



# Professor Robert Farley

## BLaw 500 – Law of Corporations

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### Class Exercise

### So You Want to Start a Business

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**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**