

Essential legal tips for every start-up business.

Launching a start-up business is more than coming up with a great business idea, and it can be daunting to tackle all the legal requirements for your new company. That's why we're sharing a few key tips for every soon-to-be start-up founder, to set you and your business on the path to long-term success from day one.

Firstly, you want to make sure that you set up your business under the correct entity. The legal structure you choose when registering your business at Companies House is the first critical decision you'll make as a business owner. It will determine your liability, how you pay your taxes, how your accounts are managed, and much more. As such, these factors should always be carefully considered with a lawyer or an accountant beforehand.

For most for-profit businesses, a standard limited company is often the right choice, but there are also several other options:-

- you can be a sole trader which is when you and your business are legally the same entity. You can keep all of your company's profits after paying tax, but you're personally liable for any losses;
- you can form an ordinary business partnership where you and your business partners are both equally responsible for the company and will share profits and liabilities. Each partner is responsible for paying tax on his share of the profits; or
- you can go for a limited liability partnership which unlike a 'normal' partnership business, partners are only liable for the amount they initially invested into the business. Roles, responsibilities, and the handling

of accounts will be outlined in the partnership agreement and according to each partner's level of liability.

Secondly, you may want to register your intellectual property to give yourself protection from competitors. Whether it's in the form of a design or an invention, intellectual property must be protected in order to safeguard your business in the long run. For the majority of start-ups, it's their brand that constitutes essential intellectual property, including logos, taglines and any other marketing material that forms their brand identity.

There are four different categories of intellectual property at the Intellectual Property Office, but for branding, such as names and colours that distinguish goods or services, intellectual property falls under the trade mark classification.

Ensuring that your intellectual property is correctly registered means no other entity will be able to steal or borrow any element of your brand - just remember to renew your intellectual property rights as needed. It also means you won't run the risk of accidentally using someone else's trademarked intellectual property, which constitutes a legal offence.

Thirdly, don't forget your legal website requirements! When it comes to your business' website, there are certain legal requirements to which you must adhere. Under English law, all business websites must have the following:-

- Company information - The user's consent for your website to gather their data.
- A privacy policy explaining what you do with user data and proving conformance with the Data Protection Act.
- Adherence to Policy 1 of the Web Accessibility Guidelines.

There are also additional requirements specifically for e-commerce websites, as well as strict regulations under the EU Anti-Spam Laws concerning marketing emails and email databases, so be sure to consult with a lawyer to ensure that all aspects of your business' online presence and activities are in order.

For more information, or for expert advice on business or personal legal issues, call us on 020 3475 6751 or via email at info@carterbond.co.uk

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Gita Ragone

HIGHLIGHT

We were awarded the 'Commercial Lawyers - London', in the prestigious 2020 UK Enterprise Awards
