



Western Cape  
Government



## How to open a retail clothing business in the Western Cape

A practical guide for new businesses in the Western Cape

# Important Notice

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# Introduction and instructions

## Objective

This guide provides a set of suggested steps to be taken towards the opening and operations of a compliant retail clothing business in the Western Cape. The intent of providing this information is to assist entrepreneurs, create jobs and grow the local economy.

## About the EODB initiative

The Western Cape Government has put Ease of Doing Business as a central priority towards growing our economy. We want to simplify processes, and to reduce the complexity, time and cost in transaction with the Government in South Africa, be that a Department or Agency in the National or Provincial Government, or Local Municipality. [Find out more about us.](#)

If you have any queries, please contact the EODB (Ease of Doing Business) initiative via [email](#) or by completing [this form](#).



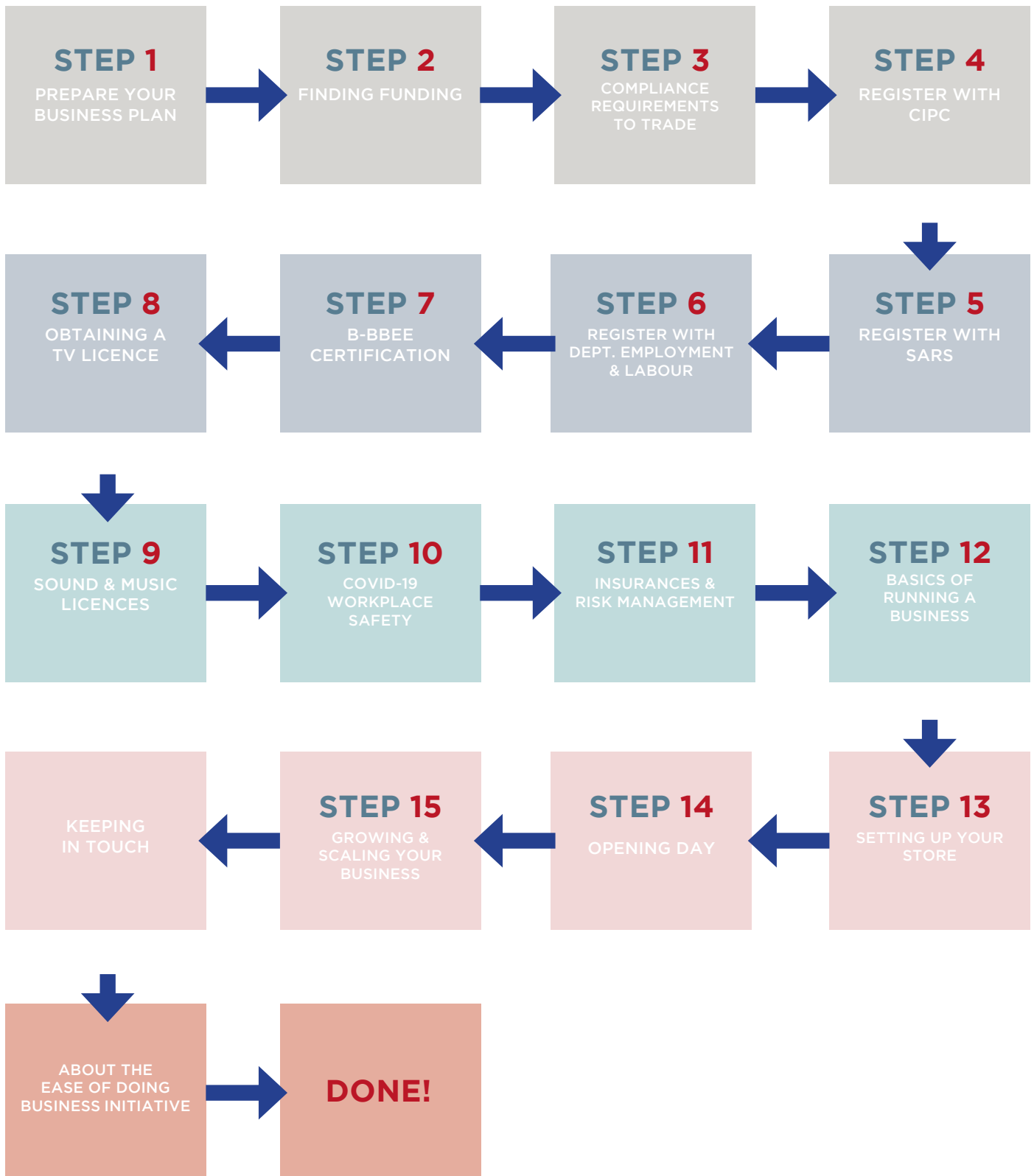


# Steps to guide your success

These are the suggested steps to opening your retail clothing business in the Western Cape. Some of these steps are optional and some can be run in parallel, depending on the nature of your business.

Click on the relevant step icon  to skip to that step.

On each page you can select the steps-guide icon  to return to this steps-guide homepage.



# Step 1: Prepare your business plan

## Why this is important.

Your business plan is a very important tool for business success. It's a document that states clearly how you plan to achieve your business goals. It covers the what, how, when and why of your business, giving you a 'compass' and making it attractive to investors.

## Include details like:

- Your business name
- The best structure for your business: sole proprietorship, a partnership or company?
- Transport or logistics considerations, etc.

## Your market

The fashion space is always growing and changing which creates many opportunities in the retail clothing sector. You may be designing and making clothes to sell

(personal label/brand), selling popular or generic brands (already made) or selling pre-owned clothes. Depending on which route you choose, have a clear idea of the type of machinery or equipment you will use, the fabrics required, and the skills or training needed. Buyers vary and you may be considering a targeted market such a women's, men's or children's clothes, specific age groups or a combination.

For the purpose of this guide, we will assume you are sourcing, producing and selling clothes locally. The option to import and export materials or merchandise is introduced in [Step 15 'Growing & scaling your business'](#).

## Costs and pricing

The costs involved in producing or acquiring your

clothing merchandise and other factors, need to be considered when determining your pricing strategy.

Research what competitors are charging and calculate what it will cost for you to sew or source merchandise i.e. staff costs, equipment, transport (collections and deliveries), advertising or marketing, etc. It is advisable to have prices in mind so that your business can make a profit and cover all the overheads.

There are many free business plan templates to use, or you can source a professional consultant to assist you.

## The process to follow:

Once you've done the necessary research and prepared a business plan, you should:



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- Decide where to run your business: from home, or at separate premises which you own or rent? The location of your business is important - ideally close to your target market for accessibility.
- Bear in mind that each land unit has a specific zoning i.e. residential, commercial, agricultural, etc. [Find out more in Step 3 'Compliance requirements to trade'](#).



