

Small Business Resource Guide

2024 National Edition



*Start, Grow,
Expand, and
Build Your
Business*



U.S. Small Business
Administration

Contents

Introduction

- 4 Letter from the Administrator

Local Business Assistance

- 6 Success Story: Juanny Romero, co-founder, Mothership Coffee Roasters
- 8 Find Your Closest SBA Office
- 12 SBA Resource Partners
- 13 Entrepreneurial Resources
- 14 Your Advocates
- 15 How to Start a Business
- 18 10 Steps to Start Your Business
- 19 Write Your Business Plan
- 22 Feature: How the SBA Builds Equitable Small Business Ecosystems
- 24 Choose Your Business Structure
- 25 Opportunities for Veterans
- 27 Federal and State ID Numbers

Funding Programs

- 28 Success Story: Wilbur and Jazel Jane Bautista, co-founders, Acts Pharmacy and Healthcare Services
- 32 Need Financing?
- 34 Go Global with a Trade Grant or Export Trade Loan
- 36 R&D Opportunities for High Growth Startups
- 38 Disaster Recovery
- 40 Be Prepared for Tomorrow: Make a Disaster Plan Today
- 43 Surety Bonds

Contracting

- 44 Success Story: Wonderlyn Murphy, founder, City Enterprise
- 48 SBA Certification Programs



How the SBA Helped Me Succeed

“I have been fortunate to have the comprehensive support of the SBA in different instances. Initially, they successfully secured my \$284K business loan under the SBA Express Program, which was crucial to the acquisition of my first business location. Through educational programs and mentoring facilitated by SCORE and Metro Women’s Business Center for new export markets and access to capital programs, I have been able to expand my business knowledge and skills, enabling me to face the challenges of the business world in a more robust manner. We are grateful for the strong partnership we have built with the SBA and look forward to continuing to benefit from their invaluable support in the future.”

- Laura T. Feliciano-Cruz, OM Studio in Santurce, PR

A Message from the Administrator

It is with a great commitment to advancing entrepreneurship in America that SBA presents to you the **2024 Small Business Administration's (SBA's) National Resource Guide**. This guide was created to provide you with valuable tools and connect you with resources that will empower you as you build upon your American dream of business ownership.

The more than 33 million small businesses and innovative startups like you are the backbone of the American economy. You and your business represent great American ideals like ingenuity, determination and individuality. You help drive innovation and competition, create jobs, and deliver the products and services that improve lives. Perhaps most importantly, you serve as a leader and inspiration for your community. Your success also inspires others to take their great idea and make it a reality. That's why we are dedicated to giving you and every small business owner every conceivable opportunity to access the capital, market opportunities, and networks you need to start, grow, and build sustainable businesses.



Within this guide, you'll learn how the SBA can help you:

- Obtain working capital, equipment and building financing, bonding and other critical capital to start and grow your business.
- Pursue seed funding to develop and commercialize your innovation.
- Access equity and debt investment capital to scale.
- Find training resources that align with your business goals and unique needs.
- Grow your business through global trade.
- Increase revenue and sales by selling to the federal government, the world's largest buyer of goods and services.



Think of this guide as just the beginning. The SBA has a nationwide network of field offices, local resource partners, and skilled, experienced staff who are prepared to help you navigate these tools and make the most of them. SBA's funded national network of Small Business Development Centers, Women's Business Centers, Veterans Business Outreach Centers, SCORE Mentors, Growth Accelerators, Community Navigators, and more are ready to assist as you start, build, or grow your business. To find small business resources in your area, visit [SBA.gov/local-assistance](https://www.sba.gov/local-assistance).

We are in the fourth year of the Biden-Harris Administration's historic small business boom that's seen over 16 million Americans file new business applications. I am proud to lead the agency that helps so many people's dreams come true. We build on an incredible legacy of service that spans seven decades, and we are working hard to help America's small businesses at all stages of the entrepreneurial journey. As in previous editions, this guide includes inspiring stories from small business owners across the country who have leveraged SBA programs and services to seize opportunities, overcome market challenges, and realize their great potential to deliver for our nation's economy.

The SBA is here to support and guide you on your entrepreneurial journey. Our team is your team – no matter where you live or who you are. As President Biden likes to say, good ideas and good businesses are anywhere and everywhere, but opportunities are not – which is where the SBA steps in to help. We are committed to helping every American with a great idea seize all the possibilities in this country.

Thank you for all that you do to support thriving neighborhoods and communities, create good jobs, and build an economy that works for everyone.

Warm regards,

A handwritten signature in blue ink that reads "Isabella Casillas Guzman".

Isabella Casillas Guzman

27th Administrator, U.S. Small Business Administration



Local Business Assistance

The Perfect Blend

With the help of the SBA, a rising star entrepreneur has become a small business supernova in Las Vegas, NV.

What happens when you extract an entrepreneur's potential and splash in the support of the SBA? A perfectly balanced cup of small business success. Juanny Romero has been pouring that cup for more than 15 years. She co-founded Sunrise Coffee, the longest running independent coffee shop



Juanny Romero, co-founder of Mothership Coffee Roasters in Las Vegas, NV.

in Las Vegas, NV, alongside Josh Walter in 2008. What began as a goal of bringing a neighborhood shop to the area soon became the vessel for a passion project concept: to combine a love of coffee and community to create a space for people to come together. An idea was percolating. Juanny just needed a little help to launch it.

CHALLENGE

Embarking on a voyage to small business ownership, Juanny made contact with SCORE, an SBA resource partner. Her mentor there helped her plot the course, creating a business plan, securing funding, and advising her through the obstacles of her entrepreneurial journey. Juanny quickly established herself as a force in her community, seizing on Sunrise's momentous success to found Mothership Coffee Roasters. But with her business's fast growth came a host of challenges. She needed assistance navigating her meteoric rise from self-taught barista to CEO and leader of an ever-expanding team.

SOLUTION

Juanny turned to the SBA again. She leveraged her network of advisers to discover the SBA's Emerging Leaders program (now T.H.R.I.V.E. Emerging Leaders reimagined). There, Juanny received coaching geared toward C-suite level executives managing high-potential businesses. Emerging Leaders was instrumental in

Juanny's development, giving her the boost she needed to pilot her company to the next level. She has since taken her newfound knowledge and imparted it on her supervisors, who apply those principles of accountability and ownership to managing Mothership's baristas.

BENEFIT

For Juanny, it's about more than brewing the perfect cup. It's about providing a coffee-drinking experience that's equally down to earth and out of this world. Mothership strives to foster a fun, creative, and inclusive environment—all while maintaining ethical, sustainable, and eco-friendly practices. In addition to guiding her past the milestone of 50 employees in the span of four years, Juanny's relationship with the SBA has also empowered her to expand into an online coffee subscription business and wholesale coffee sales division.

Juanny's drive has helped Mothership Coffee Roasters plant its flag in the small business space, ultimately earning her recognition as the 2023 SBA Small Business Person of the Year runner-up. With the SBA in her corner, there's no doubt Juanny will continue to reach for the stars.



Juanny Romero, co-founder of Mothership Coffee Roasters.

3 TIPS FOR SUCCESS

- ✓ **Find a great business mentor.** To find your local SBA office and Resource Partners in your area, visit [sba.gov/localassistance](https://www.sba.gov/localassistance).
- ✓ **Build a strong network.** Surround yourself with people who are smarter than you to complement your weaknesses and bring out your strengths. Join up with other entrepreneurs for virtual networking.
- ✓ **Don't cut corners.** As small business owners, sometimes you have to lose money to do quality work—it's difficult, but nothing is more important.

Find Your Closest SBA Office for Small Business Assistance

For more information on SBA offices and Resource Partners in your area, visit sba.gov/localassistance.


ALABAMA

- 
- 1. Birmingham**
(205) 290-7101
alabamadistrictoffice@sba.gov
sba.gov/al
 - 2. Mobile**
(251) 490-8638


ALASKA

- 
- 1. Anchorage**
(907) 271-4022
akinfo@sba.gov
sba.gov/ak

ARIZONA

- 
- 1. Phoenix**
(602) 745-7200
arizona@sba.gov
sba.gov/az
 - 2. Show Low**
(928) 532-0034
 - 3. Tucson**
(520) 620-7042

ARKANSAS

- 
- 1. Little Rock**
(501) 324-7379
arkansas_do@sba.gov
sba.gov/ar

CALIFORNIA

- 1. Fresno**
(559) 487-5791
fresno@sba.gov
sba.gov/ca/fresno
**Serving Alpine, Fresno, Inyo, Kern, Kings, Madera, Mariposa, Merced, Mono, Monterey, San Benito, San Luis Obispo, Stanislaus, Tulare, and Tuolumne counties.*

2. Los Angeles

- 
- (213) 634-3855
lado@sba.gov
sba.gov/ca/la
**Serving Los Angeles, Santa Barbara, and Ventura counties.*

3. Sacramento

- (916) 735-1700
sacramento_do@sba.gov
sba.gov/ca/sacramento
**Serving Amador, Butte, Calaveras, Colusa, El Dorado, Glenn, Lassen, Modoc, Nevada, Plumas, Placer, Sacramento, San Joaquin, Shasta, Siskiyou, Sierra, Sutter, Tehama, Trinity, Yolo, and Yuba counties.*

4. San Diego

- (619) 557-7250
sandiego@sba.gov
sba.gov/ca/sandiego
**Serving San Diego and Imperial counties.*


5. San Francisco

- (415) 744-6820
sfomail@sba.gov
sba.gov/ca/sf
**Serving Alameda, Contra Costa, Del Norte, Humboldt, Lake, Marin, Mendocino, Napa, San Francisco, San Mateo, Santa Clara, Santa Cruz, Solano, and Sonoma counties.*

6. Orange County/Inland Empire

- (714) 550-7420
sba.gov/ca/santa
**Serving Orange, Riverside, and San Bernardino counties.*

COLORADO

- 
- 1. Denver**
(303) 844-2607
coloradoDO@sba.gov
sba.gov/co


CONNECTICUT

- 
- 1. Hartford**
(860) 240-4700
connecticut_DO@sba.gov
sba.gov/ct
 - 2. Bridgeport**
(203) 335-0427


DELAWARE

- 
- 1. Wilmington**
(302) 573-6552
sba.gov/de

FLORIDA

- 
- 1. Jacksonville**
(904) 443-1900
northflorida_do@sba.gov
sba.gov/fl/north
 - 2. Orlando**
(407) 648-2891
 - 3. Miami**
(305) 536-5521
southflorida_do@sba.gov
sba.gov/southflorida

GEORGIA

- 
- 1. Atlanta**
(404) 331-0100
georgia@sba.gov
sba.gov/ga

GUAM

- 
- 1. Hagatna**
(671) 472-7277
sba.gov/hi

HAWAII

Honolulu

(808) 541-2990

hawaiiigeneral@sba.gov
sba.gov/hi



IDAHO

Boise

(208) 334-9004

boise_do@sba.gov
sba.gov/id

**Serving eastern Oregon, including Baker, Grant, Harney, Malheur, Union, and Wallowa counties, OR. Counties in north Idaho served by the Seattle District's Spokane branch office.*



