

# STEPS TO STARTING A BUSINESS

**BUSINESS**  
**COMOX** Wildly Sophisticated.  
 Unconventionally **valley**

*"What is it.... The Invest Comox Valley Business Information Centre is the first stop for those interested in starting or expanding a business or development in the Comox Valley."*

**Business Idea**

- Using your Skills & Interests, Develop a Business Idea
- Take Entrepreneurial Self Assessment Test
- Buying a Business
- Feasibility Analysis

**Business Planning**

- Attend CVEDS Business Planning Workshop
- Write a Business Plan
- Choose Location
- Check Zoning Laws
- Get Business Plan Reviewed by CVEDS
- Apply for Financing

**CVEDS Business Info Centre Services**

- One Stop Business Registration Services
- Resource Library for both Business & Industry Research & Information
- Monthly Workshops and Seminars
- Confidential Small Business Plan Review & Counseling
- Public Internet Access Terminals for Business Research & Registration
- Community Business and Government Contact Information
- Meeting Facilities and Equipment Rentals
- Office Rental Space

**Business Registration**

- Choose a Business Name
- Get your Name Approved
- Register Business Name
- Register with Government Agencies
- Get a Municipal Business License
- Open a Bank Account
- Check for Domain Name

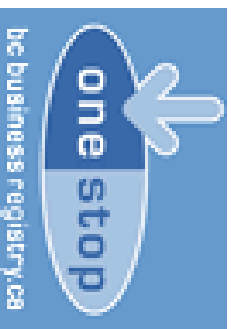
*"Did you Know.... The centre is a resource for developers, business, investors & entrepreneurs that acts as a catalyst for economic growth in the Comox valley"*

**Business Expansion**

- Importing/Exporting Info Guides
- Set up Import/Export Account
- Franchising Information
- Becoming a Franchisee Self Test
- Buying a Business
- Incorporate your Company

**Business Start-Up**

- Have Business Cards & Stationary Printed
- Purchase Equipment & Supplies
- Order Inventory, Signage, Fixtures
- Begin Advertising Campaign
- Start Business Operations



CVEDS Business Info Centre  
 Corporate Registries  
 OneStop Help Desk  
 Workspace  
 Consumer Taxation Branch  
 Canada Revenue Agency

1.250.334.2427  
 1.250.356.2893  
 1.877.822.6727  
 1.888.922.2768  
 1.877.388.4440  
 1.800.959.5525



## Components of the Business Plan

1. **Executive Summary** - One Page summary of the key points covered in your plan (Completed last)

2. **Table of Contents** - Section titles & page numbers

### 3. Description of Company

- a. **Mission & Vision statement**
- b. **State your Goals** (Main goals, short, term Goals, long term goals)
- c. **Management** - Duties, responsibilities & relevant skills of management both entrepreneurial & industry
- d. **Company size & location** - Location relative to your market & size of facilities

*“Did you Know..... Only 36% of all businesses in Canada surpass their 5th year. That is a 64% chance*

4. **Description of your Product/Service** - Describe the key features & benefits of your Product/service

### 5. Market Analysis (Industry, Target Market & Competitive Analysis)

- a. **Industry Analysis** - Identify past, current & future trends relating to your industry
  - Total industry size (revenue generated, number of companies, etc.)
  - Growth potential & factors influencing the industry growth
  - Standards & regulations affecting the industry
  - Common costs & profit margins
  - Industry trends, including opportunities & threats
- b. **Target Market**- Identify & define your typical customer segments
  - Characterize each segment by location, age, gender, income, lifestyle, family status, interests, hobbies
  - Discuss the buying criteria of your target market - i.e. what motivates this group to make the purchases
- c. **Competitive Analysis** - Detailed description of main competitors, incl. size, location, products/services,

### 6. Marketing Plan

- a. **Pricing** - Describe your pricing relative to your costs & compared to those of your competition
- b. **Promotion & Advertising** - Detailed description of the types of advertising & promotion you will use
- c. **Sales strategy** - what are your sales goals (in units) per day/month/year, incl. any anticipated seasonality
  - Outline your company’s service, credit & collection policies, guarantees, warranties, etc.



## Components of the Business Plan

**7. Operations** - Describe the process by which your product is made or the service will be performed

- a. **Production** - Size, capacity & manufacturing time/delivery time
- b. **Facilities** - Including size & type of space needed
- c. **Suppliers** - Location, delivery times & method of shipment

**8. Human Resources** - Number & type of staff required

- Qualifications, labour availability, wages, benefits, training, personnel policies & workers compensation
- Target the employees you wish to hire (age, personality, life cycle, experience, skills, ect.)