## STEP 1

at a glance:



**COSTS:** R0-R5000

**TIME:** 1-3 Months

### Articles and links

- [Starting Your Own Small Business](#)
- [Business plan template](#)
- [Finding your ideal business premises](#)
- [Guide to starting a retail business](#)
- [The Business Hub](#)
- [Business Model Canvas](#)

### Video links

- [How to write a business plan](#)

### Documents required

- [Business plan](#)
- Identity document
- Financial projections
- Letters of reference
- Market research



## Step 2: Finding funding



### Why this is important.

Funding is your business's lifeline and your choice of funding will depend on where you are in the life cycle of your business. There are many sources of financial support, loans, grants and incentives.

Your funding may come from savings, friends & family, an angel investor, a venture capitalist or a business accelerator. It may

pay for supplies, technology, premises or staff, so ensure you have the funding you need in order to grow and move in the right direction.

### The process to follow:

Do thorough research to decide on the best financing options, and understand what the qualifying criteria are. You may need to complete several forms, and to develop and present a convincing

business plan and strategy - a 'pitch deck' presentation - to the funder or investor you approach. The aim is to convince them to back your business. Remember: you only have one chance to make a first impression.

### STEP 2 at a glance:



**COSTS:** Variable

**TIME:** 1-6 Months

### Articles and links

- [Getting funding in a digital world](#)
- [The hitch-hikers guide to funding readiness for SMMEs](#)
- [Finfind](#)
- [Guide to creating a pitch deck](#)

### Video links

- [Making a startup pitch](#)

### Documents required

- [Business plan](#)
- Pitch deck
- Financial projections
- Letters of reference or support

## Step 3: Compliance requirements to trade

### Why this is important.

It's vital to choose the correct location for your business, because the right location will attract customers and employees.

#### Remember:

Different rules apply in different areas as each municipality has its own by-laws.

Make sure you know the zoning of your business premises and the regulations that control the development and usage of land for reasons such as noise levels and impact on the surrounding environment, etc.

The nature of your business means that a business licence or Certificate of Acceptability (COA) is not required. However, using dangerous machinery or equipment requires a safe working environment and staff with the right skills and training. It is crucial to invest in precautionary measures like fire extinguishers, first aid kits and fast response procedures in the case of emergencies such as fire or injuries.

### The process to follow:

#### Know the rules

If you familiarise yourself with the following Acts you can ensure your business adheres to the regulations and avoids any potential penalties:

#### Consumer Protection Act (CPA)

This [Act](#) aims to promote fair, accessible and sustainable marketplaces for consumer products and services, making provision to protect the rights of consumers.

#### Occupational Health and Safety (OHS) Act

This [Act](#) aims to protect the health and safety of staff and anyone accessing the workplace. The various [Regulations](#) provide specifications and requirements in the areas that they govern, such as health, electrical, and machinery.

#### A dedicated OHS representative

It is the employer's responsibility to provide a safe and healthy work environment. If you employ more than 20 staff, a

dedicated OHS representative is required to perform duties such as assistance with managing health and safety risks, conducting site inspections and investigating incidents.

#### Train employees and support awareness

A risk assessment is needed to identify all possible risks and mitigations in the business – ideally to be reviewed every 2 years. The Health and Safety policy should be documented and employees need to be trained on it. You may want to place health and safety notifications around the premises to support awareness and compliance.

#### Short course for OHS representative

The OHS representative could be yourself (as owner) or someone in your business that you deem suitable. The OHS representative would need to attend a related course (short learning programme) and these duties can be performed in addition to their main functions. There is the option to approach organisations that offer Occupational Health and

### STEP 3 at a glance:



#### Articles and links

- [City of Cape Town zoning map](#)
- [Information on running a business from home](#)
- [Health & Safety information](#)

#### Video links

- [Basics of CPA](#)
- [Overview of OHS Act](#)
- [Health and Safety Representatives](#)

#### Documents required

- Enquire with your local municipality

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Safety services that can assist you with practical solutions specific to the health and safety needs of your business. Search online, or ask friends and family or other businesses in the area for recommendations.

