



Red Lake

Entrepreneur Program

Information Packet

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Entrepreneur Program

Your Path to Business Ownership

- Step 1. Complete the Enrollment Verification Sheet,
- Step 2. Complete the Credit Application Sheet,
- Step 3. Write a short summary about your business idea: type, location, products and services, your background, and any other ideas you have for your business.
- Step 4. Provide a current Resume. If you do not have a resume, the packet contains a template to help you create one. Don't overlook any experience or training you have that will help you operate the various aspects of your business. For example; workshops you attended, supervision of people or an activity, or home based business activity.
- Step 5. Call or stop in to schedule time with Sharon to discuss your business idea, services and requirements of the program, and how to move forward with your business endeavor. Bring the information listed in Steps 1-4 to this meeting.

After your initial meeting, Sharon will assist and guide you through the remaining steps:

- Step 6. Complete an Individual Training Plan (ITP) based on your personal needs
- Step 7. Complete any needed business training (done simultaneously with Steps 8 & 9)
- Step 8. Complete a feasibility study to determine the potential profitability of your business
- Step 9. Complete your business plan
- Step 10. Complete the finance packaging and application(s) to apply for your needed financing

Don't let this information overwhelm you. The program process is broken down into small steps for you to tackle one at a time. We are here to guide you through a process that has been designed to provide you with as many opportunities for success as possible.

The following items are provided in this program packet.

- Program Information
- Education Opportunities
- Business Plan Outline
- Enrollment Verification Form
- Credit Report Request
- Resume Template
- Personal Budget
- Personal Financial Statement

Welcome; we look forward to being your guide and coach on your path to business ownership.

Program Information

Purpose

To create an entrepreneurial environment that will successfully attract, develop and support Band member owned businesses by providing business education, technical assistance, financing, and commercial facilities.

Goals

1. To incorporate the development of a strong private sector into the Red Lake Nation's strategic plans for a strong economic base.
2. To provide Red Lake Band members with applicable tools and resources necessary to achieve a successful and financially viable business, thus providing them the opportunity for personal self-sufficiency and a higher quality of life.
3. To establish an effective Native CDFI with a self-sustaining revolving loan fund.

Eligibility

- Currently enrolled with the Red Lake Nation
- 21 years of age or older
- Business is a for-profit entity (start-up, acquisition or expansion)
- Individuals with 60% or more ownership of the business
- Individuals who actively manage the business
- Business is located on or near the Red Lake Nation

Services Provided

With the program being new, all services are not fully developed yet, however the technical assistance, education, and financing are currently available.

- **Technical Assistance:** in the areas of Business Plan Development, Financial Management, Marketing, and Business Management
- **Education:** Outlined on the Education Opportunities page
- **Networking:** we are looking at providing Networking Sessions, an Annual Conference and Trade Show, a Quarterly Newsletter, Participation with chambers of commerce, associations and other such organizations, Ribbon Cutting & Open Houses (for new businesses), and Anniversary Celebrations (for long-term businesses).
- **Business Library:** Working on developing shared access to Equipment (computer, printer, fax, copier, telephone) and Information (internet, books, periodicals, resource providers, finance sources & procurement info).
- **Commercial Space:** With limited commercial space in the community, we are looking at obtaining funding to develop commercial space with renovation to existing buildings and potentially building new commercial facilities.
- **Financing:**
 - Business Loan Fund
 - Our 1st year we will award a maximum of 6 business loans.
 - Interest rate will range from 4% to 5% depending on the age of the business. This can fluctuate based on economic conditions and available loan funds.
 - Term of the loan will be based on life of collateral provided and capability of the business.
 - Priority will be to find additional financing available to you, whenever possible, in order to leverage RLN dollars.
 - We are also looking at establishing a Savings Program: IDAs (Individual Development Accounts) to provide a 1 to 1 match to help repair credit history or assist with a business investment/purchase.

Education Opportunities

Great entrepreneurs continually seek knowledge!

This Entrepreneur Program focuses very heavily on the necessary training and education needed to successfully plan, develop and operate a business.

