



ECONOMIC
DEVELOPMENT
COLLABORATIVE



STARTING YOUR BUSINESS IN LOMPOC

Turn Your 2022 Business Goals Into a Reality!

LOMPOC PARTNERS

City of Lompoc Representatives

- Stacey Haddon, City Clerk
- Eric Hagen, Building Official/Building Division Manager
- Greg Stones, Planner

Lompoc Valley Chamber of Commerce & Visitors Bureau Representative

- De'Vika Stalling, Chief Executive Officer



PRESENTER



Sylvia Martini
EDC SBDC MARKETING & INTERNATIONAL TRADE ADVISOR

Sylvia Martini, B.A., CGBP, supports clients with international trade, marketing and sales, public relations and web communications. Bilingual in German and English, she has over 30 years experience in international marketing and sales in several diverse industries, where she conducted competitive analyses, identified markets for start-ups, developed marketing strategies, provided sales training, organized events and trade shows. Sylvia has an international business certificate and is a certified global business professional from NASBITE International.

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The Economic Development Collaborative hosts the Small Business Development Center and is funded in part through a cooperative agreement with the U.S. Small Business Administration, the Workforce Development Board and a Grant with the Governor's Office of Economic Development.

FIVE ESSENTIAL ELEMENTS FOR SUCCESS (SOURCE: BILL GROSS)



Ideas



Team



Business
Model



Funding



Timing

FROM DREAMING TO ACHIEVING

- Business ideas & market research
- Analyze your competitors
- Brand your business

YOUR BUSINESS SUPPORTERS

- Get help from experts
- Seeking funding
- Business plan vs. pitch deck

MARKET YOUR BUSINESS

- Word-of-mouth
- Website
- Social media

THE WORLD'S "MOST INCONVENIENT" CONVENIENCE STORE



PRESENTER



Bill Bartels EDC SBDC ADVISOR

Bill Bartels, B.A., is the principal in a diversified farming, management, organizational development company generalizing in facilitation of diverse teams with divergent ideas and goals. Bill works in public policy and spent 17 years with the City of Fillmore in various roles, concluding his tenure as deputy city manager. Bill served on the Ventura County Planning Commission for 12 years and is a fourth-generation Ventura County farmer.

The logo for the Economic Development Collaborative (EDC), featuring the letters "EDC" in white on a dark blue rectangular background.

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BUSINESS MODEL CANVAS

Designed for:

Designed by:

Date:

Version:

