

FINALLY LAUNCHING A BIZ OF YOUR OWN

COSMO'S GUIDE TO ➔



Sharpen your idea. It's go time.

Raise your hand if you've ever had the Sunday scaries. As in, those sinking, pre-Monday feels you get before another week at your whatever job. Yeah, it can be a slog—one you needn't do any longer. If you've ever fantasized about being your own boss or setting your own hours, there is a solution. A good one: Start your own business.

Hold that eye-roll. There's never been a better time for a woman to strike out on her own. In 2017, there were 11.6 million female-owned companies in America, generating an astonishing \$1.7 trillion in profits, according to American Express. Women now make up 40 percent of new entrepreneurs. Why can't you be one of them?

You just need the right tools, people, and yes, money on your side...and this comprehensive guide. It's time to turn those Sundays into can't-effing-wait-for-Mondays.

STILLS: GETTY IMAGES.



Always known you'd kill it as a personal trainer or long dreamed of opening a coffee shop? Get it, girl. But if you're struggling to define the *something* you want to start, follow these steps.

Search for Solutions

Ask yourself: *What's missing in my area? What do friends always complain about?* "Go into the world looking for problems," says Amy Wilkinson, a lecturer at the Stanford Graduate School of Business and author of *The Creator's Code*. "When you find solutions, that's where your business idea will be." Maybe your town has great hiking trails but no tour guides or your city has a dozen yoga studios but no cycling classes. Just pick something you're actually into, says Wilkinson. "When it's your company, you need to be committed."



ID Your Customer

"If you can't name your first five customers right away, yours isn't a good idea," says Wells. So if you're starting an SAT tutoring service, you should be able to say, "My friend Maria's sister would pay for this. Ditto my cousin Nikki." Or close your eyes and invent your ideal client. Maybe you call her Tara, and she loves chocolate, wants to get into a good school, and has parents who can foot the bill. If you draw a picture of her, you'll be able to anticipate what she might want (hint: a dark chocolate bar when she gets a question right).

Scope Out the Competition

Figure out who you're up against, says Tina Wells, CEO and founder of Buzz Marketing Group. If you want to open a gluten-free pizza shop, list every pizza place within 10 miles, then tally how many do gluten-free. None? You're good to go. But if you'll be competing with two spots in the next town, think again. (If you're dead set on slinging that GF crust, you must have stuff that sets you apart: original toppings, 24/7 delivery, etc.)



HOW I DID IT

KATY AUCOIN, 30, HOUSTON, TX, FOUNDER OF THE GIFT PERSONALIZATION APP DEARDUCK

I LAUNCHED AFTER AN AWKWARD MOMENT WITH MY EX

"I came up with my idea after I bought the wrong gift for a guy I was dating—a pair of sunglasses he literally laughed at! I thought, There must be a way to find the perfect gift. So I founded a company that uses quizzes to collect enough data on the recipient so you can really personalize a gift. I didn't intend to start a company this way, but it all clicked."



THE ALL-NEW 2018 WRANGLER





HOW THEY DID IT
 ERINN FARRELL, 37,
 LIZ GIEL, 31, ALEX WEST
 STEINMAN, 28,
 BETHANY IVERSON,
 34, MINNEAPOLIS, MN,
 COFOUNDERS OF THE WORKING
 SPACE **THE COVEN**

WE SPOKE TO HUNDREDS OF WOMEN BEFORE OPENING
 “We wanted to create an intersectional space for women and nonbinary folks to work, play and grow personally and professionally. So we started by interviewing hundreds of women in what we called witching hours. We asked them, ‘What would you want out of a space like this?’ That’s how we decided what The Coven would be.”

Write Down Your Plan

Yes, as in a legit business plan. One study found that 78 percent of unsuccessful companies crash because they didn’t ace this crucial step. “But you don’t need an MBA to write a good one,” says Elizabeth Gore, president of Alice, a digital business adviser for women. You can download easy-to-follow templates from Alice, the U.S. Small Business Association (SBA), or the Kauffmann Foundation’s FastTrac. Spend extra time on the below key factors, and seek help from SCORE, a nonprofit that matches entrepreneurs with mentors.

The Mission Statement

It should be hyperspecific and short—a few sentences max, says Gore. The tone needs to match the overall vibe of your brand. So if you’re starting a line of fun, funky enamel pins to sell on Etsy, announce your goals with the same attitude: “We’re disrupting the accessories industry with these little must-haves so girls ages 12 to 18 can show off their fab personalities.”

The Background Research

To nail this section, you’ll need to amass in-depth deets on similar businesses. If you’re opening a smoothie shop, go to every existing one you can and take notes on how long it takes customers to be served, what menu items are most popular, how many employees work at any one time, prices, and how the space is laid out. Are customers taking selfies? If so, per-

haps your joint will feature a graphic selfie wall. Insta-success.

