

## **Why does your business need an attorney?**

Every business needs an on-going relationship with an attorney. But why should you hire an attorney, when you can purchase a legal “how to” book and save money on legal fees? Attorneys are cheaper when hired to prevent problems such as protecting your personal assets from business lawsuits, protecting the business from fines and fees for violations, protecting your brand from competition, and protecting your bottom-line from dead-beat clients and vendors.

An attorney can:

- ✓ Evaluate the potential liability of your business venture and help you select the entity that protects your personal assets
- ✓ Help you stay in compliance with rules and regulations. You may not be aware that a certain law impacts your business until you are sued or fined for non-compliance.
- ✓ Protect your interests if you enter a partnership with someone. Employee, salaries, profit/loss distributions are all areas that could lead to disagreement and dissolution of the partnership. A written agreement detailing each person’s responsibilities may help avoid these conflicts.
- ✓ Help register your product and services with federal and state trademark and copyright.
- ✓ Help with employee relations while avoiding anti-discrimination and labor law violations. An attorney can protect your company’s intellectual property by negotiating non-competing and confidentiality agreements with your employees. If you provide an employee hand-book, your lawyer should review it to keep you from inadvertently creating an employment contract and an un-removable employee.
- ✓ Help you with your contracts (customers, landlords, vendors). A properly drafted contract can help steer you clear of future litigation. For example, while most leases are written to the landlord’s benefit, leases are negotiable. Your attorney can include provisions that benefit you, called “tenant’s addendum”.
- ✓ Help you get federal and state tax identification registration and explain the tax consequences of your business transactions.

While some of these tasks may seem minor to you, consider how much time you could waste just learning the basics. You have many other important tasks that only you can handle, such as building your client base.

In conclusion, it’s more cost-effective to prevent a problem than it is to resolve one. If you wait until you are being sued, it’s too late. Once you have been served with the summons, the problem has already occurred, and the only question is how much will

you pay. The fee that an attorney will charge you to **keep** you out of trouble will be a fraction of what an attorney will charge you to **get** you out of trouble.

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Disclaimer: This checklist is provided for informational purposes only and intended as a guide prior to consultation with an attorney familiar with your specific legal situation. This checklist is not a substitute for an attorney's advice. If you require legal advice, please contact Attorney Sharmil McKee at 215-242-5260.