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# Doing Business in the United States

## A Handbook for Swiss Business Women



Ally Gunduz  
Suzanne H. Ambrose  
Ursula Day, Esq  
Monika Howden  
Rita Johnson  
Karen Monroe, Esq  
Karin Vibe-Stewart

**Chicago 2005**



**Swiss Business Hub (USA)** uses primary, secondary sources and tertiary sources of information to produce a variety of reports on the American market for small to medium sized Swiss enterprises. For further information on our services, please contact:

Martin von Walterskirchen  
Director  
737 N. Michigan Avenue, Suite 2301  
Chicago, IL 60611  
Telephone: 1-312-915-0061  
Fax: 1-312-915-0388  
e-mail: [martin.walterskirchen@eda.admin.ch](mailto:martin.walterskirchen@eda.admin.ch)

While this report is intended to provide an overview of this specific market and its opportunities at the time of its edition, each individual manufacturer, exporter or company may have to conduct their own analysis to get a better understanding of the possibilities and opportunities available to them. You are encouraged to explore and develop your opportunities based on research and in-depth analysis.

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# 1. Introduction and Summary

By Ally Gunduz, Swiss Business Hub USA

With women comprising 51.1% of Switzerland's population, the Swiss Business Hub USA recognizes the powerful economic potential and value of Swiss women and the positive role they play in the future of Switzerland's development and international trade. Helping Swiss women become full partners in economic growth through small business ownership and international trade is essential to Switzerland's prosperity.

To this end, the Swiss Business Hub USA has consolidated this comprehensive, "one-stop" handbook to encourage and help Swiss women navigate through the complex business maze of the United States. The purpose of the handbook is to inspire leadership and entrepreneurship among Swiss women and to serve as a reference manual to those interested in doing business in the United States.

The information and resources in this handbook were carefully selected to meet the unique needs of Swiss women seeking to enter the American market. It was compiled with the intent to provide relevant information to help Swiss women make informed decisions about doing business in this competitive environment.

It is important to note, however, that while incentives exist to encourage women-owned businesses in the US, not all are available to non-US citizens. In light of this fact, this handbook focuses on information and resources that specifically benefit non-US or in some cases resident alien Swiss women exploring the possibility of doing business in the United States.

Following the introduction and summary presented in **Chapter 1**, **Chapter 2** begins with an overview of the opportunities and challenges confronting business women in the United States, and describes the commitment needed to start a business here. Its intent is to serve as a guide in helping you assess whether you are ready to start your own business, and it provides questions you can ask yourself to help determine if the American market is right for you.

**Chapters 3 and 4** highlight the legal elements one must consider when deciding whether to do business in the United States. **Chapter 3** outlines the types of business structures to choose from if starting a business; the importance of registering and protecting your business and its name; and how, as a Swiss woman, you can utilize existing incentives offered to women-owned businesses in the US. It also covers the subject of discrimination, an important topic for women in the workplace and women employers. A road map is provided in **Chapter 4** that gives insight into the importance of business compliance and licensing issues in the US, and the role state laws play in establishing your business.

**Chapters 5 and 6** discuss banking and finance: **Chapter 5** covers how to open an account and the importance of establishing credit, while **Chapter 6** outlines the various financial resources available to foreign woman owned businesses and the types of lending channels that exist. This chapter also lists organizations and agencies that offer funding to qualified Swiss women-owned businesses. Although we have tried to identify all existing sources, new sources are available each day and you are encouraged to research and explore additional sources of capital.

**Chapter 7**, a review of business etiquette in the United States, was written by a Swiss woman entrepreneur who has already established a business here. This chapter offers tips on the “do’s and don’ts” of business meetings and follow-up, proper business attire and conduct, networking, and what to do if confronted with sexual harassment. There are many practical tips on how to maintain a professional impression in this competitive market.

**Chapter 8** highlights specific information for working mothers in the US, especially as it relates to childcare and education.

**Chapter 9** is a directory of essential resources and contacts specifically selected for Swiss women. This directory lists Swiss and American public and private agencies that assist small women-owned businesses as well as other organizations that were identified to be useful networking vehicles for women seeking to make contacts in the US.

As a strong advocate for small- to medium-sized Swiss women-owned businesses, Swiss Business Hub USA hopes this handbook fosters women’s entrepreneurship and serves as an essential publication for Swiss business women interested in entering the US business market.

It gives me great pleasure to thank the authors of this study, Suzanne M. Ambrose, Ursula Day, Esq., Monica Howden, Rita Johnson, Karen Monroe, Esq, and Karin Vibe-Stewart. I am also grateful to Dr. Yvonne Wegmann, Vice President of The Swiss Stock Exchange, who assembled a group of business women to discuss our project at a very early stage. I want to extend special thanks to Federal Councilor Micheline Calmy Rey who encouraged us in this endeavor, as well as Lisa S. Bohne, Claudine Haeni, Claudia Holtzmann, Rosmarie Levy, Kimberly Roth-Corradi, Beth Oakly, and Rosina Colazzo-Franzese who contributed in many ways to this study.

Finally, I would like to express my gratitude to the **sponsors** of this project, beginning with our main sponsor **Zurich Insurance Company**, as well as **American Lamprecht, CLS Communication AG, Siller Wilk LLP**, New York and Geneva, the **Greater Zurich Area**, and **The Swiss Stock Exchange SWX**. I also wish to thank our partner organizations, **Femmes Entrepreneurs**, Geneva and **Wirtschaftsfrauen Schweiz**.

# 2.

## Starting your Business: Is the American Market Right for You?

By Ally Gunduz, Swiss Business Hub USA

With a population of approximately 300 million and one of the largest and most competitive consumer markets in the world, the United States offers Swiss women the possibility to explore new business opportunities.

The U.S. government recognizes that women business owners are critically important to the American economy.

Although women continue to face unique obstacles in the world of business, the US Small Business Administration (SBA) is a very strong advocate for women entrepreneurs and offers many programs and services to help them succeed. Entrepreneurialism is encouraged and special incentives, training, and counseling are offered to women-owned businesses in recognition of their importance to economic development.

### 2.1. A Female Friendly Business Climate

When analyzing global data on the current state of affairs on the status of women, it is clear that every country has its share of improvement to make. Women continue to be under-represented as voters, in business, politics, and as officials, even though fifty percent of the world's population is comprised of women. In the past two to three decades, countries have made a concerted effort to address these inequalities by making global commitments to level the playing field. Such initiatives include the Fourth World Conference on Women, Action for Equality, Development, and Peace that took place in Beijing, China in 1995, and its follow-up, the 49<sup>th</sup> Session on the Commission on the Status of Women, at the United Nations in New York City on February 28, 2005. Both Switzerland and the United States were participants in these initiatives.

Data of the Census Bureau indicates that the United States can be considered as having a "female friendly business climate". Suzanne Ambrose's insert on page 16 helps you to understand how the legal foundations that strengthen women's equality and create opportunities for women to become equal partners in economic and business development have been established over the years. In 2004 there were over 22.1 million firms in the US, and among them 10.6 million or 47.7% were 50% or more women-owned. In 2004, women-owned firms employed 19.1 million people and generated \$2.5 trillion in sales, according to the Center for Women's Business Research.

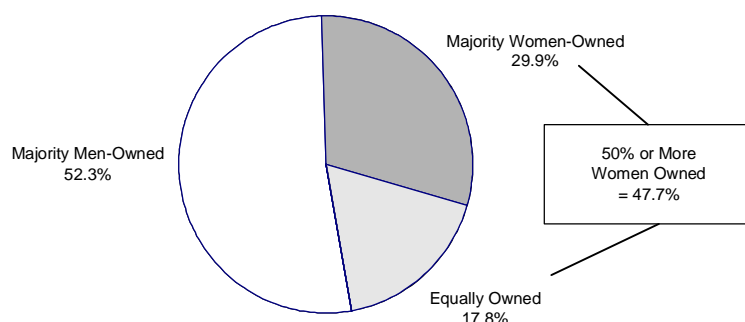


Figure 1: Nearly half of all privately held U.S. firms are 50% or more women-owned. Note: (1) Majority Women-Owned firms are those firms in which a women owns or women own 51% or more of the business. (2) Equally-owned firms are those in which there is a 50-50 (Source: Center for Women's Business Research, 2005)

The Center for Women's Business Research estimates that women-owned companies are growing and expanding at a faster rate than the average US firm (see Figure 2). Between 1997 and 2004, the estimated growth rate for women-owned firms was nearly twice that of all firms (17% vs. 9%), employment expanded at twice the rate of all firms (24% vs. 12%), and estimated revenues kept pace with all firms (39% vs. 34%).<sup>1</sup>

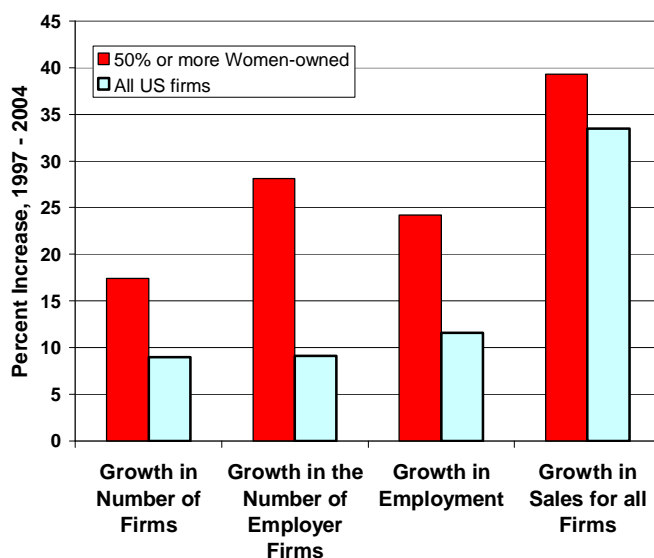


Figure 2: Fifty percent or more Women-Owned firms growing faster than national average (Source: Center for Women's Business Research using US census data).

Regionally, women-owned businesses have been growing fastest in Western and Southwestern states, according to studies by the Center for Women's Business Research. The states with the fastest rate of growth in the number of privately held women-owned firms (based on an average growth rates from 1997 to 2004), are: 1.) Utah ([www.utah.gov](http://www.utah.gov)) ; 2.) Arizona ([www.arizona.gov](http://www.arizona.gov)); and 3.) Nevada ([www.nevada.gov](http://www.nevada.gov)).

<sup>1</sup> "Top Facts About Women-Owned Businesses 2004," Center for Women's Business Research; and: 2002 Survey of Business Owners Preliminary Estimates of Business Ownership by Gender, Hispanic or Latino Origin and Race, [www.census.gov](http://www.census.gov).



Additionally, women-owned firms are operating in a diverse range of industries (see Figure 3). The industries with the fastest rate of growth for privately held women-owned firms are construction (30% growth), transportation, communications, and public utilities (28% growth), and agricultural services (24% growth). The U.S. Census Bureau's "2002 Survey of Business Owners Preliminary Estimates of Business Ownership by Gender, Hispanic or Latino Origin, and Race" indicates that the nearly 6.5 million women-owned firms surveyed generated \$950 billion in sales (see table).

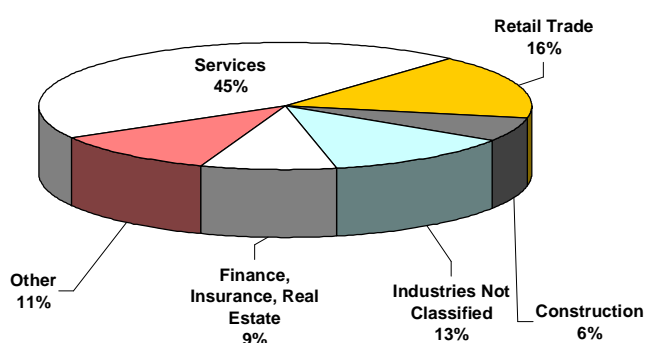


Figure 3: 50% or more Women-Owned firms in diverse industries (Source Center for Women's Research using Bureau of the Census data, 2005)

### What is a "women-owned small business" in the U.S.A.?

The federal government defines a "women-owned small business" in Definitions, Part 19.001 of the Federal Acquisitions Regulations (FAR) as:

"Women-owned small business concern means a small business concern—(a) which is at least 51 percent owned by one or more women; or, in the case of any publicly owned business, at least 51 percent of the stock which is owned by one or more women; and (b) whose management and daily business operations are controlled by one or more women ."<sup>2</sup>

## 2.2. A Strong Market-Oriented Economy

The economy of United States is expanding and is likely to continue to grow in the coming years. The U.S. economy grew 3.4% in the second quarter of 2005, after increasing 3.8% in the previous quarter, according to U.S. Bureau of Economic Analysis.<sup>3</sup> The Purchasing Manager's Index (PMI) was at 56.6% in July, indicating that the manufacturing sector grew for the 26<sup>th</sup> consecutive month. Retail sales reached \$357.0 billion in July 2005, up 10.8% from July 2004. Unemployment has decreased over the past 24 months from 6.2 to 5%.

<sup>2</sup> Small Business Administration, "Selling to the Government", p.1.

<sup>3</sup> U.S. Bureau of Economic Analysis, April 28, 2005 (<http://www.bea.doc.gov/bea/newsrel/gdphighlights.pdf> )

The economic outlook is not as bright if one considers the uncertainty of investors and employers in various sectors of the economy, growing trade and budget deficits, and rising energy costs. And, despite added jobs and productivity gains, the growing economy is not profitable for everyone; gains in income for those at the bottom and middle have been sluggish, and an August 2005 report by the Census Bureau indicates 12.7% of the population is living below the poverty line. Still, despite these clearly negative signs, nothing seems to indicate that the United States will lose its economic strength and its predominant role in world political issues in the short to medium term.

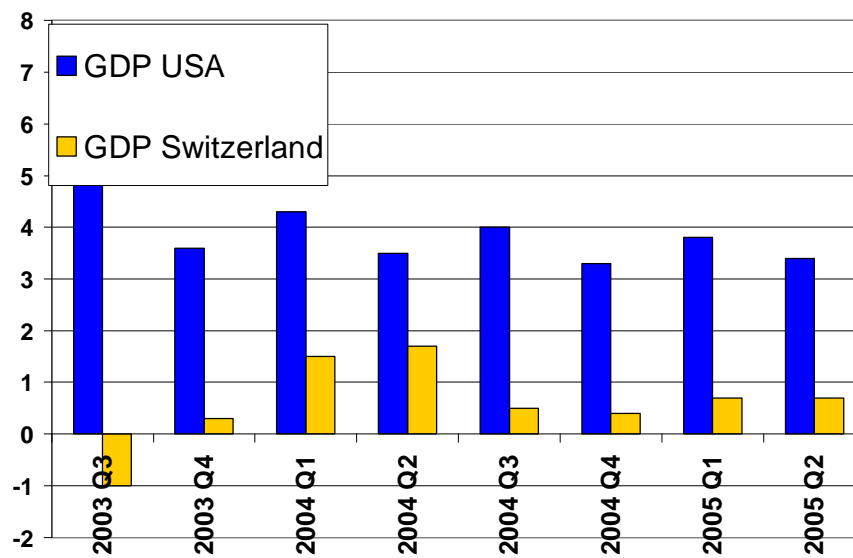


Figure 4: Real GDP in the U.S.A. and in Switzerland. The American market is an important driver for Swiss business.

Swiss businesses are clearly seizing opportunities provided by the growing American economy. The U.S.A. is Switzerland's second most popular export destination, after neighboring Germany. Approximately 700 Swiss companies have established a subsidiary or a parent company in the U.S.A., creating roughly 550,000 jobs. The U.S. is the most important destination for Swiss direct investment abroad, and on a global level Switzerland is the 6<sup>th</sup> largest foreign direct investor in America.

Importantly, there is a strong entrepreneurial culture in the United States, echoed in the spirit of the economy. Small business owners represent ninety-nine percent of all American employers and three quarters of all new American jobs every year.<sup>4</sup> Compared with their Western European and Japanese counterpart, American companies enjoy greater flexibility to develop new products, expand, and layoff surplus workers<sup>5</sup>. This atmosphere encourages private individuals to start businesses and take risks, a major component contributing to the underlying strength of the US economy.

<sup>4</sup> Hector V. Barreto, Administrator, Small Business Administration, 2004 Edition

<sup>5</sup> CIA World Factbook, 2003, ([www.bartleby.com](http://www.bartleby.com))

## 2.3. Challenges

Although the dynamic business environment in the United States presents new opportunities for Swiss exporters, it also demands nothing less than a clear objective, good planning, competitive intelligence, long term financial strength, and a commitment to compete successfully.

According to the SBA, over 50% of small businesses fail in the first year and 95% fail within the first five years. Why? What goes wrong? Although there are many reasons why a business may not succeed, we will examine those unique to a foreign owned business.

### Is Your Business Idea Feasible for the American Market?

Before deciding to enter an overseas market, or any market, you should do your homework. Evaluate your business idea to make an informed “go” or “no go” decision.

Minimize your investment risk by avoiding the blind pursuit of business ownership. Exploring some of the key elements such as financial, personal and market realities will help you make more informed strategic decisions.

### Financial Elements to Explore

Due to the competitive structure and size of the American market, new businesses need strong financial and human resources. Although there are exceptions, generally it takes up to five years to break even or see any return on your investment.

Outsourcing lawyers and certified public accountants is recommended. Professional fees for attorneys and certified public accountants can be \$200 per hour or more, depending on your location. The cost to incorporate a business varies from state to state, but generally runs at \$750 and up depending on the attorney's hourly fee and the fees charged to establish a business (for information see Business Structures in the United States).

#### *Questions to Ask Yourself:*

- § Do you have enough money to get your idea off the ground without going into debt?
- § Can you make the long-term financial commitment the market requires?
- § If not, where are you going to get your money (Switzerland or the United States)?
- § Do you have enough cash and the right combination of prior experience, credit status, and other tangible assets to secure financing for the venture?
- § Are you willing to take the risks of loss associated with assuming debt?

### Market Realities to Explore

A market study can help you obtaining a better understanding of the kind of commitment you may be required to make when starting a small business in the United States. It helps you to evaluate if there is a market for your product or service in the United States, and enables you to identify:

#### *Size of the market*

The American market is huge. Understanding its size and scope and where your product or service would stand is essential. A customized market study can help you to choose the right market for your product or service by providing statistics and research on the size and scope of a specific industry or market segment. Information on the size and background of the market will assist you in seeing if your idea is feasible for the American market. It can also help you rethink your marketing strategy and understand how risk is distributed among various

players in the distribution channel. Learning about channels of distribution for your particular product or service will enable you to make healthier, more profitable strategic decisions that benefit your company's long term goals.

#### *Competition, Prices, and Trends*

A key element of the American market is the extreme, cut-throat level of competition that exists in many industries. Often there are a large number of US and foreign manufacturers or suppliers offering their products to the same market. As a result, they are frequently pressured to give more for less. It is important to have a good strategy for differentiating your product or service from the crowd, and also to be sufficiently capitalized.

The pressure of this level of competition can be unforgiving, but it also leads to continuous innovation and productivity improvements. The most competitive industries are therefore driven by such factors, and these include medical technology, biotechnology, nanotechnology, and IT.

A market study will enable you to have better insight into your competitors' business structure, activity, and pricing structure. This can help you evaluate your own strategy, and shows whether your product or service is price competitive. Market trends are also revealed in such studies. Understanding these trends before entering the market is essential to the long-term survival of your company.

#### *Compliance Issues*

Given the litigious nature of the American market, it is imperative to know the legal and regulatory requirements of your products and/or services. Market studies identify the issues of relevance to your company.

#### *Information to Prepare a Business Plan*

§ A market study will provide the foundation for your business plan. A business plan is the blueprint of a company. Sample business plans and software for purchase are available online.

#### *Questions to Ask Yourself:*

- § Can you really compete and stay competitive with other American businesses that know the market and have an established reputation?
- § What is the unique selling point of your product and service?
- § Are your management skills adequate to oversee and develop the necessary business operations, and marketing and sales for your product or service in the United States?
- § Do you feel your knowledge of the American market is adequate?
- § If not, do you have the resources to outsource the information or professionals to assist you in this area?

#### **Personal Considerations**

Explore your personal objectives, talents, and personality traits to see if owning a small business in the United States is for you. A list of detailed questions entitled "Do you have what it takes" can be found at [www.sba.gov](http://www.sba.gov). It is crucial to answer such questions since you will be confronted with the additional burden of cultural differences that could affect your business.

Since business owners need to sell to and develop working relationships with a variety of people such as customers, lawyers, bankers and vendors, ask yourself key questions such as "how well do I get along with different personalities and am I aware of the differences between

Swiss and American business etiquette?” and “How soon after a sales call should I follow-up with a courtesy call?” This topic is explored in a Business Culture chapter 7.3 on page 45 to help you overcome some of the challenges related to this topic.

Two keys to success in business are the owner’s foresight and good organization.

In his book *Small Business Management*, Michael Ames gives the following reasons for small business failure<sup>6</sup>:

1. Lack of experience - know the American market!
2. Insufficient capital (money) – make sure you can make the financial commitment necessary to withstand the rigors of a competitive market and the need to outsource professional services.
3. Poor location - do not pick a location for your office or a market for your product because a friend or a family members lives there. Make sure you are in the right region, city, or state in the United States. This can also extend to the idea that one should not try to sell German Gherkins in a predominantly Hispanic neighborhood. Do your homework and make informed decisions.
4. Poor inventory management – make sure you understand your channels of distribution and you have enough production capacity and product to make it in time to supply your buyers.
5. Over-investment in fixed assets – keep your overhead low in the beginning. Many companies go out of business for over investing in fixed assets such as luxury offices and neglect to spend the time needed to get orders and new customers. Set your priorities straight.
6. Poor credit arrangements - make sure you understand credit arrangements in your market. Miscalculations can hurt your business. In addition, make sure you understand the legal and financial implications of establishing a business in the United States. Establishing a business banking account may be harder than you think. Learn what documents you need and be ready to provide all such documents. Talk to a banker and do not be afraid to ask questions.
7. Personal use of business funds - do you have the financial muscle? Can you afford loss that might lead to debt? Sit down and consider the realities of the market before going forward.
8. Unexpected growth – the prospect of growth is welcoming only if you are prepared for it. Foresight and forecasts – be ready to utilize both to stay on top.

