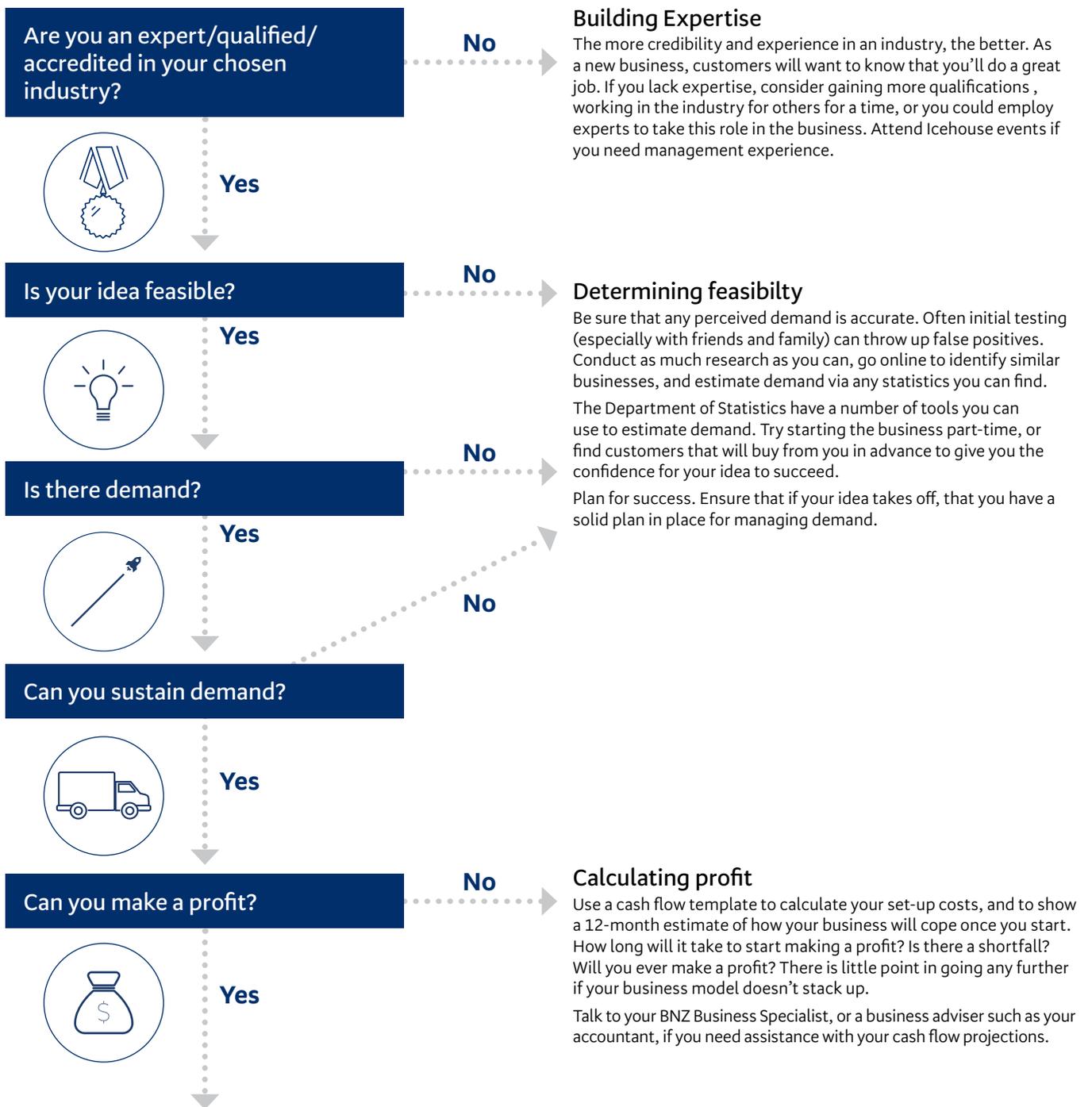


Starting a Business



Use our step by step flowchart to help you increase your chance of success starting a new business. Each step has a number of recommended actions to help you on your journey. Save yourself endless hours searching for the right questions to answer. We have collated the most important ones for you.

