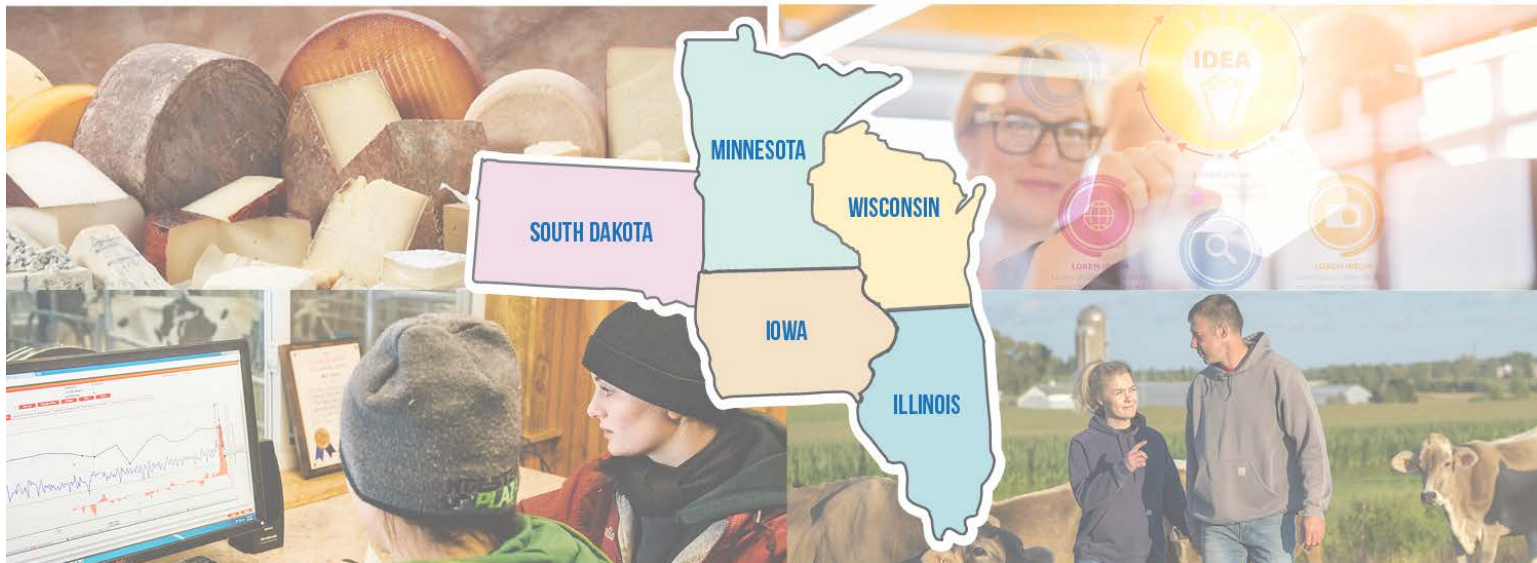


Dairy Business Innovation Alliance Webinar #2

“Getting Set Up as a Business”

DAIRY BUSINESS INNOVATION ALLIANCE



DBIA Leadership Team

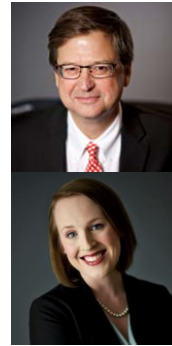
CDR

- John Lucey
Director of CDR, Professor of Food Science
- Tom Guerin
Research Program Manager
- Vic Grassman
TURBO Technology Commercialization Manager
- Karen Nielsen
DBIA Program Coordinator



WCMA

- John Umhoefer
Executive Director
- Rebekah Sweeney
Communications, Education and Policy Director



Welcome and Introductions

“Let’s Get Started”

- Summary of attendee numbers and locations
- Questions may be entered via chat box during the presentations
- If you have questions after the webinar, you can contact me at any time
- The webinar will be recorded and stored on the DBIA website so you can watch it again, and others who are not able to attend can also watch the webinar later
- Brief follow-up surveys will be sent out to ask for your feedback – “how did we do?”
- Karen Nielsen – knielsen@cdr.wisc.edu – 608-265-1491



“Let’s Get Started”

Webinar Series

- INTRODUCTION
- **BUSINESS**
- MARKETING
- PRODUCT DEVELOPMENT
- REGULATORY
- QUALITY & SAFETY
- FINANCING
- EXPORT



Our DBIA Webinar Commitment To You

Through these webinars, the DBIA wants to help you solve the most common question entrepreneurs'/small businesses' ask:

“I have this great business idea; now how do I get started?”

