This curriculum guide gives a brief review of the relation of business to the community and an introduction to problems in organizing a small business. These problems include basic long-range decisions: type of financing, need for the business, and method of financing. The document also focuses on the more immediate problems of location, housing, personnel, equipment, layout, records, and promotion of the business. The course also includes an overview of problems of ongoing operation: management, supervision, governmental obligations, finance, production, marketing, public relations, and survival factors. It provides an outline of the objectives of the course and course content, suggested teaching procedures, evaluative instruments used, and a list of resource materials for students and teachers. Included are an appendix with a nine-page glossary and a fact sheet for small business owners.

(Author/EP)
AUTHORIZED COURSE OF INSTRUCTION FOR THE QUINMESTER PROGRAM

SMALL BUSINESS MANAGEMENT

Business Education—7739.11 (New: 7604.11)
BEST COPY AVAILABLE

SMALL BUSINESS MANAGEMENT
7739.11 (New: 7604.11)
Business Education

Written by Felix J. McCool
And Approved by the Business Education Steering Committee
For Quinmester Courses
for the
DIVISION OF INSTRUCTION
Dade County Public Schools
Miami, FL 33132
1972
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I. COURSE TITLE—SMALL BUSINESS MANAGEMENT

II. COURSE NUMBER—7739.11 (New: 7604.11)

III. COURSE DESCRIPTION

A. Synopsis
A brief review of the relation of business to the community and an introduction to problems in organizing a small business. These problems are basic long-range decisions—type of organization, need for the business, method of financing—and the more immediate problems of location, housing, personnel, equipment, layout, records, and promotion of the business. The course also includes an overview of ongoing operating problems: management, supervision, governmental obligations, finance, production, marketing, public relations, and survival factors.

B. Subject Status—Elective; open to all students

C. Occupational Relationships
Government manager                  Building and loan officer
Marketing analyst                  Stock broker
Personnel manager                  School manager
Research statistician              Small retail store owner
Bank manager                       Owner of repair or other service shops
EDP systems analyst                Operator of recreational business
Public relations representative     

D. Textbook
Several resources should be available within the classroom; one of the state-adopted textbooks in business management or a book of the department's choosing may be issued to each student.

E. Rationale
The desire of many men and women to "be their own boss" and their ineptness in handling business situations has caused a high mortality rate in the many small businesses started annually in these United States. Small businesses are needed in the American economy and young people need to be aware of opportunities in this area and of ways to capitalize on them. In this course, the advantages and problems of ownership arising from original organization and from purchase of an ongoing business will be considered.

IV. COURSE ENROLLMENT GUIDELINES

A. Prior Experiences
No prior courses are required; however, students with a good background in business mathematics, bookkeeping, economics, and government will have a greater appreciation for this course. Students without this background will have to do extensive outside work.
IV. COURSE ENROLLMENT GUIDELINES, Continued

B. Pretest
A test may be constructed (based on performance objectives) to determine the attainment level of students in topics covered in this course in order to plan activities for the total class, for small groups, and for individual students.

V. COURSE OF STUDY PERFORMANCE OBJECTIVES

Upon completion of the course, the student will be able with 80 percent accuracy to—

1. make management decisions for starting a small business by correctly placing checks on a checksheet about small business management;

2. estimate monthly costs of operation and decide on an adequate insurance program from information given in a hypothetical situation;

3. name four basic types of businesses and define each;

4. select one of the basic businesses, name the kind of (small) business, and
   a. describe a suitable building in terms of location, size, construction, and ownership,
   b. determine ample parking facilities,
   c. make a rough layout for different processes and grouping,
   d. describe departments for storage, sales, and production (if appropriate),
   e. show sound judgment in making plans for purchasing merchandisable goods and/or plans for a facility for service to the public,
   f. answer given questions to demonstrate that he can protect his records, control inventory, interpret financial statements, and make management decisions involving personnel, and
   g. describe an employment program which puts the right man in the right position.