The Financial Proposal

Create Excel docs with estimates of how much money you’ll need to launch, how much you expect to make in the first year...and whether you’ll break even or make a profit. In 2002, when Jeni Britton Bauer started Jeni’s Splendid Ice Cream in her home in Columbus, Ohio, she asked herself: *How much can I charge for ice cream? If I got 10 people to buy from me every day, how much would we make? Would that total be enough for me to buy ingredients, pay myself, and pay back any loans?*

Where You At?

If your biz will be based on selling tangible goods, you can use obvious channels, like your own e-commerce site, Etsy, Instagram, or a brick-and-mortar stand. But don’t forget to also explore unconventional locales, like school fairs, local markets, and charity fund-raisers, which have low barriers of entry for newbies.

BETHANY BIRNIE OF AQUA FOX PHOTO.



Make It Official

1

Settle on a Name

It should be short, unique, and easily searchable. Try to think in two-syllable words (à la Starbucks, Twitter, Facebook, Tinder). Bonus points for wording that carries personal meaning you can later use to promote your brand’s backstory. Go to USPTO.gov to see if someone has already trademarked your first choice. If not, apply ASAP with the U.S. Patent and Trademark Office on the same website.

2

File the Forms

Register your business with state and local governments to make it totally legal. The whole process should cost about \$300. (Google “[your state] SBA” for help.)

3

Lock Down a URL

Typically, [brand name]+[industry] setups work well (for example, MILKmakeup.com). But check what’s available by searching the WHOIS.net database. Claim your domain name via host sites like NameCheap, DreamHost, or GoDaddy, all of which charge around \$15 a year.

4

Get an Employer Identification Number

You’ll need one to open a business bank account, apply for licenses and permits, and pay taxes. Apply for free at IRS.gov.

5

Open a Work-Only Bank Account

Use this—not your personal one—to pay for legal and insurance fees, manufacturing costs, office supplies, and whatever else you need to keep the lights on.

SOURCE: SBA



THE SPIRIT OF FREEDOM



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Secure Some Funding

Around 60 percent of entrepreneurs start with \$10,000 or less, according to a recent Intuit survey. No small chunk of change—and you might require way fewer or more bucks, depending on your idea. Here, three ways to raise the dough you'll need.



Pay Yourself

Fifty-seven percent of small businesses are supported by personal savings, according to the SBA. If you do have deep-ish pockets, funding yourself is the best way to ensure you keep total control over your company. That said, "it's never wise to pour all your money into your business," says millennial money expert Tonya Rapley, founder of My Fab Finance. "You need to have six months' worth of living expenses saved before you even think about funding yourself."

ABOUT THOSE CREDIT CARDS...

It's tempting to whip out the plastic for everything. But proceed with caution: "If you can't afford to pay the minimum payments on your personal credit card, then you shouldn't put business purchases on them," says Rapley. As soon as you decide to launch, apply for a business credit card, which tends to have higher credit limits.

Ask for Help

No one is off-limits, says Karen Cahn, CEO and founder of crowdfunding platform iFundWomen. Send a short, professional e-mail with a succinct pitch, explaining your idea in no more than three sentences. Write, "I'd love to meet with you to share more. May I take you to coffee?" You can link to a crowdfunding profile you've created (sites like iFundWomen and Fund Dreamer are geared toward women), but "do not send out pitch decks or really lengthy e-mails," says Cahn. "Nobody will read them! In-person works best."

Apply for a Loan

In 2014, banks gave out 52 million \$100,000-or-less business loans. Big banks are fine, but you might have more luck with regional ones or local credit unions. "These are places where you can forge better one-on-one relationships, and they can also be more lenient" says Rapley. Or look at the SBA's lender-match site, which IDs lenders that offer micro-loans (between \$500 and \$50,000) targeting female, low-income, veteran, and minority entrepreneurs.



Assemble Your A-Team

You won't need to employ these folks full-time, but having them in your contact list is a must.



An Accountant

"They supervise the books and give you advice on keeping your dream financially alive," says Sarah Kauss, founder and CEO of S'well water bottles. Expect to spend between \$1,000 and \$5,000 a year, and look for someone at a small firm. No dice? Try using online software like Zoho Books or Xero.



A Lawyer

Clutch for negotiating things like contracts and leases. Start by asking your friends and other small-biz owners for referrals. You can also search Lawyers.com and Avvo.com for firms in your area that specialize in new-business work. Discuss fee schedules in detail up front, and ask to pay hourly.



An Insurance Agent

All companies need general liability insurance. That's industry jargon for coverage that protects you against things like workplace injuries and property damage. Find an agent by, again, asking around to other business owners, and shop multiple agents, comparing coverage and cost.

