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Matters to Consider When Starting Your Business

There are many different things to think about when starting a business, however, it is very important to consider your legal position and business documentation so as to set your business up to thrive.

Matters to consider when starting your business:

When you're starting your business, our corporate lawyers suggest you seek tailored advice as everyone's business is unique and may require additional considerations and documentation. The following is a summary from our experience of some matters that most business owners will need to consider when starting their journey:

Advice on choosing the best entity through which to run your business:

You can choose to trade in a variety of ways, including as a sole trader, a partnership, an LLP or a Company. Each entity has its own unique benefits and requirements, so it is important to discuss this with both your accountant and your legal adviser to decide the best route for your particular circumstances.

Trading documentation:

Your trading [terms and conditions](#) or contracts should be tailored to your business and accurately represent your actual processes. Investing in a good set of trading terms and conditions as well as advice on how to incorporate those terms and conditions successfully as part of your contract with your customer is fundamental if you want to be able to rely on the terms in the future. It is also important that your terms and conditions are drafted to reflect whether your business deals with business customers or consumer customers. There is extensive legislation giving protection to consumers and if you fail to comply with certain obligations and give the customer certain information, the consumer customer may, for example, have a right to cancel the contract and not pay for the goods or services even after months of use.

Website Documentation:

Most businesses have a website and it is important to have certain documentation governing a visitor's use of

your website, this is particularly important where you trade through your site or it has an interactive element and visitors can upload content or add comments. As the owner of the website, you can potentially face liability if you do not have the correct documentation in place.

Data Protection:

You also need to ensure you are complying with your obligations under data protection law. If you are processing personal data then you must have certain documentation, procedures and policies. There can be severe financial penalties for businesses which do not comply if serious data breaches occur. Our data protection experts ensure your business complies with the legislation, [click here](#) to find out more.

Trade Marks and Intellectual Property Protection:

Your branding is vital to the success of your business, enabling your customers to readily identify you and to differentiate from your competitors. Branding is known as intellectual property and carefully considering intellectual property matters specific to your business can help to avoid parties or your competitors infringing or misusing your business' intellectual property rights and potentially damaging your business' reputation.

Property Matters:

You may need assistance with documentation for the premises in which your business operates. You may be leasing some space in which case it is important to know what you are signing up to with the person who is letting you use that space. Depending on your business's activities, you may require certain permits or licences to operate and you may need documentation and advice if you are borrowing any money from lenders to get your business started. If you are trading as a private limited company, you will need an address in the UK that must be registered at Companies House; but it need not be the address from which you operate. It is worth bearing these factors in mind when deciding where you will be based.

Our team of experienced property lawyers can help your business with all aspects of landlord and tenant law, whether you're a landlord or a tenant. [Click here](#) to read more about the services we offer.

Funding:

Key to the success of a new business will be the right type and amount of funding. Funding may come from friends and family, personal savings, outside investors or institutional lenders. Each source has its pros and cons and it is important to evaluate each in the context of your strategic aims. It is also important to seek professional advice when contracting with lenders or investors where you will be entering certain obligations in return for their funding.

Employment Matters:

If your business will have employees or might engage in consultancy services, you should consider what documentation you will require for this, what obligations you will have and how to protect the business if changes to your team need to be made or if in future you may wish to sell your business. [Employment law](#) places certain obligations on employers and you can be exposed to liability if you do not meet those obligations.

Summary:

Spending some time and money at the outset to get the legal aspects of your business in order can potentially save you a lot of time and money as the business grows. It will give you a strong legal set-up and you will be able to fully focus on the other commercial aspects of your business. It can also help in the long term as a business which is well established upon firm legal foundations is a more attractive proposition should you want to sell in the future.

The points above are just a few considerations for a new business and there may be other factors you need to think about. Our corporate lawyers regularly advise new start-ups and we know that every new business is unique. If you would like tailored advice, please get in touch with our [Corporate & Commercial team](#) by emailing online.enquiries@la-law.com or calling 01202 786188.