
- Credit cards.
- Short-term credit arrangements with suppliers.
- Short and long-term loans from commercial banks, savings banks, savings and loan associations, credit unions, commercial and consumer finance companies.
- Organization as a corporation and sale of stock as ownership.
- Small business investment companies.
- Loans backed by government agencies.

STEP **four**

COMMON SOURCES OF FUNDING

- Small Business Administration: Guarantee Loan & 504 Loan Program
- Small Business Innovation Research Contracts
- Tennessee Small Business Energy Loan Program

Detailed descriptions of these sources may be found in the publication Tennessee Small Business Information, available from the Department of Economic and Community Development, 320 Sixth Ave N, Nashville, TN 37423, 615-741-2626.

INSURANCE

Acquiring adequate capital to start up and operate a business is only one aspect of a financial plan. Protecting the assets of the organization is also a vital concern. Reducing the financial risks of owning a small business includes the purchase of a variety of insurance policies including:

- Property, Casualty, and Liability Insurance
- Workers Compensation and Insurance
- Health/Life Insurance for owners and employees

Contact the appropriate trade association to identify any special types of insurance necessary for the intended business and then talk with several agents who specialize in commercial insurance to compare services and costs.

STEP **five**

OBTAIN LICENSES AND PERMITS

Most business owners and operators must obtain a license or permit before opening their doors to customers. Contact the following offices to determine which codes, permits, and licenses relate to your business.

Building Codes and Permits

City: Building and Codes, 100 Spring St, 931-645-7426

County: Building Permits, 350 Pageant Ln, 931-645-5718

Business Licenses

City: Business Tax Office, 1 Public Sq, 931-645-7435

County: Business Licenses/Taxes, 350 Pageant Ln, 931-648-5712

Child Care Providers

Tennessee Department of Human Services, 350 Pageant Ln
931-648-5591

Commercial Driver's Licenses

Driver License Examination Station, 220 W Dunbar Cave Rd,
931-648-5596

Fire Codes

City: City Fire Department, 802 Main St, 931-645-7462

County: County Fire Codes Inspector, Haynes St, 931-648-5718

Health Codes

Health Department, 1606 Haynes St, 931-648-5747

Incorporation

Secretary of State

Corporate Division, 312 8th Ave N, 6th Floor, Nashville, TN 37243

615-741-2286

STEP **five**

LICENSES & PERMITS

Many businesses that provide services, and all businesses that sell firearms, alcohol, or tobacco, must meet the standards of the appropriate regulatory boards (located in Nashville) listed below:

Alcoholic Beverage Sales

Alcohol Beverage Commission,
226 Capitol Blvd Building, Ste 300, Nashville, TN 37243
615-741-1602

Ammunition Sales

Tennessee Wildlife Resources Agency, 615-781-6585

Firearm Sales

- Bureau of Alcohol, Tobacco and Firearms, 615-781-5563
- Tennessee Department of Revenue, Taxpayers Services Division
615-741-3506

Motor Carriers

Tennessee Regulatory Authority
Transportation Division, 615-741-2974

This is applicable to operating vehicle over 10,000 lbs. GVWR and all hazardous waste haulers.

Others

Tennessee Department of Commerce and Insurance
615-741-3449

Refer to the Tennessee Small Business Information publication for addresses and phone numbers of related boards or call for general information:

Accountants, Alarm Contractors, Architects and Engineers, Auctioneers, Barbers, Burial Services, Collection Services, Contractors, Cosmetologists, Funeral Homes, Geologists, Insurance Agencies, Interior Designers, Land Surveyors, Motor Vehicle Dealers, Personnel Services, Pharmacies, Private Investigators, Private Security Guards, Real Estate Agents, Real Estate Appraisers, Security Dealers, Boxing and Racing Producer.

STEP **Six**

KNOW YOUR TAXES AND PAY ON TIME

All business owners must pay taxes. Which tax is required varies by type of ownership, use of employees, and type of product or service. Talk with an accountant who focuses on small businesses to identify your tax responsibilities and deadlines. Then keep good records and pay on time!

Business Tax

City: Business Tax Office, 1 Public Sq, 931-645-7435

County: Business Licenses/Taxes, 350 Pageant Ln, 931-648-5712

Corporate Excise & Corporate Finance Tax

Tennessee Dept. of Revenue, Franchise Excise, and Income Tax Division
500 Deaderick St 4th Floor, Nashville, TN 37242,
800-342-1003

Sales and Use Tax

TN Department of Revenue, Sales Tax Division
500 Deaderick St 3rd Floor, Nashville, TN 37242
615-741-2594

Miscellaneous Taxes:

TN Department of Revenue, Miscellaneous Tax Division
500 Deaderick St 5th Floor, Nashville, TN 37242
615-741-2594

Income, Self-Employment, Employment Taxes:

Internal Revenue Service, Federal Building U.S. Courthouse
Nashville, TN 37242
1-800-820-1040

STEP **seven**

FIND THE RIGHT LOCATION

Think about leasing first until your business has established a stable level of profitability. If convenience is important to your customer, locate on the main thoroughfares they travel. If they tend to compare prices, styles and quality, locate close to the competition. If you go to the customers, you might consider a home office or space in a low-rent district. Wholesalers and manufacturers usually locate near transportation resources and where land and natural resources are available and reasonable.