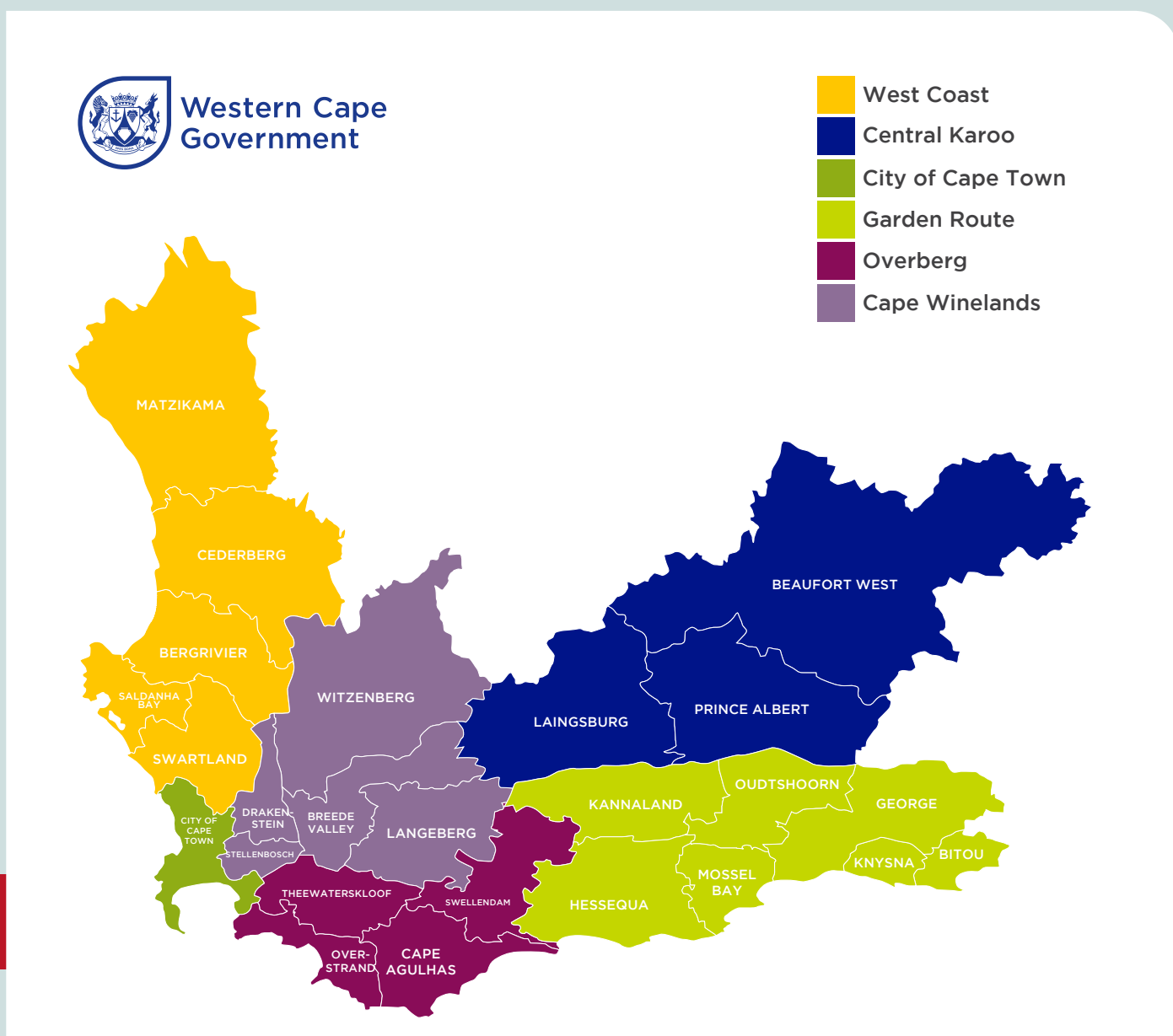
### Approach your local municipality

Your local municipality is responsible for many functions your business needs, such as electricity delivery, sewage and sanitation. Approach the municipality in the area you

plan to run your business and enquire about the zoning or guidance on procedures to avoid or handle emergencies in the case of health and safety risks for staff and customers.

To access the compliance and contact information for the municipality in your business area see the [MUNICIPAL INFORMATION](#) pages at the end of this guide.

You can also go directly to your municipality's information section by clicking on the relevant district on the map below.



## Step 4: Register with CIPC



### Why this is important.

#### Tax benefits

If you want your business to transact with government and the formal sector, or wish to access certain types of government support, it is recommended that you register your business with the Companies and Intellectual Property Commission (CIPC). There may also be tax benefits, as registered businesses have a lower tax rate than individuals.

#### BizPortal services

CIPC's BizPortal provides additional services such as the option to register your business with SARS (South

African Revenue Service) and other SARS services, apply for B-BBEE certificates, Compensation Fund and UIF registration, company (domain) name registrations and changes.

### The process to follow:

Company registration can be done through one of the following options:

1. The BizPortal [www.bizportal.gov.za](http://www.bizportal.gov.za)
2. The CIPC app available from Google Play Store
3. Via new [eServices](#)

4. Visit the Cape Town service centre, Shop 03, Norton Rose House, Thibault Square, Riebeeck Street, Cape Town.

5. First National Bank (FNB) and Nedbank branches/websites.

**Your CIPC login credentials must be used to transact with CIPC.**

### STEP 4 at a glance:



**COSTS:** R175

**TIME:** 1-3 Working days

#### Articles and links

- [CIPC BizPortal](#)
- [CIPC website](#)
- [New eServices](#) (CIPC portal)
- [CIPC enquiries](#)

#### Video links

- [CIPC BizPortal video](#)
- [CIPC eServices video](#)

#### Documents required

- ID number (online registration)
- Identity document (walk-in centre)

# Step 5: Register with SARS

## Why this is important.

### Incentives that help

As a new business you are required to register with **SARS** (South African Revenue Service), file a tax return and make payments timeously.

The most common types of business taxes are **VAT** (Value Added Tax), **PAYE** (Pay As You Earn), **UIF** (Unemployment Insurance Fund) and **SDL** (Skills Development Levy).

There are tax incentives (benefits) available that were designed to reduce the tax burden and liability for small businesses that qualify, such as **Turnover Tax (TOT)**, **Small Business Corporation Taxes (SBC)** and **Employment Tax Incentive (ETI)**.

### A simplified tax system

Turnover Tax is a simplified tax system based on the taxable annual turnover (R1 million per annum or less) of a business, where qualifying businesses can pay a single tax instead of various other taxes. It's your choice to make use of it or not. For more information on SBC and ETI, please visit the SARS website.

### Provisional tax for companies

Companies are required to submit and pay a Provisional Tax every six (6) months from the start of their financial year, and to submit a Company Income Tax return every twelve (12) months after the end of their financial year.

### Compulsory company returns

Companies need to submit a return even if they were not trading, and/or immediately apply for deregistration if they are not planning to trade in the future.

Failure to comply with your tax obligations will make you and your business subject to penalties.

## The process to follow:

If you register a company with CIPC (Companies and Intellectual Property Commission), SARS will automatically generate a Company Income Tax (CIT) reference number for you. Alternatively, you can register directly with SARS online via eFiling. Taxpayers registered for eFiling can engage with SARS online for

the submission of tax returns, payments of taxes, and the registration of other taxes such as VAT and PAYE.

To register for e-Filing, visit [www.sarsefiling.co.za](http://www.sarsefiling.co.za)

Click on each tax type link below to find out more:

- [VAT](#)
- [PAYE](#)
- [UIF](#)
- [SDL](#)
- **Other possible [taxes](#)**

### Assistance

Should you require more information call **080 000 7277**, select option 6 or make an appointment via the SARS website [www.sars.gov.za](http://www.sars.gov.za) to visit a branch.

## STEP 5 at a glance:



**COSTS:** No charge from SARS

**TIME:** Immediate upon registration

### Articles and links

- [SARS website](#) (small businesses)
- [Small Business Essential tax guide](#)

### Video links

- [Making use of a SARS service guidance](#)

### Documents required

- [Supporting documents for registration](#)

## Step 6: Register with the Department of Employment and Labour

### Why this is important.

#### Unemployment relief for workers

If you are going to employ one or more employees, be they part-time, temporary or permanent, then as an employer you are required to register, declare and pay UIF contributions to the Unemployment Insurance Fund (UIF) which was established under section 4 of the [Unemployment Insurance Act \(Act no. 63 of 2001\)](#). The purpose of this fund is to provide short-term relief to workers (subject to certain conditions) when they become unemployed, or are unable to work because of illness, maternity or adoption leave.

#### Wage cover for injury or disability to workers

The [Compensation for Occupational Injuries and Diseases Act 1993 \(COIDA\)](#) also requires that you register with the Department of Employment and Labour (DOEL) when you employ staff. Levies are paid by the employer into the Compensation Fund (CF) to cover employees' loss of wages in the case of an injury or disability (temporary/permanent) sustained at work.

If your business has multiple branches, you would need to register each one separately. As an employer you are obligated by the Act to take out insurance to be protected against civil claims.

#### Fair labour practices

In the spirit of good employment practices, ensure you understand the contents of the [Basics of Employment Act 75 of 1997](#), as it sets out fair labour practices to protect employees' rights and clarify employers' obligations and responsibilities in the workplace.