ILLINOIS

1. Chicago

(312) 353-4528

illinois_do@sba.gov
sba.gov/il

2. Springfield

(217) 747-8249



INDIANA

Indianapolis

(317) 226-7272

indiana@sba.gov
sba.gov/in



IOWA

1. Des Moines

(515) 284-4422

dmdo@sba.gov
sba.gov/ia

2. Cedar Rapids (Branch Office)

(319) 362-6405

dmdo@sba.gov



KANSAS

1. Wichita

(316) 269-6616

wichita_do@sba.gov
sba.gov/ks



2. Kansas City

(816) 426-4900

kansascity_do@sba.gov
sba.gov/mo

**Serving eastern Kansas and western Missouri.*

KENTUCKY

Louisville

(502) 582-5971

ky@sba.gov
sba.gov/ky



LOUISIANA

New Orleans

(504) 589-6685

louisiana_do@sba.gov
sba.gov/la



MAINE

1. Augusta

(207) 622-8551

maine_DO@sba.gov
sba.gov/me



2. Bangor

(207) 450-2290

3. Portland

(207) 248-9040

MARYLAND

Baltimore

(410) 962-6195

baltimore_do@sba.gov
sba.gov/md

**Serving the state of Maryland, except for Prince George's and Montgomery counties.*



MASSACHUSETTS

1. Boston

(617) 565-5590

sba.gov/ma



2. Springfield

(413) 785-0484

MICHIGAN

1. Detroit

(313) 226-6075

michigan@sba.gov
sba.gov/mi



2. Grand Rapids

(616) 456-5512

MINNESOTA

Minneapolis

(612) 370-2324

minnesota@sba.gov
sba.gov/mn



MISSISSIPPI

1. Jackson

(601) 965-4378

jacksonms@sba.gov
sba.gov/ms



2. Gulfport

(228) 863-4449

MISSOURI

1. St. Louis

(314) 539-6600

stlouis@sba.gov
sba.gov/mo/stlouis

**Serving eastern Missouri.*



2. Kansas City

(816) 426-4900

kansascity_do@sba.gov
sba.gov/mo

**Serving counties in eastern Kansas and western Missouri.*

3. Springfield (Branch Office)

(417) 501-0542

MONTANA

1. Helena

(406) 441-1081

montana_do@sba.gov
sba.gov/mt



2. Billings

406-459-5347

NEBRASKA

Omaha

(402) 221-4691

nebraska.general@sba.gov

sba.gov/district/nebraska



NEVADA

Las Vegas/ Carson City

(702) 388-6611

nvdo@sba.gov

sba.gov/nv



NEW HAMPSHIRE

Concord

(603) 225-1400

NewHampshire_DO@sba.gov

sba.gov/nh



NEW JERSEY

Newark

(973) 645-2434

sba.gov/nj



NEW MEXICO

Albuquerque

(505) 248-8225

newmexico_do@sba.gov

sba.gov/nm



NEW YORK

1. Buffalo

(716) 551-4301

sba.gov/ny/buffalo



2. Rochester

(585) 263-6700

3. Upstate New York

(315) 471-9393

sba.gov/ny/syracuse

4. Albany

(518) 446-1118 x231

5. Elmira

(607) 734-8130

6. Metro New York

(212) 264-4354

sba.gov/ny

7. Long Island

(631) 454-0750

NORTH CAROLINA

1. Asheville

Vacant



2. Charlotte

(704) 344-6563

charlotte.nc@sba.gov

sba.gov/nc

3. Wilmington

Vacant

4. Raleigh

(704) 344-6810

NORTH DAKOTA

1. Fargo

(701) 239-5131

north.dakota@sba.gov

sba.gov/nd



2. Bismarck

Vacant

3. Grand Forks

Vacant

OHIO

1. Central and Southern Ohio

(614) 427-0407

columbus.ohio@sba.gov

sba.gov/oh/columbus

2. Cincinnati

(513) 684-2814

3. Dayton

(614) 633-6372

4. Northern Ohio

(216) 522-4180

cleveland@sba.gov

sba.gov/oh/cleveland



OKLAHOMA

Oklahoma City

(405) 609-8000

oklahoma_do@sba.gov

sba.gov/ok



OREGON

Portland

(503) 326-2682

pdxhelp@sba.gov

sba.gov/or

**Serving Southwest Washington, including Clark, Cowlitz, Skamania, Wahkiakum counties. Counties in west Oregon served by Boise District Office.*



PENNSYLVANIA

1. King of Prussia

(610) 382-3062

phila_do@sba.gov

sba.gov/pa

**Serving eastern Pennsylvania.*

2. Harrisburg

(610) 382-3062

3. Pittsburgh

(412) 395-6560

wpainfo@sba.gov

sba.gov/district/western-pennsylvania

**Serving western Pennsylvania*



PUERTO RICO & U.S. VIRGIN ISLANDS

1. San Juan

(787) 766-5572

PuertoRico_DO@sba.gov

sba.gov/pr

2. St. Croix (Post of Duty)

(787) 523-7120

sba.gov/pr



RHODE ISLAND

Providence

(401) 528-456

Rhodelsland_DO@sba.gov

sba.gov/ri



SOUTH CAROLINA

1. Columbia

(803) 765-5377

southcarolina_do@sba.gov

sba.gov/sc

2. North Charleston

(843) 225-7430

3. Spartanburg

(803) 765-5377



SOUTH DAKOTA



Sioux Falls

(605) 330-4243

southdakota_do@sba.gov
sba.gov/sd

TENNESSEE



1. Nashville

(615) 736-5881

tn@sba.gov
sba.gov/tn

2. Memphis

(901) 494-6906

TEXAS



1. Corpus Christi

(361) 879-0017

2. Dallas/Fort Worth

(817) 684-5500

dfwdo.email@sba.gov
sba.gov/tx/dallas

3. El Paso

(915) 834-4600

el Paso_do@sba.gov
sba.gov/tx/elpaso

4. Houston

(713) 773-6500

houston@sba.gov
sba.gov/tx/houston

5. Lower Rio Grande Valley

(956) 427-8533

LRGVDO.email@sba.gov
sba.gov/tx/lrgv

6. San Antonio

(210) 403-590

sado.email@sba.gov
sba.gov/tx/sanantonio

7. West Texas (Lubbock)

(806) 472-7462

lubbo@sba.gov
sba.gov/tx/lubbock

UTAH



1. Salt Lake City

(801) 524-3209

utahgeneral@sba.gov
sba.gov/ut

2. St. George

(435) 632-0355

VERMONT



Montpelier

(802) 828-4422

sba.gov/vt

VIRGINIA



Richmond

(804) 771-2400

richmond.va@sba.gov
sba.gov/va

WASHINGTON



1. Seattle

(206) 553-7310

infosdo@sba.gov
sba.gov/wa

**Serving northern Idaho, including Benewah, Bonner, Boundary, Clearwater, Idaho, Kootenai, Latah, Lewis, Nez Perce, Shoshone counties. Counties in southwest Washington served by Portland District Office*

2. Spokane

(509) 353-2800

WASHINGTON, DC



(202) 205-8800

wmadoee@sba.gov
sba.gov/dc

**Serving suburban Maryland (Montgomery and Prince George's Counties) and northern Virginia, including Arlington, Fairfax, and Loudoun Counties; and the cities of Alexandria, Fairfax, and Falls Church.*

WEST VIRGINIA



1. Clarksburg

(304) 623-5631

wvinfo@sba.gov
sba.gov/wv

2. Charleston

(304) 347-5220

WISCONSIN



1. Milwaukee

(414) 297-3941

wisconsin@sba.gov
sba.gov/wi

2. Madison

(608) 441-5263

WYOMING



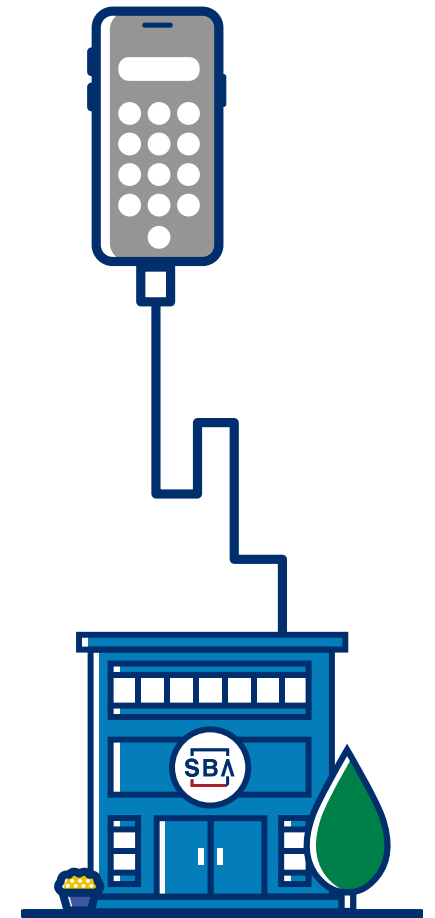
Casper

(307) 261-6500

sbawyo@sba.gov
sba.gov/wy

**Missouri counties served by the SBA Kansas City District Office: Adair, Andrew, Atchison, Bates, Buchanan, Caldwell, Carroll, Cass, Chariton, Clay, Clinton, Cooper, Davies, DeKalb, Gentry, Grundy, Harrison, Henry, Holt, Howard, Jackson, Johnson, Lafayette, Linn, Livingston, Mercer, Nodaway, Pettis, Platte, Ray, Saline, Sullivan, and Worth.*

Kansas counties served by the SBA Kansas City District Office: Allen, Anderson, Atchison, Bourbon, Brown, Cherokee, Coffey, Crawford, Doniphan, Douglas, Franklin, Jackson, Jefferson, Johnson, Labette, Leavenworth, Linn, Marshall, Miami, Montgomery, Nemaha, Neosho, Osage, Pottawatomie, Shawnee, Wilson, Woodson, and Wyandotte.



SBA Resource Partners

The SBA is here to help you achieve your dream, no matter your industry, location, or experience. Our SBA Resource Partners offer mentoring, counseling, and training to help you start, grow, expand, or recover. These independent organizations operating across the United States and U.S. territories are funded through SBA cooperative agreements or grants.

SMALL BUSINESS DEVELOPMENT CENTERS

900+

Your local SBDC provides aspiring entrepreneurs and existing small businesses high quality, customized, confidential no-cost business advice to help you reach your business goals. Access to low or no-cost training for every stage of business development is also available to prepare small businesses to access financing, contract with the government, develop cybersecurity strategies, expand globally, and more. Find an SBDC business adviser at sba.gov/sbdc.

WOMEN'S BUSINESS CENTERS

130+

Women often face unique challenges when starting or growing a business. WBCs help women entrepreneurs level the playing field through tailored services like business counseling and training from a national network of community-based centers. To learn about SBA resources for women, visit sba.gov/women.

SCORE

250+

Join the ranks of other business owners who have experienced higher revenues and increased growth thanks to SCORE, the nation's largest network of volunteer, expert business mentors. SCORE mentors share real-world knowledge via trainings, workshops, webinars, and more to fit your busy schedule. SCORE mentors are available for free as often as you need, in person, via email, or chat. Find a mentor at sba.gov/score.

VETERANS BUSINESS OUTREACH CENTERS

20+

At VBOCs, military community entrepreneurs receive business training, counseling, referrals to other SBA Resource Partners, and procurement guidance to better compete for government contracts. VBOCs also serve active-duty service members, National Guard or Reserve members, veterans, and military spouses. Learn more at sba.gov/vboc.

Entrepreneurial Resources

ASCENT

Are you a small business owner who is looking to grow and expand your business? Visit Ascent, ascent.sba.gov, a free online learning platform to access valuable content, such as tips on preparing and recovering from disasters, strategic marketing, and business financial strategy development.

Ascent offers 12 key journeys to assist business owners with strategies toward growth and success, including:

- Disaster and economic recovery
- Strategic marketing
- Your people
- Your business financial strategy
- Access to capital
- Government contracting
- Partnerships
- Entrepreneurial leadership
- Managing sales
- Growing globally
- Opportunity and innovation
- Opportunity assessment

SBA LEARNING CENTER

Find free short courses and learning tools to start and grow your small business at sba.gov/learning. The SBA Learning Center is a great resource for every entrepreneur, especially rural business owners looking for easy access to vital business training.

Courses include:

- Writing your business plan
- Understanding your customer
- Buying a business
- Marketing to win customers
- Legal requirements
- Financing options
- Disaster recovery



Courtesy of Getty Images

NATIVE AMERICAN WORKSHOPS

American Indian, Alaska Native, and Native Hawaiian entrepreneurs are invited to participate in free training on how to start and grow a business from experienced leaders across multiple industries. The SBA Office of Native American Affairs, sba.gov/naa, partners with tribal organizations and professional service providers to offer customized workshops led by indigenous trainers and host organizations. To register for a workshop near you, call **1-800-U-ASK-SBA**, visit sba.gov/naa, or contact your local SBA office, sba.gov/localassistance.

