

New Opportunities For Your Business - Qualify As A Woman-Owned Business

Many businesses receive contracts from and perform services for local, state and federal agencies in Illinois. Government contracts provide a steady source of revenue for these businesses and contribute to their growth, revenues and prosperity. Considering the city of Chicago's recent crack-down on minority-owned businesses, including woman-owned businesses, it is imperative that you strictly follow the guidelines below, if you wish to qualify as a **Women Business Enterprise** ("WBE"). The attorneys at Enterprise Law Group can help you qualify and maintain your status as a WBE.

Advantages of Women-Owned Businesses

Government agencies are working to demonstrate their commitment to the vitality and success of WBE certified businesses by promoting contracts and projects with these agencies, and to diversify their supplier and vendor base by identifying opportunities to do business with women owned companies. You can use your WBE certification as a marketing tool when bidding for contracts. WBE certification also lists you in local and national databases of WBE certified businesses. These databases are accessible to government agencies and large and small companies, therefore these government agencies and companies will have an opportunity to find and hire your business. Besides priority to government and corporate contracts, certification also offers the opportunity to attend educational outreach programs and workshops on different aspects of your business.

Ownership and Control

To qualify as a WBE, you must have a real and substantial ownership and control in the company. A real and substantial ownership includes a share in all risks and profits of the company. In general, a woman must own at least fifty-one percent (51%) of the company. For corporations, the woman principal(s) must own 51% of all the voting stock of the corporation. With regards to partnerships, both limited partnerships and general partnerships, the woman partner must own at least 51% of the partnership interest. Also, the woman partner(s) must be responsible for at least 51% of the profits, losses and other benefits of the partnership. For example, with limited liability companies, the woman principal must own at least 51% of all membership interests in the company, and exercise at least 51% of the voting control among its members.

Besides ownership, a woman must possess the power to direct the management and policies of the business as well as make decisions affecting the day-to-day operations of the WBE business. Certifying bodies, including the City of Chicago, also look at managerial control, which include the ability to make decisions which affect the direction and future of your business.

Governing Documents

You will need to submit corporate documents for your company the WBE application, including the following: articles of incorporation or other organizational documents; bylaws; copies of all stock records and related documents; minutes, consents and resolutions of directors and shareholders; and, as applicable, shareholder agreements, partnership agreements and operating agreements . These corporate documents must be created by an experienced business attorney who can also teach you to follow corporate formalities, and prepare you for the inspection procedures for WBE certification.

To get your business ready to apply for certification as a woman-owned business enterprise or to prepare any documents referenced in this article, please contact Serge Biberman at 312-410-7863.