

Frequently Asked Questions on Starting a Business in Alexandria

Questions and responses compiled by the Alexandria Small Business Development Center.

I have a business concept I would like to get started. What should I do first?

First you should ask yourself the following questions:

- Is there a marketable need for my proposed product or service?
- Who is the target market?
- Is there a demand or will I have to create one? What effort will it take?
- Do I have experience in this field or would it make sense to work for someone else in a similar business to gain some experience?
- I have done all of the above and am ready to start – what do I do?

There are several things that you need to do to open a business in Alexandria. Some of them vary depending on the type and location of your business. The following are many of the considerations with suggestions of individuals, organizations and websites that may be helpful.

Alexandria Small Business Development Center (SBDC) is an economic development partner of the Alexandria Chamber of Commerce and has a comprehensive Startup Checklist at <http://alexandriasbdc.org/resources-programs/by-stage-of-business/start-your-business/>.

Business Structure

You will need to decide what type of business structure your business will have. These decisions are made for liability reasons and for tax reasons and they differ for each individual. It is strongly recommended that you seek the advice of an attorney and or accountant before deciding on your structure (Sole Proprietorship, Partnership, Limited Liability Company, Corporation, etc.). The characteristics of the various business structures are described in the above-mentioned Startup Checklist.

Business Location

Important location considerations are visibility, customer access, zoning and cost. Alexandria Economic Development Partnership (AEDP) can help identify available space in Alexandria; the Alexandria Small Business Development Center, the Chamber of Commerce, and local business groups, as well as the AEDP, can help you identify which of the available spaces are most suitable to your needs; the Office of Planning & Zoning in the City can tell you if the proposed location is properly zoned for your needs.

Business License, Registrations and Permits

Every business operating in the City of Alexandria; regardless of business structure, must have a local business license. Applications for the business license are available at the Permit Center in City Hall. Business structures other than sole proprietorship and partnerships must also register in the State of Virginia. Assistance is available at www.business.virginia.gov. Certain businesses require Special Use Permits to operate in the City, and others require certification. The Office of Planning & Zoning should be

consulted early in the planning stage to see what permits will be required for your business. The Office of Code Administration should also be consulted to determine what particular issues you will need to address to receive a Certificate of Occupancy. The Alexandria SBDC can assist you with determining proper permits for your business.

Business Plan

It is highly recommended that all prospective business owners write a business plan for their business. The Alexandria SBDC has a free business planning guide on its website www.alexandriasbdc.org and staff available to review and provide feedback on your plan.

Financial Considerations

There are no grants in the City of Alexandria for starting a business. It is crucial that business owners have enough money to start their business if they want to succeed. They must also be aware of all financial reporting and taxes they will be subject to. It is highly recommended that you consult an accountant to help you set up the financial aspects of your business. New and existing businesses needing to borrow money from a bank will need to write a business plan. The Alexandria SBDC is available to review plans and help with financial projections and it is best if your plan is reviewed before it is submitted to a potential lender. Some of the financial considerations are:

- Estimated startup costs
- Cash flow analysis
- Financial projections
- Need for additional capital
- Tax issues - federal, state and local

What else do I need to think about?

Once you have fulfilled the legal requirements to be in business you will need to think about issues such as insurance and marketing. Locate a reputable insurance broker to advise you on insurance options. You may want to engage one or several marketing professionals to assist you with branding, a logo, a website and other promotional and marketing planning. These and other professionals who will be crucial to your business can be found through the Chamber, Alexandria SBDC, local business organizations or referrals from colleagues.

I am in business, but I need more customers - how do I find them?

Network, network, network! This is where you use your membership in the Alexandria Chamber of Commerce and local business organizations to help you gain more customers. Become involved in your community and get to know your fellow business owners. If your business targets tourists, be sure to take advantage of Visit Alexandria for assistance in marketing to visitors. Social networking through websites and the Internet is an increasingly popular way to achieve low cost marketing. If you wish to expand your markets to include government contracting on the federal, state or local level, contact the Alexandria SBDC for assistance.

I am in business, but need to improve operations or financial management - what should I do?

Most important, do not wait too long to ask for help! All businesses need to dust off their business plan, review where they were headed and see if they are still on track. Often business owners, particularly small business owners, spend so much time actually "doing" their business that they neglect the important step of periodically reviewing their business plan to see where they can improve or innovate.