How to Start Your Own Business

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Members in Transition Seminar
February 5, 2016
## My Experience

<table>
<thead>
<tr>
<th>Company</th>
<th>Purpose</th>
<th>Dates</th>
</tr>
</thead>
<tbody>
<tr>
<td>JRH Technology, dba</td>
<td>Consulting</td>
<td>1999 - 2000</td>
</tr>
<tr>
<td>Business Fundamentals Group, LLC</td>
<td>Consulting</td>
<td>2001 - 2014</td>
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<tr>
<td>EOR Partners, LLC</td>
<td>EOR</td>
<td>2008 -</td>
</tr>
<tr>
<td>Blackhorse Energy, LLC</td>
<td>EOR</td>
<td>2011 -</td>
</tr>
<tr>
<td>Simmons Gulf View Properties, LLC</td>
<td>Real Estate</td>
<td>2012 -</td>
</tr>
<tr>
<td>Inwood Solutions, LLC</td>
<td>Consulting</td>
<td>2014 -</td>
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</table>
Advice – Small Business Administration

Source: https://www.sba.gov/content/follow-these-steps-starting-business

Thinking About Starting a Business?

- Is Entrepreneurship For You?
- 20 Questions Before Starting
- 10 Steps to Starting a Business
  - Understand Your Market
  - Business Data & Statistics
  - Business Types
  - Find a Mentor or Counselor
  - Ask Questions About Starting a Business
Is Entrepreneurship For You?

Consider whether you have the following characteristics and skills commonly associated with successful entrepreneurs:

- Comfortable with taking risks
- Independent
- Persuasive
- Able to negotiate
- Creative
- Supported by others

Source: https://www.sba.gov/content/follow-these-steps-starting-business
So you’ve got what it takes to be an entrepreneur? Now, ask yourself these questions to make sure you’re thinking about the right key business decisions:

- Why am I starting a business?
- What kind of business do I want?
- Who is my ideal customer?
- What products or services will my business provide?
- What differentiates my business idea and the products or services I will provide from others in the market?
- How will I advertise my business?
- How much money do I need to get started?

Source: https://www.sba.gov/content/follow-these-steps-starting-business
Ask yourself these questions:

- Who is my competition?
- How will I price my product compared to my competition?
- How will I set up the legal structure of my business?
- What taxes do I need to pay?
- What kind of insurance do I need?
- How will I manage my business?
- How many employees will I need?
- What types of suppliers do I need?
- Will I need to get a loan?
- How soon will it take before my products or services are available?
- How long do I have until I start making a profit?
10 Steps to Starting a Business

Starting a business involves planning, making key financial decisions and completing a series of legal activities. These 10 easy steps can help you plan, prepare and manage your business.

Step 1: Write a Business Plan
Step 2: Get Business Assistance and Training
Step 3: Choose a Business Location
Step 4: Finance Your Business
Step 5: Determine the Legal Structure of Your Business
Step 6: Register a Business Name ("Doing Business As")
Step 7: Get a Tax Identification Number
Step 8: Register for State and Local Taxes
Step 9: Obtain Business Licenses and Permits
Step 10: Understand Employer Responsibilities

Source: https://www.sba.gov/content/follow-these-steps-starting-business
Houston Technology Center  http://www.houstontech.org/

We welcome the opportunity to work with you to help your company become successful and meet its commercialization goals.

Rice Alliance  http://alliance.rice.edu/

Rice University’s nationally-recognized initiative devoted to the support of technology commercialization, entrepreneurship education, and the launch of technology companies.

Houston Angel Network  http://houstonangelnetwork.org/

Its members have invested more than $67M in more than 200 deals since its inception in 2001.

Service Corp of Retired Executives (SCORE)  https://www.score.org

Score offers the nation’s largest network of free, expert business mentors.

State of Texas  http://www.sos.state.tx.us/corp/related.shtml

Secretary of State
Resources – Houston Technology Center

Industry Sectors
- Energy
- Information Technology
- Life Sciences
- Nanotechnology
- NASA / Aerospace

Source: http://www.houstontech.org/
SPE-GCS is partnering with Houston Technology Center (HTC) to generate energy related technology ideas.

SPE members will submit a 2 page technical abstract with the idea, market need and feasibility for development to the SPE ILP committee.

SPE ILP committee will select ideas from members to be submitted to HTC; SPE GCS will cover the application fee and HTC membership fee if the idea is selected.