### The process to follow:

#### Registration

If you have registered for UIF via CIPC or SARS directly, you will receive a registration number. However you are still required to declare your employees on the uFiling system through the process detailed below. If you have not registered for UIF via CIPC or SARS, then follow the registration steps below.



## UIF registration

You can register online using the uFiling system [www.ufiling.co.za](http://www.ufiling.co.za). To register manually, complete and deliver the UI.8 and UI.9 forms, together with copies of your CIPC registration (if applicable), business owner's ID and employee's IDs, to the nearest DOEL office. Expect an email from the Dept of Labour with your UI number once the registration application has been processed successfully.

## The cost of contributions

The total cost of contributions is 2% of the payroll, i.e. the worker contributes 1% (usually deducted from their monthly remuneration) and the employer contributes 1%.

## Submit your declaration

Submit a declaration electronically in the form of the monthly payroll systems or through the uFiling system.

## Make payments

Pay the contributions monthly (via uFiling, EFT or

SARS) before or on the 7th of every month. A penalty may become due for overdue or underpaid contributions.

**Note:** Employers can choose to pay the total contributions annually in advance.

Remember to update employer and employee details when needed, including salary and employment details. UFiling will automatically prepare and populate your monthly declarations for review before you submit.

## Compensation fund registration

Register as a user via <https://cfonline.labour.gov.za/OnlineSubmissions/?1>

The levies due require payment annually and are calculated on a formula using assessment tariffs depending on the nature of your business and the associated risks.

## Dates

The CF Return on Earnings (ROE) online system opens

on 1 April each year and the assessment year runs from 1 March to end February (the following year).

Submit an annual ROE (reflecting earnings paid and total number of employees during assessment year) to trigger an assessment which will provide an invoice for the amount due and payment details. You can do this online via the CF portal or complete the W.As8 form and manually submit it to the nearest DOEL office.

**Note:** A penalty may become due if the payment remains outstanding after the due date.

## Claims

In the case of a claim, report the incident timeously and make use of the electronic claim management system via <https://compeasy.labour.gov.za/fiori>

## STEP 6

at a glance:



**COSTS:** Variable

**TIME:** Immediate

## Articles and links

- [Basic guide to UIF](#)
- [uFiling guide](#)
- [COIDA service book](#)
- [How-tos & basic guides](#)
- [Basic conditions of employment guide](#)

## Video links

- [COVID registration & letter of good standing](#)
- [Adding a new employer on uFiling](#)

## Documents required

- [W.As.2](#)
- [W.As.8](#) - ROE form

## Step 7: B-BBEE certification

### Why this is important.

#### Stimulating economic growth

Broad-based Black Economic Empowerment (B-BBEE) is a legislative framework for the promotion of black economic empowerment which targets historic inequality in the South African context, and is seen to be a strategy to grow the economy and reduce unemployment.

The [Broad-Based Black Economic Empowerment Amendment Act 46 of 2013](#) and [Codes of Good Practice](#) regulate the implementation of this initiative.

#### Join the database

If you want to do business with the Western Cape Government and apply for any tenders (contracts and RFQs), your business will need B-BBEE certification. For information on how to join the Western Cape Supplier Database (WCSD) see [Step 15 'Growing & scaling your business'](#).

#### Private sector

Having B-BBEE certification is also advantageous when doing business with private sector organisations and supports their compliance with B-BBEE in their supply chain.

### The process to follow:

The process will vary depending on the turnover of your business:

#### Micro and smaller businesses are exempt

If your business has an annual total revenue of R10 million or less, it qualifies as an Exempted Micro-Enterprise (EME) and is only required to obtain an affidavit signed by a Commissioner of Oaths. An enterprise with an annual total revenue of between R10 million and R50 million qualifies as a Qualifying Small Enterprise (QSE) and is only





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required to obtain an affidavit signed by a Commissioner of Oaths.

### **QSE black ownership**

A QSE whose level of Black Ownership is less than 51% is only required to obtain a B-BBEE certificate from a Verification Agency accredited by SANAS. Only directors of companies or members of close corporations can apply for this certificate. Verification Agencies and organisations such as [CIPC](#) generally assist businesses with this process to ensure validity.

### **Supporting documents**

The Verification Agency you select can tell you which supporting documents are required, e.g. a copy of ID, proof of business address, financial statements, etc.

### **B-BBEE scorecard**

A code of good practice framework measures B-BBEE compliance using a scorecard with specific elements (each with a weighting) and points are allocated accordingly based on how close you are

to the points target for each. The scorecard elements include: Ownership, Management Control, Skills Development, Enterprise and Supplier Development and Socio-economic Development.

### **Level contributors**

These scores contribute to your B-BBEE level contributor – which ranges from Level 1 (100+ points) through to Level 8 (30-39 points). This helps to benchmark businesses and support them with formulating strategies to improve areas where required.

### **EME recognition levels**

An EME is deemed to have a B-BBEE Status of Level 4 Contributor and a B-BBEE recognition level of 100%. An EME which is 100% Black Owned qualifies for elevation to a Level 1 Contributor and a B-BBEE recognition level of 135%. An EME which is at least 51% Black Owned qualifies for elevation to Level 2 Contributor and a B-BBEE recognition level of 125%.

### **QSE recognition levels**

A QSE which is 100% Black Owned qualifies for a Level 1 B-BBEE recognition and a QSE which is at least 51% Black Owned qualifies for Level 2 B-BBEE recognition level.

### **Affidavit validity**

The affidavits are valid for 12 months and therefore required to be provided on an annual basis.

### **B-BBEE level review**

You can approach your Verification Agency at any time to review your business's B-BBEE level for possible improvement. Many businesses choose to display their B-BBEE certificates on their website.

The B-BBEE Commission is responsible for monitoring and enforcing compliance with the Act and Codes of Good Practice.

## **STEP 7**

at a glance:



**COSTS:** Variable

**TIME:** Variable

### **Articles and links**

- [Department of Trade, Industry and Competition](#)
- [Affidavit template](#)

### **Video links**

- [CIPC B-BBEE certificate application process](#)

### **Documents required**

- Enquire with verification agency

## Step 8: Obtaining a TV licence



### Why this is important.

#### A business TV licence for each TV set

If you are planning on installing a TV set for your business, you will require a business television licence to secure legal viewing. First-time applicants pay the full annual fee in advance and are required to renew this each year. This fee is required for each TV set in the business i.e. two TV sets will mean two licence payments.

### The process to follow:

You will need to complete the application form and send it to the email address mentioned on the form. Your account will be created and an invoice will be sent to you for payment.