Each potential entrepreneur will establish an Individual Training Plan (ITP) with the program staff, to address their specific needs.

Training Methods available will include:

- A 10-week Business and Management Training Class
 - NDN Entrepreneur Class: Natives Developing Natives
- One-On-One Coaching
- Periodically Scheduled Workshops focusing on specific need areas:
 - Tax Requirements and Management
 - Credit Repair
 - Time Management
 - Customer Service
 - Accounting
 - Marketing
- Quarterly Program Newsletter with educational information (being developed)
- Access to SCORE (Counselor's to America's Small Business)
- A future opportunity will be the establishment of a Youth Entrepreneurial Program

We look forward to providing the necessary information and knowledge for you to use in your pursuit to become a successful business owner.



Entrepreneur Program Enrollment Verification

I, _____, authorize the release of the necessary information to confirm my enrollment with the Red Lake Nation, for use by the Red Lake Entrepreneur Program.

Social Security Number: _____

Date of Birth: _____

Signature: _____ Date _____



The Enrollment Office hereby certifies the above named individual is an enrolled member of the Red Lake Band of Chippewa Indians, Enrollment #: _____ and is twenty one (21) years of age or older; making him/her eligible for the Entrepreneur Program services.

Authorized Signature _____ Date _____

Business Plan Outline

Business Name

Business Location/ Address

Applicant Name

Address

Telephone Number

SS#:

DOB:

Enrolled with: _____

Date

This document contains confidential and proprietary information belonging exclusively to _____ . No copying or distribution without the explicit approval of _____ .



Developed with the assistance of:

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Table of Contents

I. Executive Summary

- A. Brief Overview
- B. Total Project Costs

II. Market Analysis

- A. Industry Trends
- B. Total Market
- C. Target Market
- D. Competition
- E. Suppliers

III. Marketing Plan

- A. Overall Strategy
- B. Products/Services
- C. Pricing
- D. Place
- E. Promotion

IV. Management Plan

- A. Organizational Structure
- B. Staffing Plan
- C. Job Descriptions
- D. Resumes
- E. Key Operational Functions
- F. Optional Plans & Policies

V. Financial Data

- A. Personal Financial Statement
- B. Historical Data (if existing business)
- C. Projection Assumptions
- D. P&L and Cash Flow Projections
- E. Projected Balance Sheet
- F. Amortization Schedule

VI. Appendix

- A. Supporting Data

Executive Summary

Do this section last (it includes the total project costs page)

This will summarize your whole business plan.

No more than 4 pages

It should sizzle and be short and to the point.

Your opportunity to show why you will be more successful than anyone else.

It should summarize:

- Who you are

- What your business is/does

- Your location

- Your market & competition

- Your background/experience/strengths

Total Project Costs

Again, these are suggestions; if any of these items do not apply to your business, don't use them. Provide a detailed breakdown of each category total on the following page.

Uses

Land	0,000
Building	0,000
Construction	0,000
Renovations	0,000
Equipment	0,000
Start up Costs	0,000
Working capital	0,000
Total Project Cost	0,000

Sources

Owner Equity	00,000
Loan	00,000
Other Sources	00,000
Total Sources	000,000

Proposed Terms of Financing

Loan ___% interest rate ___ years Collateral Provided & Position
Loan ___% interest rate ___ years Collateral Provided & Position

The above entails my loan request. I offer the above stated terms and collateral for my loan. There are no other lien holders or list other lien holders.

