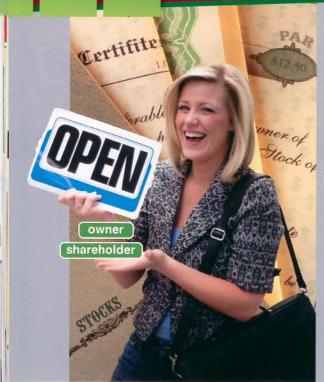
# **Types of Businesses**



# Starting Your Own Business

It's important to have the right kind of business. Owners and sole proprietors don't need to work all alone. There are several types of public and private businesses. You may consider a partnership or a cooperative first. These options provide more capital. The same goes for incorporated businesses.

Corporations allow shareholders to exchange money or property for stock. And LLCs protect you from financial losses. Non-profit organizations assist the needy, so they are taxed at a lower rate. If you want a profit, however, they aren't the



#### Get ready!

- Before you read the passage, talk about these questic
  - 1 What are some types of businesses?
  - 2 Why is it important to understand different business types

### Reading

- Read the article. Then, choose the correct answers.
  - 1 What is the article mainly about?
    - A how to run a business
    - B why a business needs shareholders
    - C the benefits of a partnership
    - D the different types of businesses
  - 2 According to the article, which of the following provides protection from financial losses?
    - A a partnership
      - C a non-profit organization
    - B an LLC
- D a private business
- 3 What benefit is associated with non-profit organizations?
  - A extra capital
  - B exchange money or property for stocks
  - C paying less in taxes
  - D protection from financial losses

## Vocabulary

- Match the words or phrases (1-8) with the definition: (A-H).
  - 1 \_\_ shareholder
    - 4 \_ private
- 7 \_ incorpora

- 2 \_ co-operative 5 \_ sole proprietor 8 \_ LLC
- 3 \_ public
- 6 \_ partnership
- A a person who owns a business and is the only one responsible for the company's debts
- B a contract entered into by two or more people in which ea person agrees to provide capital and labor in a business
- C a business that is owned by the people who run it
- D to be legally united into one entity, becoming a corporation
- E a business structure in which owners are only partially liab for the business's debts
- F a person or entity that has purchased and legally owns pa of a company in shares or stocks
- G a company that does not offer to sell its stock to the general public
- H a company that sells portions of the company in stocks to the general public

4 Read the sentence pairs. Choose which word or phrase best fits each blank.		Speaking
1 shareholder / partnership		With a partner, act out the roles below based on Task 7. Then, switch roles.
<b>A</b> A	public company accepts money or	USE LANGUAGE SUCH AS:
	roperty from a	I want to
	y friend and I are thinking of establishing	You may want
2 sole	proprietor / non-profit organization	The nice thing is
	s a, our revenue goes back	
to	the company.	Student A: You are a business advisor. Talk to Student B about:
	ince I am the, I am esponsible for this company.	what business he or she wants to start
Te	esponsible for this company.	what you recommend
		<ul> <li>the benefits of your recommendation</li> </ul>
		<b>Student B:</b> You are a client. Talk to Student A about business options.
Listenii	ng	about business options.
<ul> <li>6 Listen to a conversation between an advisor and a client. Mark the following statements as true (T) or false (F).</li> <li>1 — The woman wishes to start a business selling flowers.</li> </ul>		Writing  9 Use the conversation from Task 8 to complete the client's notes.
<ul> <li>2 The man recommends starting a co-operative.</li> <li>3 The woman likes the idea of a non-profit.</li> </ul>		
Advisor:	So, you want to start a business?	
Client	Yes. My friend and I want to 1needy people.	mis .
Advisor:	Then you may want to consider a	
	2 Non-profits	
Client	are good for helping those in need.  3 a non-profit organization?	
	Any extra 4 doesn't go to	Meeting with Business Advisor:
, aviou	paying employees. It's used to improve the business.	Goal of the business:
	What are the benefits of that?	Recommended type of business:
Advisor:	Well, it helps the 5 And And	
Client:	That sounds like a 6 to	Benefits of this type of business:

ıs.

be

:h