5. determine whether he should buy an existing business or begin a new business from given information about costs, up-to-date stock, and hired or contracted workers;

6. name at least four laws with which he must comply and at least four laws which protect him as a businessman;

7. answer at least five questions on interpreting a given market research report;

8. evaluate three given management tools and determine their use in the small business selected in Objective No. 4;
V. COURSE OF STUDY PERFORMANCE OBJECTIVES, Continued

9. price ten given commodities and services by using marketing aids in small business administration through Federal Government research pamphlets;

10. use a markup-markdown table to determine adequate pricing of given items;

11. give a minimum of three reasons why some businesses fail; and

12. provide appropriate definitions for at least 70 percent of a given list of business terms.

VI. COURSE CONTENT

A. The Business Scene in America
   1. The purpose and nature of business
   2. Legal and moral obligations of business to society
   3. Business and the economic system
   4. Business and government

B. Basic Considerations in Starting a Small Business
   1. Primary decisions
      a. Determining the kind of business: single proprietorship, partnership, corporation
      b. Financing—investing and re-investing
      c. Evaluating the demand for a product or service
      d. Deciding on the type of operation
         (1) Manufacturing
         (2) Merchandising
         (3) Service business
         (4) Advertising
         (5) Other
   2. Secondary decisions
      a. Location
      b. Housing
      c. Equipment—purchased or leased
         (1) Operations
         (2) Office
         (3) Transportation
      d. Layout
      e. Records
         (1) Audit controls
         (2) Inventories
      f. Personnel
         (1) Recruiting
         (2) Training
         (3) Equitable basis for wages and salaries
      g. Promotion of the business
VI. COURSE CONTENT, Continued

C. Operation of a Business
1. Managerial tools and techniques
   a. Internal business structure information
   b. External business structure information
   c. Organizational structure
   d. Business administration and organisation
2. Supervisory activities
   a. Transportation—incoming and outgoing
   b. Credit
   c. Collections
   d. Record keeping and interpretation of business statistics
   e. Personnel—evaluation of job performance, collective
      bargaining
   f. Communications
   g. Purchasing
3. Government regulations and controls
   a. Taxes
   b. Licenses
   c. Zoning
4. Finance
   a. Business promotion
   b. Long-term finance
   c. Short-term finance
5. Production
   a. Nature of modern production
   b. Plant location and operations
   c. Production methods and control
   d. The role of labor-management relations
6. The marketing process
   a. Wholesale trade
   b. Retail trade
   c. Advertising and sales
   d. Purchases
   e. Storage
7. Survival factors
   a. Management control
   b. Insurance
   c. Legal advice
8. Public relations
   a. Finding customers
   b. Keeping customers
   c. Ethical services to the community

VII. SUGGESTED PROCEDURES, STRATEGIES, AND LEARNING ACTIVITIES

A. Introduction

A brief quiz on the first or second day can determine the amount
of time that needs to be spent on the introduction. Students
that already know a great deal about aspects of business in
America might develop term papers on topics related to export-
import business, current efforts of governmental agencies to
VII. SUGGESTED PROCEDURES, STRATEGIES, AND LEARNING ACTIVITIES, Continued

influence business, the relationship of businessmen's attitudes to the nation's economic security, or similar topics—and be excused from all or most of the class discussion on the introduction. These same students may present a skit or panel discussion based on their investigations.

B. Creating Student Interest

This course will be more productive if students are encouraged to find answers to questions through personal investigation in the literature and in local businesses. The teacher should contact the local office of the Small Business Administration to obtain any new information pertaining to local conditions and to request copies of their many free publications that are pertinent to this course.

In order for a student to have an interest in business, he must be shown its close relationship to his everyday activities. His consumption function, spending of money, making economic choices with limited funds, and the need to budget his money will aid him in finding a relationship to the world of free enterprise. Decisions that he will make while still a student will influence him in making correct decisions when starting a business.

C. The Community

Involvement of the business community is important to the success of this course. Retired businessmen, experts in their fields, will be glad to visit the class. See the Appendix for Fact Sheet for Small Business Owners.

D. Vocabulary

A thorough understanding of terminology pertinent to the operation of a small business will be facilitated through the reproduction of the Glossary located in the Appendix of this course of study.

