

One-stop shopping for business advice

Spettro is a consulting firm that helps entrepreneurs do everything from incorporating to naming their company

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Monday, October 03, 2005

Alex Guzelian knows he's good at running his business. The former co-owner of an auto-body shop in St. Jerome, Guzelian recently dissolved his business partnership with the intention of going into business for himself.

If all goes according to plan, Guzelian will be the owner of an auto-body shop in Brossard in the next two weeks. As an entrepreneur, however, he knows his expertise does not lie in handling the myriad details involved in setting up a new business. So he handed off the job to Karen Michetti.

A lawyer, Michetti decided there was a niche for legal experts who could help entrepreneurs navigate the complexity of the start-up phase.

"People go into business with a lot of uncertain variables built into the process of going into business," Michetti said. "We make sure their foundation is as solid as possible."

Michetti created her company, Spettro (Italian for "spectrum"), as a one-stop shop legal and business consulting firm. The goal of her company is to help entrepreneurs do everything from incorporating and naming their companies to designing business logos and preparing marketing tools.

After finishing law school a decade ago, Michetti worked in a private law office, doing criminal, family, contract and civil law. Eager to practise business law, she then worked in a series of companies as an in-house counsel before becoming self-employed.

Two years ago, she began offering a package of services that facilitate the creation of new businesses.

"Entrepreneurs who start businesses have to call various consultants individually," she said, adding her clients usually engage her services after they've drafted a business plan.

"We offer legal advice in a business context and business management advice in a legal context."



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Alex Guzelian (right) hopes to be the new owner of an auto-body shop in Brossard. He consults with Karen Michetti, who offers legal and business- management advice to entrepreneurs.

Her client roster includes entrepreneurs in the entertainment, transportation, auto repair and driving school industries.

The first hurdle start-ups have to face is incorporation, she said.

"You can go to an online incorporator," she said. "But the online services don't allow you to discuss any of the particular details pertaining to your business. You may not need a standard incorporation."

Another question to ponder, she said, is what to name a business.

"This is the first thing you have to do after you draft your business plan," Michetti said.

"It takes time to determine a company name and do a search to ensure that no other company has the name. I've seen clients have to go through two or three name modifications. The company name is tied to the whole business identity. And you need the company name before you incorporate."

She said another advantage of having a lawyer oversee a business start-up is the creation of such legal contracts as shareholders' agreements.

"These can regularize a situation in which shareholders reach an impasse," she said.

"The partners may decide they can't continue to work together anymore. That's when it's good to have a shotgun clause in an agreement."

The shotgun clause forces the sale of the business by one partner to the other if one wants out.

"It prevents a shareholder who's in a stronger financial position from taking advantage of his partner," she said. "It's most commonly used when two shareholders are in business together and they fall out."

She said she always asks her clients a raft of questions about how they'll run their company and what values govern their work.

"We don't want to have to modify the contract in a couple of months," she said. Startups often founder when partners have differing values, she said.

In addition to offering legal services, Michetti has assembled a team of consultants who include a graphic designer, a marketing and branding specialist and a translator.

"We work to create corporate identities by designing business cards, stationery and logos. And if a client needs marketing services, we can take care of drafting marketing and sales materials."

Guzelian, who dissolved his partnership in a St. Jerome auto body shop three weeks ago, says he was daunted by all the legal ramifications of buying a new business.

"I'm buying an existing company but I'm also buying the land that it stands on," he said. "The last time I set up in business, I had to separately find a notary, a bookkeeper and government offices in which to register my company. And it's scary starting a business."

He says that while entrepreneurs understand the nature of their own businesses, they often get overwhelmed by the legal paperwork that accompanies a transaction.

"The son of the owner who is selling me his business sent me 10 pages of legal documents to sign," he said. "I won't sign anything until Karen tells me in detail what I'm signing."

Like several other of Michetti's clients, Guzelian will keep Spettro as a consultant as he gradually builds his business.

"When I'm ready to start marketing my new company, I'll get her advice," he said. "She keeps me focused on the business."