T.H.R.I.V.E. EMERGING LEADERS REIMAGINED

If you're an established business owner looking to increase revenue, develop a thriving company culture, increase customer satisfaction, diversity, and innovation, and much more, **T.H.R.I.V.E. Emerging Leaders Reimagined** could be the right fit for you. **T.H.R.I.V.E.** (Train. Hope. Rise. Innovate. Venture. Elevate.) provides small business executives with practical skills, business coaching, and actionable training that participants can immediately implement in their company. As a **T.H.R.I.V.E. Emerging Leaders Reimagined** participant, you will have access to an online learning platform that hosts the training curriculum, online discussion forum, business coaching, and breakout community groups. To learn more, visit sba.gov/thrive.



Courtesy of Getty Images

Your Advocates

The SBA Office of Advocacy (Advocacy), the independent voice for small business within the federal government, handles proposed regulations. The Office of the National Ombudsman (Ombudsman) is here to assist small businesses with federal regulatory enforcement or compliance issues.

ADVOCACY

Advocacy analyzes effects of proposed regulations and considers alternatives that minimize the economic impact on small businesses. It also represents small businesses before Congress, the White House, and federal agencies.

Found online at advocacy.sba.gov, Advocacy helps with these small business issues:

- If your business could be impacted by proposed government regulations
- If you need economic and small business statistics

Advocacy regularly conducts virtual roundtables on federal rulemaking, where Assistant Chief Counsels meet with the public to discuss pending federal regulations.

Roundtable subjects and dates are available online, and all interested parties are encouraged to attend.

OMBUDSMAN

The SBA Office of the National Ombudsman assists small businesses when they experience excessive or unfair federal regulatory enforcement actions, such as:

- Repetitive audits
- On-site inspections
- Excessive fines
- Penalties
- Burdensome compliance requirements
- Threats
- Retaliation
- Other unfair enforcement action by a federal agency

Your concerns will be directed to the appropriate federal agency for review. The SBA will collaborate with you and the agency to help resolve the issue.

You can also make your voice heard by participating in a Regional Regulatory Enforcement Fairness Roundtable or a public hearing hosted by the SBA National Ombudsman. The Ombudsman can be found online at sba.gov/ombudsman.



TO REPORT HOW

a proposed federal regulation could impact you, contact advocacy.sba.gov/contact.

TO REPORT HOW

your business has been hurt by unfair federal regulatory enforcement actions, visit sba.gov/ombudsman/comments.

How to Start a Business

Thinking of starting a business? It all begins with the fundamentals.

STARTUP LOGISTICS

Even home-based businesses must comply with many local, state, and federal regulations. **Don't ignore these regulatory details.** You may avoid some red tape in the beginning, but your lack of compliance could become an obstacle down the road. Taking the time to research regulations is as important as knowing your market. Being out of compliance could jeopardize your business.

MARKET RESEARCH

Knowing your potential competitors and customer base, including its spending habits, can give you a leg up. View consumer and business data for your area using the Census Business Builder: Small Business Edition. Filter your search by business type and location at cbb.census.gov/.

BUSINESS LICENSING, ZONING, AND REGISTRATION

Licenses are typically administered by state and local departments. Contact the local business license office

where you plan to locate your business. It's important to consider zoning regulations when choosing a site. You may not be permitted to conduct business out of your home or engage in industrial activity in a retail district. Register your business name with the county clerk where your business is located. If you're a corporation, also register with the state.

TAXES

As a business owner, you should know your federal tax responsibilities and make some business decisions to comply with certain tax requirements. The IRS Small Business and Self-Employed Tax Center includes information on paying and filing income tax and finding an Employer ID Number here: irs.gov/businesses/small-businesses-self-employed.

Your tax obligations may change as the IRS continues to implement some of the Tax Cuts and Jobs Act provisions. For the latest tax reform updates that affect your bottom-line, visit irs.gov/tax-reform.



Talibah Bayles, owner of TMB Tax & Financial Services in Birmingham, AL.

How the SBA Helped Me Succeed

The SBA is fully invested in up and coming entrepreneurs who are committed to both their businesses and communities. Entrepreneurs like **Talibah Bayles**. Talibah knew that she wanted to take her business, TMB Tax & Financial Services, to the next level. The SBA Emerging Leaders Initiative (now T.H.R.I.V.E. Emerging Leaders Reimagined) offered an opportunity to do just that. Talibah was selected for the executive-level series, an achievement that allowed her to update her strategic plan, make new hires, implement new programs, and change her business structure. With the help of the SBA, TMB has emerged as a force in Birmingham, AL, providing full-service bookkeeping and tax advice while assisting financial institutions in funding bankable underserved Minority, Women, and Disadvantaged Enterprises.



Courtesy of Getty Images

SOCIAL SECURITY

If you have any employees, including officers of a corporation that are not the sole proprietor or partners, you must make periodic payments, and/or file quarterly reports about payroll taxes and other mandatory deductions. Contact the IRS or the Social Security Administration for information, assistance, and forms at **(800) 772-1213** or visit [socialsecurity.gov/employer](https://www.socialsecurity.gov/employer). File W-2s online or verify job seekers through the Social Security Number Verification Service.

EMPLOYMENT ELIGIBILITY VERIFICATION

Employers must verify employment eligibility of new employees according to the Federal Immigration Reform and Control Act of 1986. The law obligates an employer to process Employment Eligibility Verification Form I-9. The U.S. Citizenship and Immigration Service offers information and assistance through uscis.gov/i-9-central. For forms, see uscis.gov/forms. For the employer hotline, call **(888) 464-4218** or email I-9central@dhs.gov.

E-Verify is the quickest way for employers to determine the employment eligibility of new hires by verifying the Social Security number and employment eligibility information reported on Form I-9. Visit e-verify.gov, call **(888) 464-4218**, or email e-verify@dhs.gov.

HEALTH AND SAFETY

All businesses with employees are required to comply with state and federal regulations regarding the protection of employees. Visit [employer.gov](https://www.employer.gov) and [dol.gov](https://www.dol.gov). The Occupational Safety and Health Administration enforces federal workplace specific health and safety standards. Call **(800) 321-6742** or visit [osha.gov](https://www.osha.gov).

EMPLOYEE INSURANCE

Check your state laws to see if you must provide unemployment or workers' compensation insurance for your employees. For health insurance options, call the Small Business Health Options program at **(800) 706-7893** or visit [healthcare.gov/small-businesses/employers/](https://www.healthcare.gov/small-businesses/employers/).

ENVIRONMENTAL REGULATIONS

Environmental Protection Agency Small Business Division:
[epa.gov/resources-small-businesses](https://www.epa.gov/resources-small-businesses)

State assistance is available for small businesses that comply with environmental regulations under the Clean Air Act. State Small Business Environmental Assistance programs provide free and confidential support to help small business owners understand and follow environmental regulations and permitting requirements. These state programs can help businesses lower emissions at the source, often reducing regulatory burden and saving money. To learn more about these free services, visit nationalsbeap.org/states/.

ACCESSIBILITY AND ADA COMPLIANCE

For assistance with the Americans with Disabilities Act, call the ADA center at **(800) 949-4232** or the Department of Justice at **(800) 514-0301**.

Direct questions about accessible design and the ADA standards to the U.S. Access Board at **(800) 872-2253**, ta@access-board.gov, or visit [access-board.gov](https://www.access-board.gov). If you are deaf, hard of hearing, or have a speech disability, please dial **711** to access telecommunications relay services.

CHILD SUPPORT

Employers are essential to the success of the child support program, contributing about 75% of funds nationwide through payroll deductions. You're required to report all new and rehired employees to the State Directory of New Hires. If you have employees in two or more states, you may register with the Department of Health and Human Services to report all your employees to one state. Find electronic income withholding orders and the Child Support Portal, which can be used to report information to nearly all child support agencies, at acf.hhs.gov/programs/css/employers.

INTELLECTUAL PROPERTY

Patents, trademarks, and copyrights are types of intellectual property that protect creations and innovations. The U.S. Patent and Trademark Office (USPTO) is the federal agency that grants U.S. patents and registers trademarks.

A patent for an invention is the grant of a property right to an inventor, issued by the USPTO. The right conferred by the patent grant is the right to exclude others from making, using, offering for sale, or selling the invention in the United States or importing the invention into the country. For information on patents and resources for inventors and entrepreneurs, visit uspto.gov/inventors.

A trademark or service mark includes any word, name, symbol, device, or combination used to identify and distinguish the goods and services of one provider from others. Trademarks and service marks can be registered at both the state and federal level. The USPTO only registers federal trademarks and service marks, which may conflict with and supersede state trademarks. Learn more at uspto.gov/trademarks.

For information and resources about U.S. patents and federally registered trademarks, consult uspto.gov, call **(800) 786-9199**, or find your nearest office at uspto.gov/locations.

Copyrights protect original works of authorship, including literary, dramatic, musical and artistic, and certain other intellectual works, such as computer software. Copyrights do not protect facts, ideas, and systems, although they may protect the way they are expressed. For general information on copyrights, contact:

U.S. Copyright Office

U.S. Library of Congress
James Madison Memorial Building
101 Independence Ave. SE
Washington, DC 20540-4840
(202) 707-3000 or toll free (877) 476-0778



Courtesy of Getty Images

10 Steps to Start Your Business

Starting a business involves planning, making key financial decisions, and completing a series of legal requirements.

01 CONDUCT MARKET RESEARCH

Market research will tell you if there's an opportunity to turn your idea into a successful business. Gather information about potential customers and businesses already operating in both your geographic and subject area so you can use that information to find a competitive advantage.

02 WRITE YOUR BUSINESS PLAN

A business plan is the roadmap for structuring, running, and growing your new business. You'll use it to convince people that working with you and/or investing in your company is the right choice.

03 FUND YOUR BUSINESS

Your business plan will help you figure out how much money you'll need to get started. Investors or lenders will help you get the amount you need.

04 PICK YOUR BUSINESS LOCATION

Are you setting up a brick-and-mortar business, launching online, or both? This will impact your taxes, legal requirements, and revenue.

05 CHOOSE A BUSINESS STRUCTURE

The legal structure you choose for your business will affect your business registration requirements, how much you pay in taxes, and your personal liability ([see page 22](#)).

06 CHOOSE YOUR BUSINESS NAME

Your business name should reflect your brand. Check your secretary of state's website to make sure the one you want isn't already being used.

07 REGISTER YOUR BUSINESS

Once you've picked the perfect business name, it's time to make it legal and protect your brand. If you're doing business under a name different than your own, you'll need to register with the federal government and often your state government.

08 GET FEDERAL AND STATE TAX IDS

You'll use your Employer Identification Number ([see page 27](#)) for important steps to start and grow your business, like opening a bank account and paying taxes. It's like a social security number for your business. Some, but not all, states require you to get a tax ID as well.

09 APPLY FOR LICENSES AND PERMITS

Keep your business running smoothly by staying legally compliant. The licenses and permits you need for your business vary by industry, state, and location.

10 OPEN A BUSINESS BANK ACCOUNT

A small business checking account can help you handle legal, tax, and day-to-day issues.



Courtesy of Getty Images

Write Your Business Plan

Your business plan is the foundation of your business. An SBA Resource Partner can help you write one.

Your business plan is a roadmap for how to structure, run, and grow your new business. An effective one can help you get funding or bring on new business partners. Investors want to see a return on their investment. Your business plan is the tool you'll use to convince people that working with you—or investing in your company—is a smart decision.

Brainstorm with a business counselor ([see page 12 for more on SBA Resource Partners](#)) and write a traditional business plan, which uses a standard structure and detailed sections. Once you've got it all down, you can then condense it into a lean startup business plan, which typically contains key points on only one page.

TRADITIONAL BUSINESS PLAN FORMAT

You don't have to stick to the exact business plan template. Instead, use the sections that make the most sense for your business and your needs.

Executive Summary

Briefly summarize your company and why it will be successful. Include your mission statement, your product or service, and basic information about your company's leadership team, employees, and location. You should also provide financial information and high-level growth plans if you plan to ask for financing.