E. Individualized Instruction

This course lends itself extremely well to individualization of instruction. Therefore, it is recommended that the teacher prepare assignment sheets and/or learning activity packages so that the student will solve various case problems involving small business operations. The textbooks and pamphlets included in Sections IX and X contain many ideas that can be converted into individual or group activities.
VIII. EVALUATIVE INSTRUMENTS

A. Pretest

It is presumed that the student has had mathematics through the 9th grade and is equipped with the fundamentals necessary for this and related business courses. However, the teacher will have to assess the understandings, skills, and facts already known by each student in respect to the subject matter of this course. Therefore, a pretest is desirable in order to determine individual placement within this course. This pretest can be constructed easily from the information stated in Section V, Course of Study Performance Objectives.

B. Unit Tests

During the nine weeks, the teacher may wish to determine each student's progress by means of small unit tests. Study questions in textbooks and workbooks, commercially prepared tests, a course paper, and short quizzes on the content of a movie or field trip may all be used by an imaginative teacher to evaluate what has been learned and the concepts and understandings that need reinforcement.

C. Final Evaluation

This test should be a parallel of the pretest and should therefore measure accomplishment of all the Course of Study Performance Objectives.

IX. RESOURCES FOR STUDENTS

A. Textbooks


IX. RESOURCES FOR STUDENTS, Continued

A. Textbooks, Continued


B. Pamphlets

SCORE. Fact Sheet for Small Business Owners. (See Appendix)

U. S. Government, Small Business Administration, Miami Office, 912 Federal Office Building, 51 S.W. First Avenue, Miami, FL 33130. Phone: 350-5525

The ABC's of Borrowing
Activities Corps of Executives
Advice for Persons—Investments
Delegating Work and Responsibility
Discover and Use Your Public Library
Drugstores, Small Business Bibliography
Check List for Going into Business
Fact Sheet for Small Business Owners
Financing Problems of Small Manufacturers
Guides for Profit Planning
Hobby Shops
Handling the Problem Employee
Household Appliances and Radio-TV, Sales and Service
How to Buy or Sell a Business
Management and Technical Assistance
IX. RESOURCES FOR STUDENTS, Continued

B. Pamphlets, Continued

Management Assistance
Measuring the Performance of Salesmen
Painting and Wall Decorating
Pet Shops
Pointers on Scheduling Production
Pricing Your Services for Profit
Publications for Sale
Publications, Free Management Assistance
Ratio Analysis for Small Business
Retail Florist
Small Business Administration, What It Does
Service Corps of Retired Executives
Sizing up Small Business Locations
A Town on the Move
Trucking and Cartage
Wholesaling

C. Workbooks and Practice Sets

Student workbooks, practice sets, and forms are provided by most of the publishing companies for their respective textbooks (Section IX, A).


Dome Educational Aids, Inc., 480 Benefit Street, Providence, Rhode Island 02903, has practice sets for weekly or monthly systems of single entry record keeping; also a book of forms that may be purchased at a local Sears, Roebuck store.

X. RESOURCES FOR TEACHERS

A. Books

Teachers' editions, manuals, and keys are available for most of the books listed in the "Resources for Students" section of this outline.


X. RESOURCES FOR TEACHERS, Continued

A. Books, Continued


B. Pamphlets


X. RESOURCES FOR TEACHERS, Continued

B. Pamphlets, Continued


C. Films, 16mm

The following films are available to Dade County teachers from Instructional Materials Catalog, Dade County Public Schools:

- Bill of Rights in Action 1-14328
- Bookkeeping Occupation Opportunities 1-4236
- The Computer Revolution 1-14241
- Formulas in Mathematics 1-05449
- How Do You Count? 1-3927
- If an Elephant Answers 1-30769
- The Managerial Revolution 1-31794
- Motivation Theory (for teachers) 1-31796
- It's Your Decision, Parts 1 and 2 1-30774
- People are Different and Alike 1-05771
- Ratio, A Way of Comparing 1-05867
- Let's Face It, FPLA 1-10211
- Transportation Revolution, America's Growth 1-4210
- Federal Reserve Bank and You 1-31161
- Money on the Move 1-31173

