

The

**AMP'D**

Guide To

**SETTING UP  
A SMALL BUSINESS**

TEN SIMPLE STEPS TO GO FROM  
IDEA TO OPERATIONAL



# *Hi I'm Shanna*

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Within this Guide, we'll discuss the logistics of starting a business. For more than 15 years, I've helped clients develop their business models, but have also set up and ran several small businesses myself. I launched Details, an event management company in 2004, independent book publisher Window Seat Books in 2012, Farm Fresh Kansas in 2014, and Ampersand Business Solutions in 2015, which is the umbrella under which the AMP'D brand lives. What's AMP'D? Small, digestible, and easily actionable resources to help small business owners discover new possibilities. These resources can help someone decide if they want to start a small business and the actions to take to get started.



In another Guide we'll work through the psychology of small business ownership and uncovering the unique value you bring to the world. This guide is all about the logistics, and some of the things I get asked about most often. "How do I start a business?" I hope this helps you get started on your journey. Just in case you were wondering, I'm not an accountant or an attorney, so please consult professionals with your specific questions. er many web sites still in their infancy.

**Shanna Goodman**

Creator of AMP'D, Contributor for Business Insider, Thrive Global, Medium, and a Mogul Influencer

# 1. PICK A NAME

*A rose by any other name is still a rose, right?*

*This could actually be step two, but I like to assign projects a name in my head, so this is usually where I start.*

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What's the name of your business? There are a few things to consider. It needs to be easy to say, simple to remember, able to get a website domain in some variation, and not have a lot of noise associated with it.

Do some research on Google. What comes up when you type in the name you have in mind?

Don't have a name in mind? Here are some ways we've helped clients brainstorm business names. Brainstorm categories of words: words known in the industry you're in, words having to do with the type of work you'll be doing, words that have to do with your values, words that describe an area or region you'll be servicing.

For instance, we helped a CBD oil company come up with a name, starting with a facilitated brainstorming session with their team. During that conversation, our goal was to come up with as many words as possible that could help create the identity for which they wanted to be known for. (Notice we didn't even start talking about names yet).

- \_\_\_\_\_ Farm
- \_\_\_\_\_ Organics
- \_\_\_\_\_ Benefits
- \_\_\_\_\_ Naturals

It was important for the company that the brand identity be educational and offered reassurance of health. The name needed to be easy to remember and easy to type (to search online). The message needed to be conveyed in a way that would resonate with the buyer personas included: appeal to purity, skepticism of big pharma, and the appreciation for companies motivated by product quality (as opposed to being solely interested in profit).

# *Naming Case Study*

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A CBD company launching to grow hemp and produce CBD products. We helped them identify categories of words that would help identify to consumers what the company does, what they represent, what the benefit to consumer could be, and what feelings could/should be associated with the company and/or products.

## **Categories brainstormed:**

Geographic region, agriculture/ farm, words related to simplicity or purity, health

## **Geographic region:**

Kansas, State Fair, Native, Willow, Prairie, Bluegrass, Bluestem, Tallgrass

## **Agriculture/ farm:**

Blue Ribbon, Planting, Harvesting, Open Skies, Homegrown, Handmade, Farm, Farm-to-Table, Green, Fresh, Fields

## **Simplicity/ purity:**

Simple, Simply, Pure, Tranquil, Serenity, Breeze, Wind, Grass Swaying, Gentle, Easy

## **Health:**

Elevate, Pain free, Natural, Organic, Soothing, Relief, Well being, Healthful, Health

# *Naming Case Study*

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## **Formulas used:**

Geographic + Farm + Suffix 1, Purity + Farm + Suffix 2, Purity + Suffix 3, Health + Suffix 4

## **Options created:**

Prairie Harvest Organics, Homestead Harvest, Homegrown Health, Blue Ribbon Naturals, Blue Sky Farm, Bluegrass Health Organics, Blue Ribbon Farm, Blue Ribbon Naturals, Pure Harvest Organics, Blue Ribbon Organics, Peaceful Prairie Naturals, Well Life Organics, Honest Farm Naturals

Some options just sounded silly, of course, but some sounded pretty good. The top 7 potential names were then researched for any open or pending trademarks and search noise (ie what comes up when typing the name into Google).

### Questions when searching Google:

Is there someone in my line of business in my market (where I'll be servicing) that already has this name? Search "Kansas Prairie Naturals" and see what you find.

I went through this exercise several years ago for a banking client that was changing its federal chartered bank to a state charter and needed a new name ("National" could no longer be used in its name). There were a couple of names that were knocked out of the running because the name plus the service area in a Google search brought up a failed bank of that same name within a 40 mile radius. The last thing a bank wants to be confused with when making a shift like this is a bank that has failed.

