

YOUR MONEY



Katie Danziger runs Nomie Baby, her line of washable car-seat covers, from home.

**EXPERT
ADVICE**
**To start a
home-based
business:**
SET REALISTIC GOALS

"To launch a business does take capital, time and money, and always twice as much as you think," says Pace University's Bruce Bachenheimer.

FIND A MENTOR

Talk to people who have started home-based businesses, join entrepreneur and small business groups, and get feedback about start-ups. "Smart entrepreneurs surround themselves with even smarter experts," said Bachenheimer.

THINK SALES

A lot of people have a romantic vision that working at home means making your own hours and making money. But the reality is, no matter what you're offering, you need someone to buy it.

"Entrepreneurs are optimistic by nature, but don't confuse passion and persistence with arrogance and stubbornness. You need someone to actually open up their wallet and want," said Bachenheimer.

**USE THE INTERNET
AND SOCIAL MEDIA**

Plant seeds early, advises Martin. "Talk about your business and have a place to refer people to, even one web page or a free business page on Facebook or a LinkedIn profile. Clients and investors will look you up online and you want to look good."

TELL YOUR FRIENDS

"Some people are afraid, they don't want their idea stolen" or (whatever)," says Martin. "But I would err on the side of spreading the news."

BE HONEST WITH YOURSELF

Not everyone is cut out to be an entrepreneur. "The best are risk-takers confident in themselves and their ideas," Bachenheimer says.

Fran Golden

Bouncing back

Laid-off NYers get fresh start with home businesses

BY FRAN GOLDEN
NEW YORK DAILY NEWS

When Sabina Les was laid off from her job as a graphic designer, a result of corporate downsizing during the recent recession, she decided to take employment matters into her own hands.

Using her savings and money borrowed from her parents, she started a home-based business — as a scarf designer.

The dining room table of her lower Manhattan studio apartment became her workstation, design and development center.

Her kitchen cabinets were transformed into her self-named company's warehouse and storage spaces. A mannequin took up residence in her closet along with her clothes.

Now, a little over two years later — and following trunk shows at Bendel's and Bloomingdale's featuring her silk scarf creations that sell from \$180 to \$225 — Les is hoping to turn a profit for the first time.

"In current economic conditions, running a business from my home allows me to continue with my dream in building my fashion brand," Les said.

So what advice would she give a friend starting a home business?

"Once you think you can do something you have to be ready for it," she said. "Me, I have a drive of positivity."

While hiring seems to be picking up again, as seen by the decline in January of the national unemployment rate to 8.3%, the financial meltdown that began in 2008 resulted in a surge of home-based businesses as millions of laid-off workers scrambled to find a way to pay their bills. In 2009, 18.4 million Americans

worked at home, an increase from 16.5 million the previous year. A little over half of all small U.S. businesses are based out of people's homes, according to the latest Census Bureau data available.

But before would-be self-employed moguls get started, they need to look realistically at what they're hoping to accomplish, said Bruce Bachenheimer, a professor of management and Director of Entrepreneurship at Pace University. "Do you have a real strategy? A lot of people in this bad economy see home-based as a way to be employed, fill a gap on the resume or whatever," he said. "But it's not as easy as it appears."

Starting a home-based business after losing a job "is a big step with an enormous amount of risk," said Katie Hellmuth Martin, a serial entrepreneur who initially struggled to hit paydirt after starting three home-based businesses — the last one being 'PRENEUR, a company that advises small businesses.

"It's good to have a backup plan to pay the rent," she said.

Continued on page 31

**SMALL BIZ
FOCUS**