The Business Model Canvas

<p>Key Partners </p> <p>Who are our Key Partners? Who are our key suppliers? Which Key Resources are we acquiring from partners? Which Key Activities do partners perform?</p> <p>REASONS FOR IMPORTANCE Economies and economy Reduction of risk and uncertainty Acquisition of particular resources and activities</p>	<p>Key Activities </p> <p>What Key Activities do our Value Propositions require? Our Distribution Channels? Customer Relationships? Revenue streams?</p> <p>CATEGORIES Production Problem Solving Platform/network</p>	<p>Value Propositions </p> <p>What value do we deliver to the customer? Which one of our customer's problems are we helping to solve? What bundles of products and services are we offering to each Customer Segment? Which customer needs are we satisfying?</p> <p>EXAMPLES Network Network Performance Customization "Getting the job done" Design Brand/Status Risk Clear Reduction Risk Reduction Accessibility Convenience/Quality</p>	<p>Customer Relationships </p> <p>What type of relationship does each of our Customer Segments expect us to establish and maintain with them? Which ones have we established? How are they integrated with the rest of our business model? How costly are they?</p> <p>EXAMPLES Personal assistance Dedicated Personal assistance Self Service Automated Services Communities Co-creation</p>	<p>Customer Segments </p> <p>For whom are we creating value? Who are our most important customers?</p> <p>EXAMPLES Mass Market Niche Market Segment Democrat Multi-sided Platform</p>																							
<p>Key Resources </p> <p>What Key Resources do our Value Propositions require? Our Distribution Channels? Customer Relationships? Revenue Streams?</p> <p>TYPES OF RESOURCES Physical Intellectual (brand names, copyrights, data) Human Financial</p>	<p>Channels </p> <p>Through which Channels do our Customer Segments want to be reached? How are we reaching them now? How are our Channels integrated? Which ones work best? Which ones are most cost-efficient? How are we integrating them with customer routines?</p> <p>CHANNEL PHASES</p> <ol style="list-style-type: none"> Awareness How do we raise awareness about our company's products and services? Evaluation How do we help customers evaluate our organization's Value Proposition? Purchase How do we allow customers to purchase specific products and services? Delivery How do we deliver a Value Proposition to customers? After sales How do we provide post-purchase customer support? 	<p>Cost Structure </p> <p>What are the most important costs inherent in our business model? Which Key Resources are most expensive? Which Key Activities are most expensive?</p> <p>BY COST STRUCTURE TYPE Cost Drivers (Fixed and variable costs, size-price value proposition, maximum automation, extensive outsourcing) Value Drivers (Fixed and variable costs, premium value proposition)</p> <p>FIXED & VARIABLE COSTS Fixed Costs (salaries, rent, utilities) Variable costs Economies of scale Economies of scope</p>	<p>Revenue Streams </p> <p>For what value are our customers really willing to pay? For what do they currently pay? How are they currently paying? How would they prefer to pay? How much does each Revenue Stream contribute to overall revenues?</p> <table style="width: 100%; font-size: small;"> <thead> <tr> <th>TYPE</th> <th>FIXED PRICES</th> <th>STREAMS DRIVING</th> </tr> </thead> <tbody> <tr> <td>Asset sale</td> <td>Lump sum</td> <td>Subscription (beginning)</td> </tr> <tr> <td>Usage fee</td> <td>Per-unit (usage-dependent)</td> <td>Hour Management</td> </tr> <tr> <td>Subscription Fee</td> <td>Customer segment dependent</td> <td>Real-time Market</td> </tr> <tr> <td>Licensing (franchising/leasing)</td> <td>Standardized</td> <td></td> </tr> <tr> <td>Licensing</td> <td>Volume-dependent</td> <td></td> </tr> <tr> <td>Franchise fee</td> <td></td> <td></td> </tr> <tr> <td>Advertising</td> <td></td> <td></td> </tr> </tbody> </table>	TYPE	FIXED PRICES	STREAMS DRIVING	Asset sale	Lump sum	Subscription (beginning)	Usage fee	Per-unit (usage-dependent)	Hour Management	Subscription Fee	Customer segment dependent	Real-time Market	Licensing (franchising/leasing)	Standardized		Licensing	Volume-dependent		Franchise fee			Advertising		
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WHAT IS YOUR FOOTPRINT?

Being Clear on Who You Need Permissions From:

What is the Project?

- Scope
- Scale
- Context
- Competency
- Capacity

WHAT IS YOUR FOOTPRINT?

Being Clear on Who You Need Permissions From:

What is the Project?

- Scope – What is the footprint of your operation?
- Scale – How large is your operation in relationship to the Location?
- Context – What are the rules of operations based on your location and use rules?
- Competency – What are the relationships that you need to engage with each Permit or License?
- Capacity – What are the limits of the project in terms of licenses and permits?

WHAT IS YOUR FOOTPRINT? cont.

Being Clear on Who You Need Permissions From:

What is the Project?

- Permission from Land Use
- Permission from Building and Safety
- Permission from Other Agencies
- Business Tax License
- Relationship with Regulatory Layers

PRESENTER



Erica Bristol
EDC SBDC LEGAL ADVISOR

Erica Bristol is an attorney and commercial mediator, specializing in intellectual property and business contracts/transactions. A graduate of UCLA School of Law, Erica served as corporate in-house counsel for over 11 years. A commercial mediator for over 7 years, she currently serves as a panel mediator for the United States District Court, Central District of California, and the Santa Barbara Superior Court.

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**ECONOMIC
DEVELOPMENT
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AMERICA'S
SBDC
CALIFORNIA
LOS ANGELES NETWORK

POWERED BY
SBA
U.S. Small Business
Administration

**WORKFORCE
DEVELOPMENT
BOARD** of *Ventura
County*



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PICKING A BUSINESS LOCATION

State, County, City

- Business address, operations, proximity to owners, workers
- California vs. another state (Delaware, Wyoming, Nevada, etc.)
- Domestic vs. foreign entity filings, costs, laws

Regulatory Ease

- Legal permissions, restrictions
 - Business License, “Home Based Business” License
 - Permit ease, difficulty, costs
 - Airbnb, drones, firearms
 - Cottage Food, AB626 (“microenterprise home kitchen operations”; county by county)

ENTITY SELECTION AND TIMING

Sole Proprietor

- Single owner
- Ease in set up, operation
- Low government oversight
- All profits/losses, taxes
- Personal liability
- Business license/home-based business license
- Regulatory licenses (insurance agent, attorney, dentist, etc.)
- No accountability, consequences (good and bad thing)

Partnership

- 2+ business owners
- Ease in operation
- Low government oversight
- All profits/losses, taxes
- Personal Liability
- Joint and several liability
 - Actions of one partner can create liability for another

ENTITY SELECTION AND TIMING, cont.