Signature

Date

Market Analysis

Industry Trends

- National statistics and trends for this type of business
- Barriers to entry
- Uniqueness
- Seasonal & holiday effects
- What is happening that could damage or help the business, any new developments
- Impacts of economic conditions & how you will address them for example: if interest rates go up, if economy is sluggish what is your safety net for the business.
- Keys to success in this industry

Total Market

- Describe the type of customers who buy this type of product or service
 - Age, sex, location, income level, ethnic background, education, hobbies, skills, marital status, # of kids, buying habits, special interests, handicaps, spare time activities, vacation activities, job/position, pets, car, eating habits, own or rent, market preferences, opinions, trends, etc
- Local regional-national-international
- Does your product/service meet a real need or a perceived need
- How will they recognize yours from others (brand name)
- Repeat business or one time purchaser
- Quality, style, fad, staple
- Growth potential
- Anticipated profit & return on investment

Targeted Market

- What is your targeted geographical coverage area
- How much of the total market is located in your targeted coverage area
- What Tribal Markets do you want to pursue
- What percentage will you capture in your coverage area
- Who are the customers you want to focus on (be specific not all or everyone)

Competition

- Name & address of those who provide what you provide (major vs. minor)
- What are their advantages & weaknesses
- Any on head to head basis
- Substitutes or indirect competition
- Price differences
- Marketing differences
- Any new entries into the market
- Will you be taking someone's market share, % of market for each of you
- How will they react to you, plan of competitiveness, fight back
- Reasons why customers will come to you instead

Suppliers

- Who are they
- Where are they located
- What do they supply
- Terms of purchase (cash/credit terms)

Marketing Plan

Tips:

1. Success in this area requires commitment, continuity and creativity.
2. Do things different/unique to attract your customers to buy from your business; but keep an eye out for something that is successful for someone else and see if it will work for your business.
3. Be **realistic** in your goals, be **specific** with strategies and **comprehensive** in analysis of your industry and competition.

Mission Statement: focus on one purpose, for example:

Why are you in business?

What do you want your business to provide?

What do you want to accomplish with this business?

Where do you want to be in 3-5 years?

Goals:

2-4 Marketing goals for your first 12 months

For Example:

To capture 10,000 visitors per month within 6 months.

To reach gross sales of \$30,000 per month by the 6 month of operation.

Positioning

How do you want to be perceived by your customers—what image do you want to create?

Strategies:

Products/Services

- describe what your business provides
- describe the benefits - what does it do for the user
- what problems do you provide a solution to/why it is useful
- describe any differences between yourself and your competition
- uniqueness, superiority, quality, distinct advantage you have
- product liability, durability, life cycle
- what are your product/service substitutes – what do people buy instead of this
- gap filling, is it - new product, only product of its kind, etc
- customer service options: return policies, delivery, warranty, guarantee, etc.
- any patents/copyrights/legal considerations
- if Manufacturing your product
 - Production strategy & research & development strategy
 - Materials: supply, production method, alternatives

Pricing

- how you established your pricing – what does it cover
- differentiate yourself from competitive position to others (high, low, leader, cheap)
- customer payment terms (cash, check, credit card, credit)

Place

- describe where you are (or will be) located and your space capacity
- advantages and disadvantages of your location
- accessibility to your market & labor supply
- distribution plans
- differentiate yourself from competition

Marketing Plan (continued)

Promotion

- ❑ do things different/unique
- ❑ how are you going to attain & keep your visibility
- ❑ how important is your visibility
- ❑ selling techniques needed to do your promotional plans
- ❑ list anything you will do to persuade someone to buy from you with time schedule & cost
 - Sales Skills
 - Public Relations
 - Personal Charisma
 - Customer Service
 - Signage
 - Thank You Notes
 - Contests - Special Events
 - Advertising
 - Newspaper
 - Fliers
 - Radio or TV
 - Yellow Pages
 - Direct Mail
 - Newsletters
 - Business Cards
 - Website
 - Community Activity
 - Networking
 - Trade Shows
 - Join Associations, Chamber of Commerce, etc
 - Positioning
 - contacts w/media press releases
 - follow up
 - speaking engagements
 - self published information
 - send articles on you to customers
 - letters to the editor

Management Plan

Organizational Structure

- ❑ Form of business
 - sole-proprietor
 - partnership (type)
 - corporation (type)
- ❑ Organizational Chart

Staffing Plan

- ❑ Owner's role, hours and pay
- ❑ What employees are needed?
- ❑ Employee's hours, pay, and duties?
- ❑ How will you attract them to work for you?
- ❑ How will you motivate them to continue working for you?
- ❑ How will you administer & account for them?
- ❑ Any training, incentives, or benefits provided?

