



## North Carolina Law Life

### What Do I Need to Do To Start a New Business?

**By: Donna Ray Chmura. *This was posted Wednesday, April 14th, 2010***

A business acquaintance emailed me the other day: "I am seriously contemplating the plunge...hanging out my own shingle. If you were me, what is the first thing I should do? After emailing you."

The first thing I told him to do was to email me from his personal email account and not his current employer's email account. After that, here was my list of considerations for someone in the conceptual stage:

1. Are you under any kind of non-compete, non-disclosure or non-solicitation agreement? If so, we need to make sure you're released or non-violating.
2. Come up with a business plan that is as fleshed out as possible. Figure out your start-up costs and ongoing costs. Think about things like software you might need to buy, as well as more mundane things like business cards, web site, email, etc. Good resources for this are the [NC Small Business & Technology Development Centers](#) and the [Service Corps of Retired Executives](#) ("SCORE").
3. Figure out a reasonable start-up budget, including where the capital is coming from. How long will it be before the venture is profitable and what will you live on in the meantime?
4. Start brainstorming for names that both identify what you do, but stand out in the marketplace. Potential names should be screened for availability at the Secretary of State level, [and cleared from trademark infringement](#). I advise doing this early, so that you don't get "married" to a name that turns out to be unavailable.
5. This particular business required the professional to be licensed, so I advised checking to see if additional entity-level licenses were needed beyond the individual license my acquaintance had.
6. Talk to your CPA about LLC/S-corp. From a legal perspective they give the same protections (if properly formed, maintained and capitalized, but there may be significant tax savings in one entity over another.

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