



North Carolina Law Life

Extreme Bootstrapping: When Should You Consult Professionals?

By: Donna Ray Chmura. *Monday, August 22nd, 2011*

A recent blog at **The Entrepreneurial Mind** discussed when extreme bootstrapped startups need to spend money on their first big-ticket items: office space and employees. While I appreciate a controlled **burn rate** and spending as much as anyone, entrepreneurs who are most likely to succeed establish relationships with their business attorney, CPA, banker, and commercial insurance agent sooner rather than later.

While many business owners are savvy enough to select the proper **entity** on their own, many do not understand the difference between **trade names** and trademarks. Others accidentally give the rights to their **logos** and other commissioned artwork to their graphic artist and the content of their website to their web host. Some will think *they can choose* whether a worker is a **contractor** or an employee. A good **business attorney** can address these issues on the front end, and save much expense and aggravation later.

Likewise, a good certified public accountant isn't just a number cruncher — he or she is a **trusted advisor** who understands your business and today's economic climate. CPAs evaluate business ideas, plan for growth, minimize taxes, monitor cash flow and help keep proper financial records. Poorly set up books can make it impossible for companies to track costs, make profits and attract financing.

Those of us that work with startups are familiar with the intersection of providing value and penny-pinching, and can often work with the bootstrapped entrepreneur on how the services are provided and paid for.

Related articles

- **Moving beyond the kitchen table** (csmonitor.com)
- **Bootstrapping Mistakes You Can Easily Avoid** (startupbiz.wordpress.com)
- **How to Get Good At Making Money** (inc.com)
- **About Starting a Small Business** (thinkup.waldenu.edu)

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