Gustav Berle adds two more reasons in the “Do It Yourself Business Book”:

1. Competition - Know your competition and how they work and what they charge, track trends in your industry.
2. Low sales - understand American sales techniques. Not only is it important to keep motivated and have a personality suitable for sales, but you should read books on the topic that offer new techniques and success stories.

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<sup>6</sup> *Small Business Administration, Are You Ready?* ([http://sba.gov/starting\\_business/startup/areyouready.html](http://sba.gov/starting_business/startup/areyouready.html))

## **2.4. Profiles of successful businesswomen in the U.S.**

Well known businesswomen in the United States include:<sup>7</sup>

### **Muriel "Mickey" Siebert, Stockbroker**

After arriving in New York City in 1954 with just \$500 to search for a job, Mickey was hired as a trainee research analyst at a Wall Street firm. In 1967, she was the first woman to purchase a seat on the New York Stock Exchange (NYSE), remaining as the only female with a seat among the 1,366 members for the next ten years. In 1969, she became the first woman to own and operate a brokerage firm that belonged to the NYSE, Muriel Siebert & Co, now Siebert Financial Corp. In 1975, when the U.S. government abolished fixed commissions for stockbrokers, Siebert turned her company into a discount brokerage firm. In 1977, she was named New York State Banking Superintendent. She stepped down in 1982 to run for the Senate but lost the republican primary. Since then, Siebert has run her company and been involved with charitable work. She is often called "The First Woman of Finance."

### **Mary Kay Ash, Business Executive**

In 1963, she founded Mary Kay Cosmetics with just with \$5,000 in a Dallas storefront. Mary Kay Cosmetics is currently one of the largest beauty products firms in the United States. Prior to establishing Mary Kay Cosmetics, she had sold child psychology books door to door in the late 1930s and had later become national training director at the World Gift Co. At first, Mary Kay Cosmetics sold products door to door using nine saleswomen, called "beauty consultants." The business grew steadily, helped by Ash's positive philosophy and her generous use of incentives, such as free pink Cadillacs and diamond jewelry, for successful sales people. Today the firm has over 300,000 sales people and over \$1 billion in sales from 19 countries.

### **Carleton "Carly" Fiorina, Former President & CEO, Hewlett-Packard Company**

Fiorina graduated with honors from Stanford University, where she studied medieval history and philosophy, and then went to law school at UCLA. After two weeks she dropped out, and at age 25 took an entry-level job with AT&T. She steadily rose through the ranks and went on to take spin-off Lucent Technologies Inc. through an IPO worth \$3 billion in 1996. Fortune magazine crowned her the most powerful woman in American business, and she held that title for several years. In 1999 she became the President and CEO of HP, the world's second-largest computer maker with \$50 billion annual revenue and one of the 30 so-called "blue-chip" companies that makes up the Dow Jones Index. In 2005, she was abruptly ousted from HP for not sufficiently fostering their long tradition as an innovator, after the acquisition of Compaq Computers.

### **Shelly Lazarus, Chairman & CEO, Ogilvy & Mather**

While a student at Smith College, Lazarus attended a conference given by the Advertising Women of New York and decided she wanted a career in advertising. After graduating and earning an MBA from Columbia University, Lazarus joined Ogilvy & Mather Worldwide, one of the biggest ad agencies in the world with IBM, American Express, Mattel, and Ford among its clients. Accounts she supervised include Avon, Ralston Purina, and Campbell Soup, and later she signed multi-million dollar deals with American Express and IBM. Referred to as "the most powerful woman in advertising", Lazarus took over the reins from the company's first woman CEO, Charlotte Beers, in 1997.

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<sup>7</sup> Gettings, John, Johnson, David, "Wonder Women: Profiles of leading female CEO's and business executives" <http://www.infoplease.com/spot/womenceo1.html>

### **Meg Whitman, President & CEO, eBay Technologies**

Meg Whitman is currently ranked first on Fortune's Most Powerful Women in Business list. She graduated from Princeton in 1977 with an economics degree and earned her MBA at Harvard Business School in 1979. She had originally entered college to study medicine, but after selling advertisements for a campus publication she became interested in business. Whitman joined Procter & Gamble, later working for the consulting firm Bain & Co., Walt Disney, Stride Rite Shoes, Florists' Transworld Delivery (FTD), and Hasbro, where she was responsible for global marketing of two major brands, Playskool and Mr. Potato Head. She joined eBay as President and CEO in 1998, and after their IPO may have been the richest woman CEO in America. eBay is one of the Internet's most popular online auction houses and a leading internet start-up.

### **Andrea Jung, President & CEO, Avon Products**

Avon, the world's leading direct seller of beauty and related products with sales of \$5.2 billion in 135 countries, is ranked #275 on the Fortune 500 list. Jung's road to the top was paved with persistence. She graduated magna cum laude from Princeton in 1979, majoring in English literature, and began her remarkable retailing career at Bloomingdale's in the company's management trainee program. She quickly climbed the management ladder before jumping to San Francisco retailer I. Magnin, and later Neiman Marcus, where she was executive vice president. Jung began her career at Avon as a consultant before signing on full-time in 1994. She has since energized the company with her retail experience and acclaimed marketing wizardry. Yet despite her leadership of the company's global marketing initiatives as COO, in 1997 the vacant CEO position went to Charles R. Perrin, a former Duracell International executive who had no cosmetics experience. Passed over, Jung continued with Avon and was finally promoted to President and CEO in 1999. Today Jung is sitting on top of this unique Fortune 500 company with more women in management positions than any other. In fact, half of Avon's board of directors is women.

### **Cathleen Black, President, Hearst Magazines Division**

Hearst Corp. is the world's largest publisher of monthly magazines, including Cosmopolitan, Esquire, Good Housekeeping and Harper's Bazaar. Black made history in 1979 by becoming the first woman publisher of a weekly consumer magazine. Since taking the reins of this publishing giant, she has revitalized some of its most popular titles. Black began her career selling ads for magazines like Holiday and Travel & Leisure before joining New York Magazine in 1970. She helped launch Ms. Magazine two years later and rose to Associate Publisher. Black then agreed to return to New York magazine with the understanding that if she improved business, she would be made Publisher. In 1979, she was named Publisher of New York Magazine. In 1983 she took over a new national newspaper called USA Today and by 1991 the paper's circulation rose to 1.8 million, second only to the Wall Street Journal. Black left USA Today to head up the Newspaper Association of America, the leading lobbying group for the industry. In 1995, she was hired to run Hearst Magazines, becoming the first woman to hold the position. She is also on the board of directors of IBM and Coca Cola.

## **Women's Rights: Highlights and Significant Developments in the US**

**By Suzanne M. Ambrose,  
Director, Department of Fair Employment and Housing**

A woman's right to equal employment opportunities in the United States was a by-product of the Civil Rights Movement of the 1950's and 1960's, when activists challenged government sanctioned race discrimination and segregation.

The Civil Rights Act of 1964 was an omnibus bill prohibiting discrimination in employment, voting, public accommodations, and education. The employment section, commonly referred to as "Title VII," prohibited discrimination in employment on the basis of race, color, religion, sex, or national origin.

The addition of sex was a significant expansion to the narrow right to equal pay that the Equal Pay Act of 1963 afforded women. The Equal Pay Act prohibited sex-based wage discrimination between men and women in the same establishment who are performing under similar working conditions.

Over the years, Title VII has been interpreted to prohibit the use of non-job related gender-based assumptions or stereotypes as a "bona fide occupational qualification." Furthermore, the physical requirements of a job also had to be job-related so to eliminate any pretext for sex discrimination. The commonly asserted "customer preference" was no longer a permissible justification for sex discrimination. It was also unlawful to classify jobs as gender specific. One of the most significant parts of the new legislation was that the law now prohibited the widespread refusal to hire or promote and terminate a woman because she was married, had children or was of childbearing age, as was common practice in many industries. Paternalistic employment policies toward women in the workplace, designed purportedly to protect women against the "hazards" of working in certain jobs or industries, were no longer permissible. In reality, these "protections" eliminated opportunities for women by diminishing their competitive edge and marginalizing them in the workforce.

Another significant development of the sex discrimination protection in Title VII was the prohibition against sexual harassment in the workplace. Not only did the law now prohibit *quid pro quo* harassment, where a job or a job benefit is conditioned upon the employee's submission to a sexual advance, but it also prohibited "hostile work environment" sexual harassment, where unwanted conduct of a sexual nature or unwanted conduct directed toward one sex is so severe or pervasive that it creates a hostile work environment.

The prohibition against sex discrimination was further expanded in 1972 with the enactment of Title IX, which prohibits sex discrimination in programs or employment opportunities of any educational institution receiving federal resources.

In 1978, Congress recognized the need to protect a woman's right to her job upon becoming pregnant and enacted the Pregnancy Discrimination Act which amended the definition of "sex" discrimination contained in Title VII to include pregnancy, childbirth, or related medical conditions. This amendment required equal treatment for employees affected by pregnancy, childbirth or related medical conditions. That protection was expanded in 1993 when Congress enacted the Family Medical Leave Act (FMLA). The FMLA requires employers with 50 or more employees within a 75 mile radius to provide up to 12 weeks of leave to qualified employees for the birth or adoption of a child, the employee's serious health condition or the serious health condition of a specified family member.

In addition to federal law protections against employment discrimination, most states have enacted statutes protecting employees and applicants from discrimination in employment. In California, the Fair Employment and Housing Act (FEHA), enforced by the Department of Fair Employment and Housing (DFEH), provides protections against employment discrimination by



employers with five or more employees, and employers with one or more employees for purposes of unlawful workplace harassment.

An alleged victim of employment discrimination in California may file a complaint with either the EEOC or with the DFEH and request that the agency conduct an investigation into the allegations. Under both California and federal law, an employer can be held liable to pay monetary damages and ordered to change its policies and practices to comply with the law.

The above developments led to improvements in women's rights and paved the way to creating a business environment that encourages women to participate in all facets of business in the United States.

Over the last decade, the public and private sector have increased their collaboration to provide women easier access to capital, information, training, and assistance to encourage entrepreneurship. Although American may be considered by some countries as a role model for such support, it is a relatively recent phenomenon. A key government player is the U.S. Small Business Administration ([www.sba.gov](http://www.sba.gov)) who also collaborates with banks to help women access low interest loans, and maintains an online information portal for women called the Online Women's Business Center (<http://www.onlinewbc.gov>). Such activities coupled with new research regarding women by the National Women's Business Council ([www.nwbc.gov](http://www.nwbc.gov))<sup>8</sup>, the Center for Women's Business Research ([www.womensbusinessresearch.org](http://www.womensbusinessresearch.org)), the Institute for Women's Policy Research ([www.iwpr.org](http://www.iwpr.org)), and the International Center for Research on Women ([www.icrw.org](http://www.icrw.org)), have served to provide vital statistics that reveal both a promising future and the challenges that accompany women in business.

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<sup>8</sup> A bi-partisan federal advisory council was created to serve as an independent source of advice and policy recommendations to the United States President, Congress, and the U.S. Small Business Administration on economic issues of importance to women business owner ([www.nwbc.gov](http://www.nwbc.gov))

# 3.

## Doing Business in the United States

By Karen Monroe, Esq., Siller Wilk LLP<sup>9</sup>

The following is a very brief description of the various forms of business organizations available and does not constitute legal advice. All these forms of doing business are subject to both federal and state law. Therefore, requirements may vary from state to state. It is advisable to consult an attorney knowledgeable in cross-border corporate and tax matters to assist with determining the most appropriate business form.

Seeking the advice of specialists is particularly important in the United States because the United States is generally more litigious than Switzerland and damage awards are potentially much higher than in Switzerland. It is also advisable to have all agreements in writing and preferably reviewed by an attorney before signing. It is also important to seek the advice of an expert in the area in which you want to do business because there might be specific rules in certain categories of businesses or products such as the requirement to obtain a license or an authorization from a governmental agency (for example, opening a restaurant or selling new pharmaceutical products).

### 3.1. Starting a Business in the USA

In starting a business, a primary consideration is the legal structure of the entity that you will use to operate the business. There are several options to choose from, each of which has practical as well as legal advantages and disadvantages that should be carefully considered in light of your particular circumstances. Before choosing a legal structure that is right for your business, it would be prudent for you to examine your goals for the business, both in the short and long term, and consider each type of legal structure in light of the direction that you envision for your business. The discussion of each type of legal structure that follows will highlight the general distinct features that will play a role in your choice of entity. This type of initial strategic planning will enable you to maximize your business' potential as it grows and develops.

An important secondary consideration is selecting the proper state for incorporation. The primary issues are cost and tax structure, but there are many other factors to be considered in deciding which state is optimal for your particular business situation. It is highly recommended that you consult with an attorney or accountant on making this decision.

#### Sole Proprietorship

The first type of business structure for you to consider is a sole proprietorship. This is the simplest form of business structure and costs the least to maintain. This structure is largely informal and consists of just one individual who functions as owner and operator of the busi-

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<sup>9</sup> The author wishes to express her appreciation to Dominique Heritier and Ella Zalkind, associates at Siller Wilk LLP, for their valuable collaboration in preparing this article. Copyright © 2005 Siller Wilk LLP

ness. From a tax perspective, the advantage of a sole proprietorship is that business expenses and income are included in the sole proprietor's personal income tax, thereby allowing business losses to offset other income. This type of business structure is also less expensive when it comes to preparing tax returns because the business itself does not need to file separate tax returns. However, this advantage from a tax perspective may be realized in other business structures as will be discussed below. Thus, the basic advantage of a sole proprietorship is the ease in which a business may be formed and the relative inexpensive cost of starting the business. Unlike other types of business structures as discussed below, the death of the sole proprietor means the death or the end of the business.

A significant disadvantage of a sole proprietorship is that the sole proprietor is personally liable for the business' liabilities. This means that your personal assets such as your car or real estate can be seized to satisfy the business' debts and obligations, including any judgments resulting from lawsuits. Although the impact of this disadvantage may be managed by purchasing insurance and other similar measures, this is an important factor to be considered in starting a business. In addition, banks and other sources of financing may be reluctant to provide funding to a sole proprietor because the individual may be viewed as having insufficient resources to satisfy obligations. Because of these reasons it is uncommon for well-organized companies in the U.S. to utilize sole proprietorships.

## **Corporation**

The next type of business structure for you to consider is the corporation. A corporation is a complex form of business structure that must be formally incorporated by filing various forms such as articles of incorporation and paying specified fees to the state of incorporation. Owners of a corporation are called stockholders or shareholders and their ownership interest in the business consists of shares of stock of the corporation. The corporation is managed by a board of directors that is elected by the shareholders and the board of directors appoints officers that manage the day-to-day affairs of the company. Usually a minimal number of people are required to form a corporation, as few as one who can serve as both officer and director. However, even in such cases it is essential to respect and follow the proper corporate structure.

Setting up the proper capital structure, including the number of shares to be authorized and issued and the number of shareholders, is critical to the success of a corporation and requires professional advice and significant planning. The formation, governance, and operation of a corporation is subject to many rules and regulations at the state level, as well as the federal level in some cases. Because of the relative complexity that is involved in forming and operating a corporation, there are increased costs associated with the corporation which include accounting, tax, and legal services.

The distinguishing feature of a corporation is that it is a separate legal entity created under the laws of the state of incorporation. As a distinct legal entity, the corporation has rights and obligations that are in most cases separate from the shareholders. This means that the corporation may be sued, borrow money, and enter into agreements and do all other things wholly separate from its shareholders. A significant benefit that arises from this feature is that the corporation offers shareholders limited liability protection of personal assets, assuming that the corporation follows proper corporate form as provided under the laws of the state of incorporation. In addition, the separate legal entity status of a corporation gives the business perpetual life whereby the death of a shareholder does not theoretically affect the business. The perpetual existence and perceived permanence of the corporation may make it somewhat easier for the business to secure funding.

Another significant feature of corporations is that income earned by corporations is potentially subject to a double tax. Corporations are subject to corporate income tax at the federal and state level, and the earnings that the corporation distributes to its shareholders as dividends

are also taxed at individual tax rates on the shareholders' personal tax returns. There are, however, several ways to soften the impact and manage double taxation. One way to do this is to elect to have the corporation taxed under Subchapter S of the Internal Revenue Code.

The C corporation is the regular corporate form that results in double taxation, allows an unlimited number of shareholders, and has all of the other characteristics of a corporation. The S corporation has much more restrictive ownership and structuring rules but offers significant tax benefits in that there is only one level of tax because the corporation itself is not subject to federal income taxation on its profits; rather its income flows through to shareholders in the same percentage as each shareholder's ownership interest, and each shareholder reports it on an individual return. However, some of the significant ownership restrictions of an S corporation are that ownership is restricted to no more than 100 shareholders and non-U.S. citizens may not be shareholders of an S corporation. Also, the taxation of S corporations varies among the different states and cities. There are, of course, other differences between S corporations and C corporations that may be relevant depending on individual circumstances.

### **Professional Corporation**

Professional corporations are another type of entity that allow certain types of professionals to provide their services under the corporate business form. These professionals are the shareholders, and state law limits who may be a shareholder of a professional corporation. The professional corporation is a product of state law and is a distinct type of legal entity that must adhere to additional rules and regulations with respect to its corporate governance. Generally, the taxation of professional corporations is similar to that of corporations.

### **Limited Liability Company**

Another attractive business structure that should be considered is the limited liability company or LLC. An LLC is a somewhat flexible form of business structure that offers many of the advantages of a corporation such as protection from individual liability while avoiding the ownership restrictions that are imposed on S corporations. Thus, the LLC form of business may be attractive to businesses that would prefer to form an S corporation but are not able to meet the requirements because they have too many shareholders or are not U.S. citizens. Similar to a corporation, an LLC is a formal business entity that must be formed by filing forms and paying fees to the state of formation and is subject to rules and regulations regarding its formation and operation. The costs involved in forming and operating an LLC may be comparable or exceed that of a corporation. In addition, some states require a formal publication of the formation of the LLC. This publication involves an additional expense that should be factored into cost considerations. The owners of an LLC are called members and own percentage interests of the LLC often referred to as units. Similar to the management structure of a corporation, an LLC can be managed by a board of managers that is elected by the members; and the board of managers can appoint officers to manage the day-to-day affairs of the LLC.

While in most cases existence is perpetual for a corporation, LLCs may have a limited life span depending on certain factors including the law of the state of formation and the formation documents. For example, the formation documents may contain a predetermined dissolution date for the entity. While these factors can be managed with proper drafting of the formation documents, there may be a benefit to choosing one form over another depending on your individual needs and requirements. In addition, state law requires that corporations adhere to certain formalities of corporate governance such as keeping formal minutes and holding shareholder and board of directors meetings. LLCs are generally not required to adhere to such formalities although it may be prudent for the LLC to maintain these formalities anyway.

Similar to S corporations, the income of an LLC is passed through to its members who report it on their personal income tax returns. The LLC does not pay taxes on its own. For tax purposes, a single member LLC (which is allowed in some states) is treated as a sole proprietor-

ship and a multiple member LLC is treated as a partnership. The members of an LLC can allocate income and losses among themselves in any way that they agree, not necessarily based on their ownership interests.

### **General Partnership**

Another less formal type of business structure is the general partnership. Similar to a sole proprietorship, a general partnership basically requires an agreement between two or more individuals or entities to own and operate a business. The partnership agreement does not have to be written or formal although good business practice dictates that the terms of such an arrangement should be properly documented. Profit, loss, and management of the business are shared by the partners, and each partner is personally liable for the partnership's liabilities. A partnership is taxed in much the same way as a multiple member LLC or an S corporation, whereby individual partners report their share of profits and losses on their individual tax returns and the partnership itself does not pay taxes.

### **Limited Partnership**

A limited partnership is very similar to a general partnership except for one important difference with respect to the personal liability exposure of the limited partner. While a general partner in a limited partnership has no protection from personal liability, the limited partner's liability is limited to the amount of his or her investment in the company. This business structure is attractive in that it enables an investor who does not play an active role in the partnership's operation to share in the company's profits without exposure to the company's liabilities. However, because a general partner is exposed to unlimited personal liability, limited partnerships are sometimes set up so that the general partner is a corporation or an LLC. Like a corporation or an LLC, a limited partnership is a product of state law and must be formally formed by filing forms and paying fees to the state of formation. The limited partnership is considered a separate legal entity but does not pay taxes separately. As in a general partnership, absent an election to the contrary, a limited partnership has pass-through taxation.

### **Limited Liability Partnership**

A limited liability partnership is a relatively new form of business structure that is similar to that of a limited partnership except that it allows all partners to take an active role in the business of the partnership while enjoying limited liability. Limited liability partnerships offer the pass-through taxation of a partnership and the limited liability of a corporation or LLC. This type of business structure is common among professionals such as law and accounting firms which are not allowed to use the corporate form to limit personal liability.

Please note that special tax rules apply to non-U.S. persons that own a Limited Liability Company, Limited Partnership or General Partnership entities and accordingly, these entities may not be appropriate for non-U.S. persons.

### **Reporting Requirement**

The United States has special complex reporting rules that apply to transactions between U.S. entities and their non-U.S. affiliates. These rules are beyond the scope of this article.

