Project Background

Brittany Sprung, a Penn State student studying Nuclear Engineering, has a passion for beeswax candles. She loves mixing scents, creating colorful combinations, and making beautiful labels for the jars. After spending some time researching candles already on the market, she determined that she would be able to bring her creations to market at a competitive price. Her candles would be a step above others found in gift stores in terms of quality.

She invested some personal funds into materials and supplies needed to make the candles, and started mixing and pouring them in the kitchen of her apartment. After making a few cases of samples, she started looking for retail outlets for the product. She spoke with many different store owners around her hometown of Berwick, PA, and found a few who were willing to take some candles on a consignment basis.

Soon, however, Brittany realized that although she was creative and could make quality candles that appealed to retailers and consumers alike, she really wasn’t familiar with the legal and tax issues that she needed to address as a small business owner.

SBDC Assistance

In September of 2011, Brittany became aware of the SBDC at Penn State. She made a call to the office and talked to Michael Ryan, the Business Consultant based in the Mifflin County Outreach Office. She had a list of questions about the various legal and tax issues that she didn’t fully understand. Michael answered her questions, and followed up with an email with links to various online resources that would help her address these issues and stay in compliance.

In November, Brittany and Michael had a face to face meeting on campus to go over several tax forms. Michael was able to provide guidance on how the forms are to be completed, and gave a list of due dates for the various forms. They also discussed setting up a bookkeeping system and how to track income and expenses. Brittany continues to email Michael to ask questions on taxes, marketing, and legal issues. Plans are in place to meet early in 2012 to review the various tax forms to ensure that they are properly filled out.

Outcome

Brittany officially started her business in October. Her candles are available in several retail stores in the Berwick area, and she continues to look for new outlets for her product. She was surprised to discover that the retail outlet with the greatest sales volume is a small gas station near her home.

Brittany has taken a passion and turned it into a small business that will supplement her other income and help cover the costs of her education. By reaching out to the SBDC, she fully understands her obligations to local, federal and state authorities, and can focus on developing, making, and selling product.