D. Periodicals


E. Other Resources

1. Various city newspapers
2. Better Business Bureau
3. Chamber of Commerce
4. Engineer Contractors Association
5. Small Business Administration
6. Local businesses (usually will supply forms, facilities for field trips, etc.)
APPENDIX
<table>
<thead>
<tr>
<th>term</th>
<th>definition</th>
</tr>
</thead>
<tbody>
<tr>
<td>account</td>
<td>A bookkeeping form that is used to sort and summarize the changes caused by business operations</td>
</tr>
<tr>
<td>accounts receivable</td>
<td>Debts or money owed to the business</td>
</tr>
<tr>
<td>air parcel post</td>
<td>Parcel post (special merchandise rate) sent by airmail</td>
</tr>
<tr>
<td>agency</td>
<td>A legal relation in which one person acts for and in place of another</td>
</tr>
<tr>
<td>agent</td>
<td>One who is employed and authorized to represent and act for another</td>
</tr>
<tr>
<td>assessments (insurance)</td>
<td>Extra charges to policyholders to make the income of the insurance company equal its expenditures</td>
</tr>
<tr>
<td>assets</td>
<td>Property of the business (anything of value)</td>
</tr>
<tr>
<td>balance sheet</td>
<td>A financial statement of a business showing the assets, liabilities, and net worth</td>
</tr>
<tr>
<td>Blue-Sky Laws</td>
<td>Laws designed to protect investors from fraudulent schemes for selling securities</td>
</tr>
<tr>
<td>bookkeeping</td>
<td>The systematic recording of the financial operations of a business or an individual</td>
</tr>
<tr>
<td>bookkeeping equation</td>
<td>A fundamental bookkeeping concept that states assets = liabilities + proprietorship (A = L + P)</td>
</tr>
<tr>
<td>broker</td>
<td>An agent who specializes in buying or selling for other people without actually having possession or title to the goods</td>
</tr>
<tr>
<td>budgets</td>
<td>Predicted incomes and expenditures usually based on past experience</td>
</tr>
<tr>
<td>business promotion letter</td>
<td>A letter used by businesses in attempting to secure new customers</td>
</tr>
<tr>
<td>buying motives</td>
<td>Why people buy such as pride, amusement, affection, etc.</td>
</tr>
<tr>
<td>buying on specification</td>
<td>The policy of furnishing the manufacturer with a detailed description of the product being purchased</td>
</tr>
</tbody>
</table>
GLOSSARY, Continued

CL
Carload of freight

COD (C.O.D.)
Collect on delivery; payment is made in cash by the buyer when the goods are delivered

casualty insurance
Direct loss insurance coverage

cease and desist order
A court order prohibiting a practice that a person or business may be engaged in

class rate (transportation)
Applies to a related group of goods on which a specific rate is charged

clearance sale
A sale to dispose of old items before they become unsalable

common carrier
An establishment engaged in the public business of transportation

common stock
A share in a corporation; the owners of such share in the profits of the business after all other dividends have been paid

competitive weakness
The inability to operate successfully in a competitive market

consignee
The receiver of shipped goods

consignor
The person or business that ships the goods

consolidated delivery service
The same delivery service delivers merchandise to several businesses

contract of hire
A relationship of an employer and an employee that is either expressed or implied in which one person agrees to work for another in return for compensation of some sort

convertible bonds
The holder can exchange these bonds for stocks (if desired)

corporation
An association of individuals (owning shares) organized under a state charter for business purposes