#### Payment options

You can pay in one of these ways:

- A debit order
- A physical pay point such as certain banks, post office branches, some retailers
- At Easypay outlets
- A direct EFT

- At an SABC branch

Ensure that you renew your licence before it expires each year.

### STEP 8

at a glance:



**COSTS:** R265 p/a

**TIME:** Instant on payment

#### Articles and links

- [Business TV Licence information](#)
- [TV Licence regulations](#)
- [List of paypoints](#)

#### Documents required

- [Business TV Licence application form](#)

# Step 9: Sound and music licences

## Why this is important.

### Copyright

If you are planning on playing music in the course of conducting your business and it is not written, created, performed, published and recorded by you, then it belongs to the music creator ([Copyright Act 98 of 1978](#)). As a music user, you need a licence.

### Music apps

Playing music through music apps is for personal usage and does not override the need for a licence to play music in the workplace. Music is essentially the creator's product and by virtue of your usage of their product, it is fair that they are duly compensated.

### Royalties for artists

The licencing process is managed by [SAMRO](#) (South African Music Rights Organisation) and [SAMPRA](#) (South African Music Performance Rights Association). SAMRO collects licence fees from music users which are paid to the creators as royalties. SAMPRA collects licence fees from music users on behalf of recording artists and record labels.

### Notify SAMRO and SAMPRA

If you are going to play music through the radio stations or music channels on a TV in your business - ensure you notify [SAMRO](#) and [SAMPRA](#) during the application process.

## The process to follow:

The licence application process for each organisation is provided below.

### **SAMRO:**

1. Complete the online application or manual application (S1 form).
2. A resolution letter will be required should you appoint someone else to act or sign SAMRO documents on your behalf.
3. You will be sent an invoice on receipt of the application.
4. The licence will be issued following payment of the invoice.

### **SAMPRA:**

1. Complete the online application or manual application.
2. You will be sent a cost estimate on receipt of the application.
3. Once you accept the cost estimate, you will be sent an invoice.
4. The licence will be issued following payment of the invoice.

Displaying these licences publically is optional. Alternatively, you can choose to store them in a safe place for future reference and should any authorised consultants want to see them during unannounced inspections. The licence fees are due annually in advance.

## STEP 9 at a glance:



**COSTS:** Variable

**TIME:** 7-14 Working days

### Articles and links

- [SAMRO online registration](#)
- [SAMRO resolution letter](#)
- [SAMPRA online registration](#)
- [SAMPRA manual registration](#)
- [SAMPRA tariffs](#)

### Video links

- [How SAMRO licensing works](#)

### Documents required

- [S1 form](#)

# Step 10: COVID-19 workplace safety

## Why this is important.

### Reduce the spread

Employees and customers are at risk of spreading and catching the COVID-19 virus, so it is in your best interest to protect everyone accessing your business as far as reasonably possible. If you implement and monitor the required protocols, you will help to reduce the spread of the virus while protecting your staff and customers as well as keeping your business open.

### Understanding the regulations

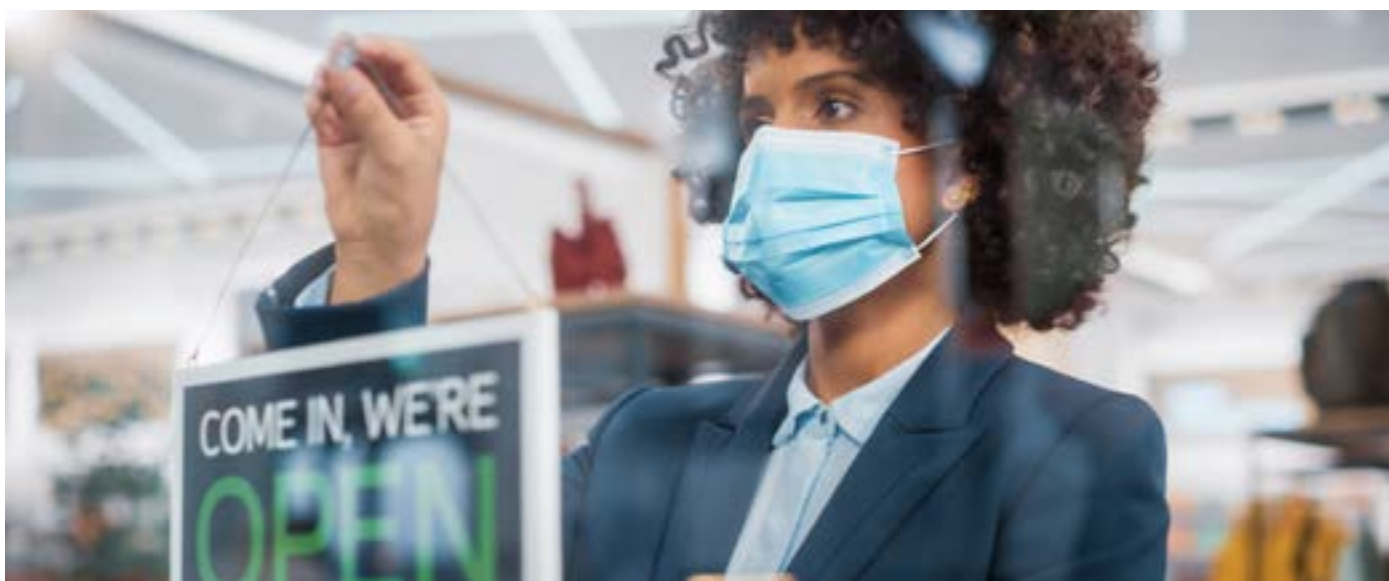
The Department of Employment and Labour issued directives entitled '[CONSOLIDATED DIRECTIONS ON OCCUPATIONAL HEALTH AND SAFETY MEASURES IN CERTAIN WORKPLACES](#)' on 11 June 2021 (superseding previous regulations).

There are various [additional regulations](#) and

guidelines that provide guidance on the various lockdown levels and how they impact living and working. It is your responsibility as a business owner to ensure that you understand these requirements as non-compliance could lead to penalties or business closure.

### The process to follow:

There are suggested measures you can put in place to screen staff and customers for virus symptoms, ensuring masks are always worn correctly, sanitizing hands and regularly cleaning the premises, as well as social distancing, to mention a few.



## STEP 10

at a glance:



**COSTS:** Variable

**TIME:** Immediate

### Articles and links

- [COVID-19 resources for the workplace](#)
- [COVID-19 workplace safety guide](#)

### Video links

- [Vaccine ambassador awareness webinar](#)

### Documents required

- Refer to directive 11 June 2021

## Step 11: Insurances and risk management



### Why this is important.

#### Protection for business, staff and customers

As a business owner, you should be thinking about any potential risks of damage or destruction to your business or harm to your customers. Any such incidents will cost time and money to resolve, and will disrupt business operations.

