



**PALMETTO INNOVATION CENTER  
PROPEL BUSINESS LAB**

# **SESSION 2**

## **Management & Legal Structure: Starting Your Business The Right Way**



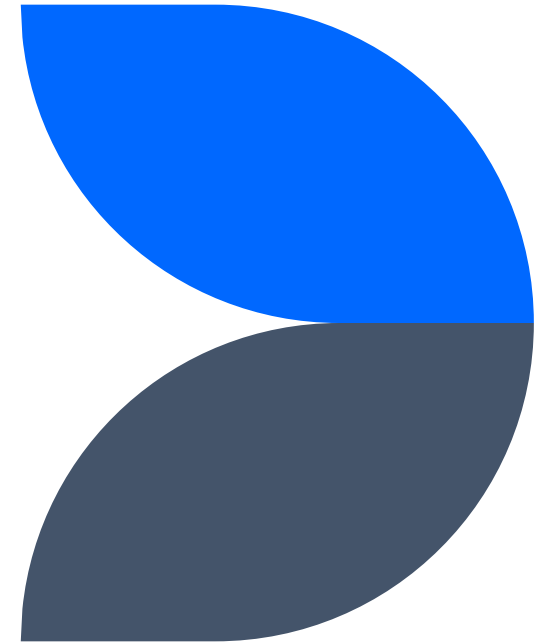
# AGENDA

- CEO & Program Manager Comments (If Applicable)
- Participant Comments
- Session I Overview
- Guest Speaker Presentation: (Choosing the Right Legal Structure, Governing Regulations, Risk Management, Trademarks, Patents, Copyrights & Other Legal Issues)
- Management & Organization Discussion
- From Concepts to Action
- Conclusion & Pre-Work for Subsequent Session

*“If you don’t build your dream, someone else will hire you to help them build theirs.”  
(Dhirubhai Ambani, Entrepreneur)*



# Identifying the Correct Business Structure



# Sole Proprietorship

A sole proprietor is one person who owns an unincorporated business.



# Partnership

A partnership is a form of business where two or more people share ownership, as well as the responsibility for managing the company and the income or losses the business generates.



# S-Corporation

S Corporations are corporations that elect to pass corporate income, losses, deductions, and credits through to their shareholders for federal tax purposes. Shareholders of S corporations report the flow-through of income and losses on their personal tax returns and are assessed tax at their individual income tax rates. This allows S Corporations to avoid double taxation on the corporate income.



# C-Corporation

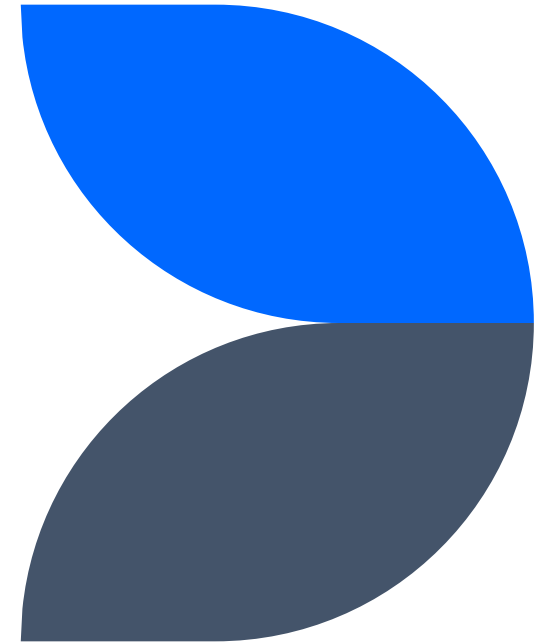
A C Corporation (or C-Corp) is a legal structure for a corporation in which the owners, or shareholders, are taxed separately from the entity. The taxing of profits from the business is at both corporate and personal levels, creating a double taxation situation.



# Limited Liability Companies

A type of business structure commonly used in the United States. LLCs can be seen as a hybrid structure that combines features of both a corporation and a partnership. Like a corporation, LLCs provide their owners with limited liability in the event the business fails. But like a partnership, LLCs “pass-through” their profits so that they are taxed as part of the owners' personal income.