### What do you want people to think of when they hear your name?

This is the very foundation of positioning, the concept of telling people what and how to think of you. The bank mentioned above wanted to be known for security, stability, community, and for being family owned. It was also (in its five year plan) expanding from two branches to many more, so they thought a regional name would help that transition feel more natural.

The CBD company wanted people to think of health and wellness, but also wanted to give assurance since CBD was relatively new to its market. It was a family owned company and wanted to assure people. "Farm to family" is a tagline we ended up deploying.

Finally, do a trademark search to make sure that one does not already exist for the name you had in mind.

## 2. DETERMINE BUSINESS STRUCTURE

*Your business structure will determine how you file your income taxes and will be one of the most important decisions you make in starting a business.*

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This structure will determine how your business will be taxed, done incorrectly it could throw up red flags to be audited, or even create a situation in which you are double taxed. I REPEAT. DON'T SPACE OUT ON THIS SECTION.

In what line of work will you be engaging? If you're freelance grant writing, you can probably just be a sole proprietor. If you're starting a marketing service and plan to work with a team of people (employees or independent contractors), an LLC would likely be the appropriate business structure. That will separate the finances of your business from your own (though you'll likely be using your own capital as startup). S-Corps are another type of business that are a little bit more complicated with a board of directors.

The businesses I've owned have been a sole proprietorship (Details Event Planning), single owner LLC (Window Seat Books), single owner LLC (Farm Fresh Kansas, Ampersand Business Solutions), then a multi member LLC when I brought on a business partner to Ampersand.

Some things to consider when making this decision are: will you be selling a service or selling product? (Sales tax will need to be collected if selling goods, but not services).

**TIP:**

Contact your tax professional to ask for advice. Tell them what you're hoping to accomplish and they can help guide you. You can research and determine the best business entity for you at [IRS.gov](https://www.irs.gov). You can also click on the graphic below for some more detailed descriptions on structure.



**You will likely need to complete and submit an EIN application.**

An employer identification number (**EIN**) is a nine-digit number assigned by the IRS. It's used to identify the tax accounts of employers and certain others who have no employees.

The IRS uses the number to identify taxpayers who are required to file various business tax returns. If you answer "yes" to any of the questions on this IRS page, you'll need an EIN.

You can learn more about this topic on the IRS page "How to Apply for an Employer Identification Number". Again, if you have questions about this, contact your tax preparer.

The easiest way I can think to describe it is that your business EIN is the equivalent of your personal social security number. Proof of an EIN is often required when opening a business bank account (more on banking later).

# 3. REGISTER YOUR BUSINESS WITH THE STATE

*Now that you've decided entity and name, you're ready to register your business name with the appropriate authorities.*

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Register business with the state you live in. Each state will have slightly different requirements, so be sure to research thoroughly. Registering a business name is part of the process in creating and registering LLCs and corporations, but if you're starting a sole proprietorship (ie using your social security number to set up a business) or operating under a different name, you may need to file a DBA (a "doing business as" name).

For instance, if Matt Smith starts a hardwood flooring company as a sole proprietor, but wants to advertise/ be known as Smith Hardwood Floors, he will need to fill a DBA with the state he lives in. Also, this is necessary if he wants to set up a checking account as Smith Hardwood Floors and receive checks under the same name. Otherwise, in the circumstance of a sole proprietorship, any checks made to you will need to be made out to Matt Smith.

# *BUY YOUR DOMAIN*

Technically, this is part of the “launch a website” step further down, but I like to take this step at this time because it’s foundational.

Website domains can be searched for availability then purchased at [godaddy.com](https://godaddy.com), [hostgator](https://hostgator.com), etc. We use [godaddy](https://godaddy.com) now, but used [hostgator](https://hostgator.com) for years before that. (We’ve found [Go Daddy](https://godaddy.com)’s customer service to be really great, but have also used [HostGator](https://hostgator.com) and [Amazon Web Services](https://aws.amazon.com)).

## 4. SET UP BANKING & MONEY COLLECTION

*Next, you'll set up a business checking account at your bank. I prefer to use the same bank as personal use because it's easier for me, they know me, and I like all my things at one location.*

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A business checking account can be set up with a small deposit and your business registration papers. If it's a multi member LLC, all members, or at least managing members, will need to be on the accounts with personal information such as social security numbers and have signature cards on file. I also like to set up a savings account at the same time so that I can easily transfer money for taxes from the very beginning.

If you're planning on accepting credit card payments, this is also a service your bank should be able to handle, if it's not something you're doing in an invoicing software.

