



Venky Chakravarthy, Independent Consultant – Biopharma Data Services©

Venky Chakravarthy has been a SAS user since 1991. He has provided contract Statistical, PK/PD, Outcomes Research and Clinical Programming services in multiple therapeutic areas for the Life Sciences industry over the past 20 years. He is the author of numerous SAS papers. He has presented at local, regional, national and international SAS and industry specific forums. Besides the papers that he has contributed, he has also been an invited speaker at SAS Global Forum and PharmaSUG. Venky graduated from Case Western Reserve University, Cleveland OH with a PhD in Social Welfare.

Thought Process and First steps in how to.....

A man in a dark suit and red striped tie is shown from the chest up. He is holding his right hand out, palm up, as if presenting something. Overlaid on his hand are several letters in white rounded squares. The letters spell out 'DO IT YOURSELF'. The 'D' and 'Y' are blue, while the others are black. The background is a light blue with faint white grid lines.

D O
I T
Y O U R S E L F

– Venky Chakravarthy,
BioPharma Data Services©



Agenda

- Why do I want to become an Independent Consultant?
- What do I bring to the table?
- How do I become one?



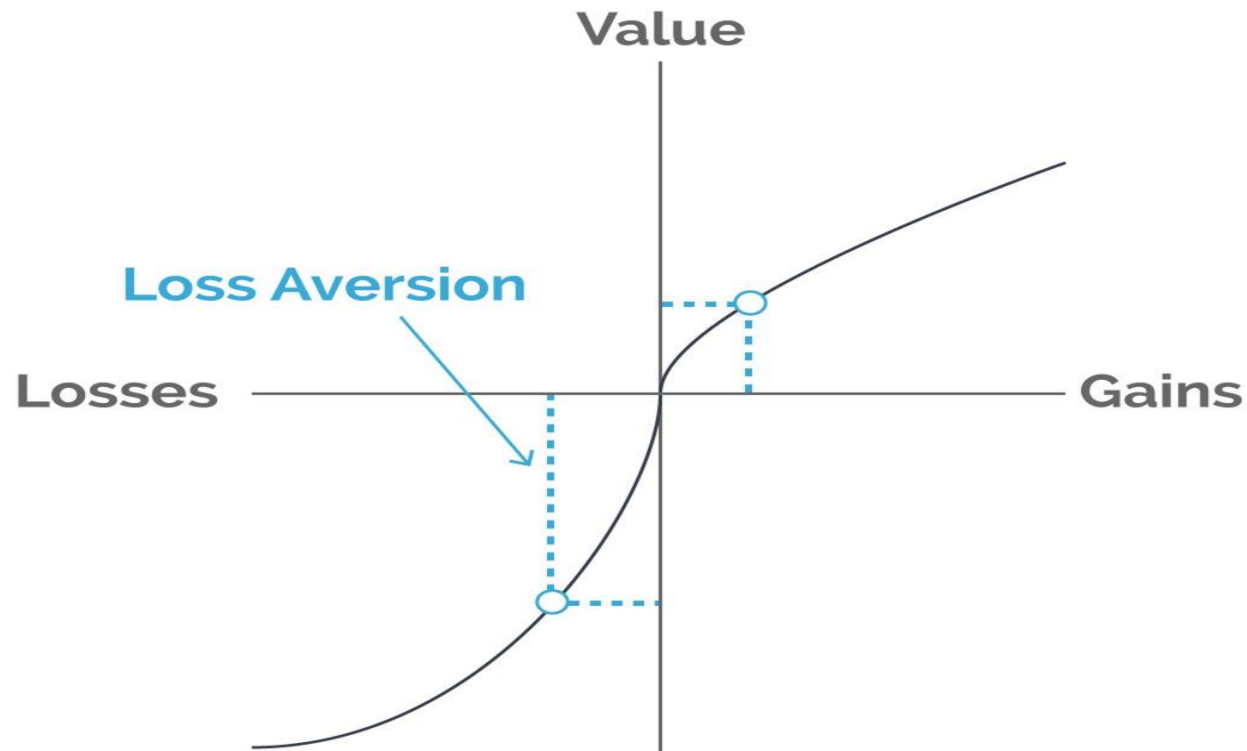
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Why do I want to become one?

- What is your motivation – Earnings, Freedom or ???
- Build 3–6 months cushion for downtime. Think through healthcare, professional development, 401k match, travel, tax withholding
- Different shades of independence – your situation?

Avoid Pain more than Seek Gain





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What do I bring to the table?

- What are your strengths?
- Any special skills for a competitive advantage
- Assess the market opportunity for that skill first.



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Programmer turns Businessman

- Businesses do business with other businesses – not with individuals
- Need to incorporate – what type of entity?

Types of Business Entities

- Natural inclination – Sole Proprietorship but wait there is more...
- Partnership? – one partner could assume personal risk
- LLC and Corps – common options

LLC and Corps

- ▶ Separate the business from your Personal
- ▶ LLC offers limited protection.
- ▶ C-Corp is a full fledged corporation – strongest protection but double taxed. Business profits and dividends paid are also taxed
- ▶ S-Corp – similar paper work burden but avoids double taxation as pass through income via a tax schedule.

LLC and Corps – what do I choose?

- ▶ Depends – Talk to an accountant. Possible to combine LLC and S-Corp.
- ▶ Hire an accountant for doing your taxes despite vastly improved software
- ▶ Choose a name, register in state, apply for IRS EIN, print business cards, get Business Banking and General Liability Insurance.

Conclusion

- ▶ Walked through some thoughts to bear in mind before diving into it
- ▶ Also touched upon the different types of entities and a high level overview of the benefits and drawbacks of each.

Questions??