## **3.2. Brief Summary of U.S. Tax System**

Basically, taxation in the United States involves payments by businesses and individuals at several different levels, including federal, state, and local government taxes. At the federal level, federal income tax is levied on income of U.S. citizens and resident aliens and on certain types of U.S. income of nonresidents. The federal income tax rules also apply to trusts,

partnerships, corporations, and other types of entities. All individuals and businesses except partnerships must file an annual income tax return. Partnerships must file an informational return. The U.S. federal income tax is a “pay-as-you-go” tax which means that generally you must pay the tax as you earn or receive income during the year. The tax is also called a “progressive tax” because it is higher as a percentage of income for higher-income taxpayers. Depending on the legal structure of the business, the business itself may be subject to tax in addition to tax paid by the business’ owners on their share of the business’ profits. For example, as discussed above, the income tax assessed on regular C corporations results in double-taxation of the dividends paid to shareholders because the corporation pays taxes on the profits earned and the shareholders pay taxes on the dividends received.

Federal payroll taxes owed by individual employees in the U.S. are primarily collected by employers and remitted to the Internal Revenue Service (IRS). Employers typically collect these taxes through a system of direct withholding. Employers pay a portion of a taxpayer’s income tax directly from an employee’s payroll. The amount of taxes so withheld is based on the employee’s salary and other factors such as his or her marital status and number of dependents. Because the amount withheld typically does not perfectly amount to the tax owed by the employee each year, the difference between the amount withheld and the actual tax owed is either paid to the IRS or refunded by the IRS after the end of each year.

In addition to the payroll tax, another significant tax paid by employees is the Social Security tax. Half of this tax is paid by the employee and the other half is paid by the employer. Self-employed people are responsible for both halves of the Social Security tax. Social Security taxes are taken from wages but not from other sources of income such as interest or dividends and there are certain caps on the amount of Social Security taxes assessed. In addition, individuals are subject to Medicare taxes which are used to fund the Medicare program, a health insurance program for the elderly and disabled. Similar to the Social Security tax, half of the Medicare tax is paid by the employee and the other half is paid by the employer. Unlike Social Security, there is no cap on the Medicare tax. Dividend and interest income is not subject to Medicare tax.

The foregoing summary regarding tax liability is also subject to applicable provisions of the U.S. Swiss tax treaty, as discussed below.

### **3.3. Brief Summary of U.S. Swiss Tax Treaties**

#### **Double Taxation Treaty**

The formal name of the U.S./Swiss tax treaty is the “Convention between the Swiss Confederation and the United States of America in view of avoiding double taxation in the matter of income taxes of October 2, 1996” (the Convention). For purposes of the Convention, a resident of a contracting state means a person who is subject to taxes according to the laws of that state. Criteria used to determine residency include substantial presence, permanent home or extended stay in a contracting state.

A person who does not have a permanent residency visa or “green card” but has a substantial presence in the United States may be deemed a resident of the United States for tax purposes, although that person is NOT a resident of the United States for immigration purposes.

Dividends received by a resident of the United States or Switzerland are taxable in the country of residence. Dividends are also subject to taxes in the country where they are distributed; however, the rate may not exceed 5 percent of the amount of the dividend if the beneficiary is a company which owns at least 10 percent of the votes of the company that distributes the dividend, or in all other cases, 15 percent of the dividend.

In general, interest paid to a Swiss or a United States resident is only taxed in the country of residence. Gains derived from the sale of real estate property by a resident of the United States or Switzerland are taxable in the country where the property is located. Profits of American or Swiss enterprises are taxable in the State where they are generated. As a general rule, if a United States-based enterprise has a branch in Switzerland, the profits made in the United States will be taxed in the United States, and the profits made by the branch in Switzerland will be taxed in Switzerland.

Salaries are typically taxed in the country of residence. However, there is a different rule if the work is not performed in the country of residence. For example, in general, if a Swiss resident performs his/her work in the United States, his/her salary will be taxed in Switzerland if the worker stays in the United States for not more than 183 days per taxable year, the employer is not a resident of the United States and there is no stable establishment in the United States (for instance a branch office in the United States) for the employer bearing the financial charges for the salary. Conversely, if the salary is paid by a United States enterprise or the United States branch of a Swiss company, or the worker stays in the United States for more than 183 days, in general, the salary will be taxed in the United States.

### **Social Security Treaty**

The Social Security agreement between the United States and Switzerland (the "Agreement") eliminates the need for a person to pay Social Security taxes to both the United States and Switzerland on the same earnings. The Social Security coverage depends on employment circumstances. As a general rule, Social Security taxes are due in the country where the work is performed. For an employee hired in the United States, Social Security taxes will be paid in the United States while for an employee hired in Switzerland, Social Security taxes will be paid in Switzerland.

However, there is an exception to the rule if an employer in one country sends an employee to work in the other country for 5 years or less. In that case Social Security taxes will continue to be paid in the country from which the employee was sent and no Social Security taxes will be due in the other country. If the employer sends the employee to work in the other country for more than five years, Social Security taxes will generally be due in the other country.

For example, if a Swiss employer sends an employee to work to the United States for 3 years, Social Security taxes will continue to be paid in Switzerland, while if that employee is sent to work in the United States for 6 years, Social Security taxes will be paid in the United States; if that employee is sent to work in the United States for an undetermined period of time, the general rule applies and Social Security taxes will be due in the United States.

The Agreement allows taking into consideration credits earned in the other country in order to qualify for retirement benefits. The respective laws of the United States and Switzerland provide for the allocation of Social Security credits on their respective territory. Each country pays its own benefits. A resident of the United States who paid social security taxes in Switzerland may apply for Swiss benefits at the social Security office in the United States where he/she resides and a Swiss resident who paid social security in the United States may apply for benefits from the United States at the Swiss Compensation Office where he/she resides. There is not an ability to collect concurrently under both systems.

### **3.4. Work Permits/Visas**

A very important consideration in establishing a business in the U.S. is to enter and work in the U.S. lawfully<sup>10</sup>. All non-U.S. citizens or non-resident aliens must comply with visa entry requirements.

#### **Visa Waiver**

For someone who travels to the United States for less than 90 days, usually it is not necessary to obtain a visa because Switzerland is among 27 countries participating in the Visa Waiver Program (VWP). VWP enables travel to the United States for stays of 90 days or less without obtaining a visa, as long as you present a machine-readable passport (a previous one-time exemption for first-time VWP travelers without MRPs ended June 26, 2005). For people who intend to stay for more than 90 days in the United States, it is mandatory to obtain a visa.

#### **B-1 / B-2**

There are numerous categories of visas, depending on the purpose of the stay. The visitor's visa (for business, B-1 - or pleasure, B-2) is for short stays, and the time the person is authorized to stay in the United States is determined by the embassy which grants the visa; it may be granted for up to one year, depending on the purpose of the trip. The B-1 visa category may be used for relatively short periods of time to set up and staff a company, however, the person cannot be paid by the U.S. company.

#### **E-1 / E-2**

There are visas for investors of countries which have signed a bilateral investment treaty or a treaty of commerce and navigation with the United States, under the E-1 (business trader) or E-2 (business investor) category. Because Switzerland signed a bilateral investment treaty with the United States, E visas may be used by, among others, Swiss entrepreneurs who set up a business in the United States. The E visa category may be used by many different types of companies. It may be a company owned by a single investor or a multinational corporation.

The E-1 visa is granted for business people who carry out substantial trade with the United States and the treaty country, which, in our case, is Switzerland. The trade may consist of goods or services. The business trader must be a Swiss citizen. There must be an international exchange between the United States and Switzerland. More than 50% of the total volume of international trade must be between the United States and Switzerland. The trade must be continuous and involve numerous transactions, there must be ongoing business. The revenue must be sufficient to support the business trader and his/her family.

The E-2 visa is granted for business people who make a substantial investment in the United States. The funds must be at personal risk and be committed to the investment. The business investor must show an actual transfer of funds to the United States. There is no minimum amount although most investments are over \$100,000.00. The investment must be made in an active and effective business.

In both categories (E-1 and E-2) the business may be owned jointly with a spouse or partner. In order to qualify under either the E-1 or the E-2 category, at least 50% of the stock of the company engaging in trade or investment in the United States must be owned by Swiss citizens who are not permanent residents of the United States. For example, 50% of the business could be owned by a Swiss citizen and the other 50% by an American citizen.

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<sup>10</sup> For more information on visas, please visit the website of the United States Citizenship and Immigration Service at <http://uscis.gov> or the site of the U.S. Embassy in Switzerland at <http://bern.usembassy.gov>



The E visa (E-1 or E-2) is granted to the principal owner of a business or a key employee in an executive or a managerial capacity, whose skills are essential to the business and that business is carrying on substantial trade in the United States (E-1) or has invested a substantial amount of money in the United States (E-2). Both the investor and the key employee must be Swiss citizens. The employee does not need to have already worked for the company, he/she may be a new employee.

The E visa is generally issued for an initial period of 2 years; and, in general, it may be extended without limitations as long as the person runs the business or is employed by the company engaging in trade or investment in the United States. The spouse and children under 21 of the holder of an E-1 or E-2 visa also receive a visa in the same category. Once they reach the age of 21 or if they marry, children are no longer authorized to stay under the E status. Children who are still studying when they reach the age of 21 need to obtain a student visa (F category) on their own behalf. Spouses may apply for authorization to work in the United States. They cannot work as long as they have not received a work authorization.

In both categories (E-1 and E-2), the business must be effective and substantial. The visa is valid as long as the business continues and remains effective and viable. It is easier for an established business to obtain an E-visa than a new business, because it is easier to demonstrate that the business is effective. Consequently, people who want to do business in the United States might choose to purchase an existing business, or purchase stock to obtain a majority interest in that business. As long as the conditions of the chosen category (E-1 or E-2) are met, it is possible to use an existing business for a trader or an investor. However, it would be prudent to seek the advice of an expert before purchasing a business or establishing a joint venture. In particular, it would be advisable to provide in the agreement that the purchase is contingent to obtaining an E-1 or an E-2 visa.

## **L-1**

The L-1 visa category may be used for intra-company transfers. A person employed by a company in Switzerland may use an L-1 visa to set up a business in the United States for that company. The person must have been employed continuously for one year by that company or its parent, branch, affiliate or subsidiary and intend to perform the same services. The employee must be an executive, a manager or have specialized knowledge regarding the products or services of the company. Under this visa the period of admission is for a total of 7 years for executive and managerial positions, 5 years for employees with specialized knowledge, and 1 year for an employee who sets up a new office in the United States.

## **H-1**

The H-1 visa category may be used by established companies who seek to bring to the United States skilled professionals or business executives. These professionals must have specialized knowledge with at least a bachelor's degree or its equivalent. For example, architecture, engineering, mathematics, physical sciences, law, social sciences, medicine, business specialties, accounting, and the arts are occupations which generally would qualify for an H-1B visa. This visa is granted for a period of 3 years and may be renewed for another period of 3 years. The maximum stay under that category is 6 years.

Unlike the other visa categories, H-1 visas are subject to a quota for each fiscal year, which starts on October 1. If the quota has been reached, the employer needs to wait until the next fiscal year to file the H-1 visa application for its future employee. It is advisable to bear this issue in mind and apply as early as possible in the fiscal year.

## **Treaty Investor**

As an investor, it is possible to get permanent residency under the EB-5 category (immigrant investors). The investment must be of at least \$1 million dollars, the applicant must demon-

strate that the investment will benefit the U.S. economy, and it must create a requisite number of full-time jobs within the United States.

### **Permanent Residency / Green Card**

Permanent residency may be obtained through employment by an established company for an employee the company seeks to employ permanently based on employment skills. The employee must have specialized education and skills and the employer must demonstrate that it cannot find an employee with the same or similar qualifications on the local market. In most cases the application has to be processed and approved by the Labor Department before being processed by immigration authorities. Permanent residency may also be obtained through other channels, for example through a U.S. family member or the U.S. spouse.

Once the appropriate work permit has been issued the visa holder may enter and work in the U.S. lawfully.

## **3.5. Employments Issues**

### **Equal Employment Opportunity/Anti-discrimination**

When employing people in the United States, a number of issues need to be taken into consideration. In particular, businesses employing people in the U.S. need to be sure to comply with U.S. and state federal equal employment opportunity laws ("EEO laws"). In the U.S., an employee may not be discriminated against on the basis of race, sex, religion, color, national origin, age, marital status, or disability. Among other things, these laws prohibit (i) retaliation by an employer against employees who oppose job discrimination, file charges, or participate in proceedings under these laws; or (ii) wage discrimination between men and women for substantially equal work. Employers must treat pregnancy, child birth, and related medical conditions the same way as temporary illnesses or medical conditions. The only exception to these rules is when certain qualifications affect the employee's ability to perform the job; and, therefore, that qualification is necessary and it is established by a verifiable, rational basis (for example, a female model for women fashion or a male model for men fashion).

Employers must be aware of and comply with the EEO laws not only during employment but also in hiring and firing. For example, employers must comply with anti-discrimination laws in their job advertisements. The protected class for age discrimination is workers over 40 years of age. Therefore, job ads cannot contain an age preference, unless it is necessary to perform the job and is established by a verifiable, rational basis. For example, job ads with an age preference in positions such as secretary, clerk, associate, which are very common in Switzerland, are prohibited in the United States because being of a certain age range (for instance 25 to 40 years) is not a necessity to perform these jobs.

EEO laws apply to all employees, regardless of their nationality and immigration status. Employers must confirm in writing that all employees are legally authorized to work in the United States.

### **Visas**

U.S. citizens and employees who are authorized to reside permanently in the United States do not need a specific work authorization because U.S. citizenship or permanent residency status authorizes employment anywhere in the United States. For other employees, the employer will need to obtain the necessary visa for that employee (see our Work Permits/Visas section). For those employees, there is a minimum wage requirement established by the Department of Labor for each occupation. The goal of these minimum wage requirements is to avoid employers hiring foreign workers and paying them salaries lower than salaries paid to U.S. work-

ers for the same occupation. For this reason, applications for work permits need to be pre-authorized by the Labor Department.

### **Written Employment Agreements**

It is very common in the United States to hire employees without a written contract. Employees in the U.S. are typically hired “at will.” As a result, employment may be terminated by either the employee or employer without notice and without any severance benefit. However, an employee cannot be fired for an unlawful reason, for example, pregnancy or age. Notwithstanding the general rule of “at will” employment, employment contracts are common. An employment contract not only sets forth the title, job duties, and salary but may be useful to protect trade secrets, confidentiality, and fix a term of employment.

## **3.6. Intellectual Property Protection in the U.S.**

### **Trademarks**

A trademark is a sign that distinguishes the products or services of one particular entity or individual from the products or services of others. It may be a word, phrase, symbol or design or a combination of words, signs, symbols or designs. The trademark informs consumers of the source of the products or services. To obtain trademark protection in the United States, the mark may not be descriptive. For instance, the mark “dairy fresh” would not be acceptable for fresh dairy products.

To be protected in all 50 states of the United States, a trademark application needs to be filed for the trademark with the U.S. Patent and Trademark Office in Alexandria, Virginia (near Washington D.C.). Trademark applications are reviewed by an examining attorney, who may either decide to publish the mark for opposition to verify that no one has a claim to prior rights in connection with the mark, or request additional information or a different description of the goods or services covered by the mark.

To obtain a U.S. registration, a mark needs to be used in interstate commerce. Nonetheless, if a mark is not yet in use, it is possible to file an application based on intent-to-use. Then the owner needs to start to use the mark within three (3) years from the time the examining attorney issues a notice of allowance, which is the approval by the examining attorney of the mark and the description of goods or services. Once the mark is registered, the registration lasts for a period of ten (10) years and may be renewed every ten (10) years as long as the mark is in use in commerce. Although it is not mandatory to file a trademark application with the assistance of an attorney it is highly recommended.

### **Madrid Protocol**

If a mark is registered in Switzerland and the owner, who is based in Switzerland, wants to register the mark in the United States and additional countries, the owner may take advantage of the Madrid Protocol, signed by the United States and numerous other countries. If a mark is registered in the United States and the owner is based in the United States, he can use the Madrid Protocol to register its mark in countries such as Switzerland which are signatories to the Madrid Protocol. The names of the countries which have signed the Protocol may be found at the Internet site of the World Intellectual Property Organization [www.wipo.int](http://www.wipo.int).

The Madrid Protocol as well as the Madrid Agreement, which is an earlier convention with similar purposes, allows registration of a trademark in different countries which are signatories to these conventions with one single application filed from the country where the mark was originally registered. Therefore, if a Swiss owner, who registered its mark in Switzerland wants to register it in the United States, Australia, and Japan it is possible to file a single ap-

plication with the Swiss Intellectual Property Office instead of filing a national application in each of these countries. This can be a substantial cost and time-saving advantage.

## **Copyrights**

Copyright protects original works of authorship. It is the right of the author of a work to claim ownership of the work, reproduce the work, prepare derivative works based on the work, distribute copies of the work, and perform and display the work publicly. The author is entitled to the economic value derived from the work. Many categories of works may be subject to copyright; for example, paintings, sculptures, photographs, musical and theatrical works, choreographic works, movies, television programs and series, books, reviews, articles, designs, computer programs, and web pages.

Although the author of the work benefits from copyright immediately upon creation of the work, it will be easier to enforce copyright rights if the work is filed with the United States Copyright Office at the Library of Congress in Washington D.C. Furthermore, works which are published are subject to mandatory registration with the United States Copyright Office. The duration of copyright protection is for the entire life of the author plus 70 years for individuals; if there are several authors, the protection lasts until the death of the last author plus 70 years. For works for hire (works prepared by employees within the scope of their employment or specially commissioned works), the period of protection is 95 years from publication or 120 years from creation, whichever is shorter.

## **Patents**

Patents are used to protect inventions that contain a minimum of novelty. Patent protection ensures proprietary rights to the author. Unlike copyright or trademark, to benefit from patent protection it is necessary to file an application. The application needs to be filed with the U.S. Patent and Trademark Office in Alexandria, Virginia. The patent prevents others from using, selling or distributing the invention.

Patents may be granted for a variety of inventions, for instance a new machine, a new useful process, new chemical compounds, new original and ornamental designs for an article of manufacture, new plant that was discovered or reproduced asexually. The duration of the protection is for 20 years from the date the application was filed, subject to the payment of maintenance fees.

Protecting patents, trademarks and copyrights is very important to protect the owner of the work, mark, or invention against use by third parties, in particular competitors.

## **Trade Secrets**

Trade secrets are defined as confidential information related to a specific business and which the people in that business do not disclose because that information derives economic value from not being generally known. This information may be, for instance, a formula, a program device, a method, a technique, a process, or information such as customer lists, names of vendors, product pricing, company finances, or marketing strategies. Some trade secrets are inventions which could be protected by a patent, for instance, new processes or technologies, new chemical components, or new machines. In order to be protected by a patent, these inventions need to be disclosed and the validity of a patent is limited to 20 years. After that period, the invention becomes part of the public domain. As an alternative to public disclosure of the invention through the patent application process, trade secret protection, if viable, should be considered.

A good way to protect a trade secret is to disclose it solely to a limited number of people, to inform these people that the information is confidential, and to have these individuals sign a confidentiality agreement. These people may be, for example, the employees of the owner of

the confidential information, its distributors, or franchisees. The agreement should describe the nature of the confidential information so that the parties know accurately what information is confidential. The agreement should also mention whether and for how long the information should be kept confidential in case of termination of the employment, the distribution, or the franchise.

Owners of trade secrets are sometimes reluctant to file for a patent because they do not want confidential information disclosed through the patent registration process and ultimately become public information at the end of the period of protection. In that case a comprehensive confidentiality agreement may offer protection. Also, unlike patents, contractual protection need not be limited in time. The agreement may provide that the information needs to be kept confidential after an employee or a partner of a company leaves or after a distribution agreement or a franchise is terminated.

### **Inbound and Outbound Licensing**

Intellectual property may be licensed, which means that if the owner uses third parties to distribute its products or provide its services, it may license the intellectual property (trademark, copyright, patent) to these third parties. The third party may use the intellectual property in consideration for payment of a royalty to the owner of the intellectual property. The owner of a book or a computer program, for instance, may license its copyright to a third party who distributes its books or computer programs in consideration for payment of a royalty. A company may use a copyrighted character to identify its services. For example, a moving company in California obtained a license to use Walt Disney's Popeye character to identify its services. A third party may use a patented invention to manufacture goods with the process contained in the invention against the payment of a royalty to the author of the invention.

The most common form of trademark licensing is franchising. With franchising, it is possible to have one's own business which consists of selling someone else's goods, using the third party's trademark. The franchise may be a fast food franchise where a determined list of foods and beverages are served. The franchise may include a defined interior decoration and clothing for employees to ensure a uniformity of all franchises so that consumers may identify the source of production of the goods or services in each place where these goods or services are offered. Some examples of franchises are Mc Donald's, Dunkin' Donuts, Pizza Hut, and Kentucky Fried Chicken. Franchises may also be granted for other types of services, such as education. An example is Kumon North America, Inc., a company providing after-class tutoring in reading and mathematics with a specific teaching method.

## **3.7. Conclusion**

The foregoing summaries of corporate, tax, employment, immigration, and intellectual property are provided for informational purposes only and do not constitute legal advice. In any business venture it is always prudent to have an attorney on your team for advice and counsel.

## 4. Compliance with Certain Business Regulations

By Ursula B. Day, Attorney at Law, New York

In general, business licenses are obtained through the office of the Secretary of State (SoS) in each of the different states. While discussing each of the requirements of the various states is beyond the scope of the article, the best approach is to find the information on the WebPages of the SoS in a given state by using a Google search for the SoS of that state. Virtually all states have further information on obtaining and using social security numbers and/or tax identification numbers on their web pages. Also, special licenses may be needed for importing goods such as beverages containing alcohol (wine or liquor) or goods containing alcohol. These WebPages also list telephone numbers where further information can be obtained. When calling, the time difference between the different USA time zones must be taken into account. Visit the New York Department of State web site to view a sample of a state's services and requirements <http://www.dos.state.ny.us/>.

