

Come up with three creative innovations or new ideas that would improve life and/or work. Provide at least three paragraphs that describe your creative idea, your target market and how it will improve life (the benefit to the person who uses it). Submit your assignment via Angel and share your idea during class on Sept 15. Assignment is worth 20 points. Submit by Sept 15 at 1:00 pm

Duplex

My first idea is to buy a duplex as a home, and also as an investment property. The duplex would increase in value over time and pay for itself. Having monthly rent from the other unit would help pay down the mortgage faster. There are also perks for an owner to live in the duplex itself, which make it an interesting opportunity.

The name of the business would be the street address of the property and I would set it up as an LLC (limited liability company). This would give me better legal protection against lawsuits and it would separate my personal liabilities from my business. I would use the formula for gross rent multiplier (GRM) to choose my property, which takes the selling price of the property divided by the gross rent, to identify more profitable properties. Rental income is passive income (like book royalties and stock dividends) and is taxed at a lower rate than money from wages. As an on-site owner, you can be more selective about who you rent to because there are less regulations that you have to follow and not as much red tape. I would get a 15 year mortgage with 20% down and make one extra payment each year in order to pay it off in 12 ½ years.

This plan could be very appealing to a young person, couple, or family just starting out buying their first property. It's a good way to start if you plan on owning it for about five years, otherwise, your profits could be lost in transaction costs. You can build equity in the duplex even if you don't make money on it and you can deduct it as a tax write-off. When the property is owner-occupied, there are multiple tax breaks for a home-based business. Rentals with more than 2 units are taxed at a commercial rate, not residential, so this is a good way to use the law to your advantage, since Iowa commercial real estate taxes are the 2nd highest in the USA. I would also join the Linn County Landlords Association. They have the proper forms that you need to use. It's a great place to talk to other landlords about their problems and solutions and learn the rental business as you grow your portfolio of properties.

Technology Assistance & Computer Consulting

My second idea is to have a part-time business out of my home helping people set up their computer systems and troubleshoot difficulties that arise with the set-up. I would also install software for them and uninstall software, or erase data. Diagnosing a user, software, or compatibility problem as opposed to a hardware problem, would be my expertise. I would recommend other businesses if hardware repair was required, or advise clients about the pros and cons of repairing vs. replacing their equipment. I would also haul away unwanted equipment for scrap metal, or reuse it.

To lower my barrier- to- entry costs, I would use equipment I already own. I would invest in a very good set of computer tools and have reliable transportation. Potential clients could reach me through my website or by calling my cell phone. I would use the knowledge I already have from installing and uninstalling software and operating systems, and creating websites. I would also have the PC Technician diploma and the A+ certification from Kirkwood.

My marketing plan would include word-of-mouth referrals from existing clients, my website, and advertising in school newspapers and church bulletins. My business name and contact info would be on the outside of my vehicle. I want to be the sole proprietor for my business and have no employees. Continuing education about computers would be my priority. I would join the Freelancers Union to use their benefits. If I need extra help, I will use independent contractors that I have personally chosen. My goal would be to provide fast, reliable technical assistance to home or office computer users. I would charge reasonable rates for my services, and strive to give excellent service to my customers.

Wireless Cooperative

My third idea is to establish a wireless internet service provider (WISP) cooperative in Hiawatha, Iowa. Currently, there are very few choices available in the Hiawatha area to access the internet. This service would be local, non-profit, and affordable. Free wi-fi would be accessible anywhere in the community.

The Hiawatha WISP will initially start out as a collection of neighborhood internet service providers (NISP). These will be a small-scale wireless broadband internet service provider for a single neighborhood at a time. It will be classified either as a 501(c)(12) cooperative, or a 501(c)(3) used for educational use or the public good. The latter classification allows for donations to be tax deductible, which would help in fund raising. NISP would provide internet access to a neighborhood in Hiawatha by a local group and would not be for-profit, and provide services to members at the lowest possible cost. This could greatly benefit the greater community as it grows.

With the WISP, network neutrality will not censor or block internet usage or information, or take away the individual's freedom to surf the net as he/she chooses. Gmail or Google Apps will provide free email to members. By making this a local peer-to-peer network, its members can have more control over how their network is run, and enjoy more privacy and security. The main goal of the Hiawatha WISP co-op is to provide a viable alternative to Quest or Mediacom for internet access. The WISP organization must hold democratic elections for officers and conduct public meetings annually for members. Each member gets one vote. A wireless cooperative is a grassroots approach to allow more freedom and less money for internet users.