



Professor Robert Farley

BLaw 321 – Law of Business Organizations

Class Exercise

So You Want to Start a Business

Step 1: What Type of Business Would You Like to Start?

Step 2: Research Your Ideas

Step 3: Write a Business Plan Based Upon Thorough Research

- Develop Your Business and Brand Strategy
- Develop a Marketing Plan
- Develop Financial Projections

Step 4: Intimately Learn Your Product or Service

- More Research and Investigation

Step 5: Name Your Business

Business Name:

- Check to See if Your Company Name is Available
- DBA (for sole proprietorships/partnerships) – County Clerk
- Corporation or LLC – Secretary of State

Step 6: Retain Accountants and Attorneys

Step 7: Decide Which Type of Business Organization is Right for You

Business Types:

- Sole Proprietorship
- Partnership
- Limited Liability Company
- Corporation
- Franchise

Step 8: Formation of Business Organization

- Sole Proprietorship
 - Register Business as a DBA
- Partnership
 - Identify Partners
 - Draft and Execute a Partnership Agreement
 - Register Business as a DBA

Step 8: Formation of Business Organization Continued

- **Limited Liability Company**
 - **Identify Members**
 - **Draft and File Articles of Organization**
 - **Comply with Organizational Requirements of Limited Liability Company Law**
- **Business Corporation**
 - **Identify Promoters**
 - **Identify Incorporators**
 - **Identify Subscribers**
 - **Draft and File Certificate of Incorporation**
 - **Comply with Organizational Requirements of Business Corporation Law**
- **Franchise**
 - **Form the Underlying Business Organization in which Franchise will Operate**
 - **Draft and Execute Franchise Agreement**

Step 9: Start Fundraising for Your Business

- **Identify Investors**
- **Raise and Save Capital for Future Expenses / Investments (sell stock subscriptions)**

Step 10: The Organizational Meeting

- **Notify Subscribers/Potential Directors/Potential Officers of Meeting**
- **Call Meeting to Order**
- **Issue Stock (Voting Shares of the Corporation)**
- **Hold Election for Initial Board of Directors**
- **Seat Board of Directors**
- **Call Meeting of Board of Directors**
 - **Adopt a Resolution Appointing Officers**
 - **Adopt a Resolution Appointing a Bank / Authorizing an Account**
 - **Adopt a Resolution Establishing Initial Corporate Bylaws**

Step 11: Identify / Establish Accounting, Bookkeeping, Tax Compliance and Payroll Systems

Step 12: Obtain Business Insurance (All forms of liability and exposures)

Step 13: Qualify For / Obtain All Federal, State and Local Licenses, Permits and Permissions

Step 14: Obtain Office / Work Space

Step 15: Research / Develop Compliance Plan for all Employment/ Work Place Safety Laws

Step 16: Develop Personnel and Management Practices and Protocols

Step 17: Hire Employees

Step 18: Develop An Online Presence (Website/Facebook/Ect.)

Step 19: Implement Marketing Plan with Measured Results

Step 20: Develop Supply Chain and Purchasing Plans, Agreements and Protocols

Step 21: Commence Business Operations

Step 22: Perform Regular and Periodic Assessments for Success, Growth and Compliance