Order checks and a debit card. You may not be able to open a credit card through another bank, but you probably could with your bank. This can give you access to a small amount of capital at little risk while you're bootstrapping your startup.

Later, you can switch to a rewards-yielding type of credit card. (I use Chase Southwest Rapid Rewards for business and personal use. The points add up and allow my family and I to travel very inexpensively numerous times every year).

**TIP:**

Have your checks start at 1001. Most businesses won't take a starter check or anything in the 100s. This is mostly a non-issue at this point since most transactions are electronic (checks included), but a larger check number gives the perception of being established.

# 5. SET UP ACCOUNTING & INVOICING SOFTWARE

*You'll need account logins to connect your accounting software to your other monetary services.*

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In 2004 with my event management business I just used paper invoices and accepted paper checks (I only had one client before I moved on to something else), which was fine.

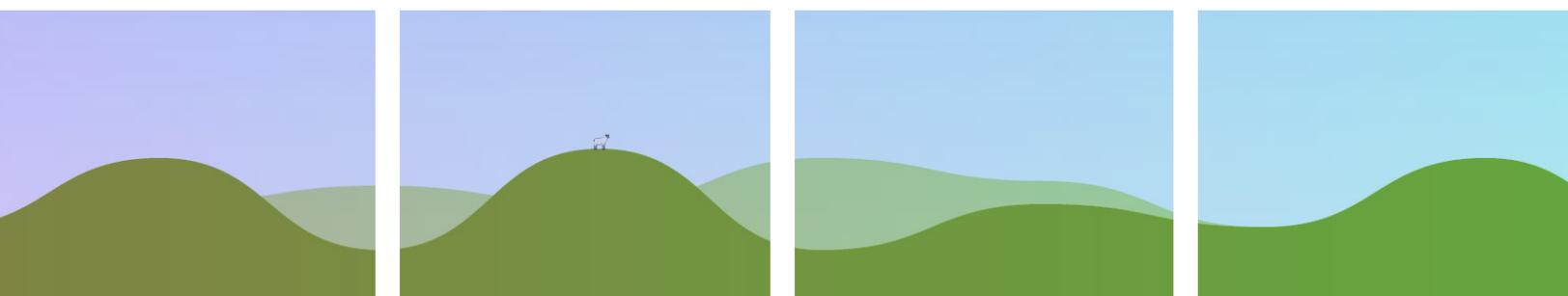
Starting with Window Seat Books in 2012, I knew I'd be invoicing clients regularly so I wanted to be able to set up automatic systems. At that time Freshbooks suited my purposes fine, which is also what I started with for Ampersand Business Solutions, transitioning to Quickbooks later when we had more resources and our needs were more complex than Freshbooks could handle.

Start your invoicing number in the triple digits as nothing will scare off a client like receiving an invoice that's numbered in single digits.. You don't want to lose credibility before you even get started and Quickbooks makes it easy to start with whatever invoice number you want.

If your service will be invoiced monthly and your clients are willing to give you a credit card number, I highly recommend creating an automatic process within Quickbooks. That will decrease hours of administration monthly and minimize the risk of not getting paid. This monthly payment can be set up as a recurring “sales receipt” within Quickbooks, with a client credit card assigned to process automatically.

If your client is to be billed regularly, but will be paying with a check or entering their credit card each time, you can easily set up “recurring invoices”. You’ll have the option to choose the date sent every month and is a great way to automate payment.

If Quickbooks freaks you out as it did me, thankfully there are online courses you can take that can give you the foundational information needed to get started. I took a 4-6 hour class on Lynda.com years ago called The Essentials of Quickbooks and it has been worth every penny and minute invested. Lynda.com is even free at many libraries with a library card.



# 6. LAUNCH A WEBSITE

*This may sound daunting, but it doesn't have to be. There are several consumer friendly website services that can make this easy.*

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A website is a necessity; it's no longer just nice to have- it's how your customers will find you and know what to do to use your service or buy your product. Consider your website your prime real estate... it really is the modern day storefront regardless of what type of business you're in.

You're going to need to pick a hosting plan; this is where your website lives on the internet. You can buy a plan that is managed (ie GoDaddy or whoever manages the server your site is on), or you can just pay for server space.



Wordpress has been our go-to over the last few years. It's a simple but really robust platform which allows infinite customizations, plugins, and integrations that work for a lot of small businesses. Squarespace and Wix are pretty easy to set up with drag and drop "design" interfaces. (My dad, one of the least technical people I know, even made his own Squarespace website in an hour one afternoon.... Without any help!)

The drawbacks of Squarespace and Wix are that they aren't very robust for SEO on the backend, meaning Wordpress makes it really easy for search engines to crawl a Wordpress site for keywords, which helps you rank higher when someone is searching for something you want to be found online for.