One of the important aspects of starting a business is selecting a name for the business. When forming a company, for example a corporation, the name of the corporation usually must be cleared with the SoS, to avoid that duplicate names are registered for different corporations. This can be done by reserving one (or more names), that will then be cleared with the SoS and if available is selected as the business name. It is recommended to use fanciful names rather than descriptive names, as fanciful names have greater chance to be available.

It is also possible to use a DBA (doing business as), which is not a created entity such as a corporation or a partnership but simply a name under which the individual or a group of individuals wish to do business.

Please note that the selection of a corporate name or a partnership name or a DBA name is not the same as a trademark, it is simply the name selected to name the entity to avoid duplication in the business register of a particular state.

Once the business is formed and named in such a manner in the USA, it is wise to distinguish the products or services offered and sold by the company from those of others. This can be done by registering a trademark for the goods or services<sup>11</sup>. If the goods already have a "name" i.e. a trademark because for example, the goods are sold under that name in Switzerland, then the question is how to protect this name in the USA. There are two types of registrations available; a state trademark registration or a federal trademark registration. A state trademark registration is recommended if goods are exclusively sold intrastate and do not cross borders. However, it is a rare case in which there is no interstate commercial transaction taking place especially when importation from a foreign country into USA. Such importation is deemed commerce that the U.S. Congress may regulate and therefore the mark would be eligible for federal trademark protection.

The recommendation is therefore to obtain a federal trademark registration for such goods and services. This is done by filing an application with the United States Patent and Trademark Office (USPTO) and can be done by anyone using the USPTO webpage. However, it is recommended to use a professional trademark attorney since there are many nuances in the

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<sup>11</sup> Note that a DBA cannot own a trademark, however the individual or joint owners can.

application process, especially, for example, when filing an application for a mark already registered in Switzerland (or elsewhere). While it takes about 1 1/2 to 2 years to obtain a federal registration, the USPTO cost for filing an application is currently between \$325-375 per class. When using a professional, an average estimate for the entire cost of obtaining a trademark registration for a mark in one class is roughly \$2000.00, if there are no complications.

It is noteworthy for the newcomer to understand the value of the trademark used for a particular product. While everyone can have a widget manufactured in China for sale in the USA, the product has no identity and therefore less selling power. It is generally accepted that the value of a trademark far surpasses any material assets a company might have.

Trademark protection is perennial and ongoing so long as the registration can be renewed. When labeling the products, the trademark should be designated either with <sup>TM</sup> for an unregistered mark and with ® for a registered mark. The same goes for use of the mark in a business brochure.

Another form of protection a company (or individual) might obtain is patent protection. A patent protects the novelty of an invention, usually a product. However, recently, business patents have been very popular especially covering innovations of how to do business on the internet<sup>12</sup>. A patent on an invention can be obtained if the invention is novel and non obvious. Patent protection can cover sophisticated machinery as well as simple gadgets such as for example the "hairloop" popular a few years ago, or a handle for carrying shopping bags or an improved paperclip. A patent application should be filed only through a professional patent attorney due to the complexity of the process. An average time for a patent to issue is between 24 to 30 months. The cost of a patent can vary widely dependent upon the complexity of the subject matter; a rough estimate would be about \$4000-\$5000.

A patent or a patent application can also be sold or licensed to others. The license allows a licensee to have exclusive (or non-exclusive) rights keep others from making, using or selling the same gadget.

However, it is important to understand that when planning to obtain a patent for a better mousetrap so to speak, obtaining the patent and marketing the product protected under the patent are different endeavors. Marketing and sales require knowledge of the channels of trade in particular product areas and talented inventors are not always the talented marketers.

Another form of protection that can be useful when conducting business in the USA is copyright. This is of course especially true for any type of business that reaches into the writing or art world. Of course, copyright can also cover toys and garment ornamentation.

Writers are usually aware of the copyright issues, regarding their writings. Under the Berne Convention it is no longer necessary to give notice of a claim to copyright, however, it is highly recommended to use a copyright notice on any writing which the author publishes even if the work is privately published such as giving away copies to others. A valid copyright notice looks like this: copyright © 2005, The New Corporation. Also, especially when preparing business brochures, they should always bear the copyright notice and when referring to the trademarks of the company should state that "X" is a federally registered trademark owned by the new corporation.

For example a gallery creating a write-up on an artist it promotes should routinely use the copyright notice, in particular also if postcards are printed showing the work of art.

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<sup>12</sup> For example the "one click check out" patent.

Copyright registration can be obtained by filing an application with the Register of Copyright at the Library of Congress. The application can be done by anyone and the application papers can be obtained from the website of the Library of Congress ([www.loc.gov](http://www.loc.gov)).

In summary, most businesses depend in some form or another on the protection of names, things and writings. The mini monopolies created by the various protective laws are the essence of the commercial world in the USA and elsewhere. They are used to enhance competition.



# 5. Banking Basics

By Rita Johnson, Fifth Third Bank

The purpose of this chapter is to provide information on how to open a bank account in the United States and to separate myth from fact on the topic of banking and establishing credit in the United States.

There are two main types of bank in America: 'commercial' and 'thrift' (also commonly referred to as a 'savings bank' or a 'savings and loan association'). In general, commercial banks provide more services for banking customers to choose from. Similarly, there are two main types of bank account in America: checking and savings. Since checks are a popular form of payment for wages or business-to-business invoices, a checking account is the most common type of account to open.

Banks charge fees to maintain a checking account, but these fees are waived on some checking accounts that require a minimum balance. The amount of minimum balance required, as well as fees charged, depends on the bank. Since there are thousands of independent banks in America, you may want to shop around and compare fees, balance requirements, and other account features before choosing a bank.

## 5.1. Opening a Bank Account

In order to open a checking or savings account in the United States (even as a US citizen), standard policy of banks require you to have a social security number<sup>13</sup>, a state driver's license, and a permanent address. For non-US citizens, a valid visa for the United States may be required (tourist visas are not acceptable).

For the purpose of this handbook, we assume you are a Swiss citizen and do not have a social security number. Although a social security number is the most frequently requested form of identification, you do not need to have one to open an individual or business account as a non-U.S. citizen.

So how does one open an individual account when they do not have the standard requested documents?

### Finding a Bank

In the US, there are no banks that are truly national with branches in every state. The commercial banking field is mixed between super regional banks that have branches throughout a large portion of the country, regional banks that operate in one or more states, and private or

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<sup>13</sup> The Social Security number (SSN) is the most frequently used recordkeeping number in the United States. SSNs are used for tax reporting, payroll deductions, employee files, medical records, health insurance accounts, credit and banking accounts, university ID cards, and many other purposes. In fact, the Social Security number is now required for dependents over one year of age if the parents claim the child for tax purposes. If you are a non-citizen residing in the United States, you also may need a Social Security number. Ask for the publication, Social Security Numbers For Noncitizens (Publication No. 05-10096).

community banks that may be limited to as few as one branch. Other types of financial institutions that offer deposit accounts include savings banks and credit unions.

Banks in the US are not all regulated by a single entity. Some are regulated by federal statutory law, and some by state statutory law in the state where they operate. But there are several entities that rate the financial strength of banks (the best known is Moody's), and it is a good idea to check a bank's rating in order to gauge the risk you take when depositing funds. Funds may also be insured by one of several federal or state agencies.

When looking to open an individual or business account in a larger city, try to find the bank that has an international department or deals with diplomats, Consulates or Missions. These bank's branches are more likely to be familiar with the procedures for opening an account for a non-U.S. citizen without a social security number, and may have a more flexible identification requirement to accommodate international accounts. You may want to call a bank's main number, ask for the international department, and solicit their advice on which branch close to you deals with international accounts.

When in a smaller city, town or suburb, try to contact the local Chamber of Commerce, or ask a friend, colleague or business associate to introduce you to a banker.

### **Opening a Personal Bank Account**

There are many varieties of the basic checking account. In many cases, a minimum deposit is required to open a checking account. Some banks charge a monthly fee to maintain the account. Others may charge for each check written, which is only a good deal if you plan on writing a small number of checks per month.

To avoid checking fees, some banks will waive the monthly charge if you maintain a minimum balance. Interest-bearing checking accounts often do not charge a fee, but usually require a higher minimum balance. Some banks also provide no-fee checking if you use direct deposit for your payroll check. Others do not charge a fee if you conduct all of your transactions without a teller. College students may qualify for special checking accounts that do not require minimum balances and/or do not charge the same fees as standard checking accounts. Compare the offers of various financial institutions to select the checking account that best suits your needs and budget.

In describing the kind of documents typically needed to open a personal account as a non-U.S. citizen without a social security number, it is important to note that each bank has its own set of requirements. Most accounts can also be opened online, but there are advantages of opening your account in person: Most notably, it is the first step in establishing a long term relationship with your banker.

Banks will usually require two forms of identification. Examples of acceptable identification for non-US citizens include:

- § A valid (non-expired) passport (may be required as one of the two IDs)
- § A copy of your current visa
- § A valid (non-expired) U.S. driver's license
- § A major credit card

In addition, banks will require some or all of the following:

- § A completed Application or Customer Identification Form (usually filled out on the spot).
- § A completed Signature Card is necessary for each signer on the account.

- § Form W8BEN of the IRS (US Internal Revenue Service), “Certification of Foreign Status of Beneficial Owner for United States Tax Withholding”. This form is for any foreign person, non-resident alien or foreign national performing work in the U.S. and not claiming tax treaty benefits. Each signer on the account will need to provide a copy of their passport or a U.S. driver's license.

Many of these forms include specific information for non-US citizens, which should always be read before signing.

### Opening a Business Account

To open an account in the name of a business, as opposed to an individual, requires certain documentation from the company. Here are some examples of what is typically needed to open a business account:

- § A completed Application or Customer Identification Form (usually filled out on the spot).
- § State Certificate of Incorporation (American version of Swiss “Handelsregisterauszug”).
- § Corporate Resolution. This form needs to be filled out if your company is not a LLC. The form gives the signers authority to open a checking account and outlines the authorization of each signer
- § Deposit Account Resolution. If your company is a LLC, this form must be completed in place of the Corporate Resolution.
- § Copies of official identification, such as a passport, driver's license, and/or possibly a reference letter from your bank in Switzerland.
- § A completed Signature Card is necessary for each signer on the account.
- § Form W8BEN of the IRS (US Internal Revenue Service), “Certification of Foreign Status of Beneficial Owner for United States Tax Withholding”. This form is for any foreign person, non-resident alien or foreign national performing work in the U.S. and not claiming tax treaty benefits. Each signer on the account will need to provide a copy of their passport or a U.S. driver's license.

Many of these forms include specific information for non-US citizens, which should always be read before signing.

### Writing checks

In the US, contrary to Switzerland, checks are the most popular method of payment.

When paying by check in a retail establishment, you will usually need valid identification (ID) such as a driver's license or passport. Your check may have to be approved and you may be asked for a second piece of identification.

When filling in the amount of dollars and cents on a check, write out the entire amount and write cents as a percentage, e.g. \$205.32 is written as: Two Hundred Five and 32/100. Please note that Americans use a decimal point to indicate cents, e.g. \$1,000.00.

If you want to deposit a check into your account, you must endorse the check with your signature on the back of the check where indicated. To endorse a check payable to you into another account other than your own, you must endorse the check on the back by writing, “Pay to the order of [the person's full name] and sign your name on the back as well.

The date is written differently in American than Switzerland. Americans write the date using month/day/year, e.g. February 18, 2005 or 02/18/05 or 02/18/2005 and not 18 February 2005 or 18/02/05 or 18/02/2005.

## 5.2. Establishing Credit in the United States

In general, establishing a credit history is essential before you can successfully apply for a loan, purchase a car, or rent or purchase a home in the United States. Credit history ultimately affects whether or not you are approved, and will have an impact on the terms (including amount of loan and interest rate).

Every payment you make, all residential addresses you list on your application forms for credit cards, and any loans you take are all reported to the three major credit bureaus: Trans Union ([www.transunion.com](http://www.transunion.com)), Equifax ([www.Equifax.com](http://www.Equifax.com)) and Experian/TRW ([www.experian.com](http://www.experian.com)), referred to as private credit reporting agencies of credit bureaus. Lenders always pull a report on your credit from one or more of these credit bureaus when deciding whether to make a loan. Depending on how prompt you are in paying bills, your Credit Rating (FICO Score) is calculated. This is an extremely important number, and a score of 700 or higher is considered healthy. In most states, individuals are entitled to get a free copy of their credit report from each of the three credit bureaus once per year. Information on how to obtain a free copy of your credit report can be found on the internet at sites such as [www.freecreditreport.com](http://www.freecreditreport.com).

### Obtaining a Credit Card

Obtaining a credit card and making regular, prompt payments is a great way to establish a credit history in the US. But like the old adage of the chicken and the egg, it is not necessary easy to get a credit card if you don't have a credit history, and particularly for a non-US citizen. However, business owners or managers should note that many banks are more willing to make concessions such as issuing a personal credit card if there is the prospect of getting your corporate account.

A very few credit card companies will also issue you a US credit card if you are already a customer in good standing in Switzerland. Check with your credit card company to see if this option is available to you.

### Secured Credit Cards

One option for establishing credit when you don't already have a credit history is to apply for a secured credit card. Many banks offer secured credit cards. A secured credit card requires you to make a deposit of a specified amount into the credit card or bank's account where it will be held throughout the duration you are issued a credit card. The credit limit of the card you receive will be in the same amount as your secured deposit. For example, if you deposit \$500.00, your credit limit will be \$500.00. When you decide to close the account, all funds will be returned to you after your credit card has been paid off.

To maintain a good credit rating while using your card, it is suggested that you do not spend more than half the amount of your limit at anytime. For example, if your credit limit is \$500.00, do not spend more than \$250.00 at all times. It is also essential that your monthly payments be received by the credit card company on or before the payment due date. Even one day late, your interest rate will usually default to a much higher rate, and once it does it will not revert to the lower rate you once had.

If you continue to maintain a prompt payment record, you will begin to receive offers for "un-secured" credit cards via mail.

### Obtaining a Personal Bank Loan or Mortgage

Another excellent way to establish a credit history in the US is to obtain a mortgage loan. As stated above, some banks – principally those with international departments – are easier to

work with than others for non-US citizens. When applying for a loan or mortgage, you will usually be asked for:

- § A valid (non-expired) passport (may be required as one of the two IDs).
- § A copy of your current visa.
- § A valid (non-expired) U.S. driver's license.
- § A major credit card.

You may also be required to show one or more of the following documents:

- § A completed loan or mortgage application (Uniform Residential Loan Application).
- § Bank statements showing proof of down payment (20% of purchase price is standard as down payment to finance 80% in mortgage; however 10% is an option if the applicant has a strong financial history).
- § Formal letter from employer or parent company, stating the applicant's US salary, term of US assignment, length of existing employment, job duties and responsibilities in the US.
- § 2 years W-2<sup>14</sup> and tax returns (or Swiss equivalent).
- § Recent pay stubs.

Note: if you do not have a credit history in the US, some banks will accept:

- § "Swiss trade line details" (examples are existing mortgage, car loan, credit cards, phone bill, utility bills, etc).
- § A letter from a credit providing company.
- § 12 months of bank statements.

### **Business Owners**

As noted above, business owners and senior financial executives have some advantages when it comes to bank accounts, because banks are anxious to have their corporate accounts. If they handle your corporate account, they may feel secure enough to issue you a personal credit card without any extra documentation.

In addition, many banks will issue you a free debit card when you open a checking account. This looks like a credit card and is accepted in the same places, but is directly linked to your account. The cards often serve as an ATM card, too. Like all credit cards, there may be hidden fees and you should ask your provider to disclose them all verbally.

When opening a bank account for personal or business use in the US, an important consideration is whether the bank is comfortable dealing with international clients. A good indication is whether the bank has an in-house international department. Besides streamlining the process of opening an account and establishing credit and loans, international departments are essential for companies that do business internationally. The ability to process international wire transfers, documentary collections, acceptances, LCs, and sweeps is indispensable.

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<sup>14</sup> A W-2 is an important document issued by your employer at the end of each year summarizing the annual compensation you received as an employee and the income taxes that were withheld from your pay. The W-2 also provides information on certain benefits you received. The information on the W-2 is reported to the Internal Revenue Service (IRS) and is used to verify information you report on your tax return. If you earn income as an independent contractor, Form 1099 is instead filed with the tax return and can be used to verify income.

When considering a bank, talk to a banker to see how they can be of assistance in helping you through the process of establishing bank accounts and a credit history. Also, in addition to bankers, try to develop relationships with vendors and suppliers who can be an important source of references that are invaluable when establishing credit history.

In short, while it may initially seem difficult for a Swiss woman to open a bank account and establish credit history, it is not impossible. Do your homework and find the most appropriate bank for your needs and you are on your way to building a financial foundation in the United States.

# 6. Accessing Finance and Assistance in the United States

By Ally Gunduz, Swiss Business Hub USA.

## 6.1. Background

Many women business owners around the world face similar challenges. The National Women's Business Council identified these to be access to capital, access to markets, access to training and technical assistance, access to networks, and the need for legitimacy- to be taken seriously as business owners, employers, and contributors to economic growth.<sup>15</sup>

In recent years, a wide range of public and private sector groups have been working together to support women's development and increase their economic opportunities. In Fiscal Year 2004, the Small Business Administration backed almost 18,000 loans to women-owned businesses under its two primary loan programs, amounting to \$2.5 billion, more than double the number of loans to women as recently as Fiscal Year 2001.<sup>16</sup>

Although sources of capital appear limited for a Swiss women-owned small business, they do exist. If you are a Swiss citizen, have incorporated a business in the United States, have an employer's identification number, and file income tax returns, you may be on your way to qualifying your business for certain loans. Many loans are also available to resident aliens.

In the United States, studies show most women business owners to rely predominantly on earning from their business and their own private resources for their ongoing financial needs.<sup>17</sup>

As of 1998, the date of the last census, the share of women business owners with bank credit increased 6%, from 46% in 1996 to 52% in 1998 and statistics show that at least a third of women business owners are seeking financing. However, while the share of women business owners with bank credit has risen, the amount of capital they have available still lags their male counterparts. In 1998, 34% of women who had bank credit had \$50,000.00 or more in credit available to them, compared to 58% of men business owners.<sup>18</sup>

Although American women owners of firms with \$1 million or more in revenue are as likely as their male counterparts to use business earnings for capital, they are less likely to use commercial credit (56% of women vs. 71% of men) and equity (4% of women vs. 11% of men).<sup>19</sup> Studies have shown women to use their credit cards, personal savings, or capital from family and friends to start a business and when in business are as likely as their male counterparts to use business earnings and bootstrapping techniques to finance their firms. They are also more likely to receive capital from individual investors (73%) than venture capital firms.<sup>20</sup>

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<sup>15</sup> "Support for Women's Enterprise in the United States: Lessons Learned", National Women's Business Council, December 2002 ([www.nwbc.gov](http://www.nwbc.gov))

<sup>16</sup> Loans to Women-owned Businesses Increase, <http://www.businessknowhow.com/manage/woloans.htm>

<sup>17</sup> "Key Facts About Women Business Owners and Their Enterprises"

<sup>18</sup> Center for Women's Business Research. "Capital, Credit and Financing: An Update. Comparing Women and Men Business Owners" Sources and Uses of Capital," 1998.

<sup>19</sup> Source: [www.womesbusinessresearch.org](http://www.womesbusinessresearch.org)

<sup>20</sup> Ibid.

Statistics show that American women-owned businesses are as credit worthy and financially strong as the average US firm. With over 10.6 million firms being at least 50% owned by a woman or women in the United States and the estimated growth rate in the number of women-owned firms to be twice that of all firms (17% vs. 9%), opportunities for a new community of women business leaders to emerge are promising.

A recent survey of more than 400 women business owners reveals the behavior driving the growth of American women-owned-businesses to be characterized by the willingness to take substantial or above average risks in regard to their business.<sup>21</sup> According to Marjorie Alfus, Chair, Center for Women's Business Research, "the success of their risk taking is documented in the dynamic growth rates – employment by women-owned businesses expanding at twice the rate of all businesses (24% vs. 12%) and revenues growing 17% faster than all businesses".

## 6.2. Useful resources

Swiss Business Hub USA has identified a list of successful programs that focus on helping women to understand the rigors of owning their own business and accessing capital for alien residents and non-U.S. citizens.

Program and Website	Description
Accion International (\$500-50,000) <a href="http://www.accionnewyork.com">www.accionnewyork.com</a>	One of the largest microlending and business training programs in the country. It has made approx. 3,840 loans totaling \$16.8 million. A worldwide organization, Accion International provides small business training, loan management, and financial planning.
Small Business Administration: Basic 7(a) Loan Program (max \$2 million) Prequalification Program (max \$250'000) Microloan Program (max \$35,000) <a href="http://www.sba.gov/financing/sbaloan/7a.html">www.sba.gov/financing/sbaloan/7a.html</a>	Basic 7 (a) Loan Program: Most basic type of loan by the SBA. The risk the borrower will not pay back the loan is shared by the SBA and the lender/participant (usually a bank). ALIENS - are eligible; however, consideration is given to the type of status possessed, e.g., resident, lawful temporary resident, etc. in determining the degree of risk relating to the continuity of the applicant's business. Excessive risk may be offset by full collateralization. The various types of visas may be discussed in more detail with the local SBA office.
Small Business Investment Companies (SBIC) Program of the Small Business Administration <a href="http://www.sba.gov/INV/forentre.html">http://www.sba.gov/INV/forentre.html</a>	Small business investment companies (SBICs) exist to supply equity capital, long term loans and management assistance to qualifying small businesses. Only firms defined by SBA as small are eligible for SBIC financing. The SBA defines a company as small when its net worth is \$18.0 million or less, and its average net (after tax) income for the preceding two years does not exceed \$6.0 million. For businesses in industries for which the above standards are too low, alternative size standards are available. In determining whether a business qualifies, all of the business's parents, subsidiaries, and affiliates are considered.
Sprinboard Enterprises <a href="http://www.sprinboardenterprise.org">www.sprinboardenterprise.org</a>	A national non-profit organization accelerating women's access to the equity markets. Their programs educate, showcase and support women entrepreneurs as they seek equity capital and grow their companies.