**9. Other** - Hours of operation, licenses/permits required, regulatory issues, business insurance required, ect.

**10. Financial Plan** - Historic & 3 year projected financial statements

**11. Risk analysis & contingency planning** (list internal/external risks & create contingency plans)

- a. **External risk** - (economy, weather, competition, suppliers, technology, politics, demand & shifts, etc.)
- b. **Internal risks** - (sales projections not realized, cost overruns, key personnel turnover, legal issues, etc.)

**12. Supporting materials** - Photographs or samples of your product, bios of owners, letters of intent or support, copies of required licenses/permits, appraisals for property & equipment, marketing material, news articles, sample surveys ect.

### *10 Reason why Businesses Fail*

1. Inadequate Planning
2. Procrastination
3. Ignoring the Competition
4. Sloppy or Ineffective Marketing
5. Ignoring Customers Needs
6. Incompetent Employees
7. Lack of Versatility
8. Poor Location
9. Cash Flow Problems
10. A Closed Mind



## Steps to Starting a New Business

1. Choose a business based on your skills and interests
2. Register for the Invest Comox Valley Business Planning Workshops
3. Research your Business idea
4. Write a [business plan](#) and [marketing plan](#)
5. Choose a business name and get it approved
6. See if the business name is available as a domain name
7. Register the business name as a Proprietorship/Partnership, Incorporation or as a Non Profit
8. Register for GST/PST/WCB/Payroll Accounts/Import Export Accounts/ Business Number ect.
9. Register the domain name and email address
10. Choose a location for the business or make space in the house for it
11. Check zoning laws
12. Get any required business licenses or permits
13. Have business phone or extra residential phone lines installed
14. Check into business insurance needs
15. Call Department of Labor to determine labor laws if you have employees.
16. Open a bank account for the business
17. Have business cards and stationery printed
18. Set up record keeping system
19. Acquire office space and purchase equipment or supplies
20. Order inventory, signage and fixtures
21. Find a web hosting company and get your web site set up
22. Have sales literature prepared
23. Call for information about Yellow Pages [advertising](#).
24. Place advertising in various paid advertising vehicles
25. Build Relationship's with professionals in your industry
26. Call everyone you know and let them know you are in business

BUSINESS



## Acquiring a Business Name

*“Did you Know..... You are not obligated to register your business until you use a business name. You are entitled to use your name and profession (Ex. Joe Smith Landscaper) without registering with Corporate Registries. However, if the business name changes to Joe Smith Landscaping it must be registered with Corporate Registries because the ing at the end of landscape makes it a business name.*

**Step 1:** Review Proprietorship/Partnership Vs. Incorporation ([www.businesscomoxvalley.com](http://www.businesscomoxvalley.com))

**Step 2:** Choose business model:

- Proprietorship
- Partnership
- Incorporation
- Society

*“Did you Know..... You do not protect your name if you register your name as a proprietorship/partnership. You only protect your name when you incorporate it”*

**Step 3:** Review Name Approval Request Instructions ([www.businesscomoxvalley.com](http://www.businesscomoxvalley.com))

**Step 4:** Choose Business Name

**Step 5:** Get Name Approved (\$32)

*“Note..... Your business name needs both a descriptive and a distinctive element to it. ”*

*“Did you Know..... You are not legally allowed to use a business name before you register the name with Corporate Registries”*

Invest Comox Valley Business Information Centre	1.250.334.2427 ext. 221
Corporate Registries	1.250.356.2893
OneStop Help Desk	1.877.822.6727
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# Register your Business Name

## Proprietorship/Partnership

1. Register through OneStop by choosing option 4 ([www.bcbusinessregistry.ca](http://www.bcbusinessregistry.ca)) (\$40.00)

*“Did you Know..... As a sole proprietor you are fully responsible for all debts and obligations related to your business”*

### Advantages of Sole Proprietorship

- Lower Start Up Costs
- Greater Freedom from Regulations
- Possible Tax Advantages to Owner
- All Profits to Owner

### Disadvantages of Sole Proprietorship

- Unlimited Liability
- Lack of Continuity in Absence of Owner
- Difficulty in Raising Capital
- No Name Protection

### Advantages of Partnership

- Lower Start Up Costs
- Broader Management Base
- Possible Tax Advantages
- Ease of Formation

