

Founding a limited liability company:

Source: <https://www.gruenderservice.at/>

- a) The process begins when a founder has an idea for a new business. First, the founder creates a business plan using business planning software. This step is very important as a lack of planning typically leads to the failure of the business.
- b) With the help of a market research company, the founder then analyzes the market, which includes identifying demand, a target group, competitors and sales channels.
- c) Furthermore, a marketing strategy needs to be created with the help of a strategy consultant. This involves determining the target market, product strategy, pricing strategy, distribution strategy and communication policy strategy.
- d) After the marketing strategy is created, the capital requirement has to be determined as well. The formation expenses first have to be calculated. Additionally, the capital requirements for investments, goods and others have to be identified with the help of a financial advisor. Thereafter, the founder prepares the financing by selecting a financing method. He/she chooses to be financed by private equity, a loan, or by another method.
- e) Moreover, the founder selects a funding type with the help of a funds consultant using the funds database. When applying for funding, good preparation is the key to success, as is the loan negotiation. First the founder has to collect information about funding opportunities before the start of the project. Second, to not contact the funding agency until the founder has a rough overview of the offer in order to be able for asking specific questions. Third, the required documents should be prepared conscientiously and completely in order to have a successful funding application.
- f) Next, the founder calculates the estimated minimum sales using an online minimum sales calculator.
- g) Subsequently, the founder and the legal form advisor choose the suitable legal form. If limited liability is selected, the process continues. If another form is selected, the process ends. The planning phase is then completed and the founding phase begins.
- h) First and most importantly, the founder adheres to trade legal bases, which requires applying for a business license and applying for plant approval.
- i) If the requirements are not met, the business license application will be rejected. Otherwise, it is approved, and the founder then applies for the certificates of proficiency. If the founder does not have a qualification, he/she has two options. Under certain conditions, he/she can be individually qualified or he/she can appoint a business manager under trade law.
- j) The founder must obtain the plant approval before he/she starts construction. In general, the locally responsible district administrative authority (magistrate) is the licensing authority. A plant approval is not necessary if the plant does not adversely affect the protection interests of the trade regulations.

k) The procedure takes place in four phases: application, preliminary examination by the magistrate, carrying out a negotiation (with the involvement of the neighbors) and making a decision.

l) After receiving all the approvals, the founder registers the company with the magistrate. The magistrate processes the registration and makes a decision. Either the registration is approved, and the process continues, or it is rejected and the process ends.

m) The compulsory insurance generally begins on the day on which the business license is obtained. The trade authority automatically transmits the business registration to the social insurance. The founder will receive a welcome letter within four weeks of the effective date of the trade. If he does not receive the welcome letter, the founder has to contact the social insurance.

n) Within one month, the founder has to contact the tax office to inform them about the new company. To allocate a tax number, the founder selects a questionnaire from the form data bank and processes it with a tax expert who then sends this to the tax office. After receiving the questionnaire, the tax office checks the identity and then sends the founder a tax number and team. Moreover, an account for the founder is set up as well.

o) Subsequently, the founder registers the company in the company register. The process then ends.



