

Chapter 3 Review

Build It

Emma's Business Description

In the last chapter, you followed Emma as she analyzed factors and decided on a business to pursue. Follow her next step by seeing how she created each component of her business description in Part 1. Then use what you learn to create a business description for your own business in Part 2.

Part 1

- I. **Company Name:** Emma brainstormed a list of business names for her new blogging and social media company. She wrote down as many unique names as she could come up with and then narrowed her list down to three favorites, highlighted below:

Business Name Brainstorm

- Emma Chen Online Strategies
- Emma Chen Blogging and Social Media
- EC Blogs
- Powerhouse Blogging
- Business Blogging
- B-Blogging
- Blog Log
- TechFile
- Compass Social Media
- Ready, Set, Social Media
- Emma Writes
- Focus Media

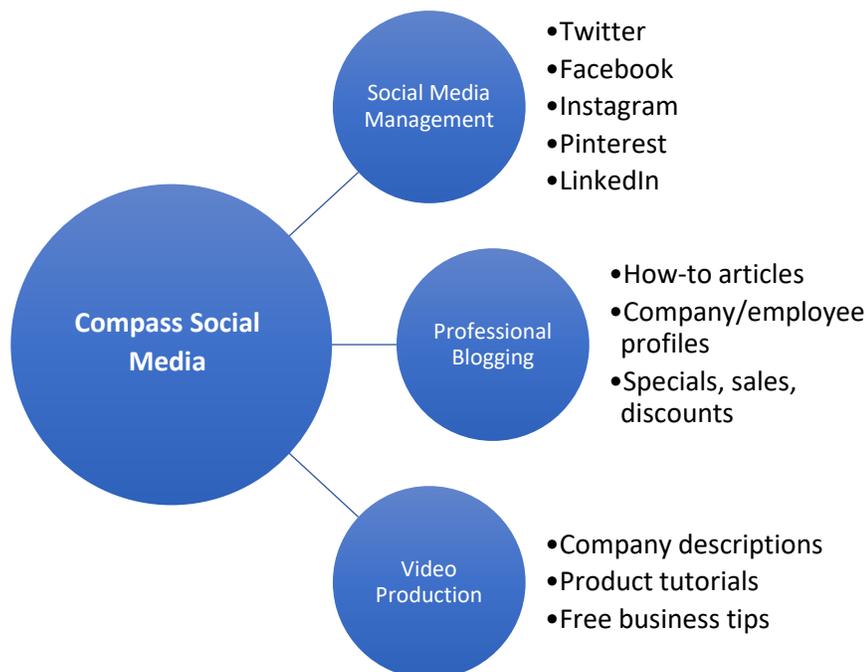
Once she narrowed down her brainstorms to three potential names, she wrote a brief reflection analyzing her three top choices.

I like "Emma Chen Blogging and Social Media" because it clearly tells customers what I do, but I'm worried the name may be perceived as boring and long. "Ready, Set, Social Media" is fun. It has a catchy ring to it but I'm not really sure it conveys the message of professionalism I'm going for. "Compass Social Media" is my favorite because it is professional, doesn't limit me to just blogging, and I like the metaphor of a "compass." In many ways, I'm envisioning my services being the "compass" that helps guide businesses in all their online platforms—social media, blogging, videos—so this name accurately represents that vision.

Emma also shared her ideas with her friends and family and asked them which names they liked best. Most people she asked preferred "Compass Social Media" because it demonstrated professionalism and personality.

To make sure no one else has this name, she visited the United States Patent and Trademark Office website (www.uspto.gov) and searched under “Trademarks” using her desired name. The search yielded no results, indicating her business name is not being used by any other business entity. She then checked with her local Secretary of State office and found the name is not taken. Since Emma selected a business name other than her own name, she filed the business name with her state to ensure she is complying with all of the correct laws. At this point, it is safe for Emma to use “Compass Social Media” for her business name.

- II. **Business Summary:** To help her establish a general summary, Emma used a visual brainstorming method called mind mapping, shown below, to capture all of the services she intends to offer.



After studying her brainstorm, Emma writes the following general business summary:

“Compass Social Media will provide social media management, professional blogging, and video production for local businesses.”

- III. **Mission Statement:** Emma decided that to write her mission statement, she should first assess her values and goals. Below is a list of her business goals that are driven by her values:
- *To provide exceptional services to local businesses*
 - *To help businesses establish an online identity and voice*
 - *To make life easier for small business owners who don't always have the time to learn new technologies or regularly implement social media strategies*
 - *To craft unique strategies for each customer to ensure online engagement*
 - *To maintain reasonable prices to ensure small businesses can afford to engage in online platforms*

Emma compiled her brainstorm list into one succinct mission statement:

“The mission of Compass Social Media is to help small businesses navigate their online identities through exceptional social media management, blogging, and video production services provided at reasonable prices.”