### Disadvantages of Partnership

- Unlimited Liability
- Divided Authority
- Difficulty in Raising Additional Capital
- No Name Protection

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## Register your Business Name

### Incorporation

#### Advantages of Incorporation

- No other Company may use your Business Name
- Limited Liability
- You can Sell Your Business
- If a Partner Leaves or Dies your Business Continues
- You can Choose either Debt or Equity Financing

#### Disadvantages of Incorporation

- Closely Regulated
- Most Expensive Form of Business to Organize
- Extensive Record Keeping Necessary
- Personal Guarantees Undermine Limited Liability

*“Did you Know..... Visiting a tax specialist before incorporating may save you money”*

([www.investcomoxvalley.com/Incorporating.html](http://www.investcomoxvalley.com/Incorporating.html))

1. **Print Incorporation Application Overview**
2. **Review Incorporation Fees**
3. **Print Incorporation Agreement** (For more information please contact a commercial lawyer)
4. **Choose a share Structure** (For more information please contact an accountant)
5. **Review BC Incorporations Act**
6. **Register through OneStop by choosing option 4** ([www.bcbusinessregistry.ca](http://www.bcbusinessregistry.ca)) **(\$351.51)**

*“Did you Know..... A corporation, also known as a limited company, is a legal entity that is separate and distinct from its members. The act of incorporation gives life to a legal entity known as the corporation, commonly referred to as a company. A company can acquire assets, go into debt, enter into contracts and sue or be sued.”*

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## Register your Business Name

### Non Profit (Society)

([www.investcomoxvalley.com/NonProfitOrganization.html](http://www.investcomoxvalley.com/NonProfitOrganization.html))

1. Review Non Profit Self Evaluation
2. Review the Society Act
3. Review Table of Fees
4. File Society Incorporation Application using the Information for Incorporation of a BC Society (\$100.00)

*“Did you Know..... You need at least 3 directors to incorporate a Non Profit Organization”*

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## Register with Government Agencies

### Canada Revenue Agency

*“Did you Know..... You are not required to register for GST until you collect over \$30,000 in revenue”*

1. **Choose which of the following you wish to register for:**
  - \* **Business Number** (Generated automatically when you incorporate your business or apply for one of the following)
  - \* **GST Account** (Mandatory once you collect \$30,000 in revenue; however you may register voluntarily)
  - \* **Payroll Account** (Mandatory if you have employees or are incorporated)
  - \* **Import/Export Account** (Mandatory if you plan to import or export any products or services)
2. **If you need further assistance please visit** ([www.investcomoxvalley.com/Taxes.html](http://www.investcomoxvalley.com/Taxes.html)) or call 1-800-959-5525
3. **Register through OneStop by choosing option 5([www.bcbusinessregistry.ca](http://www.bcbusinessregistry.ca)) (no cost)**

#### Advantages of Registering for GST

- Input Tax Credits
- Image
- Use funds as Working Capital

#### Disadvantages of Registering for GST

- Must Collect 6% on all Products and Services except essential foods

*“Did you Know..... You only charge PST on the physical products you provide to your customers”*

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## Register with Government Agencies

### Consumer Taxation Branch

1. Ensure you require to register for PST (Mandatory if you sell tangible products)
2. If you need further assistance please visit ([www.investcomoxvalley.com/Taxes.html](http://www.investcomoxvalley.com/Taxes.html)) or call 1-877-388-4440

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## Register with Government Agencies

### Worksafe BC

1. Choose whether you are required or wish to register voluntarily for:
  - \* **Employee Coverage** (Mandatory once you hire employees or your company is incorporated)
  - \* **Personal Protection Option** (Optional protection for the self employed (Proprietorship/Partnership))
2. For further assistance please visit ([www.businesscomoxvalley.com](http://www.businesscomoxvalley.com)) or call 1-888-922-2768
3. Register through OneStop by choosing option 5 ([www.bcbusinessregistry.ca](http://www.bcbusinessregistry.ca)) (no cost)

*“Did you Know..... You are required to register for WCB once you incorporate your company”*

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## Register with Government Agencies

### Municipal Business License

1. Chose municipal jurisdiction in which your company will do business
2. Register through OneStop by choosing option 5 ([www.bcbusinessregistry.ca](http://www.bcbusinessregistry.ca)) (\$75-\$1,500)  
(Depending on type of business)

*“Did you Know..... You are required to get a business license in each community in which you perform your service.*

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