Will your idea work?





Are your prices accurate?



Yes

No

Pricing to make profit

Not only do you need to sell your product or service at a price customers are prepared to pay, you also need to make a profit. Get as much detail as you can about costs and ask your customers what they would pay. Research competitor prices to get a feel for the market, then check with your accountant or business adviser to ensure your figures are accurate.

Do you know how you'll get paid?



Yes

No

Set up payment systems

Whether you need a mobile payment system like PayClip, EFTPOS and online credit and debit card merchant facilities, speak to BNZ about your options.

Do you have enough money to start?



Yes

No

Access to capital

If you don't have enough cash to start, then you have to find an alternate source. Common ways include using your own savings, the equity in your home, asset lending and business loans.

Angel investors may contribute but they'll want shareholding. Speak to your BNZ Business Specialist about BNZ business loans and finance first and what your best option might be. It could be a combination.

Have you researched the competition?



No

Competitor analysis

Research the strengths and weaknesses of your competitors and use this to make sure your business has a distinct point of difference. Before you start a business find out if all your potential customers are either using someone else, or don't yet see a need for what you do.

Be very aware of who you'll be compared against, what they charge, and what your response will be when asked, "Why should I switch?"

Have you covered the legal aspects?

Have you protected your intellectual property?



Yes

No

Intellectual property protection

Most businesses will want a unique business name – but some will need further protection. If you have developed a design, process, or want to register a trade mark, then you should do this before you start your business.

Sometimes if the idea gets into the public domain, it's harder to protect it. Visit the Intellectual Property Office of New Zealand (IPONZ) to find out what is IP.

Do you have all the licenses and permits to operate?



Yes

No

Complying with regulations

Some businesses require permission to operate. You can't start jet boat trips on the local river or sell possum pies to supermarkets without a licence or permit. Find out exactly what you need or face being shut down before you start. Some will be local (e.g. – your local city or region licenses) and some will be countrywide (approach your industry association for what may apply to you).

Are you aware of your tax obligations?



Yes

No

Tax obligations

You need to be aware of what documents you will need to assess your taxable income. Also find out how GST works, whether you need to account for Fringe Benefit Tax, what your ACC levies will be, and any other tax implications.

Too much to do on your own? Consider booking yourself into one of Inland Revenue's free Introduction to Business workshops to understand more about your tax obligations before you start your business.

There's also a lot of content on the Business.govt.nz website to help navigate your way through this potential minefield.

Think about setting up a separate account for tax so that when you need to pay tax, it's all sitting there.

Have you selected a business structure?



Yes

No

Business structures

Usually there are three options. A sole trader where you start a business on your own, a partnership which sees two or more of you in business together, or a company which is its own legal entity formed on your own or with others.

A company is often best. To form a company, visit the Companies Office. You can apply online.

Do you have a great name?