If this sounds daunting, launch a simple splash page until you can call in reinforcements. This page can be something GoDaddy offers that allows you to activate one page that describes your business and how to contact you to get started.

# 7. CREATE CONTACTS

*First, set up an email. This may seem unnecessary, but I can assure you that nothing looks more unprofessional for a new business than the contact information being listed with a yahoo or gmail account.*

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You might think that “sassypants78@yahoo.com” is just fine, but your customers won’t be impressed. In the cpanel of your website hosting you’ll have an option to create an email. Then, one of the easiest things we’ve found to do is to then use Google Suite. This will give you the ease of a gmail account, but look completely professional. You’ll login with the email address you created on your hosting. If you own the domain and can access it easily fo

A phone number might be a necessity, depending on your line of business. There are lots of VoIP (voice over internet provider) options available that allow really low cost phone services through an app or web based provider. One app that we’ve used for a long time has been Grasshopper.

How it works is that you set up an account online, then download the app to your smartphone and your business phone number will ring directly to your cell phone... but clients won’t know it’s your cell phone. You’ll get the option of having an 800 number, local area number, or both. This will also allow dedicated extensions for team members, which you can set up on the Grasshopper website.

# 8. ORGANIZE COMPANY INFORMATION

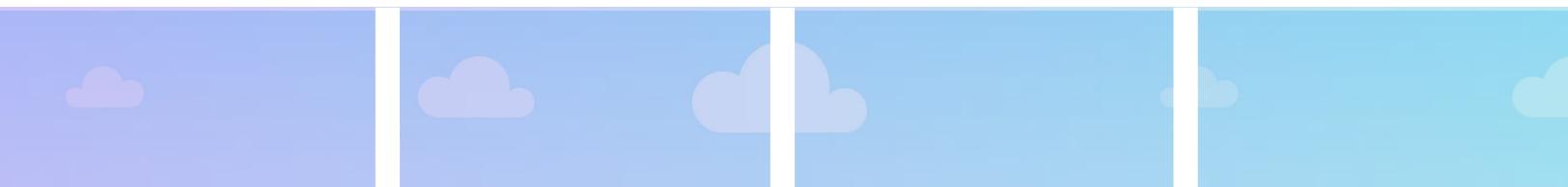
*The Google Suite makes this really easy. Instead of emailing documents within the team, we use Google Docs for nearly everything.*

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Cloud storage allows the entire internal team and client team to view or edit the document, based on permissions you set. We often create content as articles as Ampersand Business Solutions, with the content write on our team sharing the drafted document with the brand strategist to review and add to, then sharing with the client to review and add to prior to posting on their company blog or news page.

The Google Suite includes Drive which is your own cloud storage. A structure that makes sense might be Company Files and Client Files separately. This allows us to control permissions so that the each individual client can log in to their client folder at any time and access materials and content we've created for them, without compromising the security of our own internal documents like the employee handbook or signed proposals.

This is way easier than the old days of sharing files after each person has reviewed, edited and sent to the next round of people.



# 9. CLAIM YOUR BUSINESS ONLINE

*If your website is your storefront, think of your business claims (or listings in online directories) as the new Yellow Pages.*

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Create and claim Google My Business... it will take a few steps and a mailed postcard with a code you'll enter into your account. If you've been in business for a little while before doing this, you might have some things that will need to be cleaned up.

For instance, one client's address had previously had another business registered there, which created confusion online for that address. Or if you registered an account online with a business name that you decided to change 60 seconds later, that old information might still exist somewhere.

If you own a restaurant, see if there are any directories that your business already exists, such as Yelp. Any Yelp user can add a restaurant to give a review, so it might exist even if you don't have a Yelp account. You can "claim" the business by entering in some basic information on their website.

We once had a client that provided AT&T with a misspelling of their business name and it lived online for YEARS separate from AT&T.

# 10. TELL YOUR CUSTOMERS YOU EXIST

*Hello world! Technically you were operational a few steps ahead of this, but this stage is when you can start promoting your business.*