Internal Controls

- ❑ Employee Policies
- ❑ Purchasing & Inventory Controls
- ❑ Cash Controls
- ❑ Regulatory Guidelines & Requirements

Job Descriptions (we can assist you in developing job descriptions for your staff)

- ❑ Show the ability & track record of key people & owners
- ❑ Hire or access people who compliment you (areas where you're weak get someone who is strong in that area)
- ❑ Having an advisory board is always helpful (no more than 7, with credentials & experience in the industry you are going into, adds credibility & better business sense with potential referrals from them)

A Typical list of Owner/Manager Duties & Responsibilities: (add/delete as dictated by type of business)

1. Personnel Management: hire/fire, train, schedule, supervise, monitor, periodical evaluations.
2. Inventory Control.
3. Quality Control.
4. Advertising/Promotional planning, design & implementation.
5. Daily record keeping, deposits and payroll.
6. Monthly and quarterly financial records.
7. Monitor actual financial compared to projected financial and make adjustments if needed.
8. Monitor operations for efficiency and effective use of time and resources.
9. Monitor the market for any changes or new developments that may enhance/effect business.
10. Monitor the price levels in the area to remain competitive in my price setting.
11. Develop & update personnel policies, operations manual and capital expenditures plan.
12. Establish and maintain open communication and good relations with staff and suppliers.
13. Monitor compliance of legal requirements/regulations.
14. Update yearly goals and objectives.
15. Any additional duties that will arise during the daily operation of the business.

Resumes of Key Personnel & Advisors

- Qualifications/Experience in this industry
- If any weaknesses, how do you plan to improve them?
- Other business affiliations and resources

Key Operating Functions

Management

- Who will be the active manager of the business?
- How many hours per week will that manager devote to management of the business?
- What skills and experience does that manager have?
- If no skills exist, who will he/she obtain the knowledge & skills from?

Accounting

- Who will do your bookkeeping and accounting, and how often?
- If you are going to do the accounting – outline your plan/schedule to make sure this gets done daily, weekly, and monthly.
- How much will this cost you?
- What reports need to be done, and when?
- What type of accounting & inventory control system will be used?
- What will your tax requirements & reporting consist of?

Banking

- What Bank will you use for:
 - Business Checking & Business Savings Account
 - Personal Checking & Personal Savings Account
- Who will be the Authorized Signature(s)?
- How much will it cost you to set up these business accounts at the bank?

Insurance

- What type of insurance coverage is needed for your type of business? Investigate this with your insurance agent to ensure you have the appropriate coverage for your protection.
- We recommend:
 - Liability Insurance
 - Asset Coverage & Replacement Insurance
 - Workmen's Comp Insurance (if you have employees)
 - Life Insurance (on yourself for the amount of your debt)
- How much will your insurance cost (must have a written quote)?
- How much down to establish the policy, and what are your monthly payments thereafter?

Facilities Plan

- building or space size
- If land, how many acres & layout of the buildings, storage, parking, etc.
- Equipment layout within the building/space
- Your maximum capacity with the space and equipment

Future Plans (set long and short term objectives with timelines/deadlines)

- Business Set Up: initial activities, business registration, purchases, hiring, marketing
- Asset Management: installation, preventative maintenance, repairs, replacement plan
- Anticipated expansion, growth, or improvements
- Financial plans: Anticipated growth in equity
- Employee & Owner Training/Skill Building Plans
- Contingency or Exit Plan

Personal Financial Status

Without knowing what you pay and where the funds are coming from for your living expenses, you are unable to determine if going into this business is right for you or not. You want this business to maintain and eventually improve your quality of life, not decrease it.

Being aware of where you are financially will help you determine the level of financing you will need to pursue.

You can address both of these aspects by completing the attached forms:

- Personal Budget
- Personal Financial Statement
- Credit Report Request

Projection Assumptions

(Explain in writing how you arrived at the numbers used in your financial projections.)