corporation bond
A long term written promise to pay a definite sum of money at a specified time
<table>
<thead>
<tr>
<th>Term</th>
<th>Definition</th>
</tr>
</thead>
<tbody>
<tr>
<td>cost of merchandise</td>
<td>The delivered price; includes the cost of getting the merchandise in the store (wholesale price, storage, transportation, etc.)</td>
</tr>
<tr>
<td>credit memorandum</td>
<td>A business form whereby the seller gives the buyer credit for returned or damaged goods</td>
</tr>
<tr>
<td>debit memorandum</td>
<td>A business form prepared by the buyer which indicates that goods purchased are damaged</td>
</tr>
<tr>
<td>demand</td>
<td>How many products will be bought at a particular time and place</td>
</tr>
<tr>
<td>direct marketing</td>
<td>The producer markets the goods directly to the consumer without using middlemen</td>
</tr>
<tr>
<td>discontinued businesses</td>
<td>Closure of any kind</td>
</tr>
<tr>
<td>dividends</td>
<td>The portion of business profits that are distributed to stockholders of the corporation</td>
</tr>
<tr>
<td>economics</td>
<td>A body of knowledge which relates to the production of goods and services that satisfy human wants and needs</td>
</tr>
<tr>
<td>employment requisition</td>
<td>A request, usually within the same company, to the employment department to secure a new employee</td>
</tr>
<tr>
<td>entry</td>
<td>Each record in a journal</td>
</tr>
<tr>
<td>equity</td>
<td>The difference between assets and liabilities</td>
</tr>
<tr>
<td>fair trade</td>
<td>States are permitted to pass laws allowing producers and distributors to fix the price of branded or labeled merchandise</td>
</tr>
<tr>
<td>fidelity bond</td>
<td>Insurance against dishonesty of employees or agents</td>
</tr>
<tr>
<td>financial loss</td>
<td>Loss of all or part of money invested</td>
</tr>
<tr>
<td>fire insurance</td>
<td>Protection against the loss of items susceptible to fire</td>
</tr>
<tr>
<td>fraud</td>
<td>Deceit in money matters such as false financial statements or irregular disposal of assets</td>
</tr>
<tr>
<td>Term</td>
<td>Definition</td>
</tr>
<tr>
<td>-------------------------------------</td>
<td>---------------------------------------------------------------------------</td>
</tr>
<tr>
<td>garnishment</td>
<td>Attachment of a percentage of a person's wages to pay off a debt</td>
</tr>
<tr>
<td>general journal</td>
<td>A book of original entry that is used to record entries that cannot be recorded in special journals</td>
</tr>
<tr>
<td>goodwill</td>
<td>An intangible asset of a business, usually based upon the good reputation of a partner or shareholder</td>
</tr>
<tr>
<td>infidelity of employee</td>
<td>Dishonesty of an employee or agent of a company</td>
</tr>
<tr>
<td>insurer</td>
<td>The insurance company issuing an insurance policy</td>
</tr>
<tr>
<td>interstate commerce</td>
<td>Business operations and transactions that are not completed within the confines of one state</td>
</tr>
<tr>
<td>intrastate commerce</td>
<td>Business operations and transactions that are completed within the confines of one state</td>
</tr>
<tr>
<td>involuntary bankruptcy</td>
<td>Forced bankruptcy by creditors</td>
</tr>
<tr>
<td>job specifications</td>
<td>The nature of work done in a particular job or position</td>
</tr>
<tr>
<td>journal</td>
<td>A book of original entry where all records are first entered</td>
</tr>
<tr>
<td>labor turnover</td>
<td>The percentage of a company's labor force that have to be replaced for various reasons over a given period of time</td>
</tr>
<tr>
<td>leaders</td>
<td>Items sold at markups much below the usual ones</td>
</tr>
<tr>
<td>liabilities</td>
<td>Debts of the business (anything owed)</td>
</tr>
<tr>
<td>liability insurance</td>
<td>Protection against loss due to the personal injury of customers and other persons on company premises</td>
</tr>
<tr>
<td>loan</td>
<td>Borrowed money</td>
</tr>
<tr>
<td>long term capital</td>
<td>Capital obtained by the business through the issuance of bonds, long term notes, or mortgages</td>
</tr>
<tr>
<td>Term</td>
<td>Definition</td>
</tr>
<tr>
<td>-------------------------------</td>
<td>------------------------------------------------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>long term credit</td>
<td>Credit extended to a customer for a year or more, usually paid back on an installment basis</td>
</tr>
<tr>
<td>loss leader</td>
<td>An item sold below its actual cost</td>
</tr>
<tr>
<td>managerial ability</td>
<td>The degree of competence exhibited by someone at the management level</td>
</tr>
<tr>
<td>margin</td>
<td>A term used to indicate the difference between the selling price and the cost of the merchandise</td>
</tr>
<tr>
<td>merchandise approach</td>
<td>A positive way to greet a customer in order to stimulate his interest in a product, usually a comment about the goods being examined by the customer</td>
</tr>
<tr>
<td>merchandise turnover</td>
<td>The number of times a merchant will buy and sell all the merchandise in his store during the year</td>
</tr>
<tr>
<td>monopoly</td>
<td>Control of the price or the production of some commodity or service by one company</td>
</tr>
<tr>
<td>morale</td>