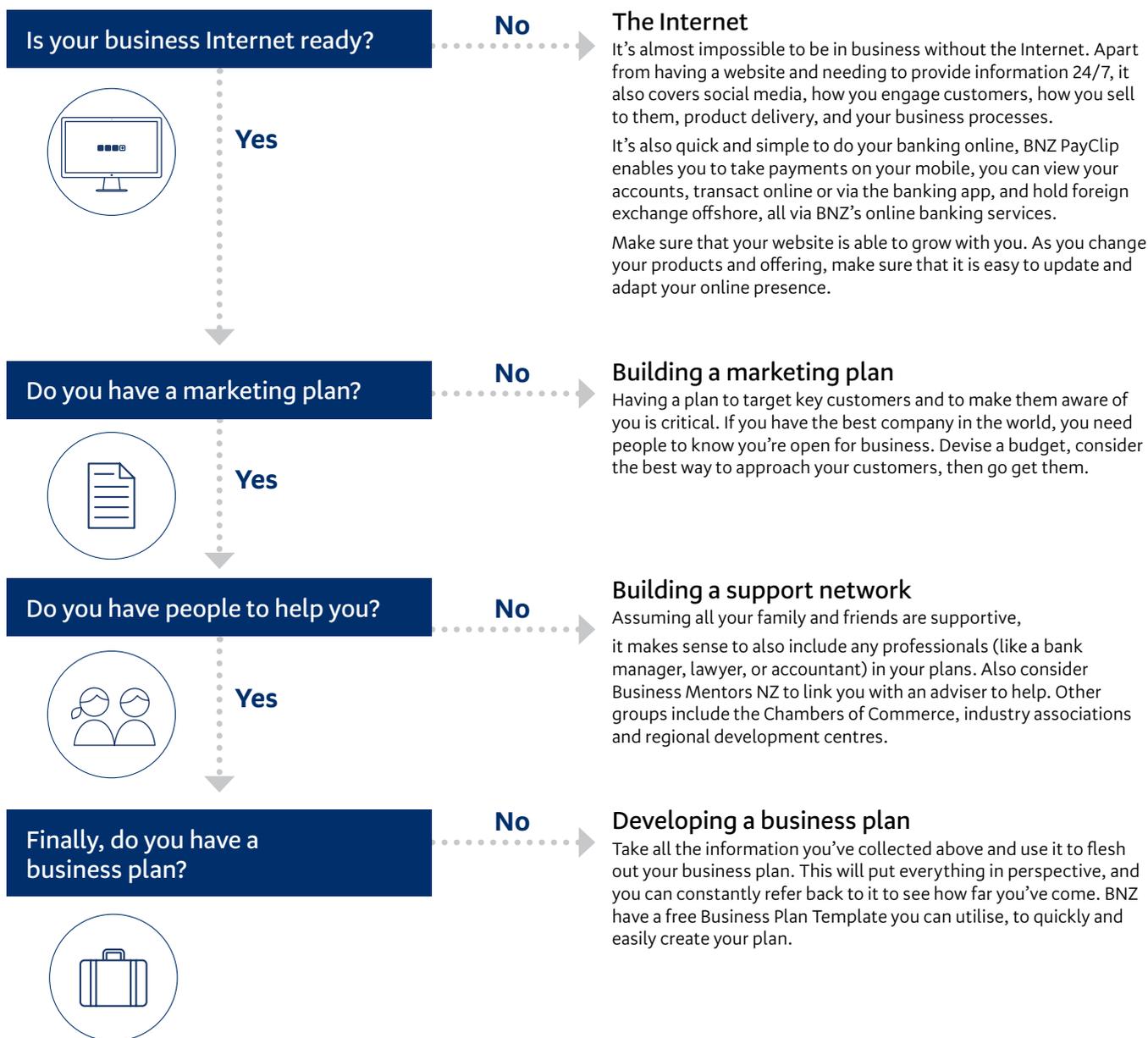
No

Selecting and protecting a business name

The best way to protect a business name is by forming a company. You can't register a business name in New Zealand on its own. Make sure your chosen name isn't used by someone else.

Have a look at ONECheck. It's the Government's online search tool that combines a company name, domain name and trade mark search all in one place.

Are you ready to launch?



You now have the building blocks of a start-up plan that will help increase your chance of success.

Next steps:

Get extra training and support:

- › Download and use the free [BNZ Business Plan Template](#)
- › Access the [BNZ Cash flow template](#) to test out if your idea will make a profit.
- › Attend a [BNZ Connect event](#) to talk to other business owners.
- › Find a [BNZ Business Specialist](#) to help you with any banking needs, or to discuss your business start-up idea.

Find out more > bnz.co.nz/smallbusiness > 0800 269 763

This information is for general information purposes only. To the extent that it contains financial advice, it does not take into account your particular financial situation or goals. BNZ recommends that you seek advice specific to your circumstances from your financial adviser.