<sup>21</sup> "Women Business Owners are Savvy Risk Takers", Center for Women's Business Research, July 28, 2005.  
[www.womensbusinessresearch.org](http://www.womensbusinessresearch.org)



*Table 1: Successful Programs that focus on helping women available for alien residents and non-US-residents*

**Links to exploring and understanding other financing options:**

- § Angel Capital Electronic Network (ACE-Net): ([www.acenet.csusb.edu](http://www.acenet.csusb.edu))
- § Business Finance ([www.businessfinance.com](http://www.businessfinance.com)) – excellent business funding directory; Search the funding criteria of over 4,000 sources for business loans, venture capital, equipment leasing and commercial real estate financing.
- § National Venture Capital Association ([www.nvca.org](http://www.nvca.org))
- § Office of Women's Business Ownership (<http://www.sba.gov/ed/wbo/index.html>)
- § Springboard Enterprises ([www.springboardenterprises.org](http://www.springboardenterprises.org))
- § Venture Economics ([www.ventureeconomics.com](http://www.ventureeconomics.com))
- § Venture Capital Financing ([www.vfinance.com](http://www.vfinance.com))
- § Women Angels ([www.womenangels.net](http://www.womenangels.net))

## 6.3. Financing Options

There are many reasons that may lead a company to seek outside financing. The company may be a startup, have cash flow issues that require additional working capital, or need cash to finance growth.

New companies, as well as established SMEs, often face problems when trying to obtain funding for these purposes. In general, lenders view SMEs with more uncertainty and therefore consider them a greater credit risk. Younger companies may be unable to provide detailed financial information, and do not have a long enough history of success for potential investors to rely on.

Lenders are primarily concerned with how secure the financing they provide will be. To alleviate this issue, a company must usually demonstrate that it has collateral in the form of physical assets of the company. Whether or not the company has such assets, its owners are often required to pledge assets as well. In addition, lenders want to see a sound business plan and an overview of management's experience.

Depending on your situation, there are several common types of business financing available. Some are geared to startups, some to established entities. Here is an overview of some of the common sources of financing for SMEs in the United States:<sup>22</sup>

### Angel Investors

Angel Investors typically provide financing at the very early stage of a business. They are often willing to lend in situations that are too risky for banks or with not enough profit potential for venture capitalists. Angels will invest for a longer time period than will other investors, often five years or more. They are also willing to invest smaller amounts than venture capitalists, \$1 million or less.

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<sup>22</sup> The London Manhattan Company (<http://londonmanhattan.net>) Tutor2u Limited (<http://www.tutor2u.net>) Allbusiness.com (<http://www.allbusiness.com>)

## **Venture Capital**

In contrast to Angels, VCs have stringent investment criteria and generally specialize in specific types of investment, i.e. industry, region, or level of financial performance. VCs rarely invest in new, young or small businesses, and typically look for a limited investment horizon of three to five years. Another key aspect of VC investment is the potential loss of control for owners, because VCs often take an active role on the company's board of directors and may push a specific strategic agenda.

## **Commercial Banks**

Commercial banks are a common source of financing for SMEs in the US, because they don't require owners to turn over equity or control. But servicing debt can put a serious strain on cash flow. Banks usually look for a history of profitable operation as well as collateral to secure the loan. They usually require personal guarantees from the business owners. For amounts under \$100,000, many banks will make unsecured loans through a simple and fast application process, though the business owners are still required to sign personal guarantees.

## **Small Business Administration**

The SBA ([www.sba.gov](http://www.sba.gov)) does not make loans, but they do have loan guarantee programs that for many small businesses mean the difference between getting a bank loan and being denied. The most common guarantee program is called 7(a), and may be offered if a lender (usually a bank) decides that the application has some weaknesses which, in their opinion, will require additional guarantees. The guaranty which SBA provides is only available to the lender. It assures the lender that in the event the borrower does not repay their obligation and a payment default occurs, the Government will reimburse the lender for its loss, up to the percentage of SBA's guarantee. Under this program, the borrower remains obligated for the full amount due, and all owners of 20 percent or more are required to give personal guarantees to the bank and SBA.

In general, a business is considered eligible for a 7(a) guarantee if it meets SBA size standards, is for-profit, does not already have the internal resources (business or personal) to provide the financing, and can demonstrate ability to repay. Aliens are eligible; however, consideration is given to the type of status possessed, e.g., resident, lawful temporary resident, etc. in determining the degree of risk relating to the continuity of the applicant's business. Excessive risk may be offset by full collateralization. The various types of visas may be discussed in more detail with the local SBA office.

## **Factoring**

Companies sometimes accelerate cash flow by selling accounts receivable invoices to a third party, who then assumes the obligation of collecting the invoice. Such third parties are called factors. Most factors initially pay 70% to 90% of the invoice amount followed by an additional payment when they collect the invoice. Ultimately, factors discount the invoice from 2% to 5% or more. There are two methods by which factors advance funds: non-recourse, where the factor assumes all the liability for the invoice, and recourse, where the company must reim-

burse the factor should the invoice become uncollectible. Factoring can be a quick way to get funds, but is one of the most expensive ways as well.

# 7. Business Culture

**By Monica Howden, Howden Resources**

The purpose of this chapter is to provide an overview of the do's and don'ts of business culture in the United States. The author of this chapter is Monica Howden, a Swiss business woman who started her own business after having extensive work experience in corporate America. Although the topics covered describe common practice, the opinions given by the author are based on her experience and may vary from individual to individual.

## 7.1. Know the Culture

Although knowing the culture of your new country of residence may seem like an obvious topic, and most Swiss people consider moving to the US less dramatic than moving to Asia or the Middle East, like the tip of the iceberg, there is more to it than meets the eye.

Known as the "Sister Republics",<sup>23</sup> Switzerland and the United States have a long history of shared democratic values. Both nations place a great emphasis on sovereignty, individual rights, cultural diversity and an open and free economy. Both nations are built on a similar system of federalism. The U.S. Articles of Confederation were modeled after the old Swiss alliance of thirteen sovereign states and the Swiss were inspired by the American Constitution when they formed the world's second federal state in 1848. Economically, the US is the 2<sup>nd</sup> most popular export destination from Switzerland.

America's democratic structure may seem familiar to natives of Switzerland on the surface, but when you go deeper into the socio-demographics you will discover that there are significant differences between these cultures. The diversity of the American culture is so extensive that it is not possible to cover every single nuance. Depending on if you live in New York, San Francisco or some city in the Midwest your experiences may differ. Getting acquainted in the new environment, women may have an advantage over men because women tend to be more sensitive to and aware of cultural differences. As for knowing the culture, this is merely a prologue to your ongoing research.

Competition in America is intense. Expect an environment where you will be tested to know your customer, industry and expertise better than any of your competitors. Be well prepared when entering a new business relationship and do your homework about the company, the market and client needs.

Expertise is valued everywhere, so be prepared to demonstrate your technical and commercial competence. The more you know, the less important gender becomes.

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<sup>23</sup> For additional information please visit <http://www.swisscenterna.com/thecenter/sisterrepublics.asp>

## 7.2. Ethnocentrism

For North America ethnocentrism may be defined as viewing the axis of the world as extending down through North America, with the rest of the world revolving around it. Americans tend to think that the way they do things is the right way. As a result, when it comes to business procedures and protocols, Americans like to stay in their comfort zone. Generally, this is to be said for all cultures. As we grow up in one culture it is important to realize that we carry comfortable cultural habits with us wherever we go. We practice them almost unconsciously. The way we shake hands, respect punctuality, use first names conservatively.

These characteristics could also be called quirks, inclinations, preferences, or even eccentricities. Each group, society or culture has its own behavioral habits. For example, Americans are taught that in business “time is money”, so Americans get right down to business, wasting few minutes in useless conversation. Innovation often takes precedence over tradition. The universal rule is preferred, and company policy is followed regardless of who is doing the negotiating.

## 7.3. Protocol

“Protocol” comes from Greek and means glue that binds groups of people together. More broadly, business protocol involves the customer, behavior, or rules that we have unconsciously agreed to observe and that allow us to function smoothly together: the exchange of business cards, the way we greet one another, practices around giving gifts, social dining and drinking, conventional taboos etc. These protocols are among the first we encounter when entering a new environment.

### Punctuality

If you are invited for cocktails at seven o'clock in Switzerland, you know it means you should arrive at precisely that hour. If you are invited to an American home, it means you should arrive about a quarter past seven – certainly not before and not a whole lot later. Whereas Switzerland has a *high regard* for promptness, the US *appreciates* promptness. It should be clear that attitudes about punctuality can vary from industry to industry, rural to city life, and from the East coast to the West coast. Therefore, in a business setting be certain to investigate their specific business practice regarding punctuality.

People in the US write the month first, then the day and then the year; i.e. 12/01/2005 means December first, two thousand and five. The hours are written as 1:00 a.m. to 12:00 p.m. or noon and 1p.m. to 12 a.m. or midnight. There are four different time zones in the continental US: EST (Eastern Standard Time), CST (Central Standard Time), MST (Mountain Standard Time), and PST (Pacific Standard Time). EST is one hour ahead of CST, two hours ahead of MST, and three hours ahead of PST. The states of Alaska and Hawaii are each in a separate time zone.

### Business Cards

When it comes to business cards: stock up. In international business, business cards are not only almost ritually exchanged, but also serve as an invaluable record of whom you encountered. Write on the back of the card, where and when you met the person and perhaps even a key word about what you spoke about in order to have “a reason” when you want to contact the person in the future.

## Titles

In the US there are many different titles for similar levels such as “deputy”, “associate” or “executive assistant” and there is a difference between “manager”, “director”, and “vice president”. Choose a title that accurately reflects your position.

I once consulted for a company that employed 1,200 people and they had 500 different titles. I concluded that this was only possible because individualism is such a high value in the American culture; also there is a high need to differentiate from each other.

Americans do not call or address executives by their titles, but by their names, with few exceptions. One will hear ‘Mr. President’, ‘Madam Chairman’ or Chair, ‘Mr. Vice President’ in parliamentary procedure only. U.S. corporations, by law, feature two top-level positions: the chairman of the board, often simply ‘chairman’, and the ‘president’. Sometimes one person holds both positions. The expression, ‘CEO’ (chief executive officer) commonly identifies the president. Vice chairmen are rare, but they do exist.

Especially in the corporate world, you will often hear the expression “C-Level” – meaning the CEO, CFO, COO, CTO etc. Usually, these titles stand for senior positions, which often are members of the executive board.

Vice presidents are the top-level managers, often responsible to an executive vice president. Vice presidents may head a functional part of the company, such as finance, operations, marketing, human relations, or planning. They may also be responsible for certain geographic areas, divisions, subsidiaries, or product lines.

In medium to large organizations, the vice president has considerable power and responsibility. In banking and certain service industries, however, titles have proliferated, and a vice president may have relatively little influence on company affairs.

Banks, in particular, have created a low potency position: the assistant vice presidency. In manufacturing, one encounters plant or general managers. Both titles represent top-of-the-line responsibility at a specific location. Directly under a plant or general manager may be the purchasing agent, director of purchasing, or manager of procurement. His position represents the top of the line in buying. For major transactions, the purchasing specialist usually requires approval from higher executives. Rarely does one find a vice president of procurement. In short, a somewhat humble title often goes with the top-line purchasing decision maker.

Retailing ---based on centralized buying or local buying---has its own array of titles. A buyer is commonly responsible for all purchases and often for all promotions of certain lines. He, in turn, reports to a merchandise manager or a group vice president, who often must approve major changes in suppliers or completion of larger transactions.

The chief financial officer, or vice president of finance, is usually the top money manager. Typically, he does strategic planning for the company. In addition, he may be in charge of administration and the office staff. Beneath him is the ‘Controller’ or ‘Comptroller’, who manages the operational aspects of the finance division.

At a lower level, an office manager may appear. Payments fall under the jurisdiction of the vice president of finance, but the specific activity may be headed by an untitled person. Companies usually make disbursements within the terms of the sales contract, sometimes by computer (sometimes carelessly) to optimize cash management. The individual really in charge of this vital step is often hard to isolate.

The title director appears in non-profit organizations and in staff management activities. The hierarchy, therefore, is Chairman, President and Chief Executive Officer, Executive Vice

President and Chief Operating Officer, Senior Vice President, Vice President, Director, Manager. American business people with academic degrees are no longer rarities. The only academic title that carries consistent weight is doctor.

In the United States, one who has a doctorate in a non-medical discipline is not addressed in writing as Dr., but generally with Ph.D. after the name. A visitor should verbally address the bearer of the degree as doctor. The individual may request that the visitor drop such formality. If the holder of the doctorate is a professor, the doctorate is the more prestigious accomplishment. The visitor does best, then, to address such an academician as doctor, rather than as professor.

Often former military men are in the top layers of companies. Particularly if an individual had the rank of army general, he will frequently retain that title in business circles. So might former senators. Lower ranks do not receive this distinction.

### **Names**

Don't take it personally - some typical Swiss names might be difficult to pronounce in English. My friend's beautiful name "Beat Bucher" turned into "Beet Batscher" – also, rolling the "r" is difficult for most Americans. However simple or complicated your name might sound, be prepared to spell it out and use the alphabetic codes; i.e. "B as in boy", "e as in elephant" etc. Names with "Umlaut" or other language specialties (ç, ü etc.) are best spelled out Mueller instead of Mu(Umlaut)ller.

Usually, people call each other on a first name basis, except if you want to express your respect for somebody who is very senior or famous. Working in a European company can cause some difficult situations: As long as the business meeting was held in English, I would call my boss by his first name, but then when we switched to our native language I would use the more formal last name basis.

Americans like to abbreviate names e.g. Dick is a common abbreviation for Richard, Bill for William, Liz or Beth for Elizabeth, etc. But do not assume that an American abbreviates his or her name.

### **Networking**

The US is known for their networking culture. If you want to make new contacts in a certain industry or profession, it is a "must" to join a professional organization and networking groups. A lot of important contacts are made over breakfast, lunches and evening cocktails. Breakfast meetings are common and it's considered easier to make it to a breakfast meeting before a stressful and tightly scheduled day begins. If you are a golfer, go for the challenge and enter the male version of "networking heaven".

The purpose of these networking meetings is to exchange business cards and to hop from one conversation to the other, not spending too much time with just one person. You want to get at least 5 to 10 new contacts out of a networking meeting. There are some good books written on "how to work a networking meeting". There is nothing strange about calling somebody a week later, referencing the meeting at which you met, and asking for a follow up business meeting. Americans are much more pragmatic and straight forward when it comes to networking and making new business contacts.

### **Greetings**

The concept of human equality prevails in interpersonal behavior. Americans consider deference old fashioned and inappropriate in business. To be sure, U.S. businesses have superiors and inferiors, order givers and order takers. Underneath, however---on a person-to-person

basis--Americans view each other as equals. In this spirit, one sits down when the host sits, but does not generally rise to greet any newcomers to the group.

Because no formal protocol exists, Americans frequently engage in "after you" games, resulting in congestion and awkwardness at doors, elevators, stairs, or any area where someone has to lead the way. The visitor should offer a distinctly older person or a high status individual the right to go first. He may refuse out of deference to the visitor. The best resolution to these issues is to make one effort only to let the other lead. If this effort is unsuccessful, the visitor should proceed with simple thanks. Americans tend to solve this entire dilemma by directing someone -- who presumably knows where everyone is going -- to lead the way.

When it comes to everyday social or business greetings, most Americans have learned since childhood to shake hands using a firm grip and direct eye contact. If, in return a person gives a limp, "dead fish" handshake and avoids eye contact, the receiver might think, you do not know how to shake hands or even you are not trustworthy.

In Switzerland, the three cheek kisses amongst long time friends and work colleagues is normal. However, in the American work environment, avoid physical contact other than shaking hands.

### **Gift Giving**

When offering business gifts in American business circles, be careful that gifts are not too lavish and have no hint of a bribe. The gift should be viewed more as a memento, or bear a company logo, and is therefore more like an advertisement gift. A business gift can also be in the form of entertainment – a dinner, a play, a sporting event, a classical concert.

Authors note: What always worked well for me was to bring nicely wrapped Swiss chocolate, which I would buy in dozens at the airport as gifts for my clients.

### **Social Dining**

What I was told at home was that you eat like a king in the morning, like a prince for lunch and like a pauper for dinner. However, when I worked in New York, the bagel cart became my breakfast stop, the "brown bag" served as my lunch at the desk, and for dinner I would often go out for an entire meal with dessert.

For business lunches it is more respectable not to drink alcoholic beverages. If your boss asks you "would you like a drink" – this does not at all mean an alcoholic drink – you might want to order an iced tea, coke etc. As for business dinners, I would follow the lead of the host. If he/she orders a cocktail, you might want to order a glass of wine or the host might ask if you preferred white over red wine.

In restaurants the term "entrée" is used for main course and appetizer is the first course. Table manners are different in that the American cuts the food and then flips the fork over into the right hand. Also, Americans learn to keep their left hand on their lap while eating.

### **Social Drinking**

The American cocktail hour usually lasts about one hour with perhaps time for one or two drinks (and lots and lots of ice in the drinks!) As for beverages, colas, juices, water, wine and beer are the most common, and only occasionally after-dinner liqueurs or cordials are served.

Unlike in Switzerland, toasting is not an American custom. The first dinner I had in American company, I waited and waited and still had a full glass of wine by the end of the meal because I waited for a toast.



It may be more expected in other cultures to drink with the host, but in the US it's o.k. to say "I do not drink", if that is how you feel.

### **Conversational Taboos**

In this area common sense prevails. In the US there is a term called "politically correct" which means what is going to be generally accepted by that particular group or overall culture. Be aware of political correctness when discussing touchy subjects, such as politics, religious differences, delicate or negative historical occurrences. If somebody is telling a sexist or racial joke, politely say that you feel uncomfortable when you hear these types of jokes. Generally speaking, stay away from political, racial, sexist, etc., remarks and jokes even in a casual environment.

One recourse is to discuss these subjects only if and when your customer or client introduces them and then respond with discretion.

### **Dress Codes**

Business women usually wear formal business clothing: dark colors, pants suits or the more formal "deux-piece". Business suits are customary, as are smart dresses. Executives veer to the conservative in dress. Yet quality of clothing is a mark of success, and American business people are well-groomed and well turned out especially in the more customer-oriented businesses such as banking and insurance. Even if the climate is hot and humid, it is professional to wear nylon stockings. Also, the air-conditioned offices can be very chilly. Americans prefer the offices to be cooler than what Europeans are used to. Windows in most buildings can not be opened.

Dinner in restaurants generally requires a suit, as do luncheon meetings with business acquaintances. Dress in the US also has a geographical correspondence. In general, the bigger the city, the more formal the attire.

Business casual is usually accepted for conferences, workshops or when the company has a business casual policy. This means for women a nice pair of trousers and a blouse. No jeans, no tank tops, no flip flops.

Some companies have introduced casual Fridays which are a bit more casual and it may be o.k. to wear designer jeans and a nice T-shirt (without any advertisement).

Most business people, on returning home, change into less formal, comfortable clothes. If you are invited to the home of a customer it would be wise to ask about the manner of dress. Formal means wear a suit; informal means no tie; casual means sport clothes.

### **Space and Closeness**

Expansion and growth remain cornerstones of U.S. business philosophy. Skimping on space is not a sign of financial prudence, but of marginal success.

During business discussions, participants respect space. The negotiators sit from 6 to 10 feet (2 to 3 meters) apart. The old image of backslapping and constant touching during business dealings is no longer accurate. The foreign visitor should not, however, be shocked if he is casually and intentionally touched. Such touching is a generally informal sign, serving to emphasize or make a point, or perhaps to express a feeling. The caller need not reciprocate. When the American moves closer during business dealings, the topic has his attention, he is becoming involved, and the prognosis is good.

Americans do relate the perception of space to the notion of intimacy. Being close to other physically seems often to go hand in hand with being personal and familiar. Social life, in order

to promote this feeling of warmth, may be crowded. The presumption in some circles is that the more people, the more fun.

## Dating

When I first moved to the US I was confused about the whole dating scene. It took a while to understand that dating simply meant “the act of repeatedly making an appointment to see someone with the goal of getting to know each”. When a man really likes a woman and the feeling is reciprocated they want to spend time together.

Although it is still legal to ask out a co-worker on a date and start a romantic relationship, many employees and employers appear to have forgotten this simple fact. Employers have become very uncomfortable with the idea of employees forming romantic relationships because of all the recent news about sexual harassment lawsuits. In general, if you can, avoid dating somebody within the same company. Some employers have become so paranoid about potential sexual harassment lawsuits that they have tried to interfere in the personal lives of dating employees. And some employees have become so paranoid about being accused of sexual harassment that they have avoided asking a co-worker out on a date, or left their jobs prior to starting a romantic relationship with a co-worker. Exactly this happened to a friend of mine who was dating a man in the same company; even though they worked in different departments, they were asked discretely to stop dating or to leave the company. Another client of mine was asked to hand over a consulting case to another consultant because her husband was a lawyer for the same client, and there was a perceived conflict of interest. By contrast, in Switzerland it is normal to have relatives in the same company, and in one bank where I worked, if two employees got married they received a “marriage bonus”.

## 7.4. Discrimination

In America it's illegal to discriminate against employees because of sex, race, national origin, color, pregnancy, age, religion or weight. Federal law also bans employers from discriminating against veterans (ex-servicemen) and protects the handicapped from discrimination. Some state and local governments ban discrimination based on sexual preferences, marital status and handicaps.