# TRADEMARKS, PATENTS, & COPYRIGHTS



# WHICH TRAITS SHOULD I POSSESS?

## TRADEMARKS

- ✓ Used for Goods/Services
- ✓ Provides legal Protection
- ✓ Word
- ✓ Phrase
- ✓ Symbol

## PATENTS

- ✓ Used for inventions
- ✓ Provides legal protection
- ✓ Product or a service
- ✓ Patented items cannot be made, used, or distributed without patent owners consent

## COPYRIGHTS

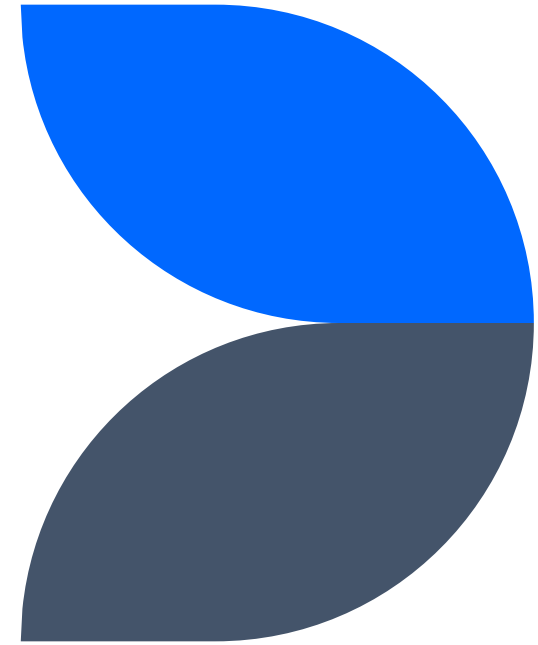
- ✓ Intellectual property
- ✓ Provides legal protection
- ✓ Protects original works of authors
- ✓ Painting, photographs, illustrations, musical compositions, books, etc.



# Resources

- ✓ Trademarks:  
<https://www.uspto.gov/trademarks/basics/what-trademark>
- ✓ Patents:  
<https://www.wipo.int/patents/en/>
- ✓ Copyrights:  
<https://www.copyright.gov/what-is-copyright/>