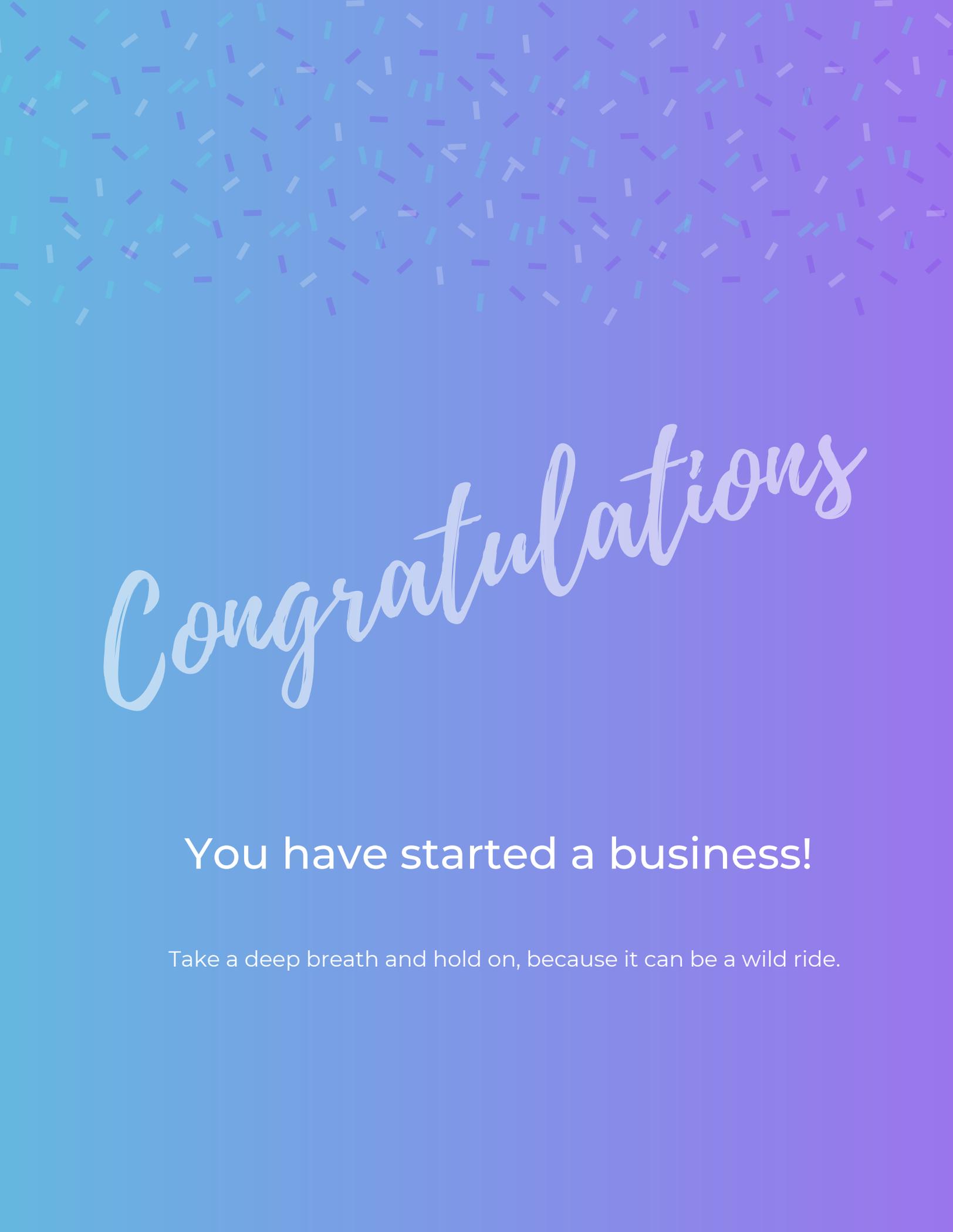
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People can't hire you if they don't know you exist. The easiest low budget way to do this is emailing your contacts with an announcement and a link to your website. It could say something like this:

*Hi, friend! I wanted to let you know that I recently started a business doing the thing I love (and describe what it is). Would you be a peach and take a look at my new website and let me know what questions or feedback you have? I'd really appreciate it before I really share it with the world!*

*Please and thank you,  
Name*

This email accomplishes a couple of things. First, it tells people you're in business. Second, you're asking for their feedback, which, hopefully, they'll take you up on. It could be that, even though you've read through your service page 47 times, you have missed a typo. It happens and fresh eyes will catch it. You can also delve further in (depending on the friend and their capabilities) and ask specifically if a certain thing makes sense and what or how they'd suggest revising it to make it more clear.



*Congratulations*

**You have started a business!**

Take a deep breath and hold on, because it can be a wild ride.

# *About AMP'D*

## **What's most important in growing a small business?**

Keeping the main thing the main thing.

There are a million tactics you could be doing and a million people telling you what you should be doing. You need focus and clarity so that you can kill it every day.

We help you overcome the overwhelm. AMP'D was developed by the Ampersand Business Solutions team, with Shanna Goodman leading the charge with 15 years of business development experience, including 5 years as a brand strategy agency owner.