Job advertisements should avoid references to race, age or sex e.g. “salesperson should be used rather than “salesman” (saleswoman). Often employers state in ads that they are “equal opportunity employers”, meaning all job applicants are (theoretically) judged equally. Employers may specify only the age, religion, national origin or sex of applicants when it's an essential qualification for the job, called a “bona fide occupational qualification”, e.g. female fashion model (most men would look “odd” modeling tights).

## Sexual Harassment

Sexual harassment is a form of sex discrimination that violates Title VII of the Civil Rights Act of 1964. Unwelcome sexual advances, requests for sexual favors, and other verbal or physical conduct of a sexual nature constitutes sexual harassment when submission to or rejection of this conduct explicitly or implicitly affects an individual's employment, unreasonably interferes with an individual's work performance or creates an intimidating, hostile or offensive work environment.

Sexual harassment can occur in a variety of circumstances, including but not limited to the following:

- The victim as well as the harasser may be a woman or a man. The victim does not have to be of the opposite sex.

- The harasser can be the victim's supervisor, an agent of the employer, a supervisor in another area, a co-worker, or a non-employee.
- The victim does not have to be the person harassed but could be anyone affected by the offensive conduct.

Unlawful sexual harassment may occur without economic injury to or discharge of the victim. The harasser's conduct must be unwelcome.

It is helpful for the victim to directly inform the harasser that the conduct is unwelcome and must stop. The victim should use any employer complaint mechanism or grievance system available.

When investigating allegations of sexual harassment, EEOC looks at the whole record: the circumstances, such as the nature of the sexual advances, and the context in which the alleged incidents occurred. A determination on the allegations is made from the facts on a case-by-case basis.

Prevention is the best tool to eliminate sexual harassment in the workplace. Employers are encouraged to take steps necessary to prevent sexual harassment from occurring. They should clearly communicate to employees that sexual harassment will not be tolerated. They can do so by establishing an effective complaint or grievance process and taking immediate and appropriate action when an employee complains.

## **7.5. Health Insurance**

With the exception of the very poor, those aged over 65 and the disabled, there is no national system of free health care or inexpensive health insurance in America. There is also no free treatment for visitors who fall ill in America. The health insurance coverage required when visiting most other countries is totally inadequate in America, where the recommended minimum coverage is \$250,000 or \$500,000. When traveling in America, always carry proof of your health insurance with you.

The majority of Americans have private health insurance, paid partly or wholly by their employers. This is, however, voluntary on the part of the employer and employees have no right to it. Most large and medium sized companies have a group insurance plan in which all employees and their families are enrolled from their first day of employment. Large multinationals and the US government provide employees and their families with free comprehensive health insurance, although most companies pay a percentage of premiums only, e.g. 50 to 90 per cent.

An increasing number of employers are replacing traditional fee-for-service or indemnity plans with less expensive group practice plans, known as Health Maintenance Organizations (HMOs) and Preferred Provider Organizations (PPO). HMOs place the emphasis upon preventive medicine and outpatient treatment, and their members are hospitalized less than half as frequently as people who make use of more traditional fee-for-service medical care. The main drawback of an HMO is that you are restricted in your choice of physicians and staff. Critics of HMOs claim that HMO physicians are forced to put economy before the patient's well-being. However, studies have shown that HMO care is as good if not better than that provided by fee-for-service physicians.

PPOs combine major medical insurance with the group practice concept. Members are encouraged to use participating physicians and hospitals, but can go outside the PPO network for an additional cost.

Some companies impose a health insurance surcharge on smokers and a few even refuse to employ smokers on the grounds that their habit may lead to costlier health insurance and more lost working days due to sickness. Being overweight or a heavy drinker may also increase your health insurance costs.

## **7.6. Coaching**

Coaching is an emerging field, and executive coaching is an emerging trend. The individual coaching client is someone who wants to reach one or more of the following: a higher level of performance, learning, or satisfaction. The client is not seeking emotional healing or relief from psychological pain. The coaching client can take action to move towards a goal with the support of the coach. The successful client is not excessively limited in the ability to take action or overly hesitant to make this kind of progress. Coaching differs distinctively from therapy, consulting, mentoring, training, and athletic development.

### **Coaching Service**

Coaching services are delivered in many ways – one-on-one, in groups, teams etc. Coaches and clients arrange the schedule and means of contact (e.g., in person, by phone, or via e-mail) that serve them both. They are not constrained to follow a standardized schedule or means of contact.

### **Coaching Relationship**

A coaching relationship is a partnership. A coach does not relate to the client from a position of an expert, authority, or healer. Coach and client together choose the focus, format, and desired outcomes for their work. The client does not relinquish the responsibility for creating and maintaining these, nor does the coach take full responsibility for them. Relationship is the foundation of coaching. The coach and client intentionally develop a relationship which is characterized by a growing and mutual appreciation and respect for each other as individuals. This relationship is not an adjunct to or byproduct of the coaching. Nor is it based on the client's position or performance.

Coaching is designed to help clients improve their learning and performance, and enhance their quality of life. Coaching does not focus directly on relieving psychological pain or treating cognitive or emotional disorders.

Coaches are experts in the coaching process and may not have specific knowledge of a given subject area or industry. Where coaches have expertise in other areas, they may use it to facilitate the coaching process. Coaches do not use this particular expertise to diagnose, direct, or design solutions for the client.

### **Is coaching right for you?**

Individuals who engage in a coaching relationship can expect to view their personal challenges and opportunities from a fresh perspective, to enhance their thinking and interpersonal effectiveness, and strengthen their confidence in carrying out their chosen work and life roles.

To determine if you can benefit from coaching, start summarizing what you want to accomplish. Having a fairly clear idea of the desired outcome, a coaching partnership can be an accelerator for developing a strategy for how to achieve that outcome with greater ease.

# 8. Swiss Working Mothers in the United States

By Karin Vibe-Stewart

## 8.1. Introduction

A Swiss mother coming to the United States to work, or a new mother looking for child care solutions, will find a very different situation than in Switzerland. In particular, they will find that:

- § There is no government subsidized childcare, unless their income is close to the official poverty level and they are eligible.
- § The quality of public schools varies dramatically from one location to another.
- § The quality of babysitters and nannies also varies dramatically.

This however doesn't mean that living in the US with children is not doable, it just requires more planning than in Switzerland or a European country. This chapter will examine the different options for childcare and schooling in the US, giving some pros, cons and resources to find more information. The closing section will address the issue of local support for mothers who do not have an established network in their place of residence.

## 8.2. Childcare

Childcare is a critical issue for all working mothers in the US. Unless local family members are willing to take care of the children, this is one of the largest expenses in a family's budget. Childcare in the United States is not subsidized, and the related tax deductions are limited to a level often much lower than the actual expenses.

If you need childcare, ask yourself the following questions:

- § How many hours in a day and a week will you need child care?
- § Do you prefer a group setting or one-on-one care
- § What is your budget?

The answer to those questions will help you choose between the different options outlined below.

### **Babysitting**

One-on-one babysitting is often seen as the most expensive solution, but may actually cost less than a good-quality daycare center, or may be the only practical solution if your children already go to school. Babysitters range from high school students to professionally trained nannies, with rates depending on age, level of education, experience, job description, and location.

An easy way to find a babysitter is to go to a local nanny service or agency, usually listed in the local yellow pages. They screen the babysitter for you, but make sure to ask them exactly what kind of screening they do, since it varies from agency to agency. Another way to find a babysitter is to look at the flyers in pediatricians' offices, specialty toy and children clothes stores, community boards advertising babysitting services, or to place your own want ad in the local community papers and on bulletin boards. Many communities also have a website with a classified section, and asking local mothers for leads is a very effective way to find the person you are looking for.

One thing to watch for when hiring a babysitter is that a substantial number of them are not in the country legally. A lot of people do hire them anyway, but, if you choose to do so, you will not be able to use the corresponding tax deduction, will be able to pay them in cash only, and are subject to legal pursuits and fines if found out and prosecuted (which is quite rare.)

### **Home-Based-Day-Care**

This is an intermediary solution between the at-home babysitter and the daycare center. A caregiver watches two to five children in her home. In most states, such a home-based day-care center must be licensed, but a lot of them operate on a casual basis.

They sometimes are listed in the yellow pages, or advertise through flyers, but often the best way to find them is through word of mouth.

It is to be noted that a license is a guarantee of certain standards in terms of cleanliness and caregiver-to-children ratio, among other factors, but not a guarantee of quality of care.

### **Day-Care Centers**

Daycare centers are one of the most popular childcare options for young children. Like home-based daycare centers, they must be licensed to operate. Again, the license is a guarantee of cleanliness, food quality, caregiver-to-children ratio, but not a guarantee of quality childcare. Some childcare centers are just a place where children play and spend the day, but others offer early education programs and may follow different education philosophies, such as Montessori.

Childcare centers are usually listed in the yellow pages or the local family resources in your community.

One thing to watch for with daycare centers is that, since caregivers tend to earn very low salaries, staff turnover tends to be high and training low. It is thus important to choose your childcare center carefully.

### **Pre-Schools**

Pre-schools are for children between two-and-a-half and five years old. They offer more structured activities, and often an initiation to regular school subjects such as reading, mathematics and arts. This part of the global children education is more and more considered as normal, and most parents do send their children to pre-school at least a few days a week.

Most pre-schools are private, and need to be licensed. However, more and more school districts or states have implemented a free public pre-school program. In this case, the remarks below about public school systems apply, and these programs can be a high-quality, low- or no-cost solution for your childcare issues, at least for part of the week.

Furthermore, some districts and states also mandate that the school system provides a certain number of hours of child care every day. For instance, my district mandates 10 hours of child-care at school, which means that I can drop off my son as early as 7:30 in the morning, and

pick him up as late as 5:30 in the evening. So if you have children between three or four years old, make sure to check what the local public school offers before opting for pricier options.

Whatever the option you choose, it is critical here more than in Switzerland to thoroughly investigate your choice before giving your child away. For instance, don't rely on the word of the director of an institution to prove that they are licensed; check their credentials with the corresponding local or state administration; verify with the Better Business Bureau that there have been no complaints against them; conduct a thorough interview of the people who will be looking after your child or children; make a background check if necessary.

Also, refer to [www.babycenter.com](http://www.babycenter.com), an excellent resource for everything having to do with raising small children in the US. You will find their information on childcare under the *Topics from A-Z - Childcare* sections, ranging from the choice of a pre-school to the questions to ask to a prospective childcare provider and how to deal with pre-school jitters.

## 8.3. Schools

### Public Schools

The vast majority of children living in the United States go to a public school. Beyond classical public schools, there are two types of special public school: First, charter schools are public schools having received a dispensation to use a different education program than the one in regular public schools, offering a wide variety of programs. While often touted as better than regular public schools, their quality varies greatly. Second, magnet schools, usually present only in large districts, are schools that concentrate on a certain type of program. Examples include High School for the Arts for children artists, or High School for Science for children passionate about that subject. These schools tend to be of high quality in their field, but may not give as rounded an education as other types of schools.

The American public school system has a bad reputation as a whole. However, some public schools are of very high quality though you need to live in the district in order to get access to them. Furthermore, more and more high schools have implemented International Baccalaureate or Advanced Placement programs, resulting in a high school diploma close to European levels.

### Private Schools

There is not enough space here to examine private schools in detail. They range from religious schools to specialized schools, using traditional or alternative education methods, bilingual schools and European-style schools. Tuition varies from a couple thousand dollars to several tens of thousands depending on the location and the school.

Like daycare centers, private schools vary in quality and may have very different philosophies and education methods, so it is critical that you find one that corresponds both to your educational demands and your philosophies.

A good resource to get a list of all your local schools is [www.nces.gov](http://www.nces.gov), the site of the National Center for Education Statistics. Its global locator gives a list of all schools (public or private) in a given area, as well as some basic statistics about the school. The Department of Education websites of your state of residence usually gives additional information, such as school budget, attendance records and test scores on standardized tests. While not a foolproof method to find a good school, those statistics give a good indication of the quality of an individual school. If you would like to go further in exploring the school options, [www.babycenter.com](http://www.babycenter.com) has a list of educational organizations, both governmental and non-governmental.

## **8.4. Local Support for Working Mothers**

I know from experience how difficult it is to raise a child in the United States without the support of an extended family. There are, however, a wealth of resources that can help you feel less isolated and find support in the community you live in. The first and most obvious is to talk to other mothers. No one in the US will be offended or find it strange if you strike a conversation with another mother on the playground. It is actually a great way to find friends for your children and yourself, local resources, and word-of-mouth advice on the best childcare centers and schools.

Another well-established resource is the church, synagogue, mosque or temple (hereafter generically called church for the sake of simplicity.) Americans tend to be much more active within their churches than are the Swiss, and, given the limited government-based social services, some of the gap is filled by community effort, often through a church. Finding a church whose approach you like and becoming active in it is a shortcut to getting to know the community and gaining access to a wealth of local resources, such as babysitting coops (pool of informal babysitting from family to family), or volunteer babysitters.

There are also many national and local parents or family associations - such as Mommy and Me, or the local family alliance - that can help you find like-minded parents, local activities for your children, advice and friends.



# 9. Essential Resources for Women

By Ally Gunduz, Swiss Business Hub USA

## 9.1. Swiss Resources for Women

### The Club of Women Entrepreneurs / Club des Femmes Entrepreneurs

A non-profit non-governmental organisation founded in Geneva, Switzerland, to promote and assist in the creation and development of visible and sustainable women's enterprise in Switzerland and abroad.

Contact information:

Club for Women Entrepreneurs  
c/o Philippine Read  
8 chemin du Pâquier  
CH-1231 Conches  
Phone: +41 78 649 4992  
e-mail: [president.cfe-cew@candgo.com](mailto:president.cfe-cew@candgo.com)  
[www.women-entrepreneurs.ch](http://www.women-entrepreneurs.ch)

### Verband Wirtschaftsfrauen Schweiz

Wirtschaftsfrauen Schweiz is an association for women entrepreneurs, business women in leading positions, women working for NPOs and for the federal, cantonal and communal governments; the association supports and encourages up and coming young women in these sectors.

Contact Information:

Verband Wirtschaftsfrauen Schweiz  
P.O. Box 250  
CH-4450 Sissach  
Phone: +41 61 976 2050  
e-mail: [wirtschaftsfrauen@wirtschaftsfrauen.ch](mailto:wirtschaftsfrauen@wirtschaftsfrauen.ch)  
[www.wirtschaftsfrauen.ch](http://www.wirtschaftsfrauen.ch)

### Swiss Business Hub USA

Swiss Business Hub USA is the official export business- and promotion arm of the Swiss Embassy and of the Swiss Consulates in the United States of America. As a "one-stop-shop" we assist small and medium sized companies from Switzerland and Liechtenstein. We offer:

- § A global network of trade professionals through Osec Business Network Switzerland with a focus on small and medium sized companies.

- § In-dept knowledge of the American market to help you make informed decisions and minimize your business risk.
- § Seven local offices in the U.S. (Atlanta, Chicago, Houston, Los Angeles, New York San Francisco, and Washington D.C.) staffed with a team of trade professionals helping you to succeed in the American market.
- § Ability to leverage your company in the American market with the credibility of the Swiss government.

*Office for the Development of Women-Owned Businesses*

Ally Gunduz, Trade Commissioner  
Swiss Business Hub USA New York Office  
c/o Consulate General of Switzerland  
633 Third Avenue, 30<sup>th</sup> Floor  
New York, NY 10017  
Phone: + 1-212-599-5700, ext. 1032  
Fax: 1-212-599-4270  
Email: [ally@swissbusinesshub.org](mailto:ally@swissbusinesshub.org)

## 9.2. USA: Women's Organizations

### Swiss American Council of Women

Membership Association

Client Group served: Swiss, American, and international women, business leaders and entrepreneurs

Achievement Platform for professional visibility, Networking, Clearinghouse of information, Access to Mentoring, Guidance, Access to Influencing Public Policy and Opinion, Access to Markets.

Description Programs of the Swiss American Council of Women (SACW) include international networking, educational workshops, a platform for professional visibility, and fostering strategic alliances. Swiss American Council of Women draws upon the network of Swiss and American local chambers of commerce and upon existing partnerships with corporations, government agencies and civic and trade associations to address challenges facing Swiss women around the world.

Mission Statement The Mission of the Swiss American Council of Women is to strengthen and promote the international role, leadership and professional development of women. We are dedicated to creating opportunities for Women to fulfil their personal and professional potential through a transatlantic platform that offers an international network of partners, resources, and services.

SACW's vision and purpose is to create an international, non-profit organization to support, mentor and empower Women leaders by:

- Providing a forum that fosters understanding and friendship between Swiss and other Women interested in Switzerland.

- Reinforcing partnerships, cultivating and strengthening relationships, and creating awareness with existing Swiss and American organizations and agencies in the United States.
- Serving as a clearinghouse of information, resources, assistance and contacts for Swiss Women in the United States and other Women seeking to establish or strengthen ties with Switzerland.
- Exchanging and providing programs and projects that strengthens leadership and creates new opportunities for Women to learn, grow, contribute, and broaden their horizons.

Contact Information    Swiss American Council of Women  
100 Park Avenue  
16<sup>th</sup> Floor  
New York, NY 10017  
Telephone: 212-351-5005  
E-mail: [info@swissamericanwomen.org](mailto:info@swissamericanwomen.org)  
Web site: [www.swissamericanwomen.org](http://www.swissamericanwomen.org)

#### **Access America, United States Chamber of Commerce**

Membership Association (Program of the United States Chamber of Commerce)

Client Group served:            Minority and women business leaders and entrepreneurs.

Achievement                    Access to Education, Mentoring, or Technical Assistance, Access to Influencing Public Policy and Opinion, Access to Markets

Description                    Access America is a United States Chamber of Commerce initiative for minority and women business leaders and entrepreneurs. Its programs open doors to networks and capital markets and foster strategic alliances. Access America draws upon the network of state and local chambers of commerce and upon existing partnerships with major corporations, government agencies and civic and trade associations to address challenges facing minority and women executives.

Mission Statement            Access America's mission is to identify and seize opportunities, forge partnerships, and obtain equal access to capital in order to expand women-owned or minority-owned businesses in the United States and abroad. In addition, Access America aims to build alliances and partnerships with Chamber members; to empower a new community of business leaders; and to bring diversity to existing Chamber programs.

Contact Information            Access America  
United States Chamber of Commerce  
1615 H Street, NW  
Washington, DC 20062  
Telephone: 202-659-6000 and 201-463-5870  
Fax: 202-463-5836  
E-mail: [accessamerica@uschamber.com](mailto:accessamerica@uschamber.com)  
Web-Site: [www.uschamber.com/access/default](http://www.uschamber.com/access/default)

### **Association of Women's Business Centers (AWBC)**

#### Membership Association

Client Group served:	Women's business centers and women business owners
Achievement	Access to Education, Mentoring, or Technical Assistance, Access to Influencing Public Policy and Opinion
Description	The Association supports entrepreneurial development of women as a way to achieve economic self-sufficiency, create wealth, and participate in economic development through education, training, mentoring, business development, and financing opportunities. It provides support and services to women business owners, ranging from underserved women entrepreneurs to women securing rounds of venture capital.
Mission Statement	The Association of Women's Business Centers develops and strengthens a global network of women's business centers to advance the growth and success of women business owners. The vision of the Association is a world where economic justice, wealth, and wellbeing are realized through the collective leadership and power of successful entrepreneurial women.
Contact Information	Association of Women's Business Centers P.O. Box 1255 Camden, ME 04843 Telephone: 207-236-9753 Fax: 207-236-2954 E-mail: <a href="mailto:ama@awbc.biz">ama@awbc.biz</a> Web site: <a href="http://www.womensbusinesscenters.org">www.womensbusinesscenters.org</a>

### **ATHENA Foundation**

#### Entrepreneurial Support Organisation / Non profit

Client Group served:	Local, national, and international ATHENA award recipients, chamber of commerce representatives, sponsors and friends.
Achievement	Access to Education, Mentoring, or Technical Assistance, Access to Networks/Networking, Access to Honors
Description	The ATHENA Foundation promotes women's leadership, honors outstanding leaders, offers nationally known speakers at its annual conference, teaches the ATHENA Leadership Model, mentors women-owned businesses through professional advisory panels, and has a Global Mentoring Program.
Mission Statement	The mission of the ATHENA Foundation is to promote women business leaders, as well as best practices in women's leadership, in the United States and around the world.
Contact Information	ATHENA Foundation 70 E. Lake Street, Suite 1220 Chicago, IL 60601-5939

Telephone: 312-580-0111  
Fax: 312-580-0110  
E-mail: [athena@athenafoundation.org](mailto:athena@athenafoundation.org)  
Web site: [www.athenafoundation.org](http://www.athenafoundation.org)

### **Business and Professional Women**

#### Membership Association

Client Group served:	American working women seeking to advance career goals, earn higher salaries, build stronger business, achieve pay equity and equal opportunities and establish rewarding careers.
Achievement	Access to Influencing Public Policy and Opinion, Access to Education, Mentorship, or Technical Assistance, Access to Honors
Description	Business and Professional Women/USA promotes equity for all women in the workplace through advocacy, education and information. BPW/USA is the leading advocate for millions of working women on work-life balance and workplace equity issues. BPW Local Organizations provide members with professional development programs, networking, participation in grassroots activism, and opportunities to support scholarships for disadvantaged women. BPW/USA is a leader in promoting and supporting legislation affecting working women. In addition, BPW educates its members on policy issues and provides them with the tools to become effectively involved in policy development in their own workplaces and in grassroots efforts at the local, state and federal levels. BPW/USA members not only work at the grassroots level but support their belief financially. BPW's Political Action Committee (BPW/PAC) provides contributions and endorsements to women and pro-women federal candidates who support the BPW legislative agenda.
Mission Statement	Business and Professional Women/USA is committed to workplace equity and work-life balance. The organization's mission is to achieve equity for all American working women through advocacy, education, and information.
Contact Information	Business and Professional Women/USA 1900 M Street, NW, Suite 310 Washington, DC 20036 Telephone: 202-293-1100 Fax: 202-861-0298 E-mail: <a href="mailto:memberservices@bpwusa.org">memberservices@bpwusa.org</a> Web site: <a href="http://www.bpwusa.org">www.bpwusa.org</a>

### **Center for Women's Business Research**

#### Entrepreneurial Support Organisation / Non profit

Client Group served:	Women business owners, leading corporations, government agencies, policy makers, academic institutions, financial institutions, and the media.
Achievement	Access to Research, Access to Education, Mentoring, or Technical Assistance, Access to Networks/Networking
Description	The Center for Women's Business Research is a premier source of knowledge about women business owners and their enterprises worldwide. Since 1989, the Center has painted a picture of the women-owned

business landscape through original research documenting the economic and social contributions of women-owned firms. By tracking the growth, trends, and leadership styles of women-owned businesses, the Center has helped to illuminate the significant economic, social and cultural impact these businesses are having worldwide. The Center shares its knowledge with policy makers, financial institutions, corporate leaders, government agencies, academic institutions, and the media through research reports, press releases, newsletter publications, seminars, speaking engagements, and the Internet.