Sales/Income:

Cost of Goods Sold:

Expenses:

Marketing
Payroll
Payroll taxes
Property Taxes
Depreciation
Interest
Insurance
Licenses/Permits
Repairs/Maintenance
Utilities
Telephone
Cleaning Supplies
Office Supplies
Refuse Removal
Professional Fees
Misc

Financial Project Tips:

- be realistic - check industry standards
- be accurate with numbers
- have assumptions & define or document them
- use a best and worst case scenario
- be conservative: potential low on sales and potential high on expenses

Provide:

3 Year Projected Balance Sheet (we can help with these)

3 Years Monthly Income Statement & Cash Flow (we can help with these)

If an existing business, also provide:

3 Years Historical Financials & Tax Returns (or life of operation, if less than 3 years)

Credit Report Request

The Equal Credit Opportunity Act prohibits creditors from discriminating against credit applicants on the basis of sex or race. The federal agency, which administers compliance with this law, is the Federal Trade Commission.

Applicant

Full Name: Mr. Mrs. Miss Ms. _____

Social Security Number _____ Date of Birth _____ Telephone _____

Spouses Full Name: Mr. Mrs. Miss Ms. _____

Spouses Social Security Number _____ Date of Birth _____

Current Address

Address _____

City _____ State _____ Zip _____

Former Address

Address _____

City _____ State _____ Zip _____

Property Address

House Number _____ Street Name _____ Type _____

City _____ State _____ Zip _____

Occupation

Employer _____

Occupation _____

City _____ State _____ Zip _____

I have read this request, and certify that the above statements are true and complete to the best of my knowledge. I hereby authorize the Red Lake Nation, and their agents, authority to check my credit references, verify my employment and provide credit information arising from this transaction to others who are legally entitled to receive it.

Applicant's Signature Date

Spouse's Signature Date

Resume

(if you have a resume already you can provide that instead of this one)

Full Name: _____

Full Mailing Address: _____

Telephone: _____ Cell Phone: _____ Fax: _____

Email: _____

Social Security Number: _____ Date of Birth: _____

Work Experience chronological from today back: (use addition paper if needed)

Begin/End Date _____ Job Title: _____
Employer: _____
Supervisor: _____
Address: _____
Telephone Number: _____
Duties: _____

Begin/End Date _____ Job Title: _____
Employer: _____
Supervisor: _____
Address: _____
Telephone Number: _____
Duties: _____

Begin/End Date _____ Job Title: _____
Employer: _____
Supervisor: _____
Address: _____
Telephone Number: _____
Duties: _____

Begin/End Date _____ Job Title: _____
Employer: _____
Supervisor: _____
Address: _____
Telephone Number: _____
Duties: _____

Education that pertains or adds to your business skills:

Graduation Date: _____ High School: _____

Classes/Activity: _____

Dates: _____ College/University: _____

Degree: _____ Major/Minor: _____

Classes/Activity: _____

Dates: _____ College/University: _____

Degree: _____ Major/Minor: _____

Classes/Activity: _____

Military Activity that pertains or adds to your business skills:

Dates: _____ Position/Rank: _____

Duties/Training: _____

Dates: _____ Position/Rank: _____

Duties/Training: _____

Other Activities and/or Memberships:

Personal Budget

Income Sources	Per Mon

Total Income	

Total Income	
Total Expenses	
Min. Owner Pay	

Monthly Expenses	Payment	Due	Fee
Rent/Mortgage			
Taxes (property)			
Electricity			
Heat			
Water/Sewer			
Garbage			
Telephone			
Internet			
TV			
Cleaning Supplies			
Maintenance			
Other Home Exp			
Groceries			
Eating Out			
Feasts/Holiday Food			
Car Payment			
Car Insurance			
Gas			
Auto Maint/Repairs			
Parking			
Other Auto Needs			
Medical			
Dental			
Optical			
Other Medical Exp			
Clothes/Shoes			
Work Apparel			
Laundry/Dry Clean			
Haircuts/Hair Care			
Nails/Cosmetics			
Toiletries			
Other Personal Exp			

