

Business Start-Up fact Finder Manual

INFORMATION DETECTIVE

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Information Detective

Vital Information

Start-up Investment

Low - \$5000 (a home office)

High - \$20,000 (an office with one employee)

Break - even time - Three month to one year

Estimate of Annual Revenue and Profit

Revenue \$25,000 - &10 million

Profit (Pre-tax - \$20,000 - \$2 million)

A Golden Needle in the Haystack?

It is said that the world's knowledge is doubling every eight years! That's a staggering and impressive figure, assuming all that knowledge is accessible to the people who need it. Fortunately for the 300 to 500 "Information Detectives" operating in the U.S. today, the average corporation, writer, journalist, student, doesn't have ready access to the facts and figures they need and trying to unearth the appropriate information is a great deal like looking for a needle in a haystack.

And what a haystack! Thanks to today's overwhelming increase of computer usage, thousands of entrepreneurs, major corporations, government agencies, etc., are all able to compile libraries of information ranging from the effects of oil spills on inland lakes to the state with the greatest number of horse breeders. And all this information is available on some data-base somewhere. But how does the average "Joe" access that information?

Information detectives are paid to find the needle their client needs. They primarily use computerised data bases, but it doesn't stop there. They often need to leaf through reference books, publications and, on occasion, the view experts. The key to success in this service industry is knowing where the bodies are buried.

Don't Byte Off More than You Can Chew

You will need some basic equipment when you start your Information Detective operation: a computer, printer and modem. You can keep overhead down by starting operations in a spare bedroom in your home. You will probably need some training; the vendor of your data-base system may offer one - or two-day courses to familiarise you with their system, but you will probably need a great deal of practice to become proficient in your searches.

When and if you decide to rent an office, and another researcher or two market more heavily, your overhead can easily double or quadruple, so take it easy and slow. Keep a close eye on how you are "growing your business".

Although some corporations have in-house information services, most information detectives are home-based, one-person operations. A few entrepreneurs in this industry have capitalised on their talent for unearthing information and expanded into large information gathering businesses.

These independents and entrepreneurs generally work on an hourly basis (usually in the \$50 to \$70/hour range). As your business increases, you will more than likely want to try to establish a base of clients who employ you on a monthly retainer basis (you will guarantee them a minimum number of hours per month) and of course bill additional amounts for larger projects.

Watch Out for "Tunnel Vision"

Especially in the early stages of your business, it may be necessary to keep more than one egg in your basket. Many small independents don't have enough demand for their services to fill the whole day, five days a week, so they beef up their income by providing other services which compliment their major activity, i.e., conducting seminars, writing articles on information on information retrieval, and/or teaching computer courses.

In addition to providing income, these activities can be a good "networking" technique to get your name out there and garner valuable contacts -- people who may later hire you detect for.

Resources

Industry Association

Information Industry Association, 555 New Jersey Ave.,N.W., Suite 800
Washington, DC 202 639-8262

Special Libraries Association, 1700 18th St.,NW Washington, DC 20009 202-234-4700

Consultant

Katherine Ackerman & Associates, 403 Oxford St.,East Lansing, MI 48823 517-331-6818

For additional information helpful in setting up your new business, information about licenses, permits, the legal structure of your business, taxes, insurance and much more refer to the Business Start-Up Fact Finder Manual