There are many types of risks, such as physical risks (fire/hazardous material), security risks (theft/fraud), liability risks (injury/illness), technology risks (power outages/faulty equipment) and others. The best approach is to put certain

prevention measures in place from the start and consider insurances that can provide the financial assistance when needed.

#### The process to follow:

- Look at any potential risks by identifying the chances of something negative happening, often referred to as a risk assessment.
- Analyse these risks, prioritise them and consider the best way to treat the risk. This would be best documented in a risk management plan.
- Ensure the correct safety measures are in place,

that your staff are trained on what should be done in emergencies and that you have any necessary equipment and signage on the premises.

- Monitor your risk plan and review it regularly, as things can change. There are many risk management professionals who can assist you.

### STEP 11

at a glance:



**COSTS:** Variable

**TIME:** Variable

#### Articles and links

- [Risk management for small business](#)
- [Identifying and managing business risks](#)
- [Risk Management for a small business](#)
- [‘Insure your future’ feature on Jump](#)
- [Risk management plan template](#)

#### Video links

- [Small business insurance](#)
- [Risk management process](#)

#### Documents required

- Risk management plan
- Requirements differ per insurance provider

## Step 12: Basics of running a business

### Why this is important.

#### Building a sustainable business

This is essentially putting your business plan into action. Your entrepreneurial mindset, together with great dedication, good habits and a great team will enable you to build a sustainable business.

There are a few basic skills and practices that can help you run a new business. They include basic accounting, managing cashflow and operations, hiring the right staff and marketing your product or service. Ensure you have a defined brand, and that you are constantly promoting, advertising and marketing your business, and always aim to provide excellent customer service.

The elements of running your business can be something

you learn to master through gaining knowledge and skills or using digital productivity tools such as Wave, Monday.com or Hootsuite. Alternatively you could consider using the assistance of professionals such as tax consultants or accountants.

### The process to follow:

#### Business gap analysis

If it is not intuitive to you which areas of running a business you need information on or assistance with, then consider completing an online business self-assessment. Many of them are offered at no cost, so search for the most credible options. For example the '[JumpStart](#)' feature on the Jump platform offers a free business health check to determine where there are potential gaps in your business, and guidance on

how to address them.

#### Building knowledge

Keep learning and adding to your 'business toolkit' by attending short courses, reading books and articles, and watching videos or webinars. Many of these are free and online for your convenience.

#### Business bank account

Consider opening a business bank account – it is easier to track income, expenses and manage your business finances separate from your personal life. Business banking packages can also provide more value-add services, preferential banking fees and credit options. Having a business bank account provides a clearer record of all business transactions and makes any auditing and tax requirements easier to manage. You can



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research and compare what different banks offer and decide which works best for you.

### Record keeping

Good record keeping practices are key from the start. Find a way to securely store and record all the important things such as sales invoices, receipts of payments, bank deposit slips, credit notes, supplier documents, VAT documents. Read and understand any contracts before you sign them.

### Professional advice

Many organisations provide free professional advice on

these matters, and others charge a fee for their service. In the case of paying for any services, ask about the option to select a once-off use/ payment or ongoing access to expert advice through a monthly subscription.

### Returns policy

Have a returns policy in place and clearly visible to customers by displaying it near the tellers or on the till slips in the case of a physical store. If you are using an online business website or e-commerce platform (Facebook Market Place, Shopify etc) – ensure the returns policy is clearly published and easy to understand.

### Testimonials

Testimonials are key – they build customer confidence and attract new business. Your services and staff need to be trustworthy and excellent customer service should always be a top priority.



## STEP 12

at a glance:



**COSTS:** Variable

**TIME:** Daily

### Articles and links

- [Essential entrepreneurial skills](#)
- [Basics of business success](#)
- [Work smarter using digital productivity tools](#)
- [Customer relationship management](#)
- [Learning online](#)

### Video links

- [Best advice to small businesses](#)
- [How to create a company](#)

### Documents required

- Based on services you select

## Step 13: Setting up your store



### Why this is important.

Your store needs to draw attention and encourage customers to enter and buy. Great first impressions are key to attract customers, secure repeat sales and encourage customers to refer people they know. Word of mouth is a powerful marketing tool.

Once you have decided on the best location for your store, there are a few key things to consider to support a memorable customer experience, such as the floor plan, visual merchandising, great customer service and others. This all depends on the size and design of the space, your staff and your target market.

Delivering on your business brand is the 'promise' you make to your customer, and you want to keep it. Try and create a personalised, unique and quality in-store experience. If you have a business website and/or social media presence, ensure there is consistency in this regard - your customer should see and feel the connection.

### The process to follow:

#### Floor plan

You want your customers to move easily while they browse, and you want them to clearly see the items you are selling. Avoid cluttered and awkward spaces by choosing the best option from a variety of floor plans such as a grid, loop, free-flow or diagonal layout. The layout of your store should be creative and functional, appealing to your target market. Have you given some thought to where the fitting rooms would be best positioned, if any seating is needed or the ideal spot for the payment counter? Sketch your floor plan out so that you know where to place everything, including shelves, racks and other fixtures. Everything must present and support your brand.

#### Displaying the merchandise

The window display is a drawcard and provides a glimpse of what other treasures are inside. Plan this aspect of your store carefully and include clear signage. Constantly 're-inventing' your window display and the

layout of your products in-store, will keep it fresh and interesting. Consider placing all your new or sale items towards the back of the store, rather than up front - this will encourage your customers to explore what your store is offering. Most customers tend to browse clockwise from left to right, so make sure the space is open, spacious and easy to navigate, especially for the checkout/payment process.

You really do want to position your products for maximum exposure - this is known as zoning. Consider placing your bestsellers towards the back of your store and arranging items by size, colour or type. Have your low-cost smaller items close to the checkout counter. Slow customers down by placing interesting items as 'speed bumps' i.e. display them on walls or smaller tables in the store.

#### Labels & packaging

Ensure all merchandise is clearly priced, sized and that the labels provide an indication of the fabrics used and the washing instructions.



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When it comes to packaging, there are many options to choose from such as cardboard boxes, plastic or reusable and recyclable bags, etc. Ensure your business name or logo is visible on the labels and packaging.

### Payment options

Besides cash, there are other point of sale (POS) systems that can provide payment convenience for your customers such as paying by credit or debit card or using their mobile device to scan a QR (quick response) code, and others. There are also many payment gateway options if you have an online store. Find out more on this topic in [Step 15 'Growing & scaling your business'](#).

