



"How to Find Start-Up Cash and Select a Winning Business Idea"

The Six Filters You Must Know To Avoid Wasting Thousands of Dollars and Hours

New Business Expert Anne Blum Hach Interview by Mimi Plevin-Foust

Would-be entrepreneurs could not find a more practical, creative and experienced advisor than Anne Blum Hach. I've seen her system for choosing a winning business in action-- and it works. Look no further to discover the tips, tricks and traps every aspiring entrepreneur must know to survive and thrive.

--Brad Kleinman, Director of Education, Online Marketing Institute

On three occasions over the last ten years, Anne has guided me through the process of concepting, designing and launching a new business. She is an exceptional advisor. I would drive through a snowstorm to have time with her and her brilliant thinking (and I have!). *--Ruth Milligan, founder, ar.tic.u.lation President, Milligan Communications*

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In a hurry to learn about finding Start-Up Cash? Go right to Pages 8-11.

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This interview with new business expert Anne Blum Hach is the first in the [Take Charge Build Wealth Expert Interview Series](#), dedicated to helping you take charge, build wealth and achieve financial freedom. Use this report to help you successfully qualify your business ideas, find the cash needed to launch your new business, and prevent yourself from wasting precious time and money on the wrong idea.

Anne created her time-saving and accurate system for filtering business ideas to select the winners after literally counseling thousands of people starting new businesses for the Small Business Development Corporation. She was executive director of the Heights Regional Chamber of Commerce, assisting businesses throughout Cleveland's eastern suburbs for many years.

Now she's assisting corporate colleges around the globe to teach business skills to new entrepreneurs and experienced executives at a daily rate of \$2,500. So I am really delighted she's taking the time to share her expertise with us. Please Note: *There are NO affiliate links or sales pitches in this free report.*

[Why Using These Six Filters or 'Screens' Will Save You Time & \\$...](#)

Q. Anne, I'm going to start by asking you what might seem like a dumb question, but, just for clarity, how do you define 'screens' as it's used here – you don't mean window screens?

A. No, certainly not. Although the screens that we're talking about really function in the same way that window screens do. When we're talking about screens, we're talking about ways to filter through all of the business ideas that are out there, to help you select the ones that make the most sense for you. We want to let in the air, but not the bugs.

Q. What problems were you seeing among the many would-be entrepreneurs that you counseled that led you to create this system?

A. One of the challenges I saw in what I would call pre-venture entrepreneurs, which is people who have a sincere desire to start a business, but maybe weren't sure exactly what the next step would be, is that it's hard to select what's next. When you think, well the world is my oyster, it's hard to figure out where the pearl is — and so what I devised the six screens to do is to help people solidify their thinking so that they weren't looking at the “world of small business”, but they were instead investigating 1, 2 or 3 ideas that made particular sense for them.

Q. What benefit will people get from using these six filters?

A. I think the biggest benefit that people will get is really focusing their energy. It's not easy to start a small business. If it was, everyone would do it. What we want to make sure is that people are channeling their energy in the right direction. It's important to think of these filters as questions that you should ask yourself that everyone is going to have different answers to, because the opportunity that makes sense for one person might not make sense for someone else. It doesn't mean it's not a good idea; it just means it is a very personal application.

Q. What problems will they have if they don't use these filters?

A. I think that one of the greatest problems that people have is false starts. They may poke around with different ideas. They may expend a lot of energy poking around to different ideas. They may spend a lot of money poking around to all their different ideas, especially where start-up costs or franchise fees get involved.

What Are "The Six Filters"?

Q. Why don't you tell us what the six filters are and then we can go back over the ins and outs of each one.

A. The **first thing** we need to do is really understand what's involved from a cost perspective in starting the business. So....

#1: What are our total start-up costs? I want to really emphasize the word “total”. When we go back and talk about it some more, I’ll clarify what I mean by that.

#2: Do you have the ability to access the money to cover those start-up costs? Even if you don’t have it lying around in your back pocket, do you have a way to access the funds?

#3: The third filter separates a good idea from a good *business* idea: **Can you charge enough for the product or service so that you make a profit?**

#4: The fourth filter is really a two-part screen:

A. Does the opportunity that you settled on match something that you are interested in?

B. Does it leverage a particular core strength that you have?

#5: The fifth filter is understanding what the competitive set is.

Who are your competitors, and is there an opportunity in the market? Is there a gap, or a niche, or something that someone has overlooked where you can start to take a piece of that pie?

#6: The sixth filter is:

Is there a sustainable competitive advantage that you can create? Do you have a winning edge?

1. What Are Your Start-Up Costs?

Q. So let’s go back to the first question....

A. ‘What are your start-up costs?’ The first question is to really be able to identify what are all of the start-up costs. When we say all of the start-up costs, there are really three buckets that you need to look into.

The first bucket that you need to look into is whatever all the stuff is that you need to start your business. If it’s a retail store, you might think of it as your inventory, your rent, your advertising, your signs that you are going to put out, your cash register, your equipment, all of your stuff.

The second thing that you need to consider when you're looking at your start-up costs are what are your operating costs for at least 6 months, ideally 12 months, which is to say, if I don't have one single customer for the first 12 months, do I have enough money to continue to pay my bills?

Then the third thing I encourage people to think about in their start-up costs, although not technically a start-up cost for your business, but the third thing that I encourage people to think about is, what is your opportunity cost? What are you giving up so you can do this? Are you quitting your job? If you are, then you need to consider that lost income as an opportunity cost.

Those are the three sorts of buckets of start-up costs that I think that people should really make sure that they've fully analyzed as their first filter to starting a business.

Q. Who or where should you go for help figuring this out?

A. There are a number of resources available, almost all for little or no cost. Most of my suggestions are for U.S. resources because I'm most familiar with them, but most countries as well as states, provinces or territories offer similar services because everyone wants to foster new business.

One of my absolutely favorite websites is the website provided for free by the U.S. Small Business Administration which is www.sba.gov. The SBA has cost calculators for a number of different types of businesses where they've already really gone through and helped do some of that initial blocking and tackling in terms of figuring out the cost. Another great resource, and I'm from Ohio so my knowledge of resources is somewhat Ohio-centric, but the Ohio Department of Development has a great resource for people who are starting businesses. It's free, and it's not limited to people who are in the state of Ohio.

In Canada, check out www.canadabusiness.ca which offers many different resources and services for entrepreneurs. In Australia, go to www.business.gov.au.

I particularly like the Ontario Ministry of Economic Development's web resources for entrepreneurs and start-up businesses. You don't have to be from a particular country to use these web-based tools. [14 MORE PAGES]

[LAST PAGE] After assessing your interests, assets and strengths, use this quick checklist to help you begin to take charge and start a business (or businesses) that will allow you to reach the financial freedom you deserve. Jot down some quick notes right after each question, then schedule time to go back and answer each one more thoroughly.

Checklist for Taking Charge: *Selecting Your Business:*

- 1. What are your start-up costs?**

- 2. Can you access the money to cover those costs? (Who else will win if you start this business? How can they help you?)**

- 3. Can you charge enough to make a profit?**

- 4. Does this business match your existing interests and strengths (= *talents + experience*)?**

- 5. Who are your competitors?**

- 6. What's your winning edge?**