<td>The state of mind which reflects employees' attitudes toward their jobs, fellow workers, and employer</td>
</tr>
<tr>
<td>motion study</td>
<td>The study of all movements made by a worker in performing his part of a business operation, usually done with a goal of improving the overall efficiency of a task</td>
</tr>
<tr>
<td>mutual insurance company</td>
<td>An insurance company in which the policyholders are the owners</td>
</tr>
<tr>
<td>national market</td>
<td>The selling of products in most or all states</td>
</tr>
<tr>
<td>net profit</td>
<td>The difference between the sales and all the costs and expenses of the business over a given period of time</td>
</tr>
<tr>
<td>net 30 days</td>
<td>Purchase must be paid for in 30 days</td>
</tr>
<tr>
<td>on-the-job training</td>
<td>An employee is placed on a new job and, in effect, practices the job under close supervision until he is skillful enough to do the job with very little or no supervision</td>
</tr>
<tr>
<td>Term</td>
<td>Definition</td>
</tr>
<tr>
<td>-------------------------------</td>
<td>---------------------------------------------------------------------------</td>
</tr>
<tr>
<td>open line of credit</td>
<td>An arrangement between a company and a customer to permit regular borrowing and repaying</td>
</tr>
<tr>
<td>opening entry</td>
<td>The entry that records the information shown on a beginning balance sheet</td>
</tr>
<tr>
<td>operating expenses</td>
<td>Costs incurred in operating a business</td>
</tr>
<tr>
<td>par value</td>
<td>The value of each share of stock at the time of issue</td>
</tr>
<tr>
<td>personnel management</td>
<td>That aspect of management which is concerned with obtaining and effectively utilizing human resources</td>
</tr>
<tr>
<td>physical inventory</td>
<td>A personal count and listing of every item in stock made once or twice a year</td>
</tr>
<tr>
<td>piggyback</td>
<td>Truck or trailer placed on railroad cars and delivered</td>
</tr>
<tr>
<td>policyholder</td>
<td>Business or person purchasing insurance</td>
</tr>
<tr>
<td>preferred stock</td>
<td>Dividends are distributed to preferred stockholders before owners of common stock</td>
</tr>
<tr>
<td>premium (insurance)</td>
<td>The payment on an insurance policy</td>
</tr>
<tr>
<td>production</td>
<td>The creation of a product for use</td>
</tr>
<tr>
<td>production control</td>
<td>Controlling factors of labor, material, layout, and equipment</td>
</tr>
<tr>
<td>proprietorship (net worth)</td>
<td>The difference between the total assets and the total liabilities</td>
</tr>
<tr>
<td>proprietary capital</td>
<td>An owner's investment in the business</td>
</tr>
<tr>
<td>prospectus</td>
<td>A notice, circular, letter, or any communication that offers a security for sale</td>
</tr>
<tr>
<td>quality control</td>
<td>An inspection system that assures that products measure up to requirements</td>
</tr>
<tr>
<td>quantity discount</td>
<td>A discount given to encourage customers to buy in large quantities</td>
</tr>
<tr>
<td>regional markets</td>
<td>Markets that take in more than one state</td>
</tr>
<tr>
<td>Term</td>
<td>Definition</td>
</tr>
<tr>
<td>-------------------------</td>
<td>---------------------------------------------------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>repossessed</td>
<td>Goods taken back by the seller when payments are not made</td>
</tr>
<tr>
<td>retail credit</td>
<td>Credit extended by retailers to customers</td>
</tr>
<tr>
<td>retailer</td>
<td>One who sells to the consumer (middleman)</td>
</tr>
<tr>
<td>revolving credit</td>
<td>Credit extended to a customer which allows him to maintain a rather large balance due while making small monthly payments, usually based on a percentage of the balance due</td>
</tr>
<tr>
<td>risk</td>
<td>Possibility of loss or failure</td>
</tr>
<tr>
<td>sales agent</td>
<td>A salesman employed by a producer to sell the product to the middlemen</td>
</tr>
<tr>
<td>sales promotion manager</td>
<td>A person specializing in planning and conducting special sales</td>
</tr>
<tr>
<td>scheduling process</td>
<td>A method of scheduling production and figuring cost</td>
</tr>
<tr>
<td>self service</td>
<td>The customer is allowed to select the goods and take to the cashier for payment</td>
</tr>
<tr>
<td>selling by mail</td>
<td>Use of the mail service which requires much advertising; most successful in the past in rural areas where the consumer found it difficult to travel to retail stores</td>
</tr>
<tr>
<td>set up</td>
<td>The product is delivered in an assembled state</td>
</tr>
<tr>
<td>shopping centers</td>
<td>Stores congregated into a group for service to the community</td>
</tr>
<tr>
<td>shopping plaza</td>
<td>A suburban shopping center</td>
</tr>
<tr>
<td>shopping service</td>
<td>A person or group organized as a telephone selling service</td>
</tr>
<tr>
<td>short term capital</td>
<td>Borrowed capital that must be paid back in a relatively short period of time</td>
</tr>
<tr>
<td>short term credit</td>
<td>Credit extended on account for a short period of time, usually less than one year</td>
</tr>
<tr>
<td>sight draft</td>
<td>A draft payable upon transportation and receipt of goods on sight</td>
</tr>
</tbody>
</table>
GLOSSARY, Continued

