

## **General guidance for international companies establishing a U.S. presence**

When it comes time to establish a U.S. presence, the wise international executive:

1. takes time to learn about U.S. culture, legal system and business practices.
2. asks for references and performs appropriate due diligence on potential business partners, distributors, agents, employees and customers.
3. avoids entering into long-term or exclusive commitments without “American style” written agreements and strategic planning.
4. takes steps to protect the intellectual property of the business, including patent, trade secret, trademark and copyright protection, as appropriate.
5. does not send products to the U.S. that lack appropriate warning labels, written instructions, certifications and approvals.
6. consults with U.S. advisors with international expertise on significant business matters, including new agreements, leases, obligations and employment matters.
7. establishes a corporation as a first-tier entity in the U.S., unless there is a reason to incorporate another form of business entity.
8. obtains a certificate of authority (or its equivalent) in any state where the corporation has a fixed place of business, has employees or is otherwise required to obtain a certificate of authority.
9. takes steps to ensure that the corporation is registered with appropriate federal, state and local authorities to pay all business taxes.
10. works with a qualified insurance broker to obtain appropriate U.S. insurance coverage.
11. obtains required workers disability compensation insurance, and unemployment compensation coverage.
12. travels frequently to the U.S. to meet with customers and potential business partners.
13. consults with U.S. legal counsel experienced in immigration matters to avoid problems at the border with U.S. immigration authorities.
14. obtains an appropriate work visa, when required, for a foreign national worker traveling to or working in the U.S.
15. maintains a formal separation between the U.S. subsidiary and the parent company abroad.
16. files Form BE-605 with the U.S. Department of Commerce to reflect any investment in the U.S.