

Preface

When we prepared the first edition of this book almost two decades ago, we had just been through a heady period in which high-tech and start-up companies were the rage of the stock market, investors, and the media. Following the stock collapse, or dot.bomb, a sense of reality returned and people began to study emerging companies from a more balanced view. A similar trend followed the global financial crisis that started in 2008. Many people who lost their jobs started their own companies and hopefully some of them benefitted from the advice provided in the second edition of this book, which came out in 2012.

As we reach the end of the second decade of the twenty-first century, excitement about emerging companies and the environment that surrounds and supports them, such as the venture capital community, remains high. However, emerging companies face a whole new set of challenges that founders and their legal advisers must take into account including new technologies, privacy concerns, a turbulent international trade framework, a seeming inability of lawmakers to take action on key initiatives required to support entrepreneurship (e.g., infrastructure, education, job training, and basic research and development) and growing pressures for businesses to act in a socially responsible manner. As such, this seems like a great time to roll out a new edition of the book.

This edition attempts to bring together current thoughts on how to establish, organize, develop, and eventually sell an emerging company. Over 15 chapters, we have tried to address basic organizational issues, tax and non-tax planning issues, and employment issues, as well as how to grow the business through distribution, licensing, and sales. We have also included chapters on protecting your intellectual property rights and how to handle media and public relations. Unfortunately, only about one-third of all emerging companies make it to a second generation, with only about 25 percent making it to a third generation. Frequently, this failure is because of an inability to address important estate-planning issues. This book is unique in that it includes a detailed discussion of these types of issues.

The editors have brought together leading experts from around the country to address, in the chapters that follow, each of these critical matters:

- Deciding to Start a New Business
- Preparing the Business Plan
- Non-Tax Aspects of Forming and Organizing a New Entity
- Tax Aspects of Forming and Organizing a New Entity
- Tax Reporting and Compliance
- Accounting and Financial Reporting Issues
- Technology and Intellectual Property Rights
- Financing the Business

- Product Development and Distribution
- Human Resources
- The Internet and Online Business Activities
- Public Relations
- Growing the Business
- Purchasing and Selling Businesses
- Estate Planning

Guided by our own experiences of attempting to locate this type of a reference book and not being able to do so, we endeavored to put together in one handy resource, all of the issues relating to emerging companies that we address on a day-to-day basis. We hope you find this book helpful.

We also have made a great effort to keep it user friendly and hope that you will find it to be so. To facilitate your usage, the agreements referenced in the books as exhibits are available at [_____](#). You can use any of the forms to prepare and customize your own documents as needed for your clients.

We wish you the best of luck, success, and good fortune in using this book. We hope that the information provided here will be a one-stop reference for those who are interested in forming a new company as well as for those who are advising them.

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