As you will see later in this presentation, each of the 8 DBIA webinars will:

- Focus on a specific topic and include a presentation summary of the overall concepts
- Provide the contact information of public sector resources in your state that can assist you in this topic area
- Each webinar will include a recorded interview of one of your peers who has used these resources; they will discuss their experiences and lessons learned



We Want to Help You Succeed!

This DBIA webinar series will help you answer the following questions

1. “I have a business idea; now how do I get started?”
2. “I hear I need a business plan; can someone help me write it?”
3. “What will this cost me?”
4. “Who can help me develop my product?”
5. “I do not want to get into trouble; what do I need to know about licensing, regulatory requirements, food safety, etc.?”
6. “How do I reduce the risk so that my business idea will not lose money?”
7. “Are there programs that can help me finance my idea?”
8. “Will having access to these resources help in writing grant applications?”



Webinar Outline

Webinar Objective – providing you an answer to the question below

“I have a great idea; now how do I develop a business to support it?”

- Small Business Development Centers – a new resource for dairy farm diversification with locations throughout the DBIA region
- Legal considerations for starting a small business
- Contacts to Help your Business Grow in the DBIA Region
- Discussion and questions

“Let’s Get Started!”





Getting Set Up as a Business

Michelle Somes-Booher, MBA

Center Director

Wisconsin SBDC at UW-Madison



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Agenda

- Business Planning Overview
- Flash Session-Legal considerations for starting a business
- Seek Help!
 - Small Business Development Center (SBDC) Overview
 - SBDC Testimonial



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Getting Started

Business Planning Goes Beyond the Idea

- Feasibility
- Business Model Canvas
- Formal Business Plan
- Financial Planning
- Capital Access



What's in a Business Plan?

Business Plan Key Sections

- Market and consumer research
- Industry outlook and competition
- Marketing
- Operational considerations (production and distribution)
 - Legal
 - Employees
 - Regulation
- Financial planning
- Capital acquisition

Considerations:

What business plan template should I use?

Who will read the plan?

How will I validate the plan?

What is the expiration date?

How will I use it?

Who can help me?



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Flash Session: Legal Considerations for Starting a Business

- Entity choice and tax implications
- Operating Agreement
- Employment contracts and policies
- Misclassification of employees
- Intellectual property protection
- Regulation
- Lease terms / property liability
- Protecting data & breaches

*This information is a general overview of considerations, please seek the advice of an attorney for legal advice



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Entity Selection and Operating Agreement

Key Considerations:

- Do I need a new entity
- Which entity type is best
 - LLC, C corp., Sole Prop., Partnership
- How will entity choice affect my taxes
- What's in an operating agreement
- Where do I go for advice: Accountant and/or Attorney



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Employees

Key Considerations:

- Do you have employment contracts?
 - Documentation, non-compete
- Do you have an employee handbook and/or policies?
- How are you keeping employment information safe?
- How are your employees classified
 - Exempt vs. Non-Exempt (hourly vs. salary)
 - Employees vs. Independent Contractors



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Miscellaneous

Key Considerations

- Intellectual property protection
- Regulation
- Lease terms / property liability
- Protecting data & breaches



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Seek Assistance - SBDC Overview

The Small Business Development Center (SBDC) is the most comprehensive small business assistance network in the US. There are nearly 1,000 local centers providing no-cost consultation and classes to start up and existing businesses.

- Founded in 1980
- Funded in part by the SBA (your federal tax dollars at work)

To find a center near you:

<https://americassbdc.org/small-business-consulting-and-training/find-your-sbdc/>



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America's SBDCs Latest Annual Results

America's SBDCs are the leaders in job creation and attributed measurable economic impacts.