- IV. **Industry Classification:** To obtain an industry classification for her business, Emma found the North American Industry Classification System (NAICS) website (www.naics.com). She searched for a few different phrases to identify what industry classifications her business fits into. She learned that the industry classification for “video production” is Motion Picture and Video Production and the NAICS code number is 512110. She also learned that the writing she will be doing for social media and blogging fits within the industry of Independent Artists, Writers, and Performers with an NAICS code number of 711510.
- V. **Location:** Compass Social Media will operate from the owner’s home residing in Harbor Trails subdivision at 358 Maple Street, Ann Arbor, Michigan.
- VI. **Year Established:** 2018 is the year Emma will form her business.
- VII. **Primary Function:** Emma consults her mind mapping brainstorm and writes the following to describe the primary function of her business:

“Compass social media will provide social media management of mainstream platforms such as Facebook, Instagram, and LinkedIn; professional blogging services including how-to articles and special announcements, and video production services including product tutorials.”

- VIII. **Employees:** At this time, Emma thinks she will be the only employee.
- IX. **Business Advisors:** Emma thinks she will probably ask her parents for advice often. Her older sister in college could offer some insight as well. Emma writes: “Allison and James Chen will serve as business advisors to Compass Social Media. Chloe Chen will also advise Compass Social Media.”

After thinking and writing about each component, Emma then compiled her work into a completed Company Description for Compass Social Media, shown on the next page.

Putting it together: Emma's Company Description

Company Description

- I. Company Name**
Compass Social Media
- II. Business Summary**
Compass Social Media will provide social media management, professional blogging, and video production for local businesses.
- III. Mission Statement**
The mission of Compass Social Media is to help small businesses navigate their online identities through exceptional social media management, blogging, and video production services provided at reasonable prices.
- IV. Industry Classification**
According to the North America Classification System (NAICS), the industry classification for Compass Social Media is Motion Picture and Video Production with a NAICS code number of 512110 and Independent Artists, Writers, and Performers with an NAICS code number of 711510.
- V. Location**
Compass Social Media will operate from the owner's home residing in Harbor Trails subdivision at 358 Maple Street, Ann Arbor, Michigan.
- VI. Year Established**
2018
- VII. Primary Function**
Compass social media will provide social media management of mainstream platforms such as Facebook, Instagram, and LinkedIn; professional blogging services including how-to articles and special announcements; and video production services including product tutorials.
- VIII. Employees**
Emma Chen, the owner, will be the only employee of Compass Social Media.
- IX. Business Advisors**
Allison and James Chen, the owner's parents, will serve as business advisors to Compass Social Media. Chloe Chen, the owner's sister, will also advise Compass Social Media.

Part 2

Crafting Your Company Description

Now that you have seen how Emma created a business description, apply what you learned to create your own business description.

1. Deciding on a business name

Identify five potential names for your new business. Research the availability of each name using the United States Patent and Trademark Office website (www.uspto.gov). If the name is not in use, record it on the table below. Rank each name in order of 1–5, where 1 is your favorite and 5 is your least favorite name.

Present the list of potential business names to two of your friends or classmates. Ask them to rank the business names in order from favorite to least favorite. Based on their opinion and your own personal preference, decide on a name for your business.

Potential Business Names	My Ranking	Classmate Ranking 1	Classmate Ranking 2
Final Business Name			

2. Preparing the company description

Answer each of the questions below in one or two complete sentences.

- What is the legal name of your company?

- Write a brief summary about your business.

- Write a mission statement for your business.

- What NAICS code applies to your business? Refer to www.naics.com for assistance in answering this question.

- Where is your business located? Do you plan to operate a home-based business, virtual/online business, or rent or lease office space?
 - Is your business location in accordance with all area zoning regulations? Refer to the local zoning board in your community for more information.

- What year was your business originally formed?

- What is the primary function of your business?

- How many employees will be working for the company? Who are they and what will their job titles be?

- Who (if anyone) will be advising you on legal, insurance, and accounting requirements?

3. Completing the company description

When you have finished answering the questions, type them into a document using the format below.

Company Description

I. Company Name

II. Business Summary

III. Mission Statement

IV. Industry Classification

V. Location

VI. Year Established

VII. Primary Function

VIII. Employees

IX. Business Advisors