Company Description

Your company description is the place to boast about your strengths. Go into detail about the problems your business solves. Be specific as to audience and location. List out the consumers, organizations, or businesses your company plans to serve. Explain the competitive advantages you have that will make your business successful.

Are there experts on your team? Have you found the perfect location?

Market Analysis

Demonstrate a solid understanding of your industry outlook and target market. This is where it pays to partner with an experienced business counselor from your local Small Business Development Center, SCORE, Women's Business Center, or Veterans Business Outreach Center—all these SBA Resource Partners provide free or low-cost business assistance.

Competitive research will show what other businesses are doing and their strengths. In your market research, look for trends and themes. What do successful competitors do? Why does it work? Can you do it better? Now's the time to answer these questions.



Traditional Business Plan Checklist

- Executive summary
- Company description
- Market analysis
- Organization and management
- Service or product line
- Marketing and sales
- Funding request
- Financial projections
- Appendix

Organization and Management

How will your company be structured? Who will run it?

Use an organizational chart to show the hierarchy. Explain how each person's experience will contribute to the success of your venture. Consider including CVs of key members.

Describe the legal structure of your business. State whether you have or intend to incorporate your business as a C or an S corporation, form a general or limited partnership, or if you're a sole proprietor or limited liability company.

Service or Product Line

Describe what you sell or what service you offer. Explain how it benefits your customers and the product lifecycle. Share your plans for intellectual property, like copyright or patent filings. If you're doing research and development for your service or product, explain it.

Marketing and Sales

Your marketing strategy should evolve to fit your needs in a growing economy. Describe how you'll attract and retain customers. Show how a sale will actually happen. You'll refer to this section later when you make financial projections, so be thorough.

Funding Request

If you're asking for funding, outline your funding requirements. Specify whether you want debt or equity and the terms you'd like. Your goal is to clearly explain how much funding you'll need over the next five years and how the investment will be used.



WANT TO SEE
an example business plan?
Go to sba.gov/business-plan.

Specify why you need funding and explain how you'll pay off the debt.

Financial Projections

Show how your business will be a success by projecting a financial outlook for the next five years. Include forecasted income statements, balance sheets, cash flow statements, and capital expenditure budgets. Be even more specific for the first year. Use quarterly- or even monthly-projections. Explain your projections and match them to your funding requests.

If your business is already established, include income statements, balance sheets, and cash flow statements for the last three to five years. List collateral you could put against a loan.

Use visual organization tools to tell your business's financial story.

Appendix

Attach supporting documents or other requested materials. Common items to include are credit histories, CVs, product pictures, letters of reference, licenses, permits, patents, legal documents, and other contracts.

LEAN STARTUP PLAN FORMAT

A lean startup plan is a good thing to have on hand in case an investor asks for it, if your business is relatively simple, or if you plan to regularly change and refine as you go.

Lean startup plans use more visual organization tools and only a handful of elements to describe your company's value proposition, infrastructure, customers, and finances. Your business counselor can help you edit down into the Business Model Canvas—as seen below—or another lean startup template.

Key Partnerships

Note the other businesses you'll work with, such as suppliers, manufacturers, subcontractors, and strategic partners.

Key Activities

List the ways your business will gain a competitive advantage. Will you sell directly to consumers or use technology to tap into the sharing economy?

Key Resources

List resources you'll leverage to create value for your customer. Your most important assets include staff, capital, and intellectual property. Leverage business resources that might be available to women, veterans, Native Americans, and HUBZone-certified businesses.

Value Proposition

Make a clear and compelling statement about the unique value your company brings to the market.

Customer Relationships

Think through the customer journey from start to finish to describe how clientele will interact with your business. Will it be automated or personal? In person or online?

Customer Segments

Name your target market. Your business won't be for everybody. It's important to have a clear sense of who you serve.

Channels

List the most important ways you'll talk to your customers.

Cost Structure

Will your company focus on reducing cost or maximizing value? Define your strategy, then list the most significant costs you'll face.

Revenue Streams

Explain how your company makes money: direct sales, memberships fees, selling advertising space, etc. If your company has multiple revenue streams, list them all.



Courtesy of Getty Images



Lean Startup Plan Checklist

- Key partnerships
- Key activities
- Key resources
- Value proposition
- Customer relationships
- Customer segments
- Channels
- Cost structure
- Revenue streams



How the SBA Builds Equitable Small Business Ecosystems

The SBA is committed to fostering small business ecosystems that serve all entrepreneurs—including those from historically underserved and underrepresented communities.

Starting and maintaining a small business, though important and rewarding, is a challenge for anyone. The process can be even more difficult for entrepreneurs from underserved communities. The SBA recognizes that small businesses in historically underserved and underrepresented communities face unique obstacles. That is why, in the interest of establishing a more equitable, diverse, and inclusive marketplace, the SBA has built a comprehensive network of services to help level the playing field for America's entrepreneurs. A healthy, competitive entrepreneurial ecosystem offers a wide variety of resources that entrepreneurs can leverage to improve sales, create jobs, and contribute to both the local and greater economy. The SBA remains steadfast in its mission to build a stronger economy from the bottom up and middle out – and small businesses are essential to that pursuit. With those goals in mind, the SBA is proud to furnish a nexus of programs, partnerships, and initiatives for the modern American small business owner.

LOCAL ASSISTANCE

Aspiring and established small business owners alike are encouraged to tap into the SBA's expansive resource partner network. There, entrepreneurs can find resources that will connect them to the SBA's full portfolio of services.

Small Business Development Centers (SBDC) represent one such resource. SBDCs provide no-cost counseling and mentoring and no- or low-cost training to business owners at every level, with a special interest in rural communities, women entrepreneurs, veteran entrepreneurs, special populations, and young people. Of SBDC's 1,000-plus-strong network, many centers are hosted at Minority-Serving Institutions. Other specialized resources, such as Women's Business Centers and Veterans Business Outreach Centers, are available for their respective communities.

FUNDING PROGRAMS

Certain communities have traditionally encountered unfair barriers to acquiring the credit, capital, and other financial resources they need to achieve sustainability and growth. To make it easier for individuals who may not qualify for traditional financing, the SBA reduces lender risk through its loan programs, such as the 7(a) Community Advantage (CA) Pilot Program. Organizations approved to participate as CA lenders are required to make at least 60% of their CA loans in underserved markets. The result is a more level playing field for women, veterans, low-income borrowers, minority entrepreneurs, and businesses in underserved markets. See ([page 32](#)) for more information.

GOVERNMENT CONTRACTING

The U.S. government makes it a priority to set aside 23% of all contracting dollars for small businesses. Many of these small businesses fall under the disadvantaged category. SBA contracting certifications allow businesses from underserved communities to win set-aside contracts. The 8(a) Business Development program, for example, provides small disadvantaged businesses with the training and technical assistance they need to compete effectively in the American economy. Additionally, the government

limits competition for certain contracts in historically underutilized business zones through its HUBZone program. More details can be found on ([page 49](#)).

Small businesses are the lifeblood of every community – they promote innovation, create jobs, and power the economy. The SBA continues to relentlessly pursue its mission of helping entrepreneurs of all backgrounds start, grow, and build resilient businesses.



Courtesy of Getty Images

What Business Structure Is Right for You?

STRUCTURE	CONTROL	RISK	CAPITAL
SOLE PROPRIETORSHIP	<ul style="list-style-type: none"> Owner has full control 	<ul style="list-style-type: none"> Personally liable for all debts/obligations 	<ul style="list-style-type: none"> Company not taxable Owner subject to self-employment tasks Owner provides capital
PARTNERSHIPS	<ul style="list-style-type: none"> Limited Partnerships can only have 1 general partner General partners have greater control 	<ul style="list-style-type: none"> Separate and independent from its owners General partners have unlimited liability Limited partners' liability is limited to what they agree to contribute 	<ul style="list-style-type: none"> Profits are taxed as income based on ownership percentage or other criteria in the partnership agreement General partners have no limits on profit dividends Partners pay self-employment taxes
LIMITED LIABILITY COMPANY	<ul style="list-style-type: none"> Members set up LLC agreement 	<ul style="list-style-type: none"> Members are not typically held liable for debts/obligations 	<ul style="list-style-type: none"> Income passes through to members Members may sell interests, but agreement and security laws may apply
CORPORATIONS	<ul style="list-style-type: none"> Based off percentage of shares Shareholders elect directors who manage business 	<ul style="list-style-type: none"> Shareholders are not typically held liable for debts/obligations 	<ul style="list-style-type: none"> C corps are taxed at corporate rate and then again if distributed to shareholders in dividends S corps allow profits and some losses to be passed to shareholders' personal income, avoiding corporate tax rate; but not shareholder distributions Shares of stock are sold to raise capital; securities laws apply

For more information on business structures and incorporating, contact your local SBA office or Resource Partner at sba.gov/localassistance. Consult with your tax and/or legal adviser to choose the structure that works best for your business. Visit irs.gov for the latest tax updates and forms.



Courtesy of Getty Images

Opportunities for Veterans

Military community members become more successful entrepreneurs with the help of the SBA.

VETERANS BUSINESS OUTREACH CENTERS

Veterans Business Outreach Centers (VBOC) are one-stop-shops designed to provide entrepreneurial development services such as business training, counseling, partner referrals, and program navigation to service members, veterans, National Guard & Reserve members, and military spouses interested in starting or growing a small business. The SBA has 28 organizations participating in this cooperative agreement and serving as VBOCs. Find your local VBOC at sba.gov/vboc.

BOOTS TO BUSINESS

Boots to Business (B2B) helps military community entrepreneurs explore business ownership and other self-employment opportunities while learning key business concepts. Attendees walk away with an overview of entrepreneurship and business ownership, including how to access startup capital using SBA resources. B2B is conducted on all military installations or virtually as part of the Department of Defense's Transition Assistance Program.

Who's Eligible?

Service members transitioning out of active duty and military spouses. Boots to Business: Reboot, for veterans, National Guard or Reserve members and military spouses, teaches this entrepreneurship curriculum off base in communities. Register for B2B or Reboot at sba.my.site.com/s.

MILITARY SPOUSE PATHWAY TO BUSINESS PROGRAM

The Military Spouse Pathway to Business Program is an in-person or virtual course that introduces military spouses to the key elements of entrepreneurship. This course offers military spouses a dedicated curriculum, peer group, and schedule suited to their needs.

Visit sba.my.site.com/s/milspouse to view a list of upcoming Pathway to Business courses in your area.

ENTREPRENEURSHIP TRAINING

The SBA funds training programs for the veteran small business community. Learn more at sba.gov/ovbd.

For Women Veterans

Receive entrepreneurial training geared toward women veterans, service members, and spouses through these SBA-funded programs:

- **LiftFund:** Find access to capital and business training to help you achieve financial stability and build the business of your dreams.
- **ONABEN, Beyond the Boots:** Achieve your business goals through programs specializing in entrepreneurship for Native Americans and all communities of color.
- **Institute for Veterans and Military Families–Syracuse University: Veteran Women Igniting the Spirit of Entrepreneurship (V-WISE):** Learn business-savvy skills to turn your entrepreneurial idea into a fully functioning business.

FOR SERVICE-DISABLED VETERANS

Learn how to start and grow a small business using these SBA-funded programs:

- **Saint Joseph's University–Entrepreneurship Bootcamp for Veterans with Disabilities:** Leverage the tools, education, and mentorship you need to start or grow your service-disabled veteran-owned small business.
- **Veteran Entrepreneurial Training and Resource Network (VETRN):** Develop growth-oriented business plans and strategies through peer-to-peer mentoring, work assignments, and classroom training.
- **Oklahoma State University Veteran Entrepreneurship Program:** Access cutting edge, experiential training in entrepreneurship and small business management.
- **Warrior Rising:** Participate in a robust 40-lesson educational curriculum online or in person.

FEDERAL GOVERNMENT CONTRACTING

Veteran-owned and service-disabled veteran-owned small businesses that want to better compete in the federal marketplace can receive training from the Veteran Institute for Procurement, nationalvip.org.

