When Should I Call My Business Lawyer? (1/2)

Entity Formation, Structuring, or Restructuring

When you decide to form a new business entity or change the legal or tax structure of your business (e.g., LLC, corporation, partnership)

Choose the best entity type based on liability, taxation, and management considerations. This is especially true when bringing in a new business partner, entering into a joint venture-like relationship with another business, or offering equity or other equity-based compensation to an employee or key person

Drafting or Reviewing Contracts

Any time you need to draft, review, amend, or negotiate contracts with clients, suppliers, or partners

Ensure the terms are clear and enforceable to protect your interests. Lead with a nondisclosure agreement for all key customers, suppliers, and partners (except government entities)

Intellectual Property Protection

When you are developing or need to protect your intellectual property, such as by filing trademarks, copyrights, or patents

Use a nondisclosure agreement with non-circumvention and nondisturbance provisions, together with an intellectual property assignment provision or agreement. These nondisclosure and assignment agreements should be in place with employees and contractors who are preparing any type of work product for you.



Regulatory Compliance

To stay compliant with industry-specific regulations, health and safety standards, environmental laws, entity and service provider licenses, and other governmental requirements

These can apply to the business, to its owners, employees, and contractors, and to the real estate upon which you operate your business and will help you avoid penalties and operational disruptions



If you plan to invest in another business venture or raise capital through investors, loans, or crowdfunding

To ensure compliance with state and federal securities laws, review or draft investment agreements, and engage with financial regulations and regulators.



Employment Law Compliance

For issues related to hiring, terminating, managing, and compensating employees

This includes drafting employment agreements, severance agreements, employment compensation plans, equity-derived compensation agreements, and employee handbooks to ensure compliance with state and federal labor laws

"By involving your business lawyer in these scenarios, you can proactively address legal issues, avoid costly mistakes, and focus on growing your business with confidence."

When Should I Call My Business Lawyer? (2/2)

Mergers and Acquisitions

If you are considering buying, selling to, merging with, or acquiring a portion of another business

Prepare to conduct legal due diligence, engage in negotiations, and draft comprehensive transaction documents to protect your interests and achieve favorable terms during and after the transaction

Dispute Resolution and Litigation

When disputes arise with customers, employees, partners, or competitors

Before you engage with the opposing side, you should thoroughly understand your position and discuss strategies for resolution through negotiation, mediation, or litigation

Real Estate Transactions

For leasing, purchasing, or selling commercial property, including personal real estate used for business purposes

To review and negotiate real estate agreements and property boundaries and restrictions, such as easements and licenses, to ensure the terms align with your business needs, protect your rights, and are tax efficient



- Risk Management

Proactively identify and mitigate potential legal risks in your business operations

These include potential liability issues, obtaining adequate insurance coverage and periodically reviewing it, and keeping abreast of regulatory changes surrounding your business model, business partners, and employees

Exit Strategies and Succession Planning

Plan for the eventual sale, transfer, or closure of your business

Each of these involves complex legal considerations requiring a strategy that maximizes ownership value and ensures a smooth transition without significant legal ramifications post-closing

Corporate Governance

Ensure proper governance practices, such as maintaining corporate legal and financial records, holding annual meetings, and complying with formation articles, bylaws, shareholder agreements, and operating agreements

These formal requirements are generally simple and clear but should not be overlooked to help avoid personal liability. Together, they create a comprehensive chronological record and can ensure smooth operations now and into the future

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