

# Let's Start a Business!!

by:  
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## Why Own a Business?

- tax savings (T4, GST, etc) - a major benefit!
- corporate benefits
- prestige
- Independence – make it work *for you*
- discounts, memberships, travel, etc
- Fun and profit
- May Grow BIG!
- Immortality!
- Alternatives?

## Now is Best Time to Start

- ◆ Tax: Recoup some of your expenses
- ◆ Timing: Strong economy, infrastructure
- ◆ Why not? What's the downside?
- ◆ Start small, e.g. sell your time...(hobby?)
- ◆ No need to generate revenue right away
- ◆ All you need is "intent to generate income" (within 5 years)

## Let's get serious!

- You're serious, ready, willing to commit
- You've got a great idea
- You've got a founding team
- There's a BIG business opportunity

## Some Serious SFU'ers:

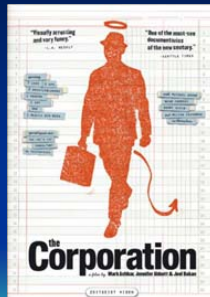
- V-Chip  
[www.tri-vision.ca](http://www.tri-vision.ca)
- NCompass Labs  
sold to Microsoft for \$60M
- Neurostream Technologies  
sold to Victhom
- AirG Wireless  
[www.airg.com](http://www.airg.com)
- ....are YOU next?

## Type of Business

- Personal (unincorporated)
  - Proprietorship ("myself")
  - Partnership (2 or more persons)
  - Limited Liability Partnership (new)
- Incorporated (new legal entity & TAXPAYER)
  - CCPC
  - Public Company ("Reporting Issuer")
- Which is best for you?

## The Corporation

*What is a Corporation?*



## Why Incorporate?

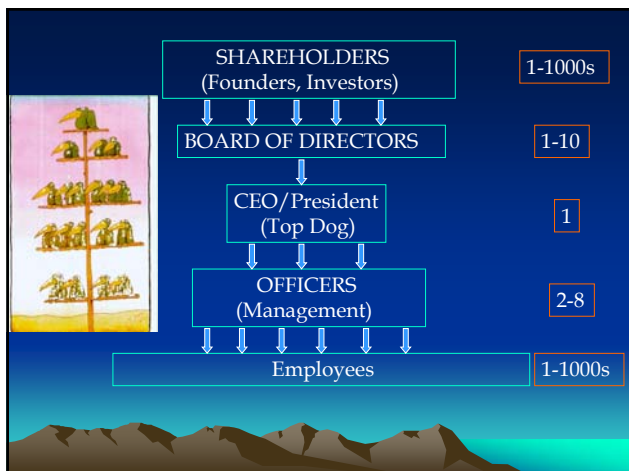
- Liability issues
- Ownership issues (shareholders)
- Attract investors (e.g. go public)
- Tax advantages (eg \$750K Cap Gains)
- Market's Perception

## How to Incorporate...

- Call a lawyer (\$500 to \$1000)  
(recommended)
- Do it yourself (\$400)  
(Provincial Registrar of Companies)  
*\*new\* BC Corporations Act*
- Check On-line services

## Incorporation Details

- ◆ Get a Name (What's in a name?)
- ◆ Inc, Corp, or Ltd?
- ◆ Jurisdiction: Provincial or Federal?
- ◆ Articles of Incorporation
- ◆ Directors
- ◆ Shareholder(s)
- ◆ Officers (management)



## Company Startup Checklist... (Incorp or otherwise)

- ◆ decide on legal format
- ◆ pick name
- ◆ business address & telephone
- ◆ corporate files & records
- ◆ agreements (shareholder or partnership)
- ◆ Boards? (directors? advisors? mentors?)



## Company Startup Checklist

- register for Prov and Federal Sales Taxes
- register with RevCan Taxation
- bank accounts
- corporate identity (cards, letters, etc) plan
- Labor (know employment standards, WCB, etc)
- Regulatory matters
- Business Plan.....

## Other Considerations:

- Raising capital by selling shares
- A corporation's capital can be expanded (more money, new people, etc)
- Shares can be easily distributed (e.g. to family members, other companies.)
- Estate and family planning is easier.
- NOTE: SECURITIES LAWS (Red Tape)

## Public vs Private Companies

- All are incorporated
- public means publicly, freely tradable (NB Strict Securities Regulations)
- Several shareholders
- Public = liquidity (i.e. a market for shares)
- Public - gold fish bowl

## Summary

- Why not start a "business"?
- Consider Incorporation (right time, right reasons)
- Beware of Rules & Regulations
- Get mentors/advisors/board

## Contact Info



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THANK YOU!  
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