Learn about the service-disabled veteran-owned small business certification program on ([page 50](#)) or learn more at sba.gov/vetcert.



NEED ASSISTANCE?

For veterans' business information, visit sba.gov/veterans.

How the SBA Helped Me Succeed

Veterans transitioning back to civilian life are no strangers to pivoting. It should come as no surprise, then, that veteran entrepreneurs are well equipped to pivot when they find a new business mission. **U.S. Army veteran Dennis Guy** is a prime example. Dennis already owned a successful small business selling beer merchandise via a subscription service when his local fire department enlisted his help with recruiting volunteers. Through this work, Dennis and his wife, Samantha, saw an opportunity to help startups, nonprofits, and communities reach their full potential. They reached out to their local Small Business Development Center for funding and counseling support. Now, the couple owns First Sip Studios, a Mt. Oliver, PA-based educational agency that empowers organizations through multimedia marketing. Dennis continues to work with the SBA, receiving veteran contracting assistance through APEX Accelerators.



Dennis Guy, co-owner of First Sip Studios in Mt. Oliver, PA.



Courtesy of Getty Images

Federal and State ID Numbers

WHAT IS AN EIN?

Your Employer Identification Number (EIN) is your federal tax ID. You need it to do the following:

- Pay federal taxes
- Hire employees
- Open a bank account
- Apply for business licenses and permits

Applying for an EIN is free through irs.gov/formss4, and you should do it right after registering your business. You can also check with the IRS to determine whether you need to change or replace your EIN.

DO YOU NEED AN EIN?

Check out this guide from the IRS. A “yes” to any of these questions means you need one for your business.

Do you have employees?

YES NO

Do you operate your business as a corporation or a partnership?

YES NO

Do you file any of these tax returns: employment, excise, or alcohol, tobacco, and firearms?

YES NO

Do you withhold taxes on income, other than wages, paid to a noncitizen?

YES NO

Do you have a Keogh plan?

YES NO

WHAT ABOUT STATE TAX ID NUMBERS?

It depends on whether your business must pay state taxes. Tax obligations differ at state and local levels. Here’s what you need to do:

- Check with your state’s website
- Research and understand your state’s income and employment tax laws
- Look up how to get a state tax ID number. It’s similar to the federal tax ID process



Funding Programs

Just What the Pharmacist Ordered

The Bautistas called on the SBA to help them fill a need in their community of Tacoma, WA.

There's no set formula for achieving your entrepreneurial goals, but possessing qualities like ambition, foresight, and resolve is a good base. Inject some help from the SBA, and you have a prescription for small business success—even in the face of adversity. Perhaps no one knows this better than Wilbur and Jazel Jane Bautista. By 2018, the Bautistas had already established themselves in medical field careers. But they realized they wanted more. They knew that owning a business was a unique opportunity to make an impact in their community and improve the quality of life for themselves and their young children. With this in mind, the Bautistas founded Acts Pharmacy and Healthcare Services.

CHALLENGE

Acts Pharmacy and Healthcare Services enjoyed success during its first two years, providing wraparound services as a family-owned independent pharmacy and clinic in Tacoma, WA. But then came an unforeseen challenge that rocked both health care and the small business sector: the COVID-19 pandemic. Facing a loss of in-person traffic and financial uncertainty, the Bautistas foresaw the need to create new revenue streams and strategize ways to serve their customers.

SOLUTION

The SBA's support enabled the Bautistas to pivot. The couple received funding from the SBA's Paycheck Protection Program (PPP) and COVID Economic Injury Disaster Loan (EIDL) program, allowing them to keep their team employed



Jazel Jane Bautista, co-founder of Acts Pharmacy and Healthcare Services in Tacoma, WA.

as they adapted their business model to respond to the constantly evolving situation. SBA financial assistance was crucial in helping Acts Pharmacy and Healthcare Services continue to serve its community through new services, such as the delivery of prescription medications and hard-to-find supplies, including hand sanitizers, thermometers, and locally made masks. Later, when the first COVID-19 vaccines became available, the Bautistas worked with their local health department to establish their business as an in-person and mobile vaccine clinic.



Wilbur and Jazel Jane Bautista, co-founders of Acts Pharmacy and Healthcare Services.

BENEFIT

COVID-19 funding programs served as the impetus for the Bautistas' growing relationship with the SBA. In 2022, the couple was accepted into the SBA's T.H.R.I.V.E. Emerging Leaders Reimagined program. There, they learned how to optimize their employee management and hiring practices while developing a multi-year strategy for growth. The Bautistas also connected with their local Small Business Development Center where they still meet monthly with their adviser.

The Bautistas continue to provide a full-service pharmacy experience and clinical services such as laboratory tests,

immunizations, a travel clinic, HIV PrEP (pre-exposure prophylaxis), and medical compression socks. And while ACTS Pharmacy and Healthcare Services plays such an important role in its community, the SBA's network of resources has given the Bautistas the bandwidth to focus on their business. "We are constantly reminding ourselves to work on our business rather than just work in our business," Wilbur Bautista says. "We are developing procedures and standards that help us manage the day-to-day business and empower our team members."

5 TIPS FOR SUCCESS

- ✓ **Get guidance.** Develop a working relationship with an SBA Resource Partner ([see page 12](#)). Your business adviser will help you become lender ready.
- ✓ **Define your lending needs.** Determine if a loan is right for you and if this is the right time. How much do you need? What are you going to use it for? Include this in your business plan.
- ✓ **Keep clear records.** Track your cash, inventory, accounts payable and receivable, payroll, sales, purchases, loans payable, owners' equity, and retained earnings. Most lenders will want to see this data, balance sheets, and profit and loss statements for multiple years.
- ✓ **Talk to multiple lenders.** Talk to multiple lenders to see who best matches your business's needs. Lenders have different levels of risk they take on and the types of industries they accommodate may vary.
- ✓ **Check all options.** SBA Lenders determine if you're eligible for SBA financing programs based on your industry and experience, collateral, credit score, and the relationship and transparency you develop with the lending agent.



How the SBA Helped Me Succeed

For many entrepreneurs, the seeds of a small business idea grow in ways they can only imagine. Such has been the case for **Josh Schmieder**. Josh founded JOSH Landscape at only 16 years old, leveraging his earnings to put himself through college. Upon Josh's graduation, JOSH Landscape had a staff of 15. He soon realized he would need help to support his growing business. That's where the SBA came in. In 2011, Josh secured an SBA 504 loan that enabled him to purchase a large vacant commercial building for his entire truck fleet, office space, and more. These days, Josh employs a local workforce of 150 and has established himself as a fixture in the Honeoye Falls, NY, area on his way to being recognized as 2023 New York State Small Business Person of the Year.

Josh Schmieder, founder of JOSH Landscape in Honeoye Falls, NY.

Need Financing?

Visit your local SBA office or lender to learn about funding options.

7(A) LOANS: THE SBA'S FLAGSHIP AND LARGEST BUSINESS FINANCING PROGRAM

If you're unable to qualify for conventional financing and you meet the eligibility requirements, you can use a 7(a) loan to purchase, construct, improve, install real estate, buildings, equipment, furniture, fixtures, or inventory for your small business. 7(a) loans may also be used for working capital and to start or acquire a business.

7(a) MAXIMUM LOAN AMOUNT: \$5 million

7(a) MAXIMUM INTEREST RATES: Set by the lender within SBA maximum allowable:

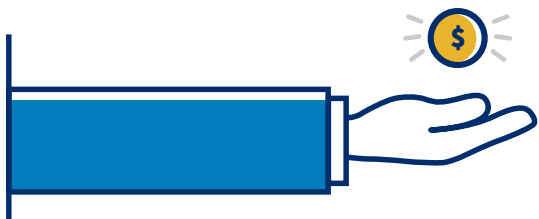
- Loans \$50,000 or less: Cannot exceed Prime or SBA Optional Peg Rate plus 6.5%.
- Loans \$50,001 up to and including \$250,000: Cannot exceed Prime or SBA Optional Peg Rate plus 6%.
- Loans \$250,001 up to and including \$350,000: Cannot exceed Prime or SBA Optional Peg Rate plus 4.5%.
- Loans \$350,001 and greater: Cannot exceed Prime or SBA Optional Peg Rate plus 3%.

7(a) TERMS: Loan term varies according to the purpose of the loan—generally up to 25 years for real estate and 10 years for other fixed assets and working capital.

7(a) GUARANTY TO THE LENDER: 75–90%

7(A) CAPLINES

Meet your revolving capital needs with 7(a) lines of credit up to \$5 million. CAPLines can be used for contract financing, seasonal lines of credit, builders' line of credit, or for general working capital lines.



7(A) SBA EXPRESS LOANS

Featuring a simplified process, these 7(a) loans are delivered by experienced lenders who are authorized to make the credit decision for the SBA. These can be term loans or revolving lines of credit.

MAX SBA EXPRESS LOAN AMOUNT: \$500,000 (gross) inclusive of all outstanding SBA Express, Community Advantage, Community Express, and Patriot Express loans the applicant and its affiliates may have.

SBA EXPRESS MAXIMUM INTEREST RATES AND LOAN TERMS: Same as Standard 7(a).

SBA EXPRESS GUARANTY: 50%

MICROLOANS

Eligible businesses can start up and grow with working capital or funds for supplies, equipment, furniture, and fixtures. Borrow from \$500 to \$50,000 and access free business counseling from microlenders.

INTEREST RATE: For loans less than \$10,000, lender cost + 8.5%; for loans \$10,000 and greater, lender cost + 7.75%.

TERMS: Lender negotiated; no early payoff penalty.

504 CERTIFIED DEVELOPMENT COMPANY LOAN

For small businesses that would like to purchase/renovate real estate, buy other long term fixed assets such as machinery and equipment for a small business, or refinance debt, and cannot obtain conventional financing on reasonable terms, the 504 program provides competitive fixed-rate mortgage financing through a senior lender and a Certified Development Company (CDC) SBA

subordinate loan. A third-party lender provides 50% or more of the financing, and the CDC provides up to 40% through a 504 debenture (guaranteed 100% by the SBA).

MAX LOAN AMOUNT (UP TO 40% OF THE TOTAL PROJECT): Up to \$5 million; \$5.5 million for manufacturing or energy public policy projects.

INTEREST RATE: Below market fixed rates for 10, 20, or 25-year terms.

TERMS: 20 or 25 years for real estate or long-term equipment; 10 years for general machinery and equipment.

GUARANTY: The lender provides a senior loan for 50% or more of the project cost (with no SBA guaranty); the CDC finances up to 40% in a junior lien position (supported by the SBA guaranty).

SPECIAL CONDITION: a minimum borrower contribution, or down payment, is required. Amounts vary by project but are usually 10-20%.



Courtesy of Getty Images

Go Global with a Trade Grant or Export Trade Loan

Stabilize seasonal sales and become less dependent on any one market by exporting.

EXPAND YOUR MARKET

Small businesses can enter and excel in the international marketplace using State Trade Expansion Program grants. Visit sba.gov/step to find out if your state or territory is participating. You can:

- Learn how to export
- Participate in foreign trade missions and trade shows
- Obtain services to support foreign market entry
- Translate websites to attract foreign buyers
- Design international marketing products or campaigns

FINANCING FOR INTERNATIONAL GROWTH

Having trouble securing capital to meet your small business exporting needs? Use SBA 7(a) export trade finance programs to cover short or long-term costs necessary to sell goods or services abroad. Loan proceeds can be used for working capital to finance foreign sales or for fixed assets—helping you better compete globally. Apply for lines of credit prior



Courtesy of Getty Images

to finalizing an export sale or contract, and adequate financing will be in place by the time you win your contract.

If you've been in business for at least a year, ask your area SBA Export Finance Manager about the **7(a) Export Working Capital** program. The **7(a) International Trade Loan** program also helps exporters who have been adversely affected by foreign importing competition, helping you better compete globally.

