

A Checklist for Starting a Home-Based Medical Writing Business

By Terry Paul

Starting your own home-based medical writing business is an exciting step to take in one's writing career; however, it should not be taken lightly, especially if it is going to be your primary source of income. Thorough research and planning is probably the most important thing you can do before starting your own home-based medical writing business. One of the most valuable forms of research includes talking to other freelance writers who are already out there doing what you want to do. Attending AMWA annual meetings, local AMWA chapter workshops, DIA classes, and networking are just some of the ways of learning new skills, enhancing existing skills, and meeting writers who are willing to share their experiences of freelance writing. Deciding what type of writing you want to do, the source of work, and how you will obtain this work, are just a few of the issues that should be included in your planning. Additionally, how will you finance your start-up costs? Will it be from your savings, the income of a spouse, or a loan from family members or the bank?

In this edition of the newsletter we provide a checklist of the things you'll need to consider when starting your own home-based medical writing business. This information is intended for writers who are considering entering the world of freelance medical writing and want to know what is involved in setting up your own writing business. This checklist is not intended to be an all-inclusive list but to provide some of the more common things for consideration. References and web links, where available, are provided for additional information on some topics.

? Research and Planning

- ? Service Corps of Retired Executives (SCORE): this is an organization of retired executives who give free guidance to new businesses. <http://www.score.org/>
- ? Small Business Association (SBA) <http://www.sbaonline.sba.gov/>
- ? North Carolina Small Business Centers provide a variety of seminars and workshops, one-on-one counseling, a library of resources, and referrals to other sources of help. <http://www.secretary.state.nc.us/blio/smallbusinesscenter.asp?dtm=898796296296296>
- ? Networking
- ? Attending workshops and seminars

? Start-up Funds

- ? Severance package
- ? Savings
- ? Loan: bank, family, friends, etc.
- ? Part-time job

? Business Structure

- ? Sole proprietorship
- ? Partnerships
- ? Corporations <http://www.secretary.state.nc.us/Corporations/> information and source of forms for different business structures
- ? Select a name for your business
- ? Check other business names and trademarks
- ? File form B-01 (Articles of Incorporation) with NC Secretary of State (for Corporations)
- ? Obtain a employer identification number (EIN) <http://www.irs.gov/>
- ? NC tax forms-NC Department of Revenue <http://www.dor.state.nc.us>
- ? Incorporation costs
- ? Licenses <http://www.dor.state.nc.us/>
 - ? City-Privilege License
 - ? Zoning: does your city or neighborhood association permit the type of business you wish to start?

? **Banking**

- ? Business checking account
- ? Business credit card
- ? Business loan

? **Insurance**

- ? Worker's comp: the Workers' Compensation Act requires that any employer who employs three or more employees provide workers' compensation coverage.
- ? Automobile
- ? Health: Shop around for the best plan that best covers your needs. For 2003, 100% of your health insurance premium is tax-deductible.
- ? Life
- ? Disability: Shop around for the plan that best covers your needs.
- ? Home office business liability: Relatively inexpensive and you can choose the amount you want to be covered for.

? **Tax Obligations**

- ? Federal <http://www.irs.gov/>
- ? State <http://www.dor.state.nc.us/>
- ? Employment Security Commission <http://www.ncesc.com/>
- ? Tax deductions

? **Office Space and Equipment**

- ? Desk
- ? Comfortable office chair and chair mat
- ? Phone for business use
- ? Voicemail or answering machine
- ? Fax machine
- ? Shredder
- ? Internet service provider
 - ? Cable modem
 - ? Phone modem
 - ? Wireless
- ? Networking system for multiple computers and printer(s)
- ? Storage equipment for files, books, office supplies
- ? Bulletin board/pegboard

? **Computer**

- ? Laptop
- ? Desktop
- ? Reconditioned computers
- ? CD Drive
- ? CD-RW Drive
- ? Software
 - ? PowerPoint
 - ? Adobe Acrobat
 - ? Excel
 - ? Microsoft Publisher
 - ? Microsoft Word
 - ? Microsoft Office Professional: includes Microsoft Excel, Word, Access, PowerPoint, Publisher, and Outlook
 - ? Antivirus software
 - ? Firewall software
- ? Processor speed and type
- ? Memory
- ? Hard drive space

- ? Printers
 - ? Inkjet
 - ? Laser
 - ? Combination printers: fax/scanner/copier/printers
 - ? Paper
 - ? Toner cartridge
- ? Monitors
- ? Wrist support
- ? Scanner
- ? **Software**
 - ? Financial bookkeeping: small business accounting, time/project management, and financial planning and investment management.
 - ? Organizational: daily planning, scheduling, project management, message management
 - ? Software: Excel, QuickBooks, Microsoft Money, Quicken, etc.
 - ? Certified Public Accountant
- ? **Marketing Your Services**
 - ? Marketing research: e.g., talking to other writers
 - ? Identify your potential clients
 - ? Identify the types of writing services clients are buying
 - ? Determine the going rates of payment
 - ? Position your pricing schedule among the going rates
 - ? Business cards
 - ? Brochures
- ? **Selling Your Services**
 - ? Word of mouth
 - ? Referrals
 - ? Sources of Prospects
 - ? Media
 - ? Networking
 - ? Referrals
 - ? Conferences
- ? **Pricing Your Services**
 - ? Determine what other writers charge
 - ? Decide how you want to price your services: hourly, by the project, by the word, etc.
 - ? Finding Your Profit Zone
 - ? Bidding
 - ? Negotiating
 - ? Strategies for getting paid
- ? **Legal Issues**
 - ? Contracts
- ? **Setting Goals for Success**
- ? **Retirement Planning**
 - ? Roth IRA
 - ? SEP IRA
 - ? SIMPLE IRA
 - ? 401(k)
 - ? Keogh plan

References

- Lucy V. Parker. *How to Start a Home-Based Writing Business*. Guilford, CT: The Globe Pequot Press, 2000.
- Frederick W. Daily. *Tax Savvy for Small Business*. Berkeley, CA: Nolo, 2001.