

Forms of Business Ownership

Applied Skills 8

1

Sole Proprietorship

- one owner
 - plus employees
- examples: small, neighbourhood convenience stores and restaurants, farmers, fishermen, hairdressers
- do everything themselves
- funding - use own money or borrow money
- personally liable



2

Partnership

- two or more owners
- Examples – law firms, accounting firms, medical and dental practices, engineering firms, etc.
- Two or more heads better than one
- Easier to raise funds
- Each partner personally liable



3

Corporations

- ownership portioned into “shares”
 - can own 1 share or many shares
 - Private or public
- Examples –
- Reasons for incorporating:
 - Need money
 - Limit personal liability
 - Separate legal entity



4

Franchises

- right granted to individual or corporation to market a company's goods or services
- Examples: Tim Horton's, Subway, Domino's Pizza, UPS Store, 1-800-Got Junk, Molly Maid, Big-O Tires, Fitness World, etc.
- can be expensive
- must follow strict rules

5

Assignment

- Use same format as previous "wants and needs" assignment
- For each form of business ownership, include a title and a picture of an example of that form of ownership
- Find 3 advantages and 3 disadvantages of each form of ownership (<https://canadabusiness.ca/starting/before-starting-your-business/corporation-partnership-or-sole-proprietorship/>)
- Write your answers in full sentences, not point form.

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