MAX LOAN AMOUNT: \$5 million

INTEREST RATE: For Export Working Capital, the rate is negotiated between borrower and lender. For International Trade Loans:

- Loans \$50,000 or less: Cannot exceed Prime or SBA Optional Peg Rate plus 6.5%.
- Loans \$50,001 up to and including \$250,000: Cannot exceed Prime or SBA Optional Peg Rate plus 6%.
- Loans \$250,001 up to and including \$350,000: Cannot exceed Prime or SBA Optional Peg Rate plus 4.5%.
- Loans \$350,001 and greater: Cannot exceed Prime or SBA Optional Peg Rate plus 3%.

TERMS: For Export Working Capital—typically one year; can't exceed three years. For International Trade Loans, up to 25 years for real estate; up to 10 years for equipment.

GUARANTY: Up to 90%

7(a) Export Express provides lenders with a streamlined process to receive an enhanced SBA guarantee when providing small businesses with loans that will help them start or grow export sales.

MAX LOAN AMOUNT: \$500,000

INTEREST RATE:

- Loans \$50,000 or less: Cannot exceed Prime or SBA Optional Peg Rate plus 6.5%.
- Loans \$50,001 up to and including \$250,000: Cannot exceed Prime or SBA Optional Peg Rate plus 6%.
- Loans \$250,001 up to and including \$350,000: Cannot exceed Prime or SBA Optional Peg Rate plus 4.5%
- Loans \$350,001 and greater: Cannot exceed Prime or SBA Optional Peg Rate plus 3%

TERMS: Up to 25 years for real estate, 10 years for equipment, and seven years for lines of credit.

GUARANTY: Up to 90%

HELP WITH TRADE BARRIERS

If you need assistance with international trade regulations, the SBA can be your advocate in foreign markets. Call toll free **(855) 722-4877** or email your contact information and trade issue to international@sba.gov.



Expert Advice on Exporting

Find an SBA professional U.S. Export Assistance Center: sba.gov/local-assistance/export-trade-assistance/export-finance-managers.

The centers, located in most major metro areas, are staffed by the U.S. Department of Commerce and, in some locations, the Export-Import Bank of the United States and other public and private organizations. Visit your local Small Business Development Center ([see page 12](#)) for exporting assistance from professional business counselors.

Lender Match

Lender Match connects small business owners and entrepreneurs with SBA-backed funding through SBA Lenders. Visit sba.gov/lendermatch for more information and to find an interested lender.



SBA and Participating Lenders

The SBA helps small business owners and entrepreneurs who are creditworthy but do not have access to credit elsewhere on reasonable commercial terms from non-Federal, non-State, non-local government sources. If you can't obtain a business loan with reasonable rates and terms, contact your local SBA Lender to see if you're eligible for an SBA program. The SBA works with participating lenders to reduce their risk, increasing the likelihood your loan will be approved with the terms that work best for you. The guarantee is conditional on the lender following SBA program requirements. Just like with any other loan, you make your loan payments directly to your lender in accordance with your terms.



Courtesy of Getty Images

R&D Opportunities for High Growth Startups

Get funding to develop your technology or innovation and grow your business.

What is your innovation?

- Advanced materials
- AgTech
- Artificial intelligence
- Augmented reality/virtual reality
- Big data
- Biomedical
- Cloud computing
- Cybersecurity
- Energy
- Health IT
- National security
- Sensors
- Space exploration

AMERICA'S SEED FUND

America's Seed Fund fosters and encourages participation in innovation and entrepreneurship by all people, including women, people of color, people with disabilities, and entrepreneurs located in all 50 states and U.S. territories.

HOW IT WORKS

Every year, participating federal agencies announce topic areas that address their R&D needs. Eligible businesses submit proposals to win either grants or contracts and then advance through three phases:

- 1. The proof-of-concept stage** typically lasts from 6–12 months and provides between \$50,000–\$250,000.
- 2. The full R&D period** lasts about 24 months and typically provides \$600,000–\$1.7 million.
- 3. The commercialization stage** is when your small business seeks public or private funds for its venture or sells the innovation for a profit.

RETAIN OWNERSHIP

The funding agency does not take an equity position or ownership of your business. The federal government also protects data rights and the ability to win sole-source phase three contracts. Some agencies provide additional resources beyond funding.

Participating agencies:

- Department of Agriculture
- National Institute of Standards and Technology
- National Oceanic and Atmospheric Administration
- Department of Defense
- Department of Education
- Department of Energy
- Department of Health and Human Services
- Centers for Disease Control
- Food and Drug Administration
- National Institutes of Health
- Department of Homeland Security
- Department of Transportation
- Environmental Protection Agency
- NASA
- National Science Foundation

HOW TO FIND FUNDING

Identify a participating agency or agencies interested in your topic area. Apply to a specific solicitation. Get more information about funding opportunities (solicitations) and current topics at www.sbir.gov/funding.

GET LOCAL HELP

SBA's Federal and State Technology (FAST) Partnership Program was established to help you navigate America's Seed Fund programs (SBIR/STTR). FAST partners work to support businesses through all phases of development — pre-award, award, and post-award towards commercialization.

To find a FAST partner in your state, visit:

www.sbir.gov/about-fast. Visit sbir.gov to find funding opportunities, helpful program tutorials, and information on past award winners.

How an SBIC Works

The Small Business Investment Company (SBIC) program is a public-private partnership between the SBA and private investors. The SBA licenses SBICs and provides up to \$2 in government guaranteed debt for every \$1 in private investment raised by the SBIC. The SBICs, in turn, invest those funds in a portfolio of companies through debt and/or equity.

Each SBIC has its own investment strategy in terms of targeted industry, geography, company maturity, and the types and size of financing they provide. Each SBIC typically will identify 15-20 portfolio companies for their fund. The SBA is not involved in investment decisions.

In Fiscal Year (FY) 2023, committed and invested capital in the program exceeded \$42 billion, and the program created or sustained over 130,000 jobs.

To be eligible...

The majority of your employees and assets must be within the United States. Some ineligible small businesses and activities include re-lenders, real estate, project financing, and foreign investment.

FIND AN INVESTOR

If your small business is interested in SBIC financing, visit the SBA's online directory at sba.gov/funding-programs/investment-capital/sbic-directory. Make sure an SBIC is actively investing in businesses in your region, size, and industry, and visit websites for each fund to learn more. You will need a business plan that makes the case that investing in your business would be profitable for the SBIC. Find local assistance in building out your business plan at www.sba.gov/local-assistance.



Disaster Recovery

When disaster strikes, the SBA provides low-interest disaster loans to help businesses of all sizes, private nonprofit organizations, homeowners, and renters recover from declared disasters.

WHAT TO DO AFTER A PRESIDENTIAL DISASTER DECLARATION FOR INDIVIDUAL ASSISTANCE

Once a President approves a major disaster declaration, for individual assistance, SBA disaster loans are available.

Homeowners and Renters can register with FEMA by:

- Applying online at disasterassistance.gov
- Calling FEMA at **(800) 621-3362**
- Using the FEMA app
- Or visiting a FEMA Disaster Recovery Center. Locations can be found at fema.gov/drc

For homeowners and renters, the first step is to register with FEMA. Most applicants will be referred to the SBA to complete a disaster loan application. You must complete an SBA application to be considered for further assistance.

Disaster survivors are contacted by the SBA via telephone and are given options to:

- Applying online at sba.gov/disaster
- Talking to an SBA Customer Service Representative at a local recovery center
- Requesting the SBA mail them a disaster loan application
- Or indicating they are not interested in applying for a disaster loan and stop further contact

The SBA will mail an application to those who did not respond to the call from the SBA Customer Service Center.

If you don't complete the SBA application, you may not be eligible for further assistance from other agencies.

Businesses of all sizes and private nonprofit organizations can apply directly with the SBA. Visit sba.gov/disaster.

WHAT TO DO AFTER AN SBA AGENCY DISASTER DECLARATION

The SBA has its own disaster declaration authority under these types of declarations:

- Agency
- Rural Agency
- Governor's Certification

After the SBA declares an Agency or Rural Agency Disaster Declaration, businesses of all sizes, private nonprofit organizations, homeowners, and renters are eligible to apply for SBA disaster loans by:

- Applying online at sba.gov/disaster
- Calling the SBA Customer Service Center at **(800) 659-2955**
- Or visiting an SBA recovery center

FEMA assistance is generally not available under an SBA disaster declaration.



Keep in Mind

SBA disaster loans are direct loans from the federal government. In general, losses compensated by insurance, FEMA, or other forms of assistance are considered duplication of benefits. Duplication of benefits will reduce the eligible loan amount.

Once safety and security needs are met after a disaster, the SBA helps you and your community to repair, rebuild, and become more resilient after a disaster. Credit worthiness, the ability to repay, and collateral are taken into consideration before a loan is awarded. Visit sba.gov/disaster for more information.

After the SBA declares a **Governor's Certification**, small businesses, small agricultural cooperatives, and most private nonprofit organizations located in a declared disaster area and which have suffered substantial economic injury may be eligible for an SBA Economic Injury Disaster Loan (EIDL).

EIDL provides the necessary working capital to help small businesses, small agricultural cooperatives, and most private nonprofit organizations impacted by a disaster survive until normal operations resume.

After the SBA declares a **Governor's Certification**, small businesses, small agricultural cooperatives, and most private nonprofit organizations are eligible to apply for SBA EIDL by:

- Apply online at sba.gov/disaster
- Calling the SBA Customer Service Center at **(800) 659-2955**
- If you are deaf, hard of hearing, or have a speech disability, please dial **711** to access telecommunication relay services
- Or visiting an SBA recovery center

Basic information you will need to get started with the SBA disaster loan.

BASIC INFORMATION YOU WILL NEED TO GET STARTED WITH THE SBA DISASTER LOAN

For homeowners and renters:

- Address of damaged property and contact information
- Insurance information
- Household and/or business income

For businesses of all sizes:

- Financial information (e.g., income account balances, and monthly expenses)
- EIN for business applicants

Get Ready

The Ready Business Toolkit series includes hazard-specific versions for earthquakes, hurricanes, inland flooding, power outages, and severe wind/tornadoes. Toolkits offer business leaders a step-by-step guide to build preparedness within an organization. Spanish materials are also available. More details: ready.gov/business.

SBA disaster loan borrowers may choose to receive expanded funding to help mitigate their home or business against future disasters. SBA disaster loans can be increased up to 20% to make building upgrades. Some examples of mitigation are below:

Flood Mitigation



- Install a perimeter drain and sump pump
- Landscape your property to improve water runoff and drainage
- Elevate structures

Wildfire Mitigation



- Install noncombustible gutters, fences, and gates
- Repair/rebuild structures using fire resistant building materials
- Replace single-pane windows with dual- or multi-pane tempered glass windows

Wind Mitigation



- Upgrade to pressure rated windows
- Install hurricane roof straps
- Install a safe room or storm shelter built to FEMA guidelines

Earthquake Mitigation



- Strengthen and retrofit masonry buildings and concrete facilities that are vulnerable to ground shaking
- Install window film to prevent shattered glass injuries
- Anchor rooftop mounted equipment

Be Prepared for Tomorrow: Make a Disaster Plan Today

A well-designed disaster plan makes all the difference for the safety of you and your employees. It's time to revisit yours—or make a new one.

As a small business owner, you're no stranger to planning. You've done your best to account for every anticipated roadblock during your journey to entrepreneurial success. But what about the unforeseen? If the COVID-19 pandemic has taught us anything, it's that preparing for the unexpected is equally important. We're talking about disasters.

Disasters can come in a variety of forms: storms, cyberattacks, downturns—even global health crises. Each of these threats presents its own unique set of challenges, and there is often no one-size-fits all solution. The good news is there are programs and other resources in place to help you overcome these challenges.

Rebuilding Stronger is Within Reach

Take steps now to protect your home or business and reduce property damage with the help of the SBA. Those affected by a disaster can rebuild stronger and increase resiliency by increasing their SBA disaster assistance loan up to 20% of the verified physical damage to make mitigation improvements. Generally, borrowers have two years after loan approval to request an increase for higher rebuilding costs, code-required upgrades, or mitigation. SBA approval of mitigating measures is required before any loan increase can be made. There is no cost to apply, and you are under no obligation to accept a loan if approved.