\$5.6 billion in financing

\$100,000 every 9.4 minutes

EVERY FEDERAL DOLLAR



RETURN ON INVESTMENT

Cost vs. Revenue Generated by SBDCs

Federal Appropriation (fiscal 2018):

\$123.5 MILLION



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+ JOBS +

99,194 new jobs created

A new job every 5.3 minutes

JOB GROWTH

1.5%
national average

17.7%
average SBDC client

+ CREATE NEW BUSINESSES +

66.7%
of pre-venture
SBDC in-depth
clients start
new businesses

16,499
new businesses
started by
in-depth clients
between 2017-2018


A new business every 32 minutes

America's SBDCs play a critical role in the health of small businesses: helping access capital, providing advice on regulations, preparing for changes in the economy and technology, and responding when disaster strikes.

Source of Statistics: SBA; and the "Economic Impact of Small Business Development Center Counseling Activities in the United States: 2017-2018," by Professor James. J. Chrisman of Mississippi State University.



In Wisconsin



The Wisconsin Small Business Development Center is a statewide network supporting entrepreneurs and business owners through no-cost, confidential consulting and targeted educational programs.

Regional SBDC experts facilitate improvement and growth for small and emerging mid-size companies and help launch successful new enterprises.

<https://wisconsinsbdc.org/>



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Consulting

For established businesses that need additional help, our advisors will help you understand how to solve specific business problems or capitalize on business opportunities. For start up's, our advisors will assist with business planning and loan preparation.

Clients have worked with a UW Madison SBDC consultant to:

- Generate strong cash flow
- Be prepared to obtain financing
- Operate more efficiently and profitably
- Recruit the right employees
- Streamline marketing
- Evaluate your product line
- Plan for succession and change



Business planning and startup



Financial management



Finance and capital access



Management and strategic planning



Marketing and sales growth



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Classes

The SBDC network offers a full range of business management seminars for both established businesses and start-up companies. Our seminars offer excellent value.

Businesses have attended classes at the UW Madison SBDC to:

- Start-up and business planning
- Growing your company (financial mgt., HR, marketing, etc.)
- Leadership development
- Special programs and Certifications



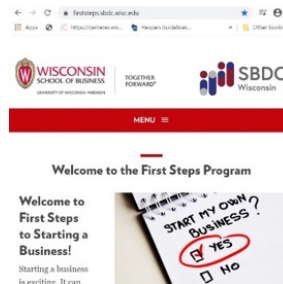
WISCONSIN SMALL BUSINESS
DEVELOPMENT CENTER



Featured Resources

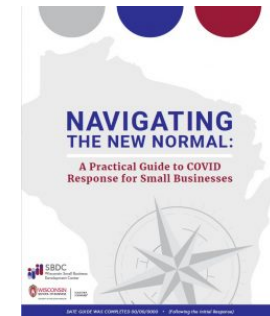
First Steps to Starting a Business

- No cost, online, on demand
- 35% completion rate
- <https://firststeps.sbdc.wisc.edu/>



Navigating the New Normal: A Practical Guide to COVID Response for Small Business

- No cost, downloadable PDF
- Focuses on planning best practices
- <https://sbdc.wisc.edu/covid-19/response-resources/>



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SBDC Testimonial

Amber works with
Kristi Smith, Wisconsin
SBDC Consultant in
Southwest WI



WISCONSIN SMALL BUSINESS
DEVELOPMENT CENTER





Small Business Development Center
Grainger Hall
975 University Avenue
Madison, WI 53706

www.sbdc.wisc.edu



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Contacts to Help Your Business Grow In the DBIA Region

Vic Grassman, CDR

DAIRY BUSINESS INNOVATION ALLIANCE



Collaborators in the 5-State Alliance

1) Illinois Department of Agriculture:

- Bobby Dowson, Agricultural Marketing and Promotion, Bobby.Dowson@Illinois.gov
- Nicole Moore, Agricultural Marketing Representative and Grant Administrator, Nicole.Moore@illinois.gov

2) Iowa Department of Agriculture and Land Stewardship:

