

# HOW TO LAUNCH A BUSINESS IN ITALY



ITI S. Cannizzaro - CT

**BEING  
YOUNG  
ENTREPRENEURS**



Erasmus+



**B.Y.E.**

# *Italian Economy*

## *How to launch a Start-up !*

The first thing you have to do to create a company and start earning money is...

Example:



Yesterday I was in the bathroom and at one point I got a bright idea and I am sure that I can earn lots of money

**To have a good idea !**  
But this is not easy and you can't know when it comes.

**Serendipity** means:

«Fortunate happenstance» or «Pleasant surprise».

It consists in a voluntary or involuntary process thanks to which a new idea can be born.



# START-UP !

To create a good start up you need to respect this advice for the best result. So your concept of idea of the start up must be:

*Relevant (must fulfill customers' needs or solve their problems)*

*Innovative (product development or business system)*

*Unique*

*Clear focus (must be clearly defined)*

*Profitable in the long run*



start-up

# The «business idea» concept

According to Normann the business idea consists in the overlap of three elements

The Product/Service

The Market

The Resources (Organization)

## **Product/Service**

The young entrepreneur must take into consideration if the product/service is feasible, innovative, if it exists or not.....

## **Market segmentation**

Determine who will be interested in product/service (demand test)

Identify the need that we are going to satisfy and the market we are going to serve

A good market recognition system is based on the **benchmarking** (supply test)

## **Organization**

The interconnection of various resources in a company: capital, assets, know-how, knowledge

# COMPANY

## Legal status in Italy

When your start-up is clearly decided, you have to constitute a company. In Italy we have various kinds of company forms:



Sole trader

S.n.c

S.a.s.

S.a.p.a

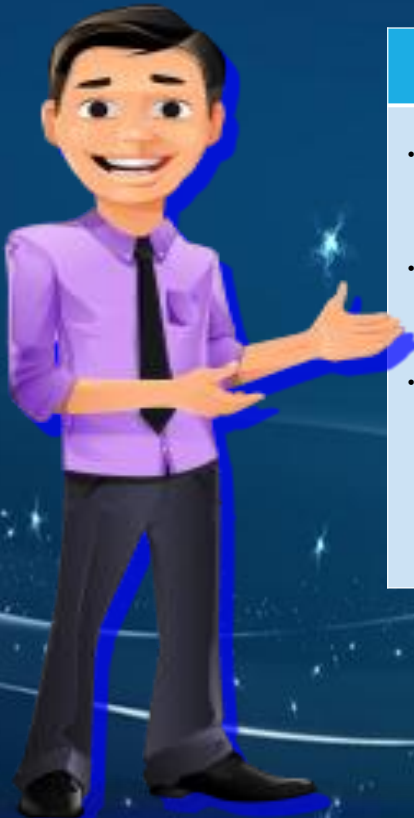
S.p.A

S.r.l.

All these kinds of companies are different because they are regulated by specific rules inside and outside the company.

# Sole trader

It is the simplest type of business. The business is set up by just one person who is entirely responsible for his own business debts. He has **UNLIMITED LIABILITY**.



Advantages	Disavantages
<ul style="list-style-type: none"><li data-bbox="519 898 1129 1002">. The owner can monitor everything personally</li><li data-bbox="519 1015 1193 1118">. The owner receives all the profits</li><li data-bbox="519 1131 1081 1235">. The owner can make decisions quickly</li></ul>	<ul style="list-style-type: none"><li data-bbox="1281 898 1874 1059">. If the business fails, the owner can lose all his personal assets</li><li data-bbox="1281 1072 1996 1233">. Limited financial resources because the capital must be provided just by him/her</li><li data-bbox="1281 1246 1902 1350">. There is no one to share ideas</li></ul>

# S.n.c.

## [Unlimited partnership]

In this type of partnership, all the partners are personally liable for the debts of any of other partners so, if the business goes bankrupt, they might lose all their personal assets.