The SBA is committed to helping the small business community prepare for and navigate the greatest obstacles facing entrepreneurs today, including disasters. Here are a few steps you can take to make or improve your disaster plan.

DEVISE A PLAN BASED ON YOUR RISK

Disasters vary by industry and region. Likewise, the steps you take before, during, and after an event will depend on disaster type. Not sure how to prepare for or respond to a specific kind of disaster? Check out this emergency preparedness guide from the SBA: [sba.gov/prepare](https://www.sba.gov/prepare).

Regardless of what disaster strikes, knowing how to communicate with your employees and stakeholders will make all the difference. Be sure you have the latest contact information available for your staff to access virtually. When phone lines are down after a disaster, two-way radios or an alert notification system (ANS) come in handy.

BUILD YOUR EMERGENCY KIT

An emergency kit should be kept on-site at your business at all times—just in case. Essentials include, but are not limited to:

- First-aid kits
- Non-perishable foods
- Medicines
- Bottled water
- Masks and sanitizers
- Flashlights and battery-powered radios



The quantity of your items is just as important as the quality: Make sure you have enough supplies in your emergency kit to last you a few days. In case of power outages, a backup generator might also prove valuable.

PREPARE BEFOREHAND, EXECUTE AFTER

Checking with your insurance provider before a disaster looms is always a good rule of thumb. That way, you can understand your coverage plan and opt for any necessary policy upgrades. You should also physically secure your business location. Doing so can reduce damage and, most importantly, ensure the safety of your staff. For example, in preparation for a hurricane, you will want to turn off all non-critical devices, install windstorm shutters or plywood over windows and doors, remove all loose debris from outside, and shut off your natural gas supply. You can further

protect your business by backing up data and making it accessible off-site in the event your technology is damaged.

PREPARE AT HOME, TOO

It's important to remember that your home and family should be equally as ready for disasters as your business. That's why you'll want to implement all the same measures to protect your family and personal property from disasters. Your household should understand what to do when faced with a disaster scenario. In addition, homeowners or renters' insurance, emergency plans, and kits are critical to ensure your household is safe before and following a disaster.

The SBA stands ready to support you through any adversity that may come your way. Should a declared disaster occur, you can find disaster assistance at [sba.gov/disaster](https://www.sba.gov/disaster).



How the SBA Helped Me Succeed

U.S. Air Force veteran Gary Rosenfield is proof that even the most devastating disasters are no match for a tenacious business owner with the SBA in his corner. As owner of RCS Rocket Motor Company, Gary has seen his business become the world's largest producer of solid composite propellant model rocket motors. But that success hasn't come without its share of obstacles. In addition to relocating RCS to Cedar City, UT, in the aftermath of a destructive fire, Gary, like millions of business owners, was tasked with navigating the challenges of the COVID-19 pandemic. These setbacks would have grounded many businesses, but Gary was resilient. He relied on SBA funding programs—from 7(a) and 504 loans to PPP and COVID EIDL—to power his business through and expand.

Gary Rosenfield, owner of RCS Rocket Motor Company in Cedar City, UT.



How the SBA Helped Me Succeed

Entrepreneurial success requires continuous learning. Just look at **Kaye Boehning**. While she was working toward her CPA certification, Kaye discovered a passion for teaching through her 18-month-old child. She decided to turn that passion into a business. When Kaye opened Tomorrow's Promise Montessori School in Huntsville, TX, however, she didn't know how to hire employees or fill out paperwork. That changed with the help of her local Small Business Development Center. Fast forward 24 years, and another learning curve came along: keeping her business afloat during the COVID-19 pandemic. Kaye persevered. Thanks to PPP and COVID EIDL loans, she was able to stabilize her business, keep and hire new employees, and acquire a new bus for her students. Kaye has since increased her enrollment and opened a second location.

Kaye Boehning, founder of Tomorrow's Promise Montessori School in Huntsville, TX.

Surety Bonds

SBA-backed surety bonds help small businesses bid on or secure contracts.

Eligible small businesses in the construction, supply, manufacturing, and service sectors better compete for contracting and subcontracting jobs using SBA-backed surety bonds.

HOW YOU BENEFIT

Surety bonds help small businesses receive the bonding assistance they need to secure contracts by providing the customer with a guarantee the work will be completed.

HOW SURETY BONDS WORK

Many contracts require surety bonds, which are offered by surety companies. The SBA guarantee provides an incentive for surety companies to work with small businesses that would normally not be able to obtain the bond.

IS THE PROGRAM RIGHT FOR YOU?

Small businesses that often come to the SBA for surety bonds:

- Startups and firms in business less than three years
- Businesses with credit issues or internally prepared financial statements
- Those who can't secure bonding through regular commercial channels
- Subcontractors with a desire to establish their own bonding as a prime contractor
- Those wishing to increase their current bonding limits



Courtesy of Getty Images

GUARANTEES AND REIMBURSEMENTS

For all contracts and subcontracts up to \$6.5 million, the SBA guarantees bid, payment, performance, and ancillary bonds issued by surety companies. For federal contracts up to \$10 million, the SBA makes a guarantee—if it's in the best interest of the government.

The SBA reimburses surety companies, in case of default, up to 90% of losses sustained for:

- Veteran and service-disabled veterans
- Minority small businesses
- 8(a)-certified small businesses
- HUBZone-certified small businesses
- All projects up to \$100,000

The SBA reimburses up to 80% for all other small businesses.

NEED A SURETY BOND GUARANTEE FAST?

For contracts under \$500,000, the process is streamlined using the SBA QuickApp program:

- Easy application submitted to SBA-authorized agents approved within hours
- No need to submit financials to the SBA
- Online applications

READY TO START?

The SBA partners with 32 surety companies and hundreds of bonding agents. Find authorized agents at sba.gov/osg. Do you want to discuss the advantages of the SBA Surety Bond Guarantee program? Contact a bonding specialist:

Tamara E. Murray
(303) 995-5786
suretybonds@sba.gov



Contracting

From Emerging Entrepreneur to Enterprise

SBA contracting opportunities have helped Wonderlyn Murphy follow her father's footsteps toward small business success in Springfield, MA.

Oftentimes, an interest in entrepreneurship is a trait that's passed down from generation to generation. Wonderlyn Murphy is living proof. The daughter of a general contractor, Wonderlyn's path didn't always fall into step with the family's business legacy. Not right away, at least. But while working full-time as a correctional officer in 2004, Wonderlyn decided to start her own company, building houses part-time in Springfield, MA. It was then that the idea for City Enterprise was born. With the groundwork laid, Wonderlyn knew she would need support for City Enterprise to reach its full potential.

CHALLENGE

While out at dinner with family one night, Wonderlyn's father, who owned his own SBA 8(a) certified contracting firm, asked a question that would change the trajectory of her business: "Why don't you get your 8(a)?" Wonderlyn wisely decided to take his advice. She extensively researched the SBA's 8(a) Business Development program and began the application process. That's when she realized that she, too, had experienced unique challenges as a black woman in the industry. Unfortunately, she also discovered that she did not meet program criteria due to her part-time status and lack of experience. But Wonderlyn was not discouraged.

SOLUTION

Wonderlyn began laying a foundation for success while she waited to reapply, committing herself to reinforcing her portfolio as a general contractor and building relationships with agencies she wanted to do business with. A year later, her application was approved for 8(a) certification. The economy at the time, however, was tenuous. Understanding that contracts would be limited, Wonderlyn made the most of her time by connecting with her local Procurement Technical Assistance Center (now APEX Accelerators). There, she received access to numerous education resources that she could leverage to strengthen her business.



Wonderlyn Murphy, founder of City Enterprise in Springfield, MA.



Wonderlyn Murphy, founder of City Enterprise.

BENEFIT

The federal marketplace eventually stabilized, and City Enterprise was able to fully reap the benefits of its 8(a) certification. The firm, which is also certified through the SBA as an Economically Disadvantage Woman Owned Small Business, has forged a strong reputation as a full-service general contractor specializing in government, municipal, and commercial projects. So strong, in fact, that Wonderlyn was honored as the 2023 8(a) Graduate of the Year for her state.

A true testament to the value of perseverance and resourcefulness, Wonderlyn embodies the spirit of America's small business community. "There was never any doubt that 8 (a) certification was what I needed to propel the business to the next level," she says. "I am extremely grateful for the support and pathways that the program opened for the company."



Courtesy of Getty Images

5 TIPS FOR SUCCESS

- ✓ **Get up to speed.** There are many acronyms, programs, and requirements related to government contracting. Start with the SBA's Contracting Guide to expand your knowledge: sba.gov/federal-contracting.
- ✓ **Assess your capacity.** Your small business must meet some basic requirements before you can compete for government contracts. Use the SBA's assessment tool to evaluate your capacity to compete in the federal marketplace: sba.gov/brand/assets/sba/resource-partners/SBA-GovernmentContracting-factsheet-en.pdf.
- ✓ **Don't go it alone!** Get support from an experienced professional. Reach out to your local SBA district office, Procurement Center Representative, APEX Accelerator, or one of the SBA's many resource partners, including SBDCs, WBCs, VBOCs, and SCORE chapters – which you can access through the SBA website: sba.gov/local-assistance/resource-partners.
- ✓ **Leverage your network.** Tap industry contacts to identify opportunities to subcontract or find a mentor. Subcontracting to a prime contractor can help you build relationships and past performance. Use the SBA Subcontracting Network database (https://subnet.sba.gov/client/dsp_Landing.cfm), which connects businesses with subcontractors and small businesses with contract opportunities. Once you identify a mentor in your industry to show you the ropes, consider formalizing the relationship with an SBA approved mentor-protégé agreement to open up joint venture opportunities.
- ✓ **Get certified.** Make sure you have the most current industry-related certifications and consider whether your firm is eligible for small business set-aside contracting opportunities based on the socioeconomic status of the owner or locations of the firm's principal office: sba.gov/federal-contracting/contracting-assistance-programs.

BY THE NUMBERS

The U.S. government is the largest single purchaser of goods and services in the world, awarding over \$560 billion in prime contracts annually for everything from biopharmaceutical research to IT support to accounting services to green building architecture. There is a real need for innovative small businesses to provide their wealth of talents and ideas to the federal government to bolster our supply chain, advance our economy, and keep our country safe, which is why Congress has established annual goals for governmentwide contract spend in five categories.

SMALL BUSINESS CATEGORY	GOAL
Small Business	23%
Small Disadvantaged Businesses	13%
Women-Owned Businesses	5%
HUBZone-Certified Businesses	3%
Service-Disabled Veteran-Owned Businesses	5%



Courtesy of Getty Images



How to Do Business with the Government

- 1. Make sure you are procurement ready!**
Tap into SBA assessment tools and tips or consult your local Small Business Development Center ([see page 12](#)) or APEX Accelerator (formerly Procurement Technical Assistance Center) adviser to expand your capacity to compete successfully. Find your closest center at aptac-us.org.
- 2. Attend an SBA district office contracting workshop.** Visit sba.gov/localassistance to find your local office.
- 3. Identify your product or service number** at census.gov/naics.
- 4. Register on the System for Award Management (SAM.gov)** to see if any federal agencies are looking for your product or service. Search the SBA SubNet database for subcontracting opportunities.
- 5. Research SBA certifications** like the 8(a), HUBZone, Woman-owned, and Service-disabled Veteran-owned small business programs. Review eligibility at www.sba.gov/federal-contracting/contracting-assistance-programs.

SBA Certification Programs

Your business could earn profit and gain valuable work experience by providing goods or services to the government.

Contracting certification programs are designed for you to better compete for and win federal contracts set aside for small businesses. Visit sba.gov/contracting to learn more about set-aside contracts and whether one or more of these government certification programs is right for your business. To see if you're eligible and to then certify as 8(a) or for the Mentor-Protege Program, visit certify.sba.gov. For the Women-owned Small Business Program, visit beta.certify.sba.gov.

8(A) BUSINESS DEVELOPMENT PROGRAM

Entrepreneurs who are socially and economically disadvantaged may be eligible to receive business training and government contracting assistance through the 8(a) Business Development Program: sba.gov/8a. Businesses that participate in the program receive training and technical assistance designed to strengthen their ability to compete effectively in the American economy.

