

Starting Your Own Business in Germany

For starting your own business in Germany, it's important to be aware of some factors that you need to know. Although not really complicated, you should have some guidance on your journey.

Entrepreneurs should be aware that the 2006 estimate of annual per capita income in Germany was €23,600. To begin a business in Germany won't necessarily rake in that to start with, but know that you can also beat it. Set your goals high.

There are specific steps you'll need to take to get established and enter the trade register. Usually the formation procedures are very efficient and fast. The first step is the legal form. The type of form you fill out will depend on how you set up your company.

If you already have an established company from elsewhere in the world, you might choose to open a corporation. You will have a corporation that is its own "legal individual" and signs contracts and holds assets. But realize the corporation will also need to pay the taxes.

You can choose instead to start a partnership. Here you will have a personal commitment to others joining you in this venture. The accounting procedures are less extensive for this option, but there are obligations that must be fulfilled.

It may be needed for you to create a branch office in Germany, if you have a foreign company with operations outside of Germany. You will be establishing your presence for purposes of contacts and working with others within this country.

Once you have the type of business you are setting up, you will need to register it with the commercial register (called the *Handelsregister*) and the local trade office (called the *Gewerbeamt*). Whatever municipality you are in will have its own trade office and that is where you must go.

As you fill out the legal forms, follow the directions exactly. You want all the information to be perfectly accurate. You can ask any clerk for assistance, and should if you have questions.

Establishing a business in Germany will require a bank account. This is the only smart way to organize and conduct your day-to-day activities with your finances. You'll need your passport and some sort of written evidence that your residence is in fact Germany. If opening an account in your company name, you'll also need a copy of the commercial register and company documents.

Finding premises can be challenging, but don't let it discourage you in any way! You'll discover listings in daily newspapers, online or through brokers. You can also check with the Federal Property Administration for publicly owned properties that are for sale.

Family-owned businesses seem to always thrive and do well in Germany. Where large

corporations are laying off personnel, small business seem to hire more to get the work done. These family-owned and run companies cater directly to the public, like in the tourist industry.

Interesting to note is that during one economic downturn, sales volume for large companies on the DAX (stock market) increased only 9% where family owned businesses jumped as much as 16% in the same time period. This is good news for those who intend to begin a family business in Germany.

All it takes to start your own business in this country is the will, along with developing your plan. Take it step by step and ensure all the proper papers are filled out and you are registered with the right entities.

A business in Germany will show you profit, fun and ease of running. It's surely an adventure in running your own show, but you can do it!