# MANAGEMENT & ORGANIZATION

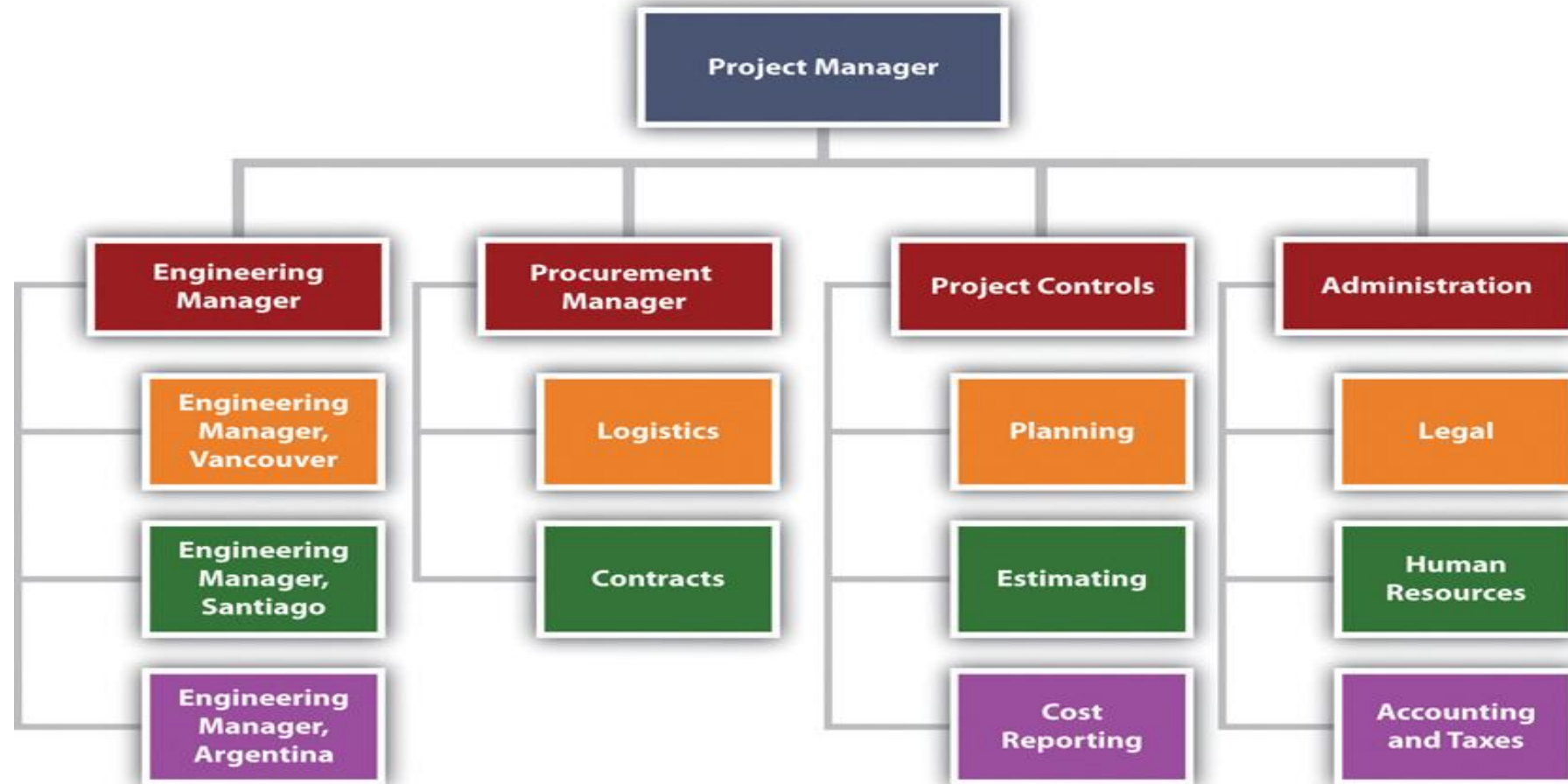


# Organization Charts

An organization chart is the visual representation of its reporting structure. It defines the employee relationship hierarchy of an organization and the alignment matrix of teams. Org charts illustrate employee designations, reporting managers and more.



# Sample Organization Chart





# Managers

Manager: A manager is a professional who takes a leadership role in an organization and manages a team of employees. Often, managers are responsible for managing a specific department in their company.

## TYPES OF MANAGERS

- ✓ Top Managers: Usually involved with their company's overall strategy.
- ✓ General Managers: Responsible for a variety of management tasks, including overseeing product production.
- ✓ Line Managers: Responsible for achieving specific outputs.
- ✓ Team Managers: Responsible for overseeing specific groups or functions of an organization.



# Characteristics of Good Manager

Leadership

Experience

Communication

Knowledge

Organization

Time  
Management

Delegation

Confidence

Respect

Company  
Culture

# From Concepts to Action

Click on the link to read the following article from Forbes Magazine: [Business Structures 101: Which One's The Best Fit For Your Company?](#)

Discuss the concepts from this article and the concepts you have learned during Session II. Answer the questions below:

- ☐ Which is the best business structure for you?
- ☐ Explain why you selected this particular business structure.

# Conclusion & Pre-work for Next Session

1

Read through the Session III Presentation.

2

Review the following articles that pertain to the SWOT Analysis:  
<https://www.mindtools.com/amtbj63/swot-analysis>  
& [How to Do a SWOT Analysis \(Examples & Free Template!\)](#)

3

Draft at least  
3 strengths  
3 weaknesses  
3 opportunities  
3 threats

4

Identify at least 3 of your competitors, and bring with you the following information: the competitor's business name, location (city & state), and length of existence (if known).