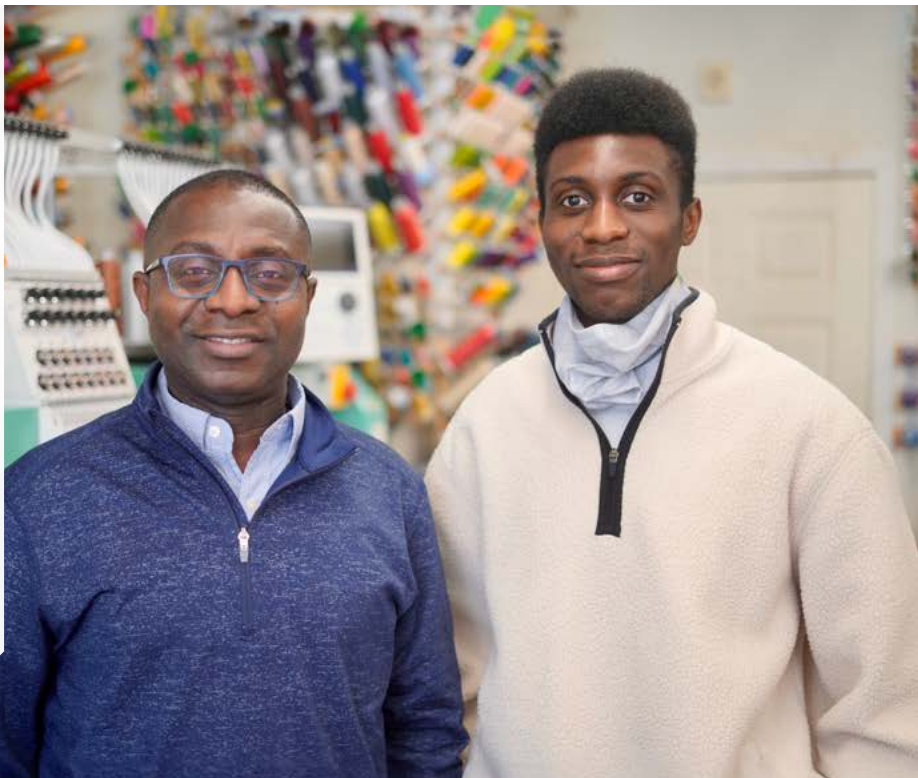
Small businesses owned by Alaska Native corporations, Community Development Corporations, Indian tribes, and Native Hawaiian organizations are also eligible to participate in the program. Small business development is accomplished by providing various forms of management, technical, financial, and procurement assistance.

To qualify for the 8(a) program, businesses must meet the following eligibility criteria:

- Be a small business
- Not have previously participated in the 8(a) program
- Be at least 51% owned and controlled by U.S. citizens who are socially and economically disadvantaged
- Have a personal net worth of \$850,000 or less, adjusted gross income of \$400,000 or less, and assets totaling \$6.5 million or less
- Demonstrate the potential for success, such as having been in business for two years

How the SBA Helped Me Succeed

The SBA has helped a family craft a multigenerational business in Pittsfield, MA. After immigrating from Ghana, **Alfred Enchill** started Elegant Stitches in the basement of his home using savings from his job with the U.S. Postal Service. The business would blossom into a custom embroidery, screen-printing company, and cut-and-sew manufacturer. But to be able to compete for larger contracts and bigger jobs, Alfred knew he needed some guidance. He found it through the SBA. Alfred linked up with a Procurement Technical Assistance Center (now Apex Accelerators) to get his foot in the door with government contracting. As a result, he was able to achieve his SBA 8(a) certification and secure his first contract with the U.S. Army. Alfred has since brought his son into the family business as Elegant Stitches looks to expand even further.



Alfred Enchill, owner of Elegant Stitches in Pittsfield, MA, along with son, Auric.



How the SBA Helped Me Succeed

Small business success isn't solely defined by building a thriving business from the ground up. It's also about taking that business to the next level. That's what **Amy Carnrick** has done in Denver, CO. Foster Plumbing was already an established, successful business when Amy acquired it in 2018, but her goal was to take it to the next level. The SBA helped with that. Amy achieved SBA certification as a Women-Owned Small Business, which empowered her to pave the way for other women entrepreneurs working in the plumbing field—a traditionally male-dominated industry. Her certification status has helped her obtain large contracts with clients such as Denver Public Schools and Red Rocks Amphitheater. As a result, Amy has been able to give back. She started an apprenticeship program for women, which pays for employees to attend trade school.

Amy Carnrick, owner of Foster Plumbing in Denver, CO.

Socially disadvantaged: Those subjected to racial or ethnic prejudice or cultural bias without regard to their individual qualities because of their identity as members of certain groups.

Economically disadvantaged: Those whose ability to compete in the marketplace has been impaired because they have not had as much capital and credit opportunities compared to others in the same or similar line of business.

The benefits of the 8(a) program:

- Efficiently compete and receive set-aside and sole-source contracts.
- Receive one-on-one business development assistance during the nine-year term from dedicated Business Opportunity Specialists focused on helping firms grow and accomplish their business objectives.
- Pursue opportunity for mentorship from experienced and technically capable firms through the SBA Mentor-Protégé program.
- Connect with procurement and compliance experts who understand regulations in the context of business growth, finance, and government contracting.
- Pursue joint ventures with established businesses to increase capacity.
- Qualify to receive federal surplus property on a priority basis.
- Receive free training from the SBA's 7(j) Management and Technical Assistance program.

What is an 8(a) sole-source contract? A direct awarding of a contract to an 8(a) small business that can provide the needed services. This is an accelerated process that saves time for both you and the government agency or office.

HUBZONE

The HUBZone program fuels the growth of small businesses in historically underutilized business zones (HUBZones) by providing certification for preferential access to federal contracts. Businesses located in HUBZones can gain special access to federal contracts by being certified by the SBA to participate in the HUBZone program, sba.gov/hubzone. To qualify for the certification, your small business must:

- Be owned and controlled by U.S. citizens, a Community Development Corporation, an agricultural cooperative, an Indian tribal government, an Alaska Native Corporation, or a Native Hawaiian Organization.
- Have a principal office located in a HUBZone. Enter your address in our interactive map to see if your firm may qualify: maps.certify.sba.gov/hubzone/map.
- Have at least 35% of your employees living in a HUBZone.

SERVICE-DISABLED VETERANS

If you're a service-disabled veteran looking to enter the federal marketplace, you may be eligible for this small business certification. The veteran business certification program transitioned from the Department of Veterans Affairs to SBA effective January 1, 2023. After this transfer, a service-disabled veteran can apply for certification through SBA to become eligible for contracting set-aside preferences. To determine your eligibility, connect with your local Veterans Business Outreach Center, contact a veterans business development officer at your local SBA office, or visit sba.gov/sdvosb.

Woman-Owned Small Business Certification

Get certified so you can more easily compete for government contracts.

1. Make sure you're eligible

- The business must be owned and controlled by one or more women who are U.S. citizens.
- A woman must hold the highest officer position.
- Women must manage the daily business operations on a full-time basis and conduct long-term decision making and planning. To qualify as an economically disadvantaged woman-owned small business, the business owner and/or manager must also meet certain income and asset requirements. Find out more at [sba.gov/wosb](https://www.sba.gov/wosb).

2. Register

Register with the System for Award Management (www.SAM.gov) to start doing business with the government.

3. Certify

Submit your documents to certify.sba.gov. The SBA offers free certification as of 2020. You can also obtain certification from one of the SBA's approved third-party certifiers (which costs a fee):

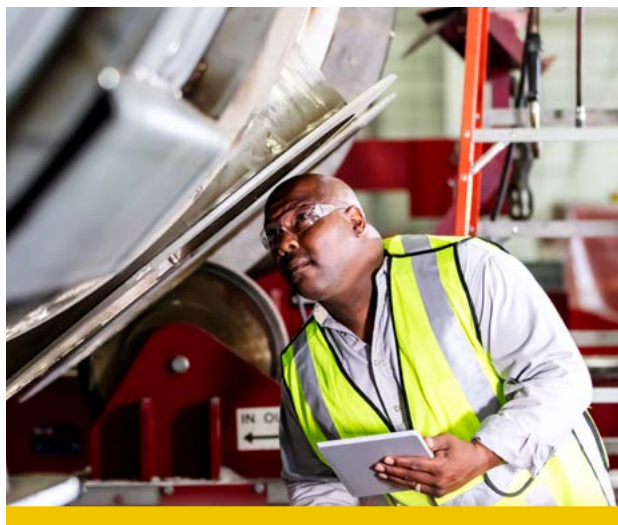
- El Paso Hispanic Chamber of Commerce
- National Women Business Owners Corp.
- U.S. Women's Chamber of Commerce
- Women's Business Enterprise National Council

4. Update your status

Update your status as a woman-owned small business in [SAM.gov](https://www.SAM.gov).

5. Search the database

Search [SAM.gov](https://www.SAM.gov) for your new business opportunity. You must receive your certification prior to submitting an offer on a contract set aside for a woman-owned small business.



Courtesy of Getty Images

Get Expert Contracting and Certification Help

Federal contracting can be complex, but you don't have to do it alone. A Procurement Technical Assistance Center adviser can help you determine if your business is ready for government contracting. An adviser can also help you register in the System for Award Management ([SAM.gov](https://www.SAM.gov)) and see if you're eligible for any small business certifications and/or programs. Visit [sba.gov/localassistance](https://www.sba.gov/localassistance) to find one-on-one counseling that is free or low cost ([see page 8](#)).

SBA MENTOR-PROTÉGÉ PROGRAM

Looking for an opportunity to partner with a more experienced firm for mentorship? That effort can be rewarded in the SBA Mentor-Protégé program, [sba.gov/mpp](https://www.sba.gov/mpp). While you're gaining invaluable direction and experience, you and your mentor can compete for government contracts, further growing your business.

To qualify for this program:

- Protégés must have a mentor prior to applying for the program. Visit your local SBA office for guidance. Ask about the SBA's Resource Partners and the Procurement Technical Assistance Program for help in connecting you with a mentor business.
- You must be certified as a small business within your NAICS industry classification ([census.gov/naics](https://www.census.gov/naics)).
- Mentors and protégés must be organized for profit or as an agricultural cooperative.
- Mentors can't own more than 40% equity in the protégé's business.
- An SBA determination of affiliation must not exist between the mentor and the protégé.
- Approved SBA MPAs receive an exclusion of affiliation for contracting purposes.



Measure Your Business Size

The government reserves certain contracts for small businesses. Your business could compete for and profit from these set-aside contracts.

See if your business qualifies as small for federal government contracting.

Visit [sba.gov/size-standards](https://www.sba.gov/size-standards). Enter NAICS code(s) + annual average revenue or number of employees to see if your business qualifies as small.



How the SBA Helped Me Succeed

The true power of the small business community lies in its ability to make impacts that extend well beyond the economy. **Tribal One Construction** is a shining example. After regaining federal recognition in 1989, the Coquille Tribe chartered this corporation. Realizing the local data and communications infrastructure was underdeveloped, Tribal One constructed a 75-mile fiber network serving rural Oregon. While this accomplishment was impressive in its own right, Tribal One knew they had to expand beyond their local market to advance their mission. They enrolled in the SBA's Mentor Protégé Program, a decision that would eventually lead to an SBA 8(a) certification. Enabling tribally owned corporations to receive federal contracting preferences, training, and technical assistance, the program is helping Tribal One build on a proud legacy.

Employees of Tribal One Construction.

Small Business Resource Guide

2024 National Edition

sba.gov



SCAN TO
VIEW ONLINE



*All SBA programs and services are extended on a nondiscriminatory basis. While every reasonable effort has been made to ensure that the information contained herein was accurate as of the date of publication, the information is subject to change without notice. Neither the Contractor, the Federal Government, nor agents thereof shall be held liable for any damages arising from the use of or reliance on the information contained in this publication.