Permits

City of Clarksville : Building & Codes, 100 Spring St, 931-645-7426

Montgomery County: Building Permits, 350 Pageant Ln, 931-648-5718

Planning and Development Services

- Industrial Development Board, 312 Madison St, 931-647-2331, ext. 235
- Downtown District Partnership, 1 Public Sq • www.ddpclarksville.org
- Regional Planning Commission, 329 Main St, 931-645-7448

Parking, Streets, and Transportation

- Parking Authority Office, 1 Public Sq, 931-553-2436
- City of Clarksville Street Department, 199 10th St, 931-645-7464
- Transit System, 430 Bollin Ln, 931-553-2430

Utilities

- Clarksville Department of Electricity (*in city limits*)
2012 Wilma Rudolph Blvd, 931-648-8151
- Cumberland Electric Membership Corporation (*outside city limits*)
1940 Madison St, 931-645-2481
- Clarksville Department of Gas & Water
2215 Madison St, 931-645-7400

STEP eight

HIRE AND RETAIN QUALIFIED EMPLOYEES

Businesses can acquire the services of others by paying general contractors to perform certain activities or by hiring or leasing employees on a temporary, part-time, or full-time basis. The application of most employment and labor laws depends upon the number and type of employees. These complex tax and legal relationships require the services of accountants and lawyers to assure that small business owners understand and adhere to those mandates that apply specifically to their situation.

- Economic Development Council Research Center
931-551-4313, ext. 262
- Austin Peay State University Career Services
931-221-6162
- Austin Peay State University College of Business Internship Program
931-221-7746
- Workforce Essentials, 110 Main St
931-551-9110
- Career Center, 350 Pageant Ln
931-551-9737
- Tennessee Department of Labor and Workforce Development,
710 James Robertson Pkwy, 3rd Floor Nashville, TN 37243-0659, • 615-741-2793
Occupational Safety and Health Division
- Job Service Program, 350 Pageant Ln, Ste 406
931-648-5530
- Labor Market Information Field Analysts, 350 Pageant Ln, Ste 406
931-648-5514

STEP **eight**

TRAINING PROGRAMS

Clarksville-Montgomery County Industrial Training Center
3789 Guthrie Hwy, 931-551-9847

Austin Peay State University Center for Extended and Distance Education
931-221-7816

(Includes Extended Education, Microsoft Computer Lab, Continuing Education, and Distance Education)

Montgomery County Volunteer Vocational Training Center
1241 Highway Dr, 931-648-5560

Workforce Essentials
10 Main St, 931-551-9110

State of Tennessee, Division of Vocational Rehabilitation
1241 Highway Dr, 931-648-5560

Labor Laws and Taxes Information

Internal Revenue Service
Federal Building, Nashville, TN, 800-829-1040

Tennessee Department of Labor and Workforce Development
710 James Robertson Pkwy, 3rd Floor, Nashville, TN 37243-0659, 615-741-2793
Occupational Safety and Health Division

U.S. Department of Labor
Wage and Hour Division, 1321 Murfreesboro Rd, Ste 511
Nashville, TN 37217-2648, 615-781-5344

STEP **nine**

SUSTAIN THE ENVIRONMENT

The Clean Air Assistance Program provides technical, administrative, and regulatory support for small businesses to comply with the Federal Clean Air Act.

For more information contact:

Tennessee Small Business Assistance Program
LLC Tower, 401 Church St 8th Floor
Nashville, TN 37423-15533
800-734-3619

Or visit sustainablebusiness.com for information on how businesses can protect the environment.

STEP ten

JOIN THE CHAMBER OF COMMERCE AND TRADE ASSOCIATIONS

Trade associations provide the most up-to-date and specific information relative to the industry in which you are involved. Most provide monthly magazines and newspapers, organize trade shows, and represent the industry in lobbying efforts at the state and national levels. Information about typical mark-ups, operating costs, and financial ratios are also usually available.

To identify relevant associations, refer to the Encyclopedia of Associations, available at the public and university libraries.

For more information contact:

The Clarksville Area Chamber of Commerce
312 Madison St
Clarksville, TN 37040
931 551-4313 ext. 243

BUSINESS DEMOGRAPHICS

IN CLARKSVILLE-MONTGOMERY COUNTY

Establishments by Industry

| | |
|------------------------------------|-----|
| Construction | 259 |
| Manufacturing | 79 |
| Trade Transportation & Utilities | 622 |
| Information | 22 |
| Financial Activities | 255 |
| Professional and Business Services | 288 |
| Education and Health Services | 260 |
| Leisure and Hospitality | 254 |
| Other Services | 209 |
| Public Administration | 21 |

Employment Growth by Industry

| INDUSTRY | 2005 EMPLOYMENT |
|------------------------------------|------------------------|
| Construction | 2,070 |
| Manufacturing | 6,030 |
| Trade Transportation & Utilities | 9,287 |
| Information | 792 |
| Financial Activities | 1,532 |
| Professional and Business Services | 3,703 |
| Education and Health Services | 10,263 |
| Leisure and Hospitality | 5,548 |
| Other Services | 1,211 |
| Public Administration | 1,951 |

Average Wages by Industry

| INDUSTRY | 2005 Average Weekly Wage |
|------------------------------------|---------------------------------|
| Construction | \$660 |
| Manufacturing | \$845 |
| Trade Transportation & Utilities | \$519 |
| Information | \$512 |
| Financial Activities | \$710 |
| Professional and Business Services | \$462 |
| Education and Health Services | \$586 |
| Leisure and Hospitality | \$208 |
| Other Services | \$372 |
| Public Administration | \$640 |