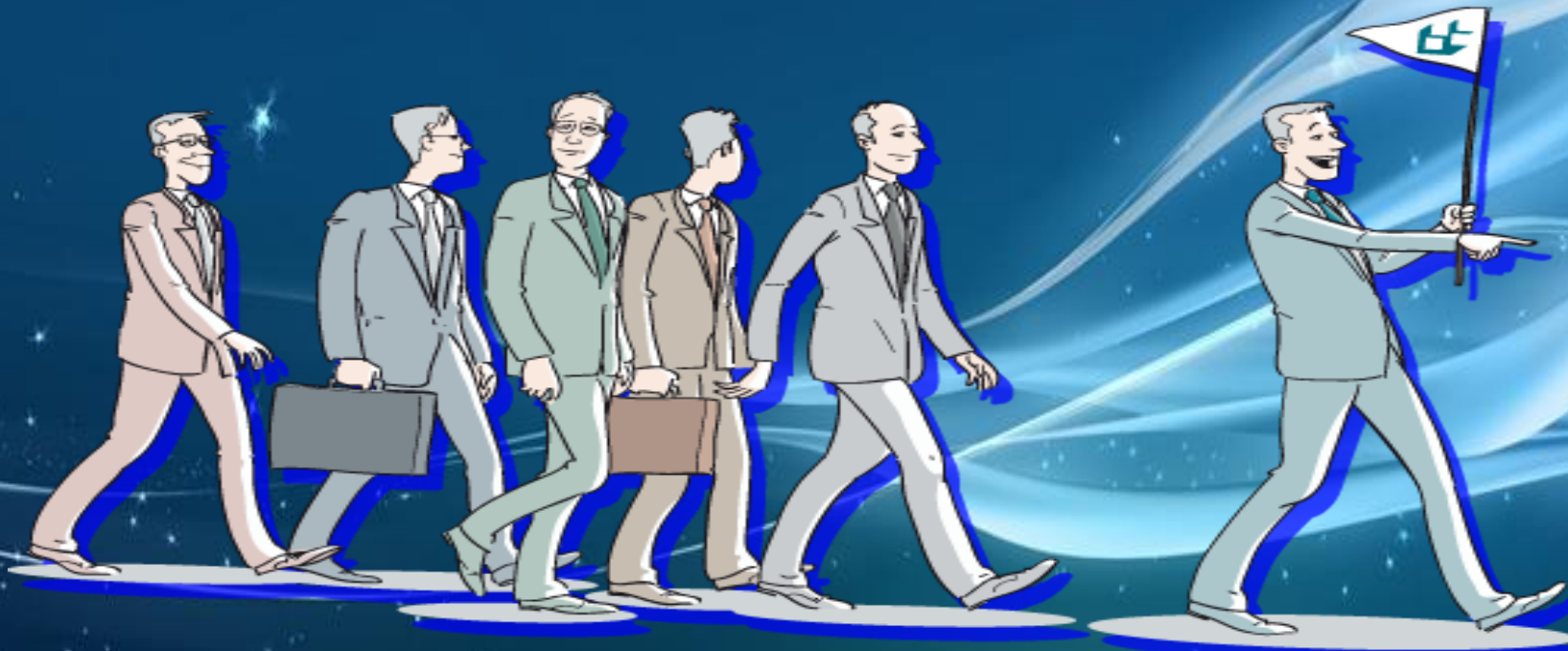
In Italy this type of society is called «Società a nome collettivo», for the status of liability of partners.



# S.a.s

**(Limited and unlimited Partnership)**

In this type of partnership, some partners (called «limited partners») give the capital to the business, and do not take an active role in management. They are liable only for the portion of capital they invested in the business. At least one partner must have unlimited liability (known as the general or «unlimited partner»).





# S.a.p.a

**(Limited and unlimited Partnership)**

In this type of partnership, some partners, only contribute capital to the business, and do not take an active role in management. They are liable only for the portion of capital they invested in the business. At least one partner must have unlimited liability (known as the general or unlimited partner).

Limited partner: has an active role in management

In Italy this type of society is called  
«Capital company»



# S.p.A

(Limited partnership)

## Main features:

They can be quoted on the Stock Exchange

The minimum capital invested must be

€ 50.000

Partners are liable for the portion of the capital invested within the business

S.P.A. stands for «Società per Azioni»

# S.r.l

**[Limited Partnership]**

The «S.r.l.» (Società a responsabilità Limitata) cannot be quoted on the Stock Exchange

The minimum capital invested must be  
€10.000

If the capital is more than €120.000, it's obligatory to insert the «Board of Auditors», a unit composed of qualified professionals for the legal and intern audit.

# Investments

Any firm needs to have the capital to start a business.  
There are many ways to  
acquire the initial capital:

Investors

Public entities

Banks

Crowdfunding

IBAN

TIM  
#WCAP



# Investors

It might happen that your idea has a good «innovative potential» so it should be a good idea to pitch it to strangers.

They are usually interested in those ideas that have a «valuable and scalable potential.»

# Invitalia

A national agency that provides loans  
to emergent start-ups

It supports the creation and the growth  
of **innovative high-technology start-up**  
**to** stimulate a new entrepreneurial  
culture linked to the **digital economy** ,  
to exploit the results of scientific and  
technological research.

INVITALIA

# IBAN

Business angels are affluent and wealthy individuals who invest their personal capital in start-up companies (that are typically early-stage) in return for an equity stake.

Most angel investors expect to see a return on their investment between two and 40 times their investment from three to eight years and some will take an active role in the investee business.



# #WCAP: the accelerator made by TIM



**#WCAP**  
ACCELERATOR





**DANGER**

**Start-ups are not small versions of large companies. A start-up is a temporary organization in search of a repeatable business model, scalable and profitable.**