### Staff

Ensure you hire great staff that can provide excellent customer service and that they receive the necessary training on your products and how to handle any technology in the store. Ideally, they should have some basic fashion knowledge to assist customers with styling and fitting.

### Marketing

If you have a business website and/or business social media profiles, be sure to advertise these either at the entrance of your store, at the payment counter, on the till receipts or a combination of these.

### Security

Theft is unfortunately a real risk to your business, and you should consider precautionary measures such as security cameras in store or checking purchases against receipts when customers leave.

### Safety

Incorporate the Covid-19 safety protocols to ensure you are compliant with the regulations. More information is shared on this topic in [Step 10 'Covid-19 workplace safety'](#).



## STEP 13

at a glance:



**COSTS:** Variable

**TIME:** 1-6 Months

### Articles and links

- [Store layout 1](#)
- [Store layout 2](#)
- [Online payments article](#)
- [Yoco article](#)

# Step 14: Opening day

## Why this is important.

This is the moment when all your hard work, planning, preparing and putting all the steps in place to realize your business dream come together and your business is launched!

This is the time to be creative

and make a big fuss for a grand opening. Let your business shine and create great first impressions on customers. Even consider extending this to more than one day or longer trading hours for more customers to experience what your business offers.

## The process to follow:

- Set a budget up front and then start planning well ahead.
- Consider decorating the premises, offering opening specials or even including special guests or the local media to draw attention to your business. Approach your suppliers for potential sponsorships.
- Put the signage up and advertise the big day as much as possible through your networks, social media or printed collateral.
- Ensure your business is ready. It must be clean and set up with the correct layout and equipment.
- Your staff need to be properly trained and understand their roles and responsibilities in making this a memorable day for customers.



## STEP 14 at a glance:



**COSTS:** Budget dependent

**TIME:** 1 Day-1 Month

## Articles and links

- [How to be successful on your first day](#)
- [Planning a grand opening](#)
- [Tips for a successful opening day](#)
- [Grand opening ideas](#)



# Step 15: Growing and scaling your business

## Why this is important.

There will come a time when turning your attention to your business growth plan over the medium to long term is needed. Perhaps you want to tap into new markets (more branches), create new products or other services?

While there are many organisations, resources and tools that can assist you, these could provide a good starting point:

### 1. Western Cape Supplier Database (WCSD).

Only suppliers actively registered on the WCSD are eligible to do business with the Western Cape Government (WCG) and apply for tenders and RFQs (requests for quotations) from various Government departments.

### 2. #GoDigital initiative.

There are various options available on digital topics providing basic foundations to learn digital tools and practices to help your business trade and operate online. Gain valuable insights and views from thought leaders and practitioners in the industry. Selling online and using online services opens new markets and improves competitiveness to grow a sustainable business.

**3. Jump.** A business support toolkit in the palm of your hand, offering various resources and tools to assist with starting, growing and scaling a business.

**4. Small Enterprise Development Agency (SEDA).** An agency of the Department of Small Business Development offering to develop, support and promote small enterprises throughout the country, ensuring their growth and sustainability.

**5. South African Bureau of Standards (SABS).** The SABS is a statutory body ([Standards Act No. 8 of 2008](#)) mandated to develop, promote and maintain South African National Standards (SANS), thereby promoting quality in products and services and assurance of the effects on customers and the environment.

**6. South African Revenue Services (SARS).** SARS ensures compliance with tax and customs legislation, providing a customs and excise service to facilitate legitimate trade abroad.

**7. Trade marks, patents and designs.** Having a trade mark for your clothing brand/slogan/logo or a patent which provides exclusive rights to your invention, or designs to protect your work, is something to consider.

**8. Proudly South African.** Registering to use the Proudly South African Trade Mark can influence customers to buy local in order to stimulate job creation and uplift the economy.

**9. Clothing, Textiles, Footwear and Leather Growth Programme (CTFLGP).** This programme is administered by IDC (Industrial Development Corporation) on behalf of the dtic (Department of Trade, Industry and Competition). It aims to build capacity among manufacturers and in other areas of the apparel value chain to effectively supply their customers and compete on a global scale.

## The process to follow:

**WCBD** - There are 8 steps to getting registered on the WCBD and you only need to register once. Remember to update any business information should it change from time to time. It is important to note that registration is simply a compulsory requirement to do business with the WCG. It does not guarantee that a supplier will get any work.

**#GoDigital** - Go to the link on this page and see the list of webinars, articles and training to find the topic you need information or guidance on. You can view them online or download them at your convenience.

**Jump** - Download the Jump app (search Jump for Entrepreneurs) from the Google Play Store or App Store, or go to the link on this page, and tap into these powerful resources.

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**SEDA** - To make contact with the office closest to you and enquire about the various programmes on offer, click on the link on this page.

**SABS** - Click [HERE](#) to send an enquiry to the SABS to find out more and determine the assessment process for the retail clothing sector.

**SARS** - Click [HERE](#) to find out

more about the processes to follow for importing and exporting. You can apply to the [International Trade Administration Commission \(ITAC\)](#) for the respective permits.

**CIPC** - Click [HERE](#) to find out more about trade marks, click [HERE](#) to find out more about patents and click [HERE](#) to find out more about designs.

**Proudly South African** - Click [HERE](#) to find out more about the process to become a member and make use of this trade mark on your clothing or labels.

**CTFLGP** - Click [HERE](#) to find out more about how to participate in this programme.



## STEP 15

at a glance:



**COSTS:** Variable  
**TIME:** Variable

### Articles and links

- [Western Cape Supplier Database \(WCSD\) registration](#)
- [#GoDigital initiative](#)
- [Jump for entrepreneurs](#)
- [Small Enterprise Development Agency \(SEDA\)](#)
- [Cape Town Fashion](#)

### Videos

- [7 Strategies to grow your business](#)

## Keeping in touch

Your success in business is important to us. Please use the contact form to let us know how you are progressing with the opening of your clothing retail business.

Should you encounter any issues with processes, excessive delays, unhelpful officials or other, please notify us. Our Ease of Doing Business initiative will open a case and see if and how we can assist.

[Click to Contact Us](#)

## Let us know what you think

We value your views on this document and would like to know what has worked for you, and any suggestions or feedback you have will help us improve our processes. Please take a few minutes to complete the questionnaire by clicking on the feedback icon.

[Click to Send Feedback](#)



## About the Ease of Doing Business initiative

### Who we are

Starting, operating, growing and scaling a business in South Africa is complex. There is a myriad of national, provincial and local regulations that must be navigated at each of these stages.