- David Brown, Bureau Chief, Dairy Products, David.Brown@iowaagriculture.gov
- Deanna Overton, Dairy Prod. Control Bureau, Deanna.Overton@iowaagriculture.gov

3) Minnesota Department of Agriculture:

- Courtney VanderMey, Livestock Investment Administrator, Ag Marketing & Devel., Courtney.VanderMey@state.mn.us

4) South Dakota Dept. of Agriculture and Office of Econ. Development:

- Heather Rogers, Dairy Program Manager, Heather.Rogers@state.sd.us

5) Wisconsin Dept. of Agriculture, Trade and Consumer Protection:

- Ashley Andre, Policy Initiatives Advisor - Executive, ashley.andre@wisconsin.gov



Other Business Resources

Small Business Development Centers

- How do I find an SBDC close to me? <https://americassbdc.org/small-business-consulting-and-training/find-your-sbdc/>
Just input your zip code for the closest SBDC to you
- Small Business Administration Resources - <https://www.sba.gov/business-guide>
Provides access to a variety of resources to plan, launch and expand your business

SBDC Links for the Five States

- Iowa - <https://iowasbdc.org/>
- Illinois - <https://www.wbdc.org/illinois-small-business-development-center-sbdc/>
- Minnesota - <https://www.myminnesotabusiness.com/>
- South Dakota - <https://sdbusinesshelp.com/small-business-development-center/>
- Wisconsin - <https://wisconsinsbdc.org/>



Links to SBDC FAQ's

IA SBDC FAQ's - <http://iowasbdc.org/online-resources/frequently-asked-questions/>

IL SBDC FAQ's - <https://www.cod.edu/business-development-center/sbdc/faq.aspx>

MN SBDC FAQ's - <https://mn.gov/deed/business/help/sbdc/>

SD FAQ's - <https://sdbusinesshelp.com/resources/>

WI FAQ's - <https://sbdc.wisc.edu/about-us/frequently-asked-questions/>

FAQ Examples

1. What are the legal forms of business?
2. Are there any grants for starting a business?
3. How do I write a business plan?
4. Do I need insurance for my business?
5. What permits/licenses will I need?
6. Is the SBDC only for start-ups?
7. Does the SBDC offer any training events?
8. How do I register a business name?
9. Who can I contact about financing my business?



Business Resources (Continued #1)

Wisconsin Cheese Makers Association

<https://www.wischeesemakersassn.org/> Provides industry training and workforce information

Food Finance Institute, UW - Extension

Find a consultant close to you - <https://foodfinanceinstitute.org/consultant-training/trained-and-certified-consultants/> Provides support in financial areas of a business who produces food or beverage products. They train financial consultants who reside in a number of states.

Dairy Check-off Organizations

- Dairy Farmers of Wisconsin - <https://www.wisconsinmilk.com/Our-Story>
- Midwest Dairy – IA, IL, MN & SD - <https://www.midwestdairy.com/>

They can provide you with marketing data, trends and other related resources.



Business Resources (Continued #2)

State Departments of Agriculture Links

- Iowa Dept. of Agriculture & Land Stewardship - <https://iowaagriculture.gov/>
- Illinois Dept. of Agriculture - <https://www2.illinois.gov/sites/agr/Pages/default.aspx>
- Minnesota Dept. of Agriculture - <https://www.mda.state.mn.us/>
- South Dakota Dept. of Agriculture - <https://sdda.sd.gov/>
- Wisconsin Dept. of Agriculture and Consumer Protection - <https://datcp.wi.gov/Pages/Homepage.aspx>

Typically provide services and information in ensuring food safety, supporting the vitality of farmers, assist in creating new markets and protect the environment.