Mission Statement	The Center's mission is to unleash the economic potential of women entrepreneurs by conducting research, sharing information, and increasing knowledge about this fast-growing sector of the economy.
Contact Information	Center for Women's Business Research 1411 K Street, NW, Suite 1350 Washington, DC 20005-3407 Telephone: 202-638-3060 Fax: 202-638-3064 E-mail: <a href="mailto:info@womensbusinessresearch.org">info@womensbusinessresearch.org</a> Web site: <a href="http://www.womensbusinessresearch.org">www.womensbusinessresearch.org</a>

#### **Center for Women's Leadership, Babson College**

##### Educational

Client Group served:	Students, Babson alumni, and professionals interested in advancing women in business and entrepreneurship worldwide.
Achievement	Access to Education, Mentoring, or Technical Assistance, Access to Research, Access to Networks/Networking, Access to Capital
Description	This is the first comprehensive center dedicated to women in business and entrepreneurship at a leading school of management. It builds alliances to advance women, develops the next generation of business leaders, conducts research, and offers networking for career enhancement.
Mission Statement	Through education programs and research, the center develops women's leadership skills and facilitates the advancement of women as entrepreneurial leaders within corporations, entrepreneurial business ventures, and not for-profit organizations.
Contact Information	Center for Women's Leadership Babson College Nichols 100 Babson Park, MA 02457-0310 Telephone: 781-239-5001 Fax: 781-239-5322 E-mail: <a href="mailto:cwl@babson.edu">cwl@babson.edu</a> Web site: <a href="http://www3.babson.edu/cwl">www3.babson.edu/cwl</a>

#### **Committee of 200 (C200)**

##### Membership Association

Client Group	The next generation of women business leaders, aspiring entrepreneurs.
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served:

Achievement	Access to Education, Mentoring, or Technical Assistance, Access to Networks/Networking, Access to Honors, Access to research
Description	The Committee of 200 is a professional organization of preeminent women entrepreneurs and corporate leaders. The organization capitalizes on the power, success, and influence of businesswomen in the global economy. Members donate their time as panelists at Outreach Seminars, team up for Mentor Growing Entrepreneurs, and speak to a wide range of audiences throughout the year. Members also work behind the scenes in major corporations, ensuring that more doors open for women business leaders. C200 is based in the United States with international members in Europe, Asia, and Latin America. Over 445 women members now represent more than 80 industries, including manufacturing, technology, and finance. Entrepreneurs form 70% of the total membership. Entrepreneurs who qualify own and run companies that earn at least \$15 million in annual revenues. Corporate executives make up 30% of the membership. Corporate executives who qualify are either CEOs or senior executives leading substantial operating divisions, with direct impact on annual revenues of \$250 million or more.
Mission Statement	C200 members are dedicated to convincing the next generation of women business leaders that they have "the right stuff" to succeed as entrepreneurs and corporate executives. C200's initiatives include presenting women with role models who can share insights and hands-on experience. Through seminars, scholarships, mentoring, research, and case studies, members help aspiring businesswomen as well as experienced entrepreneurs capitalize on their unique skills and abilities.
Contact Information	The Committee of 200 980 N. Michigan Avenue, Suite 1575 Chicago, IL 60611 Telephone: 312-255-0296 ; Fax: 312-255-0789 E-mail: <a href="mailto:info@c200.org">info@c200.org</a> Web site: <a href="http://www.c200.org">www.c200.org</a>

### **Count Me In for Women's Economic Independence**

Entrepreneurial Support Organisation / Non profit

Client Group served:	Women seeking start-up business loans, education, training and support.
Achievement	Access to Capital, Access to Education, Mentoring, or Technical Assistance, Access to Networks/Networking
Description	Count Me In champions the cause for women's economic independence by providing access to business loans, consultation and education. The first online microlender, Count Me In uses a unique, women-friendly credit scoring system to make loans of \$500 - \$10,000 available to women across the United States who have nowhere to turn for their first business loan. The loan process uses the Internet for every step. Count Me In has developed its model for replication both domestically and internationally. The organization provides access to networks that expand contacts, markets, skills and confidence. Count Me In's chairman and CEO, Nell Merlino, is one of the original two cofounders and the social entrepreneur who created "Take Our Daughters to Work Day."

Mission Statement	The mission of Count Me In is to provide start-up business loans, education and training – all online – to women in all 50 states, in both rural and urban areas, by means of a women-friendly scoring system. This scoring system addresses systemic discrimination against women's access to credit and capital. This mission is to make real the American promise of opportunity, equality, and inclusion for women who want to start a business.
Contact Information	Count Me In 240 Central Park South, Suite 7H New York, NY 10019 Telephone: 212-245-1245 Fax: 212-245-1236 E-mail: <a href="mailto:info@count-me-in.org">info@count-me-in.org</a> Web site: <a href="http://www.count-me-in.org">www.count-me-in.org</a>

### **Diana Project**

Educational	
Client Group served:	Women business owners seeking capital in a traditionally male-dominated arena.
Achievement	Access to research.
Description	The Diana Project is a research consortium involving five project partners who collaborate with other groups around the world.
Mission Statement	The mission of the Diana Project is to support and advance the growth and development of women-owned businesses. The Diana Project works to influence and change attitudes, opinions, and practices in the business community through information and knowledge drawn from rigorous research. On the supply side, the Diana Project's goal is to educate equity capital providers about opportunities for enhanced portfolio diversification and new investment possibilities through investment in women-owned businesses. On the demand side, the goal is to raise awareness and expectations of women business owners for the growth of their firms, to educate women business owners about the characteristics of equity-funded businesses, and to provide detailed information about how the equity funding process works.
Contact Information	The Diana Project Patricia G. Greene Undergraduate School President's Endowed Chair in Entrepreneurship Hollister Hall Babson College Babson Park, MA 02457 Telephone: 781-239-5008 Fax: 781-239-5322 E-mail: <a href="mailto:greene@babson.edu">greene@babson.edu</a> Telephone: 08-458 78 00 Sweden E-mail: <a href="mailto:info@esbri.se">info@esbri.se</a> Web site: <a href="http://www.esbri.se/diana.asp">www.esbri.se/diana.asp</a>



### **Fleet Women Entrepreneurs' Connection**

Corporation, Non for profit organization

Client Group served: Women entrepreneurs.

Achievement Access to Networks/Networking, Access to Capital, Access to Markets

Description Fleet's Women Entrepreneurs' Connection has a track record of leadership in providing women-owned businesses with access to debt and equity from both within and outside Fleet. Fleet has forged alliances with a wide variety of local, regional, and national organizations dedicated to networking, technical assistance, and support for women-owned businesses. The Connection provides all women-owned businesses from start-ups to established companies with a central place where they can link with the financial and informational resources necessary to succeed.

Mission Statement Fleet is committed to supporting the success of women entrepreneurs by connecting them to all the resources, both inside and outside of the Fleet organization, that they need to succeed.

Contact Information Fleet Women Entrepreneurs' Connection  
100 Federal Street  
Boston, MA 02110  
Telephone: 617-346-4175  
Fax: 617-346-2723  
E-mail: [smallbiz@fleet.com](mailto:smallbiz@fleet.com)  
Web site: [www.theconnection.fleet.com](http://www.theconnection.fleet.com)

### **Ms. Foundation for Women**

Entrepreneurial Support Organisation / Non profit

Client Group served: Girls and women, including those who are involved in microenterprise efforts.

Achievement Access to Education, Mentoring, or Technical Assistance, Access to Influencing Public Policy and Opinion, Access to Capital, Access to Honors

Description As the country's first national, multi-issue women's fund, the Ms. Foundation directs resources of all kinds to cutting-edge projects that nurture girls' leadership skills, protect the health and safety of women, and provide low income women with the tools to lift themselves and their families out of poverty. The work of the Ms. Foundation is guided by a vision of a just and safe world where power and possibility are not limited by gender, race, class, sexual orientation, disability, or age. The Foundation believes that equity and inclusion are the cornerstones of a true democracy in which the worth and dignity of every person are valued.

Mission Statement Ms. Foundation supports the efforts of women and girls to govern their own lives and influence the world around them. Through its leadership, expertise, and financial support, the Foundation champions an equitable society by effecting change in public consciousness, law, philanthropy, and social policy.

Contact Information Ms. Foundation for Women  
120 Wall Street, 33rd Floor  
New York, NY 10005

Telephone: 212-742-2300  
Fax: 212-742-1653  
E-mail: [info@ms.foundation.org](mailto:info@ms.foundation.org)  
Web site: [www.ms.foundation.org](http://www.ms.foundation.org)

### **National Association of Women Business Owners (NAWBO)**

#### Membership Association

Client Group served: Women entrepreneurs across all industries.

Achievement Access to Education, Mentoring, or Technical Assistance, Access to Networks/Networking, Access to Influencing Public Policy and Opinion, Access to Research

Description Founded in 1975, NAWBO propelled women entrepreneurs into economic, social and political spheres of power worldwide. Nearly 30 years later, NAWBO is still the only organization that solely represents the interests of women entrepreneurs in all industries. The organization's mission is to strengthen the wealth-creating capacity of its members and promote economic development; to create innovative and effective change in the business culture; to build strategic alliances, coalitions and affiliations; and to transform public policy and influence opinion makers. NAWBO has more than 80 chapters and 8,000 members across the country. NAWBO is represented in more than 35 countries as the sole affiliate of the World Association of Women Entrepreneurs (FCEM). NAWBO has three councils:

§ Corporate and Economic Development Council (CEDC): The CEDC will represent and shape NAWBO's interests in the areas of financial and business development for the organization and its members with special focus on revenue generation for the organization through profit centers and outside sources, access to capital for members, and national international business.

§ Member Services Council (MSC): This council represents and shapes NAWBO's interests in the area of professional, chapter, and regional development with a special focus on leadership skills, training, marketing, and member and chapter services. It further serves as an advocate for general membership issues.

§ Public Policy Council (PPC): This Council represents and shapes NAWBO's interests in public policy formation; public/private partnerships; coalition-building; public affairs; appointments and awards.

Mission Statement NAWBO's mission is to propel women entrepreneurs into economic, social, and political spheres of power worldwide by Strengthening the wealth-creating capacity of its members and promoting economic development; Creating innovative and effective changes in the business culture; Building strategic alliances, coalitions, and affiliations; and by Transforming public policy and influencing opinion.

Contact Information National Association of Women Business Owners  
8405 Greensboro Drive, Suite 800  
McLean, VA 22102  
Telephone: 703-506-3268  
Fax: 703-506-3266

E-mail: [national@nawbo.org](mailto:national@nawbo.org)

Web site: [www.nawbo.org](http://www.nawbo.org)

### **National Women Business Owners Corporation (NWBOC)**

Entrepreneurial Support Organisation / Non profit

Client Group served: Women-owned businesses seeking corporate and government contracts.

Achievement Access to Certification, Access to Networks/Networking, Access to Markets.

Description NWBOC was the first national certifier of women business enterprises. NWBOC has established a network to provide critical information about corporate and government contracts and systems to women suppliers. NWBOC has streamlined the task of locating information and technical assistance regarding corporate and federal, state and local government contracting via one-stop electronic access. NWBOC was established to increase competition for corporate and government contracts through implementation of a pioneering economic development strategy for women business owners. The organization is run by a dedicated Board of Directors, the majority being women business owners themselves. NWBOC is committed to providing procurement opportunities in addition to certification. All committee members, site visitors, and new staff are trained by NWBOC experienced staff. Site visits are a mandatory part of the certification process. NWBOC's criteria have remained stringent: company must be at least six months old and serve a useful business function; woman(en) must own and control at least 51.0% or more; be the President or CEO; active in the daily management; and a United States citizen.

Mission Statement NWBOC's mission is to offer members a significant competitive advantage in expanding their businesses through private and public sector contracts.

Contact Information National Women Business Owners Corporation  
1001 W. Jasmine Drive, Suite G  
Lake Park, FL 33403  
Telephone: 800-675-5066  
Fax: 561-881-7364  
E-mail: [info@nwbo.org](mailto:info@nwbo.org)  
Web site: [www.nwbo.org](http://www.nwbo.org)

### **The National Women's Business Council**

Public Sector

Client Group served: The President, Congress, and the United States Small Business Administration, as well as all the women business owners who benefit from NWBC's advice and counsel to the government and counsel to the government

Achievement Access to Research, Access to Influencing Public Policy and Opinion, Access to Education, Mentoring, or Technical Assistance

Description The NWBC is a federally funded, public policy advisory council comprised of women business owners and women's business association

representatives. It was created in 1988 by the United States Congress to provide advice and counsel to the federal government (the President, Congress, and the United States Small Business Administration) on economic issues of importance to women business entrepreneurs. It offers women business owners a public policy voice in the federal government. The NWBC is charged with working with federal agencies, women entrepreneurs, and women's business organizations to assess the growth of women's entrepreneurship nationwide, to identify remaining barriers, and to recommend ways for inequities to be remedied and discriminatory practices/policies to be removed. Members of the bipartisan council are prominent women business owners and leaders of business organizations nominated by Congress and others and appointed by the administrator of the SBA. The chair is appointed by the President.

Mission Statement	<p>The mission of NWBC is to promote bold initiatives, policies, and programs designed to support women's business enterprises at all stages of development in public and private sector marketplaces, from start-up to success to significance. Initiatives include:</p> <ul style="list-style-type: none"><li>§ Conducting research on issues of importance to women business owners and their organizations</li><li>§ Communicating these findings widely</li><li>§ Connecting the women's business owners to each other and to public policy makers</li><li>§ Providing a platform for change in order to expand and improve opportunities for women business owners and their enterprises.</li></ul>
Contact Information	<p>The National Women's Business Council 409 Third Street, SW, Suite 210 Washington, DC 20024 Telephone: 202-205-3850 Fax: 202-205-6825 E-mail: <a href="mailto:info@nwbc.gov">info@nwbc.gov</a> Web site: <a href="http://www.nwbc.gov">www.nwbc.gov</a></p>

#### **Office of Women's Business Ownership (OWBO), United States Business Administration**

Public sector

Client Group served:	<p>Women entrepreneurs in 6.7 million majority-owned, privately-held, women-owned firms that employ 9.8 million people and contribute \$1.19 trillion in sales and revenue to the United States economy.</p>
Achievement	<p>Access to Education, Mentoring, and Technical Assistance, Access to Networks/Networking, Access to Markets</p>
Description	<p>The Office of Women's Business Ownership (OWBO) is designed to help women start and build successful businesses. It oversees and directs more than 90 women's business centers in the United States.</p>
Mission Statement	<p>OWBO's mission is to level the playing field for women entrepreneurs through advocacy, training, counseling and access to capital and credit and to help more women start and build strong, successful businesses. Women who are socially and economically disadvantaged are specially targeted for assistance. Programs are designed to meet the unique needs of women, who often juggle the needs of work and family, often lack business backgrounds, often face discrimination and whose busi-</p>

nesses are most often very small.

Contact Information Office of Women's Business Ownership  
U.S. Small Business Administration  
409 Third Street SW, 6th Floor  
Washington, DC 20416  
Telephone: 202-205-6673  
Fax: 202-205-7287  
E-mail: [owbo@sba.gov](mailto:owbo@sba.gov)  
Web site: [www.sba.gov/womeninbusiness](http://www.sba.gov/womeninbusiness)

### Organization of Women in International Trade

Membership Association

Client Group served: Women doing business in international trade.

Achievement Access to Markets, Access to Networks/Networking and Access to Education, Mentoring, or Technical Assistance, Access to Honors

Description The Organization of Women in International Trade (OWIT) unites women around the globe to foster free trade and the advancement of women in business. OWIT is a non-profit professional organization designed to promote women doing business in international trade by providing networking and educational opportunities and increased market access. Members include women and men doing business in all facets of international trade including finance, public relations, government, freight forwarding, international law, agriculture, sales and marketing, import/export, logistics, and transportation.

Mission Statement OWIT is designed to promote women doing business in international trade by providing networking and educational opportunities and access to markets.

Contact Information Organization of Women in International Trade  
Amy Johannesen Coudert Brothers  
1114 Avenue of the Americas  
New York, NY 10036  
E-mail: [johannesena@coudert.com](mailto:johannesena@coudert.com)  
Web site: [www.owit.org](http://www.owit.org)

### Springboard Enterprises

Entrepreneurial Support Organisation / Non profit

Client Group served: Women entrepreneurs who lead high-growth potential enterprises.

Achievement Access to Capital, Access to Education, Mentoring, or Technical Assistance, Access to Networks/Networking

Description Springboard Enterprises is a national not-forprofit organization dedicated to accelerating women's access to the equity markets. It educates, showcases, and supports entrepreneurs as they seek capital and grow their companies. Springboard promotes women's entrepreneurial development through alliances, partnerships and direct programming. Programs include Venture Forums, Equity Matters Seminars, Growth Capital

Workshops and a Next Wave Initiative for Springboard alumnae. The entrepreneurs who have participated in Springboard programs are the newest faces representing emerging growth enterprises and the first wave of women to launch nonlifestyle businesses via the equity markets. Springboard has evolved into a nationally acclaimed organization, propelling women-led emerging growth businesses to the forefront of the economic landscape.

Mission Statement	<p>Springboard Enterprises is a national, not-for profit venture dedicated to:</p> <ul style="list-style-type: none"><li>§ Accelerating women entrepreneurs' participation in the private equity capital markets</li><li>§ Increasing equity investments in women-led ventures</li><li>§ Promoting the success of Springboard companies and alumnae</li></ul>
Contact Information	<p>Springboard Enterprises 2100 Foxhall Road, NW Washington, DC 20007 Telephone: 202-242-6282 Fax: 202-242-6284 E-mail: <a href="mailto:info@springboardenterprises.org">info@springboardenterprises.org</a> Web site: <a href="http://www.springboardenterprises.org">www.springboardenterprises.org</a></p>

### Three Guineas Fund (3GF)

Entrepreneurial Support Organisation / Non profit

Client Group served:	Not-for-profit organizations creating social justice for women and girls by expanding economic opportunity.
Achievement	Access to Capital, Access to Education, Mentoring, or Technical Assistance
Description	<p>Three Guineas Fund is a public foundation making grants to organizations that seek to create social change by investing in women and girls. The foundation identifies and supports promising innovations and leaders in the field. Three Guineas has a particular interest in models that contribute to transformational change at the institutional level, especially in corporations and government, and that attempt to bridge for-profit and nonprofit sectors. Three Guineas does not focus specifically on low-income women or poverty alleviation. Addressing women's poverty is a key strategy in the foundation's portfolio, but the foundation addresses barriers facing women and girls at all economic levels in society. Three Guineas does not make grants to support direct service projects, unless they are of interest as scalable models.</p>
Mission Statement	<p>Expand access to economic opportunities for women and girls. Virginia Woolf wrote the book Three Guineas in 1938. In it, she examines women's philanthropic choice and develops a theory of social change based on investing in women and girls. The foundation's name reflects this key principle and core strategy. The foundation's strategies, criteria, and philanthropic program are designed to achieve social justice gains that enable women and girls to earn an independent living, participate fully in the economy, and give back to their communities.</p>
Contact Information	<p>Three Guineas Fund 525 Brannan Street, Suite 208</p>

San Francisco, CA 94107  
 Telephone: 415-348-1581  
 Fax: 415-348-1584  
 E-mail: [Info@3gf.org](mailto:Info@3gf.org)  
 Web site: [www.3gf.org](http://www.3gf.org)

### **U.S. Census Bureau Survey of Women-Owned Business Enterprises (SWOBE)**

Public sector

Client Group served: The U.S. public, business owners

Achievement Access to research

Description The U.S. Census Bureau Survey of Women- Owned Business Enterprises (SWOBE) provides summary statistics for the United States, states, and the sub-state areas with 100 or more women-owned firms. This survey and another survey, the Survey of Minority-Owned Business Enterprises (SMOBE), are part of the Economic Census program, which the Census Bureau is required to conduct every five years by law (Title 13 of the United States Code). The Census Bureau combines data from these two surveys with data from the other economic census counts and presents them in the SMOBE/SWOBE Company Statistics Series. The published data include number of firms, gross receipts, employees, and annual payroll. The latest published data come from the 1997 SWOBE.

Mission Statement Provide clear, meaningful statistics on women-owned businesses throughout the country by geographic area, industry, firm size, and legal form of organization, thus providing a picture of the impact of women-owned businesses in this country and offering information for decision-making.