Limited Liability Company (LLC)

- 1+ business owners (“members”)
- Owners can actively run business
- Government oversight (register with Secretary of State), plus fees
- \$800 Minimum tax annually (COVID-19 waiver for 2022, 2023)
- Taxed at owner level
- Personal liability protection

Corporation

- 1+ business owners (“shareholders”)
- Owners don’t actively run business (board and officers do)
- Must have board, officers, shareholders (can be same person/people)
- Government oversight (register with Secretary of State), plus fees
- \$800 Minimum tax annually (can be waived in year 1)
- Taxed at corporate level; owners taxed on dividends
 - “S” corporation: taxed at owner level
- Personal liability protection
- Corporate formalities (meetings, motions, minutes)
- Nonprofits (other requirements)

ENTITY SELECTION AND TIMING, cont.

Selection Factors

- Personal liability
- Ease of operation
- Management and control
- Tax

Timing

- Level of liability risk
- Personal assets at risk?
- Is insurance sufficient/insufficient for now?
- Investors?
- Best use of operating funds?
- Professional look/feel needed/desired?

PICKING A BUSINESS NAME

Business Name (aka “trade name”)

- State: CA Secretary of State/equivalent in other states (corps and LLCs)
- County: fictitious business names (county recorder)
 - Open Corporates (www.opencorporates.com)
- Avoid “unfair competition” claims

Trademark (brand name of goods/services)

- State: CA Secretary of State Trademark Database (equiv. in other states)
- Federal: US Patent and Trademark Office (uspto.gov)
- Google search (regular search, domains, social media)
- “Search report”
- Registration (state, federal)
- Avoid trademark infringement

REGISTER YOUR BUSINESS

- State: Secretary of State (corps and LLCs; partnerships optional)
- County: fictitious business names (county recorder)
- City: business license, if required
- Other state, local licenses and permits

ENTITY BEST PRACTICES

- Conduct business name AND trademark search
- Go beyond “filing the form”
 - Comply with entity formalities
 - Avoid corporate “veil piercing” activities
- Create operating agreement
 - Corporation-bylaws
 - LLC-LLC operating agreement
 - Partnership-partnership agreement
 - Manage relationships with co-owners
- Obtain appropriate licenses
- Read contracts
- Supervise and train employees
 - Employees create revenue (and liability) for the business

SANTA BARBARA COUNTY START-UP GUIDE

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SCORE  Santa Barbara
FOR THE LIFE OF YOUR BUSINESS



SANTA BARBARA COUNTY
BUSINESS START-UP GUIDE

9 Step Digital Guide to Getting Started in Santa Barbara County!

Includes contact information of each City permit & license office.

Available online in English & Spanish at www.edcollaborative.com/business-resources-santa-barbara-county/

CA DREAM FUND PROGRAM

Industry Classes with Opportunity to Apply for \$10,000 Grant!

How the CA Dream Fund Program Works:

1. Attend industry specific training classes & start one on one advising with EDC SBDC
2. Obtain all necessary permits and licenses to operate legally & register your business entity
3. Launch your business by making a first sale, hiring an employee, creating a business banking relationship or spend money on a qualified business expense
4. Apply for a CA Dream Fund Grant. There is no guarantee of funding for participating in the training program.

Learn more about the program at www.smallbizla.org/dreamfund

QUESTIONS?

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City of
LOMPOC

The logo for the City of Lompoc features the words "City of" in a black, cursive script font above the word "LOMPOC" in a large, bold, sans-serif font. The letters "LO" are purple, "M" is green with a leaf-like texture, and "POC" are green. A yellow swoosh with a starburst at its end arches over the word "LOMPOC".

EDC SERVICES

EDC Small Business Development Center

Supporting Ventura, Santa Barbara and Los Angeles County businesses with professional technical consulting from a team of over 50 experts.

FINANCE | MARKETING | OPERATIONS | LEGAL COMPLIANCE | HUMAN RESOURCES
START-UP ASSISTANCE | INTERNATIONAL TRADE | VENTURE CAPITAL

EDC Loan Program

5 loan funds across Ventura & Santa Barbara County including our Disaster Bridge Loan Fund, providing businesses with cash flow boost of up to \$50,000 with 4.25% interest rate.



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EDC SERVICES

Get started today with NO-COST consulting by calling our Business Assistance Line at **805.409.9159** or sign-up for your intake appointment by visiting www.calendly.com/edc-sbdc !

Resources and advising are available in English and Spanish. Visit www.edcollaborative.com for more information.



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