special journal  A book of original entry used to record only one type of entry such as sales, purchases, cash payments, cash receipts, etc.

stimulative sale  A sale that has as its primary purpose increasing sales by pushing new goods or those that seemingly have not been well received by customers.

stock insurance company  Corporation type of insurance company.

suggestion selling  A method of selling in which the salesman attempts to sell merchandise by suggesting associated items that will complement the primary item being considered by the purchaser.

surety bond  A device for extending the use of the surety name given to assure that a contract will be fulfilled as specified.

terminal service  The railroad car containing merchandise is delivered to a track owned by the receiving business or to a track that can be reached by a truck.

three C's  Character, capacity, and capital; the three vital requisites in obtaining credit.

trade channels  Various routes taken by goods in going from the producer to the consumer.

trade discount  A special deduction from the list price.

trademarked merchandise  Goods that are marked with the manufacturer's or distributor's special mark or name.

traffic count  A survey usually taken by several companies to determine the number of vehicles or people that pass a specific location at a specific time.

voluntary bankruptcy  The owner petitions the court for a proper release from debts incurred that cannot possibly be repaid, which usually results in the liquidation of the business in order to settle at least a portion of all debts.

want slip  A form is initiated by an employee when a customer requests an item that the store does not have.
<table>
<thead>
<tr>
<th>Term</th>
<th>Definition</th>
</tr>
</thead>
<tbody>
<tr>
<td>warranty</td>
<td>The buyer is given a promise by the seller that goods are of a certain quality or will perform in a specified manner</td>
</tr>
<tr>
<td>wholesaler</td>
<td>The merchant who supplies the retailers and others who buy in large quantities</td>
</tr>
<tr>
<td>zoning restrictions</td>
<td>In certain zones or districts of a county or city, only certain types of businesses or dwellings are allowed</td>
</tr>
</tbody>
</table>
FACT SHEET FOR SMALL BUSINESS OWNERS*

There are many basic factors you need to be familiar with prior to starting your business. These details are oftentimes time-consuming and difficult to obtain. We trust that the following information will be useful to you in starting your own business.

**Licenses**

Every legal business in Dade County and its 27 different municipalities must have proper business licenses. The following is a step-by-step procedure to obtain a business license in the City of Miami. The procedure is basically the same for the other 26 cities:

1. You must obtain a CERTIFICATE OF OCCUPANCY from the Zoning Department, Dinner Key, if the building you will occupy has not housed a similar business for the past six months. This is to insure your location as being properly zoned for your particular type of business and conforms to all the building codes.

2. After you have received your CERTIFICATE OF OCCUPANCY, the City of Miami Licensing Department, 46 West Flagler Street, will issue your CITY OCCUPATIONAL LICENSE.

3. The Dade County License Department, 73 W. Flagler Street, Room 138 (Courthouse) – will issue you a STATE AND COUNTY OCCUPATIONAL LICENSE – AFTER you have obtained your city license.

4. For more information and details, contact the City of Miami License Department, telephone number 377-5501, or the Dade County License Department, telephone number 373-4441.

5. Any business dealing in foods must have a permit from the Dade County Health Department, 1350 N. W. 14th Street, telephone number 377-0341.

**Employee/Employer Taxes**

As an employer, you will be responsible for withholding INCOME TAX from the wages of your employees, withholding of employee and payment of the employer SOCIAL SECURITY TAX, and payment of tax under the Federal Unemployment Tax Act (for UNEMPLOYMENT INSURANCE). For further information on Social Security, call 350-5131.