If selected, the HTC member will receive $25,000 seed money, funded by McNair Group, and ongoing support from HTC.
Resources – Rice Alliance

Source: http://alliance.rice.edu/default.aspx
Resources – Houston Angel Network

HOUSTON ANGEL NETWORK

Source: http://houstonangelnetwork.org/
Business and Nonprofit Forms

- Formation of Business Entities and Nonprofit Corporations Under the Texas Business Organizations Code
- Registering Out-of-State Entities to Transact Business in Texas Under the Texas Business Organizations Code
- Amending or Correcting a Filing Including Changing the Registered Agent or Registered Office or Designating as Registered Agent
- Reserving or Registering a Name Under the Texas Business Organizations Code; Filing or Abandoning an Assumed Name
- Termination of a Domestic Entity; Withdrawal or Termination of an Out-of-State Entity; Merger; Conversion
- Domestic Limited Liability Partnerships; Appointment of an Agent by Financial Institutions and Unincorporated Associations
- Dissolution; Fee Schedule; Other Filing Ads
- Forms to be Used by a Foreign Corporation Filially to Appoint the Secretary of State as the Agent for Service of Process

Formation of Business Entities and Nonprofit Corporations Under the Texas Business Organizations Code:

* Online filing available through SOSDirect

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<tr>
<td>201</td>
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</tr>
<tr>
<td>202</td>
<td>Certificate of Formation for a Nonprofit Corporation - Form to be used to Incorporate a nonprofit corporation. Rev. 05-11 (# of pages - 8) [Word, PDF]</td>
</tr>
<tr>
<td>203</td>
<td>Certificate of Formation for a Professional Corporation - Form to be used to form a professional corporation. Rev. 05-11 (# of pages - 7) [Word, PDF]</td>
</tr>
<tr>
<td>204</td>
<td>Certificate of Formation for a Professional Association - Form to be used to form a professional association. Rev. 05-11 (# of pages - 7) [Word, PDF]</td>
</tr>
<tr>
<td>205</td>
<td>Certificate of Formation for a Limited Liability Company - Form to be used to form a limited liability company. Rev. 05-11 (# of pages - 7) [Word, PDF]</td>
</tr>
<tr>
<td>206</td>
<td>Certificate of Formation for a Professional Limited Liability Company - Form to be used to form a professional limited liability company. Rev. 06-11 (# of pages - 7) [Word, PDF]</td>
</tr>
<tr>
<td>207</td>
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MBA Schools in Houston

- Tulane University – Freeman School of Business
- University of Texas – McCombs School of Business
- University of Houston – Bauer School of Business
- Rice University – Jones School of Business
- Texas Southern University – Jones School of Business
- University of St Thomas – Opus College of Business
- Houston Baptist University
- And many others.
SPE Mentoring Program
Finding the right mentor can make a world of difference, particularly for young professionals.

SPE Job Board
In partnership with Oilpro, SPE has developed a comprehensive jobs search engine to help members find the latest opportunities in their field.

SPE Web Events
SPE web events include live webinars and on-demand online training courses and videos

SPE Competency Management Tool
The SPE competency management tool is a free online member benefit that allows you to assess your current professional capabilities against one of 41 key exploration and production job competency models.

SPE Insurance
The SPE Insurance Program is a unique group insurance program designed to meet the specific needs of petroleum engineering professionals.
My Experience - Keys to Success

Consulting
- Advertise and sell
- Network and establish beneficial relationships
- Have supporting income
- Take advantage of skills and knowledge
- Integrity
- Meet the clients needs
- Excellence
- Friendliness
- Partner with others

Business
- Develop a sound business plan
- Surround yourself with smart people
- Add partners with varied skills, background, talents.
- Develop access to capital

Family Business
- Formal relationships
- Transparency

Values
Consulting

- The key issues for a consultant are reputation, credibility, experience and a large network of contacts.
- People don't hire people they don't know.
- Specialization helps.
- Actively network. SPE activities is a good resource. Stay in touch with friends and former employers.
- Advertise. Keep your name in front of potential customers.
- Focus on customers who might need your services.
- Add value to existing customers
- Write papers. Make presentations.
- Learn new skills
- Website can showcase your accomplishments.
- Social networking (Linked-In, Facebook)
Your Turn

Class Exercise

- Add to this presentation.
- Contribute your advice, experience, suggestions.