	Payment	Due	Fee
Going Out/Eat Out			
Entertainment			
Powwows			
Vacation/Travel			
Sports Events			
Children's Activities			
Books/Music			
Hobbies			
Movies/Rental			
Gift Giving			
Checking Account			
Bank Fees			
Other Fees			
Child Care			
Child Support			
Charity			
Education			
Dues/Subscriptions			
Pets			
Allowances			
Cigarettes			
Other Misc Exp			
Savings Account			
Investment			
IRA/Pension Plan			
Other Savings			

Total Expenses			

Personal Financial Statement

As of: _____

Each Owner must complete a Personal Financial Statement for him/herself and their spouse.

Applicant: _____ Spouse: _____

Complete Address: _____

Applicant Social Security #: _____ Spouse Social Security #: _____

Describe each item in the specified sections and answer with a "NONE" if it does not apply.

Assets

Cash On Hand & In Bank _____

Savings Account(s) _____

U.S. Government Bonds _____

Accts/Notes Receivable _____

Life Insurance _____

(Cash Surrender Value Only) _____

Other Stocks/Bonds (Sect. 3) _____

Real Estate (Section 4) _____

Auto(s) Present Value _____

Furniture & Fixtures (Sect. 5) _____

Other Assets (Section 6) _____

Total Assets _____

Liabilities

Accounts Payable (Section 2) _____

Notes Payable (Section 2) _____

Auto Loan(s) (Section 2) _____

Other Loan(s) (Section 2) _____

Charge Accounts (Section 2) _____

Loans on Life Insurance _____

Real Estate (Section 4) _____

Unpaid Taxes (Section 7) _____

Other Liabilities (Section 8) _____

Total Liabilities _____

Net Worth (assets-liabilities) _____

Section 1:

Income Sources

Salary (per month or year) _____

Net Investment Income _____

Real Estate Income _____

Other Income _____

Contingent Liabilities

As Endorser or Co-Signor _____

Legal Claims & Judgments _____

Provision for Fed Income Tax _____

Other Special Debt _____

Detailed Description of items listed in Section 1: _____

Life Insurance

Give face amount of policies, name of company, and beneficiaries.

Section 2: Notes Payable, Loans, Charge Accounts (C for Current or D for Delinquent)

Owed to & Address	Original Amt	Present Bal	Int Rate	Original Date	Mature Date	Monthly Pymt	Collateral	C or D

Section 3: Stocks & Bonds

Names of Securities	# of Shares	Quotation	Cost	Amount

Section 4: Real Estate (List each parcel of land separately, using additional paper if necessary)

Property Address: _____ Type of Property: _____
 Title in Name of: _____ Mortgage Holder: _____
 Purchase Date: _____ Mortgage Holder's Address: _____
 Original Cost: \$ _____ Present Market Value \$ _____ Tax Assessed Value \$ _____
 Has it been refinanced? ___ Yes ___ No If yes, Date: _____ & Amount \$ _____
 Status of Mortgage: ___ Current ___ Delinquent If delinquent, describe _____

Is property covered by Title Insurance ___ Yes ___ No, or Abstract ___ Yes ___ No

Section 5: Furniture & Fixtures

Item	Value	Mortgaged	Mortgage Holder & Address	Mortgage Amt	Terms	C or D
	\$	Yes No		\$	Yrs %	
	\$	Yes No		\$	Yrs %	
	\$	Yes No		\$	Yrs %	

Section 6: Other Assets

Item	Value	Mortgaged	Mortgage Holder & Address	Mortgage Amt	Terms	C or D
	\$	Yes No		\$	Yrs %	
	\$	Yes No		\$	Yrs %	

Section 7: Unpaid Taxes

Type	To Whom Payable	When Due	Amount	List Any Property with Tax Lien
_____	_____	_____	\$ _____	_____
_____	_____	_____	\$ _____	_____

Section 8: Other Liabilities (describe type, to whom, date due & amount)

I (we) certify the above statements contained herein are true and accurate on my (our) financial condition to date.

 Applicant's Signature

 Spouse's Signature

 Date