*This fact sheet is prepared by Dade Chapter No. 29, the Service Corps of Retired Executives (SCORE) as a service to operators of small businesses.
The Internal Revenue Service has prepared CIRCULAR E - EMPLOYER'S TAX GUIDE to explain and assist you in paying these taxes. SCORE Counselors emphasize the importance of accurate, honest, efficient collection and payment of employee/employer taxes. In handling these taxes, keep sight of one important point—these monies are not yours to use as working capital until the end of a given quarter. The IRS is very strict about this. You should contact the Internal Revenue Service for further information on Federal Taxes. Call 350-5311.

Internal Revenue provides two very informative services to small business owners. First, they have a "Mr. Businessman's Kit" which contains all tax forms and schedules. An agent will explain each of these to you and answer your questions. They have available for sale a TAX GUIDE FOR SMALL BUSINESS and the cost is 40 cents.

State Sales Taxes

The State of Florida collects a 4 percent retail sales tax. You must register with the State to collect this tax and the cost is $1.00. Tallahassee will then send you a Sales Tax number and instructions on the collection procedures. For further information, call the State Sales Tax Office in Miami, 377-3511. They are located at 1350 N. W. 12th Avenue.

Fictitious Name Act

If your business uses or will use any name other than your own, you must register under the Fictitious Name Act. This does not, however, apply to corporations. Any name other than your own name is a fictitious name. You should check with the Recording Department of the Clerk of Circuit Court, Dade County Court House, Room 135, for instructions. Telephone number 373-6671.

Bulk Sales Law

If you plan to purchase an established business, you, as the purchaser, must comply with the Bulk Sales Law. It is required that at least five days before completion of the purchase, each creditor must be notified personally of the proposed sale. In counties of over 200,000 population, it is necessary to publish this intent to purchase one time, not less than seven days prior to completion of said purchase. Printed forms are available at the Miami Review, telephone 377-3721. Consult your attorney concerning this procedure.

State Unemployment Insurance Tax

This tax is applicable to both new and existing businesses and is assessed at the rate of 2.7% on the first $3,000 wages of each employee. This tax applies only to firms that have 4 or more employees on 20 different weeks of the calendar year. Forms are available at 1350 N. W. 12th Avenue, Room 273, Miami, telephone 379-6466. They must be filed with the Florida Industrial Commission, Unemployment Compensation Division, Tallahassee, Florida.
FACT SHEET FOR SMALL BUSINESS OWNERS, Continued

**Workmen's Compensation**

If you have 3 or more employees, you must carry compensation insurance. Information can be secured from the Florida Industrial Commission, Workmen's Compensation Div., 1350 N. W. 12th Ave., Room 462, Miami, FL 33125, telephone 373-6321.

**Directory of Further Sources of Information**

**Secretary of State**
South Florida Office
3399 Ponce de Leon Blvd.
Coral Gables, FL 33134
444-7405

For information on business incorporation procedures.

**Better Business Bureau**
of South Florida
25 S. E. Second Avenue
Miami, FL 33131

Excellent source for checking supplies, customers, registering complaints, etc.

**Credit Bureau of Greater Miami**
350 N. E. Fourth Street
Miami, FL 33132
371-3461

For credit reporting and collection services.

**Dun & Bradstreet**
2070 N. W. Seventh Street
Miami, FL 33125
642-4200

Publish "Key Ratios for Small Business."

**National Cash Register**
2915 Biscayne Boulevard
Miami, FL 33137
377-8461

Also publishes excellent business ratio information, "Expenses in Retail Business."

**U.S. Department of Commerce**
City National Bank Building
25 W. Flagler St., Rm. 621
Miami, FL 33128
350-5267

Can be of assistance in domestic and foreign trade. Sell SBA "for sale" publications

**Trade Associations and Public Libraries** - contains a wealth of information on your particular business. Consult your telephone directory for your nearest library. The library should have a copy of the National Trade and Professional Associations of the United States, published by Columbia Books, Washington, D. C. This is a ready source of business and trade associations for your particular business.

Any firms listed in this Directory are mentioned only because of the value of their printed information. Their mention is not intended to be construed as a recommendation or approval of Small Business Administration for their salable services.