The terms 'ease of doing business' and 'red tape reduction' are often conflated and used interchangeably. Strictly speaking, the former is a narrow index developed by the World Bank that measures key elements within a country's bureaucracy. In contrast, the latter is about removing unnecessary bureaucracy that hampers business establishment and growth. The Western Cape Government has adopted the definition of ease of doing business (EoDB) as: improving the business environment through interventions that address (a) red tape in government and its agencies, (b) systemic challenges and (c) binding constraints and blockages, that inhibit business development and growth.

The Business Facing Government Services

(BFGS) priority focus area (PFA) comprises interventions that are aimed at simplifying, streamlining and optimising functions of the Western Cape Government that have an impact on businesses. Some are direct, others more indirect, but all have the ultimate goal of leading to an improved business climate in the province, leading to more functioning and profitable companies absorbing labour, creating meaningful jobs and contributing to the national fiscus.

BFGS aims to improve the efficiency of government business-facing services as measured by:

- increased convenience of application processes of Provincial Government business-facing services (through e.g. online applications), and/or
- a reduction in the evaluation time of applications related to Provincial Government's business-facing services.

# Municipal Information

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Logo		
Local Authority	<b>Cape Winelands District Municipality</b>	<b>Breede Valley Local Municipality</b>
Website	<a href="http://www.capewinelands.gov.za">www.capewinelands.gov.za</a>	<a href="http://www.bvm.gov.za">www.bvm.gov.za</a>
Contact Details	Tel: 086 - 126 5263	Tel: 023 - 348 2600



Logo		
Local Authority	<b>Drakenstein Local Municipality</b>	<b>Langeberg Local Municipality</b>
Website	<a href="http://www.drakenstein.gov.za">www.drakenstein.gov.za</a>	<a href="http://www.langeberg.gov.za">www.langeberg.gov.za</a>
Contact Details	Tel: 021 - 807 4500	Tel: 023 - 615 2219

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Logo		
Local Authority	<b>Stellenbosch Local Municipality</b>	<b>Witzenberg Local Municipality</b>
Website	<a href="http://www.stellenbosch.gov.za">www.stellenbosch.gov.za</a>	<a href="http://www.witzenberg.gov.za">www.witzenberg.gov.za</a>
Contact Details	Tel: 021 - 808 8111	Tel: 023 - 316 1854



Logo		
Local Authority	<b>Central Karoo District Municipality</b>	<b>Beaufort West Local Municipality</b>
Website	<a href="http://www.skdm.co.za">www.skdm.co.za</a>	<a href="http://www.beaufortwestmun.co.za">www.beaufortwestmun.co.za</a>
Contact Details	Tel: 023 - 449 1000	Tel: 023 - 414 8100



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Logo		
Local Authority	<b>Laingsburg Local Municipality</b>	<b>Prince Albert Local Municipality</b>
Website	<a href="http://www.laingsburg.gov.za">www.laingsburg.gov.za</a>	<a href="http://www.pamun.gov.za">www.pamun.gov.za</a>
Contact Details	Tel: 023 - 551 1019	Tel: 0800 123 4567



Logo		
Local Authority	<b>City of Cape Town Metro Municipality</b>	<b>Garden Route District Municipality</b>
Website	<a href="http://www.capetown.gov.za">www.capetown.gov.za</a>	<a href="http://www.gardenroute.gov.za">www.gardenroute.gov.za</a>
Contact Details	Tel: 0860 103 089	Tel: 044 - 803 1300

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Logo		
Local Authority	<b>Bitou Local Municipality</b>	<b>George Local Municipality</b>
Website	<a href="http://www.bitou.gov.za">www.bitou.gov.za</a>	<a href="http://www.george.gov.za">www.george.gov.za</a>
Contact Details	Tel: 044 - 501 3000	Tel: 044 - 801 9111



Logo		
Local Authority	<b>Hessequa Local Municipality</b>	<b>Kannaland Local Municipality</b>
Website	<a href="http://www.hessequa.gov.za">www.hessequa.gov.za</a>	<a href="http://www.kannaland.gov.za">www.kannaland.gov.za</a>
Contact Details	Tel: 028 - 713 8000	Tel: 028 - 551 1023

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Logo		
Local Authority	<b>Knysna Local Municipality</b>	<b>Mossel Bay Local Municipality</b>
Website	<a href="http://www.knysna.gov.za">www.knysna.gov.za</a>	<a href="http://www.mosselbay.gov.za">www.mosselbay.gov.za</a>
Contact Details	Tel: 044 - 302 6300	Tel: 044 - 606 5000



Logo		
Local Authority	<b>Oudtshoorn Local Municipality</b>	<b>Overberg District Municipality</b>
Website	<a href="http://www.oudtshoorn.gov.za">www.oudtshoorn.gov.za</a>	<a href="http://www.odm.org.za">www.odm.org.za</a>
Contact Details	Tel: 044 - 203 3000	Tel: 028 - 425 1157

# Municipal Information

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Logo		
Local Authority	<b>Cape Agulhas Local Municipality</b>	<b>Overstrand Local Municipality</b>
Website	<a href="http://www.capeagulhas.gov.za">www.capeagulhas.gov.za</a>	<a href="http://www.overstrand.gov.za">www.overstrand.gov.za</a>
Contact Details	Tel: 028 - 425 5500	Tel: 028 - 313 8000



Logo		
Local Authority	<b>Swellendam Local Municipality</b>	<b>Theewaterskloof Local Municipality</b>
Website	<a href="http://www.swellenmun.co.za">www.swellenmun.co.za</a>	<a href="http://www.twk.org.za">www.twk.org.za</a>
Contact Details	Tel: 028 - 514 8500	Tel: 028 - 214 3300

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Logo		
Local Authority	<b>West Coast District Municipality</b>	<b>Bergrivier Local Municipality</b>
Website	<a href="http://www.westcoastdm.co.za">www.westcoastdm.co.za</a>	<a href="http://www.bergmun.org.za">www.bergmun.org.za</a>
Contact Details	Tel: 022 - 433 8400	Tel: 022 - 913 6000



Logo		
Local Authority	<b>Cederberg Local Municipality</b>	<b>Matzikama Local Municipality</b>
Website	<a href="http://www.cederbergmun.gov.za">www.cederbergmun.gov.za</a>	<a href="http://www.matzikamamunicipality.co.za">www.matzikamamunicipality.co.za</a>
Contact Details	Tel: 027 - 482 8000	Tel: 027 - 201 3300

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Logo		
Local Authority	<b>Saldanha Bay Local Municipality</b>	<b>Swartland Local Municipality</b>
Website	<a href="http://www.sbm.gov.za">www.sbm.gov.za</a>	<a href="http://www.swartland.org.za">www.swartland.org.za</a>
Contact Details	Tel: 022 - 701 7000	Tel: 022 - 487 9400



Western Cape  
Government



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**TO GET YOUR BUSINESS STARTED!**

