

Travis Middleton



Texas the perfect state to realise American dream

For many UK entrepreneurs, tapping into the vast and dynamic market the US has to offer is high on the agenda.

It's easy to see why. America certainly offers an immense canvas, bursting with abundant opportunities for growth.

But it's also a complex and highly competitive environment, where the importance of getting sound advice cannot be understated.

A large population and enormous GDP (gross domestic product) make the US an attractive proposition for anyone seeking to diversify income streams and access a huge and diverse customer base.

Texas remains a popular choice for entering the American market, with many businesses attracted by its position as the second largest state in the country both by area and population.

A robust economy, diverse markets, a business-friendly environment – the list of attributes goes on.

According to Texas Economic Development & Tourism, the state offers the lowest business operating costs in the US.

Its 55 Fortune 500 companies, thousands of public firms and some 3.1 million small businesses are powered by a workforce of more than 15m people.

The state's economy is the ninth largest, when compared to nations of the world.



■ Texas is an attractive prospect for businesses being the second largest state both by area and population.

Entering any new geography without good market research and a carefully considered entry strategy can be financially precarious, and the US is no exception.

Make sure you work hard to identify potential risk and mitigate it accordingly, as well as assessing key factors such as market dynamics, demographics, competition, cultural nuances and consumer trends.

Once your decision to take the plunge is made, top of the list should be equipping yourself with sound immigration advice.

The process has great bearing on timing for entry into the US market. Obtaining the proper immigration credentials needs the input of a competent immigration attorney to advise on visa options.

There are methods for establishing your presence earlier than your immigration documents allow, but having advice from a US chartered accountant and corporate attorney are necessities.

Your next steps should be to engage experienced certified public accountants (CPAs) and a corporate attorney with international experience.

A working relationship between immigration, accounting, transactional legal, commercial insurance and consultant will cut logistical time, reduce fees and enhance communication, plus exponentially increase a successful launch.

In establishing your legal entity in the US you must investigate the state you will be using as your corporate headquarters. America has a multifaceted, intricate legal and regulatory landscape, and things like employment law and business regulations can vary hugely from state to state.

It's important to educate yourself on what's applicable to each location, relevant to how and where your business will operate. And make sure you're up to speed on state and federal law by getting good, local advice from an attorney with international experience.

The commercial insurance market in the US can be a confusing morass of technical and regulatory information and requirements.

As one of our top providers says: "The United States is made up of 50 states and, as such, there are federal rules. But each state also has its own

regulatory requirements that must be addressed to correctly cover and protect yourself and your personal and company assets."

Having an experienced insurance representative who can translate American terminology into lay language for an international audience will greatly enhance understanding of the US market and pricing.

And working with a commercial liability agent in conjunction with your immigration attorney, CPA, entity attorney, and consultant will bring a full understanding of what you, as the new international company, is striving to accomplish.

Federal, state, county and local authorities will each have their own tax requirements, and penalties and fines for not reporting timely or missing deadlines can be ruinous.

Terms such as "responsible person" and "known person" provide understanding and options for opening doors in the US.

All businesses work hard to establish and grow a network.

But there's always the need to start over when you head somewhere new.

Any connections you can reach out to as you enter a new market will stand you in good stead, including in Texas.

■ Travis Middleton is executive managing director of Houston-based Texas Global Consulting.