Business Resources (Continued #3)

University Extension Links

- Iowa State University Extension & Outreach – <https://www.extension.iastate.edu/>
- University of Illinois Extension - <https://extension.illinois.edu/>
- University of Minnesota Extension - <https://extension.umn.edu/>
- South Dakota State Extension - <https://extension.sdstate.edu/>
- University of Wisconsin Extension Offices - <https://counties.extension.wisc.edu/>

Typically provide outreach services in such areas as agriculture and natural resources as well as community and economic development



Business Resources (Continued #4)

United States Department of Agriculture (USDA) State Office Links

- Iowa - <https://www.fsa.usda.gov/state-offices/iowa/index>
- Illinois - <https://www.fsa.usda.gov/state-offices/Illinois/index>
- Minnesota - <https://www.fsa.usda.gov/state-offices/Minnesota/index>
- South Dakota - <https://www.fsa.usda.gov/state-offices/South-Dakota/index>
- Wisconsin - <https://www.fsa.usda.gov/state-offices/Wisconsin/index>
- Find a service center near you - <https://offices.usda.gov/locator/app?type=mobile>

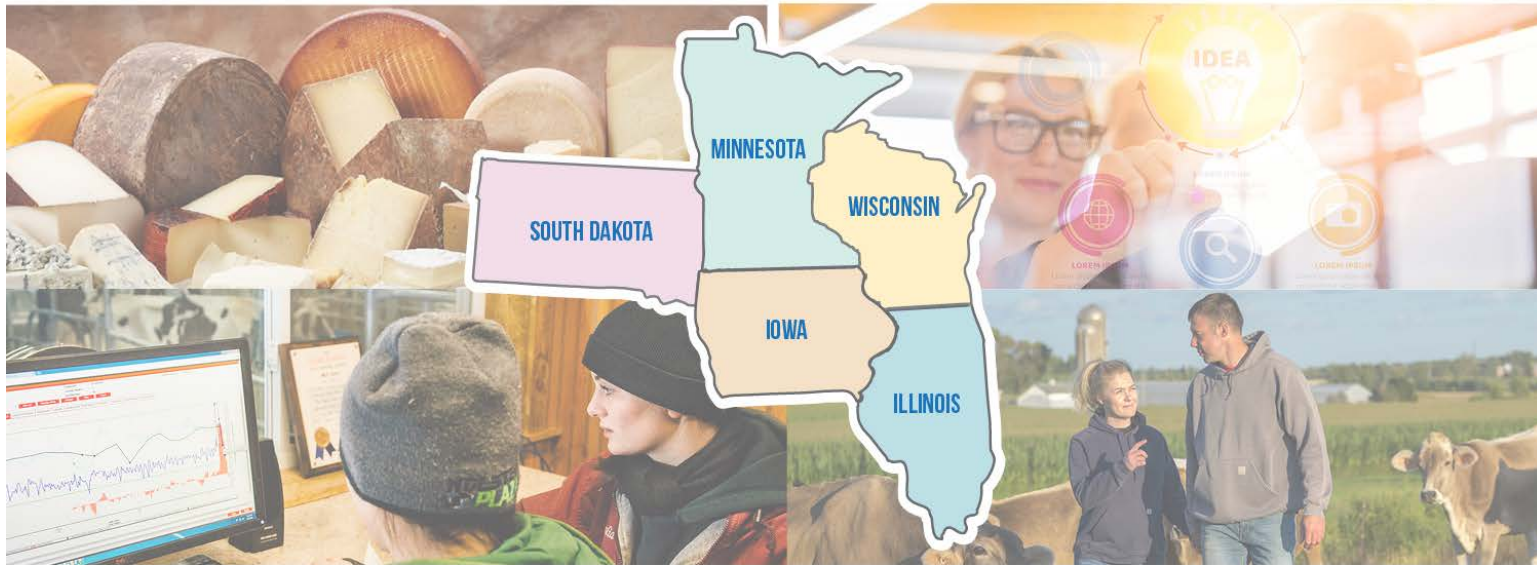
USDA state office centers provide a single location where customers can access their programs including rural business-cooperatives services, business and industry loan guarantees, rural business development grants, rural business investment program and the rural economic development loan and grant program



Questions and Discussion



DAIRY BUSINESS INNOVATION ALLIANCE



For more information, visit the DBIA website
<https://turbo.cdr.wisc.edu/dairy-business-innovation-alliance/>
or contact Karen Nielsen – kn Nielsen@cdr.wisc.edu - 608-265-1491

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