"Do I need a partner?" You might. Studies show that businesses perform better when there are two or three people at the helm. If you're willing to go 50/50, join forces with someone who has a completely different skill set, says Elizabeth Gore. So if you are charismatic AF but need help with logistics, recruit someone who is obsessed with organization. "Also, look for people who share your values," says Sarah LaFleur, founder and CEO of professional-womens-wear brand MM. La Fleur. "Ask: 'What is your work ethic? How do you treat people?'" If you agree, it's a match."



HOW I DID IT

SARAH CORRIGAN, 34, NEW YORK, NY, FOUNDER OF THE FLOWER DELIVERY SERVICE **LEBLUM**

I FOUND SUCCESS ON SOCIAL MEDIA

"I've always been a gardener, so I started a business where people can buy flowers online at wholesale prices. But I spent so much time number crunching, I forgot to think about the flowers. So I started making videos and tutorials, which we posted. It helped sales skyrocket! My passion showed that our brand was authentic."



THE PROMISE OF ADVENTURE





HOW I DID IT

KALILAH WRIGHT, 33, BALTIMORE, MD, FOUNDER OF THE FASHION BRAND MESS IN A BOTTLE

I LAUNCHED MY COMPANY WITH \$500

"I wanted to sell T-shirts with messages on them in bottles. I went to IKEA, and I spent about \$80 on glass bottles. I purchased 15 T-shirts to start for \$70. Then I bought a heat-press machine from Craigslist for \$150 and a vinyl cutter for \$200, and I made a website for free on BigCartel.com. That was all I started with. I learned from YouTube how to print and how to cut vinyl. People started to order the shirts because they enjoyed the messages. It got to the point where I was staying up all night to work on my shirts on top of my full-time job. I gave myself one year. If I saw profit after one year, I would commit to this full-time. I did."

WORK



Ready, Set, Launch!

Truth: You're never gonna feel like you're a hundred percent ready to open up shop. But if you've completed all the above steps, it's time to take a chance. "Someone once told me, 'If you're not embarrassed by your first product, you waited too long to launch,'" says Elizabeth Gore. You're actually going to learn more about your business in its first few live weeks than you ever could while tweaking it to death pre-opening.

BALLOONS: COURTESY LOLA'S CONFETTI SHOP.

WORK

Spread the Word

"Social media is the first place new customers go to check out a brand," says Lucy Wallace Eustice, cofounder of accessories label MZ Wallace. "Maintain a consistent visual voice across your platforms." That includes using the same handle for all your accounts as well as a consistent look. So if you're trying to get a design firm off the ground, flood your channels with illustrations, along with news about opening dates and sales.



On FB, create a Page (Facebook.com/pages/create) with info on how customers can reach you, and add customizable buttons like Send Message, See Menu, or Book Appointment. You can "boost" posts from your page—aka pay to have them target specific people or appear higher in potential customers' feeds for a fee.



On Insta, make your profile a Business Profile by going into Settings and hitting Switch to Business Profile. "Now, you can collect data about your followers and promote posts," says Katherine Shappley, director of Facebook North America's Small Business team. "You can also get info about how posts perform and which days are best to post."



IRL—yes, IRL still counts!—be unavoidable, says Jeni Britton Bauer. "Get to know people in your field, and talk to them about what you're doing. When I first started, I would make ice cream and bring it to the chefs I knew, asking them for feedback. That's how I got restaurants to put it on their menus. From there, we were voted Best Ice Cream by a local newspaper."



Avoid Early Pitfalls

Delegate admin stuff. Farm out time-consuming grunt work like mass e-mails, billing, and even some assistant tasks to online services like MailChimp and Leverage, says Sarah Kauss.

Halt your hiring spree. You may want to staff up quickly, but it's hard to get first hires right. "Start with part-time or contracted positions," says Elizabeth Gore. "Businesses change so fast, and it's harder to let someone go when they're full-time."

Be nimble. Your first try may blow. That's okay! Just be able to pivot. "We started in 2013 as an e-commerce site and tanked," says Sarah LaFleur. "So we changed our business model." Six months later, they were killing it.

Don't live in a bubble. Every industry has professional groups, like the National Restaurant Association or the Professional Beauty Association, that offer valuable resources. Google "[industry] + [association]" to find one that can help you.

Get cozy with failure. "Set a failure ratio," says Amy Wilkinson. "Tell yourself that 1 in 10 things won't work." So if you're opening a dog-walking service, know that 1 in 10 people may not return. Use that info to ID which kinds of pups work with your setup. This will only make your biz better.

ADDITIONAL REPORTING BY DAYNA EVANS



THE ALL-NEW 2018 WRANGLER



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