Contact Information U.S. Census Bureau  
 Company Statistics Division,  
 Room 1182, FB3  
 Washington DC 20233-6400  
 Telephone: 301-763-3389  
 Fax: 301-457-3396  
 E-mail: [ruth.a.runyan@census.gov](mailto:ruth.a.runyan@census.gov)  
 Web site: [www.census.gov/csd/mwb/Womenp.htm](http://www.census.gov/csd/mwb/Womenp.htm)

### **Wells Fargo's Women's Business Services Program**

For profit organization

Client Group served: Women business owners

Achievement Access to capital

Description Wells Fargo's outreach and education program to form relationships with women business owners to increase their access to capital and other financial services. Formed in 1995, it sponsors key research to understand the unique needs of these businesses. It also sponsors community organizations and events, providing financial services information and resources. Wells Fargo measures the progress of its outreach by setting a public lending goal. Having exceeded our prior lending goals three

times, it resets the goal completely: to lend \$20 billion over the next 10 years to women business owners.

Mission Statement	Offers a broad array of Wells Fargo financial products and services including: business loans and lines of credit, business credit cards, business deposits, payroll, merchant card services, retirement planning, online resources, insurance and more. Flexible and convenient financing tools are also available, such as an unsecured line of credit up to \$100,000 that can be drawn as often as needed by check, phone, ATM or Business Line MasterCard, 24 hours a day, 7 days a week.
Contact Information	Wells Fargo Women's Business Services Program 525 Market Street, 22nd Floor MAC A0103-220 San Francisco, CA 94105-2724 Telephone: 415-222-1195 Fax: 415-975-6402 Web site: <a href="http://www.wellsfargo.com/biz/">www.wellsfargo.com/biz/</a>

### **Women Entrepreneurs Inc.**

Entrepreneurial Support Organisation / Non profit

Client Group served:	Women entrepreneurs
Achievement	Access to Influencing Public Policy and Opinion, Access to Education, Mentoring, or Technical Assistance, Access to Networks/Networking
Description	Women Entrepreneurs Inc. (WE Inc.) works to improve and enhance the economic climate for women's entrepreneurship by advocating for policy solutions that encourage business ownership by women and providing information and resources to entrepreneurs at all stages of their business development.
Mission Statement	WE Inc. aims to increase economic opportunity and financial security for those seeking the risky but rewarding path of entrepreneurship. By educating key constituencies about the growing economic clout and success of women entrepreneurs, WE Inc. seeks to open new doors to capital, untapped markets, and other opportunities that will help more women experience the satisfaction and rewards of business ownership.
Contact Information	Women Entrepreneurs, Inc. P.O. Box 367 Oakton, VA 22214-9998 Telephone: 202-785-0238 Fax: 202-822-8118 E-mail: <a href="mailto:info@we-inc.org">info@we-inc.org</a> Web site: <a href="http://www.we-inc.org">http://www.we-inc.org</a>

### **Women Impacting Public Sector**

Membership Association

Client Group served:	Women in business and women business owner
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Achievement	Accessing to influencing public policy and opinion
Description	Women Impacting Public Policy is a national, bi-partisan public policy organization representing more than 505,000 women in business and women business owners nationwide. WIPP influences policy on Capitol Hill, with the Administration, and with federal agencies.
Mission Statement	To advocate for and on behalf of women in business, strengthening their sphere of influence in the legislative process of the nation, creating economic opportunities and building bridges and alliances to other small business organizations. Through WIPP, the collective voice of women in business makes a powerful impact on Capitol Hill and with the Administration.
Contact Information	Women Impacting Public Policy, Inc. 2709 W. I-44 Service Road Oklahoma City, OK 73112 Telephone: 888-368-5759 Fax: 405-606-4855 E-mail: <a href="mailto:support@wipp.org">support@wipp.org</a> Web site: <a href="http://www.wipp.org">http://www.wipp.org</a>

### **Women's Business Enterprise National Council (WBENC)**

Entrepreneurial Support Organisation / Non profit

Client Group served:	Women-owned businesses seeking certification, as well as large corporations wishing to work with women-owned businesses.
Achievement	Access to Certification, Access to Markets, Access to Networks/Networking, Access to Research, Access to Education, Mentoring, or Technical Assistance, Access to Honors
Description	WBENC is a 501(c)(3) nonprofit organization that offers comprehensive certification for women-owned businesses administered through 14 regional affiliates and accepted by more than 500 national corporations as well as state and local government agencies. It is the largest third-party certifier of women-owned businesses in the United States. It is a leading advocate of women-owned businesses as suppliers to America's corporations. It also conducts research, creates networking opportunities, and honors corporations that show excellence in purchasing goods and services from women-owned businesses.
Mission Statement	WBENC is dedicated to enhancing opportunities for women's business enterprises in America's major business markets. In partnership with women's business organizations throughout the United States, WBENC provides access to a national standard of certification and information on certified women's businesses to purchasing managers through an Internet database, WBENCLink. WBENC works to foster diversity in the world of commerce with programs and policies designed to expand opportunities and eliminate barriers in the marketplace for women business owners.
Contact Information	Women's Business Enterprise National Council 1120 Connecticut Avenue, NW Suite 1000 Washington, DC 20036 Telephone: 202-872-5515 Fax: 202-872-5505

E-mail: [info@wbenc.org](mailto:info@wbenc.org)  
Web site: <http://www.wbenc.org>

### **Women's Presidents' Organisation (WPO)**

#### Membership Association

Client Group served:	Women presidents who have guided their businesses to at least \$2 million in gross annual sales (or \$1 million for a service-based business).
Achievement	Access to Education, Mentoring or Technical Assistance, Access to Networks/Networking, Access to Certification
Description	The Women Presidents' Organization (WPO) brings together highly motivated and successful female entrepreneurs in a dynamic forum where they can share their expertise and experience. The Women Presidents' Organization attracts a diverse group of successful women business owners who face similar issues but are different enough to make a unique contribution to the group. Each chapter has no more than 20-25 women to help build trust and familiarity and allow for frank discussion of the sensitive information that is at the heart of our members' business concerns.
Mission Statement	<p>The ten primary objectives for joining and participating in the Women Presidents' Organization include the following:</p> <ul style="list-style-type: none"><li>§ To increase the business and financial success of women entrepreneurs.</li><li>§ To provide a confidential environment in which women presidents of diverse backgrounds can openly discuss issues and concerns, celebrate their successes, and develop innovative solutions to business challenges.</li><li>§ To provide continuing education in business and leadership.</li><li>§ To increase awareness of women's issues and opportunities.</li><li>§ To provide a local and national forum where women presidents can make strategic contacts, and promote business development.</li><li>§ To increase the visibility of women entrepreneurs on the local and national level.</li><li>§ To provide business resources including monthly newsletters, a Web site, media referrals, a national membership directory, annual national meetings, and preferential sponsor benefits.</li><li>§ To advance the influence of women in the business and financial community. Members say that WPO meetings create an electric synergy resulting from women collaborating and supporting one another that is unmatched by other organizations.</li><li>§ To return to their businesses reenergized and remotivated.</li></ul>
Contact Information	Women Presidents' Organization 155 East 55th Street, Suite 4-H New York, NY 10022 Telephone: 212-688-4114 Fax: 212-688-4766 E-mail: <a href="mailto:info@womenpresidentsorg.com">info@womenpresidentsorg.com</a>

Web site: [www.womenpresidentsorg.com](http://www.womenpresidentsorg.com)

### 9.3. USA: Women and Minority Resources

**Business Women's Network** ([http://www.bwni.com/govt\\_dir.html](http://www.bwni.com/govt_dir.html)) BWN's Government Division is a leader in helping agencies meet the 5% government women and minority-owned small business procurement goal. We are building these key relationships in 2003 and beyond through agency leadership and linkages with women's/trade organizations throughout the country.

**Center for Women's Business Research** (<http://www.nfwbo.org/>)

This site has links to numerous private and government sponsored agencies and organizations for business women, however any small business owner or self-employed person will find useful resources on this site.

**DOL Women Entrepreneurship in the 21st Century** (<http://www.women-21.gov/>)

A premier one-stop federal resource for targeted information, registration for online programs, and networking opportunities to help women entrepreneurs navigate the ever-changing business world and do what they do best: innovate, create jobs, and make a vital contribution to the strength of America.

**Global Diversity Group, Inc.** (<http://www.mpbnetwork.com/>)

The Global Diversity Group, Inc. (GDG) is an information network providing the means of integrating people of color and the corporate world together. GDG offers business solutions to minority owned companies providing them with several options for improving their business.

**SBA Online Women's Business Center** (<http://www.onlinewbc.gov/>)

The Online Women's Business Center is helping unprecedented numbers of women start and build successful businesses.

**Small Business Administration 8(a) Business Development**(<http://www.sba.gov/8abd/>)

The 8(a) Business Development program is designed to help socially and economically disadvantaged American businesses enter the marketplace.

**The Company Connection** (<http://www.company-connection.org/issues.asp#st6>)

For business owners of the American Business Women's Association.

**Women Impacting Public Policy** (<http://www.wipp.org/>)

The voice of professional women on Capitol Hill. A national bi-partisan public policy organization representing more than 250,000 women in business and women business owners nationwide.

### 9.4. USA: Financing

Angel Capital Electronic Network (ACE-Net): ([www.acenet.csusb.edu](http://www.acenet.csusb.edu))

Business Finance ([www.businessfinance.com](http://www.businessfinance.com))

Springboard Enterprises ([www.springboardenterprises.org](http://www.springboardenterprises.org))

Technology Venture Toolbox ([www.technologyventuretoolbox.com](http://www.technologyventuretoolbox.com))

U.S. Small Business Administration Loan Programs ([www.sba.gov/financing](http://www.sba.gov/financing))

Venture Economics ([www.ventureeconomics.com](http://www.ventureeconomics.com))

Venture Capital Financing ([www.vfinance.com](http://www.vfinance.com))

Women Angels ([www.womenangels.net](http://www.womenangels.net))

International Markets U.S. Department of Commerce International Trade Information  
[www.trade.gov](http://www.trade.gov) [www.export.gov](http://www.export.gov) 1-800-USA-TRADE U.S. Department of Commerce, U.S.  
Commercial Service ([www.export.gov/comm\\_svc/](http://www.export.gov/comm_svc/)) U.S. Small Business Administration Office  
of International Trade ([www.sba.gov/oit](http://www.sba.gov/oit))

## **9.5. USA: Procurement / Purchasing Certification**

Central Contractor Registration ([www.ccr.gov](http://www.ccr.gov))

Contract Assistance for Women Business Owners (U.S. Small Business Administration)  
([www.sba.gov/GC/indexprograms-cawbo.html](http://www.sba.gov/GC/indexprograms-cawbo.html))

Federal Acquisition Center, GovWorks ([www.govworks.gov](http://www.govworks.gov))

National Women Business Owners Corporation ([www.nwboc.org](http://www.nwboc.org))

U.S. Small Business Administration's Contract Assistance for Women Business Owners:  
[www.sba.gov/GC/indexprograms-cawbo.html](http://www.sba.gov/GC/indexprograms-cawbo.html)

U.S. Small Business Administration Contracting and Business Development  
([www.sba.gov/qcbd](http://www.sba.gov/qcbd))

U.S. Small Business Administration's Subnet (<http://web.sba.gov/subnet/>)

Womenbiz.gov: Gateway for Women-Owned Businesses selling to the Federal government  
([www.womenbiz.gov](http://www.womenbiz.gov))

Women's Business Enterprise National Council ([www.wbenc.org](http://www.wbenc.org))

Public Policy Advocacy Hispanics Impacting Public Policy ([www.hipponline.org](http://www.hipponline.org))

National Federation of Independent Business ([www.nfib.org](http://www.nfib.org))

National Small Business United ([www.nsbu.org](http://www.nsbu.org))

Women Entrepreneurs, Inc., ([www.we-inc.org](http://www.we-inc.org))

Women Impacting Public Policy ([www.wipp.org](http://www.wipp.org))

## **9.6. USA: Government Contracting**

Contract Assistance for Women Business Owners (U.S. Small Business Administration)  
([www.sba.gov/GC/indexprograms-cawbo.html](http://www.sba.gov/GC/indexprograms-cawbo.html))

FirstGov ([www.firstgov.gov](http://www.firstgov.gov))

National Women Business Owners Corporation ([www.nwboc.org](http://www.nwboc.org))

Government Contracting and Business Development (<http://www.sba.gov/gcbd/>)

Pro-Net: An online information database of small businesses for contracting officers, helping market small businesses to potential customers. ([www.pro-net.sba.gov](http://www.pro-net.sba.gov))

U.S. Business Advisor ([www.business.gov](http://www.business.gov))

U.S. Small Business Administration Contracting and Business Development ([www.sba.gov](http://www.sba.gov))

U.S. Small Business Administration's Subnet (<http://web.sba.gov/subnet/>)

Womenbiz.gov: Gateway for Women-Owned Businesses selling to the Federal government ([www.womenbiz.gov](http://www.womenbiz.gov))

Women's Business Enterprise National Council ([www.wbenc.org](http://www.wbenc.org))

State Small Business Resource Guide: [http://www.womenbiz.gov/resource\\_directory.pdf](http://www.womenbiz.gov/resource_directory.pdf)

State Listing of PTAC: <http://www.womenbiz.gov/ptac.html>

## **9.7. USA Publications**

Black Enterprise ([www.blackenterprise.com](http://www.blackenterprise.com))

Corporate Corridors ([www.corporatecorridors.com](http://www.corporatecorridors.com))

Enterprising Women ([www.enterprisingwomen.com](http://www.enterprisingwomen.com))

Equity Capital: A Resource Guide" by the Center for Women's Business Research (NFWBO, 2000) <http://www.womensbusinessresearch.org/EquityResourceGuide.pdf>

Executive Female ([www.nafe.com](http://www.nafe.com))

Garden State Woman Magazine ([www.gswoman.com](http://www.gswoman.com))

Latina Style ([www.latinastyle.com](http://www.latinastyle.com))

MBI/Minorities in Business Insider ([www.cdpublications.com](http://www.cdpublications.com))

Minorities in Business ([www.mibmagazine.net](http://www.mibmagazine.net))

Minority Business Entrepreneur ([www.mbemag.com](http://www.mbemag.com))

Networking Magazine ([www.networkingmagazine.com](http://www.networkingmagazine.com))

Self-Employed America ([www.nase.org](http://www.nase.org))

Wahmpreneur ([www.wahmpreneur.com](http://www.wahmpreneur.com))

Women's Enterprise ([www.womens-enterprise.com](http://www.womens-enterprise.com))

# 10. The Authors of this Study

**Suzanne M. Ambrose**; Governor Arnold Schwarzenegger appointed her Director of Department of Fair Employment and Housing for the States of California in August 2004. She served the DEH in different capacities including as the departments Chief Counsel. In 2000 she joined the Attorney General's office as a Deputy Attorney General in the Civil Rights Enforcement Section and was appointed in 2002 as The Supervising Deputy Attorney in the Civil Rights Enforcement Section. Ms. Ambrose received a Bachelor Degree in history and sociology at the University of California, Berkley and earned a Juris Doctor of McGeorge School of Law.

**Ursula B. Day**, Law Firm Ursula B. Day at 350 Fifth Avenue, New York, NY serving predominantly European clients in matters of intellectual property law. She serves predominantly European clients in matters of intellectual property law. She graduated from Technikum in Mannheim, Germany; B.A. Hunter College New York; J.D. at Cardozo School of Law; admitted to New York bar, federal district courts-Southern and Eastern Districts, Court of Appeals for the Federal Circuit and U.S. Supreme Court; admitted to practice before the Patent and Trademark Office; member of the Committee on Alternative Dispute Resolution of the New York Intellectual Property Law Association. Previously Ms. Day was a research associate in molecular biology at the Max-Planck Institute for Virus Research in Tübingen, Germany and held associate positions in several New York law firms with a specialty in intellectual property law. Contact: [ulday@worldnet.att.net](mailto:ulday@worldnet.att.net) Tel: +1 212 904 1815.

**Rita Johnson**, Vice President and Team Leader, Fifth Third Bank, a native of Germany, is a graduate of Iowa Wesleyan College (BA) and Roosevelt University (MBA). She also attended the University of Regensburg, Germany. Prior to joining Fifth Third, she was responsible for Bank One's European Group in the U.S. since 1996. She began her international career with First Chicago's Continental European Division in 1980. Contact: [rita.johnson@53.com](mailto:rita.johnson@53.com) Tel +1-847-871-6197

**Ally A. C. Gunduz**, Swiss Trade Commissioner for New York, Swiss Business Hub New York Office. Ms. Gunduz is the also the founder and executive director of the Swiss American Council for Women Inc. Ms. Gunduz started her first business at the age of 18 with her sister and late mother, Ms. Bea. She also owned and operated a small business near the United Nations in New York for nine years helping international clients enter the American market. Her diversified entrepreneurial and professional background in business, investment banking, capital markets and textiles has earned her the reputation of being a successful and creative business developer with an special talent for identifying new business opportunities. In 2004, the Manhattan Chamber of Commerce and the Manhattan International Development Corporation awarded her the "International Service Award". She was awarded this distinction for setting the highest standards in her field of international business development and trade promotion, and was acknowledged for her contribution to strengthening international ties through the establishment of the Swiss American Council of Women. Each year only six recipients in six categories receive awards attended by the Mayor of New York City and Ally received the highest distinction in the category of International Service. Ally A.C. Gunduz is a native New Yorker, published poet, avid angler, and holds a B.A in International Relations from Boston University and a Masters in International Business Management. Contact: [Ally@SwisBusinessHub.org](mailto:Ally@SwisBusinessHub.org) Tel + 212 599 5700 ext. 1032

**Monica Howden** is the President of Howden Resources Group, Inc. – Coaching, Consulting & Training. She has an extensive background in the area of strategic human resources, global compensation and benefits, and expatriate management. In her coaching practice, she focuses on working with corporate employees, professionals, business owners and entrepreneurs to facilitate change and transition in their professional and personal life as well as stress management. She currently is a project manager for the Consulate General of Switzerland in New York for the nationwide project “swiss roots” – a first ever initiative to create awareness for Americans with Swiss heritage. She worked for Union Bank of Switzerland in Europe, Asia and the U.S., for Pricewaterhouse Cooper’s Human Resources Consulting in Zurich, Switzerland, and for Towers Perrin as senior global Executive Compensation consultant in New York. Fluent in English, German, French, with a basic knowledge of Japanese, Monica has successfully coached and consulted people from Europe and the U.S. from various industries for the past seven years. She holds an MBA in Economics from the University of St. Gallen, Switzerland (lic.rer.publ. HSG), and is a certified Compensation and Benefits Professional (CCP) and a graduate in Personal and Corporate Coaching from CoachU and ResultsCoaches. She serves on the Board of the International Coach Federation and the Swiss American Council of Women. Contact: [mhowden@earthlink.net](mailto:mhowden@earthlink.net); Tel + 1 917-441-4613

**Karen Monroe** heads Siller Wilk’s European office based in Geneva, Switzerland and practices in the area of international corporate and securities law with an emphasis on cross-border transactions between Europe and the United States. A New York attorney she has developed over the last 15 years a special niche in cross-border matters between the United States and Switzerland. She often serves as outside general counsel and as a member of the board of directors of Swiss and U.S. for profit and not-for-profit companies. She advises with respect to domestic and international strategy and tax planning, securities, mergers, acquisitions, and dispositions, and intellectual property to international companies in a variety of industries including finance, interior design, food and beverages, software, alternative investments, luxury goods, manufacturing, and entertainment assisting companies establishing or already doing business in Switzerland and the U.S. Ms. Monroe’s international corporate and securities experience matched with bi-cultural experience and bi-lingual French/English ability enables her to respond with creative, innovative, and economically driven solutions to an international clientele and in foreign jurisdictions enabling seamless coordination of multijurisdictional matters. She is a graduate of the International Law Program of American University, Washington College of Law (J.D. 1983) in Washington, D.C., where she was an editor of the American Society of International Law Journal. An active member of numerous professional associations in the field of international corporate and securities law she has also served for many years on the editorial board of the International Trademark Association’s law journal, The Trademark Journal, focusing on international intellectual property issues. She is a member of the International Bar Association’s Capital Markets Committee and has written or co-authored articles and book chapters and been asked to speak on international corporate and securities law. Her publications include the chapter, “An Overview of the U.S. Federal Securities Laws as they Relate to Securities Offerings, Continuous Reporting Obligations, and American Depositary Receipt Programs,” a chapter appearing in International Business Transactions—Standard Forms and Documents published by Kluwer Law and Taxation Publishers. Prior to joining Siller Wilk Ms. Monroe was a member of Shustak Jalil & Heller and before that a member of the international department of Reed Smith. Contact: Howden Resources Group, Inc., [kmonroe@sillerwilk.com](mailto:kmonroe@sillerwilk.com), Tel: +41-22-328-0223

**Karin Vibe-Rheymer-Stewart, Ph.D.**, is the founder and President of Stewart Organizing Services and owner of [www.SuperWomanRelief.com](http://www.SuperWomanRelief.com).^ As a baby, Karin Stewart must have been nursed on an “organizational elixir” because she has been creating order out of chaos ever since. With a background ranging from executive assistant to consultant to academic researcher to teacher, she has almost always found herself organizing and systematizing space, paper, time and people. Every day in her practice, Karin Stewart uses the tools and knowledge she has acquired through her experience with a vast array of home and business

requirements, styles and personalities to help extremely busy women find less stress, more productivity and more balance in their lives at work and at home. Karin Stewart is the author of several published articles and booklets. She designs and presents seminars and workshops and speaks on the topic of organizing. She also is Taskforce Leader in the National Association of Professional Organizers, New York Chapter; Vice-President of a Business Network International New York chapter; and active in the Swiss-American Council of Women. Contact: [kvibe@runbox.com](mailto:kvibe@runbox.com) Tel: