



SMALL BUSINESS START UP CHECK LIST

CYA – COVER YOUR ASSETS

 gmsmith@jamiilaw.com

312.868.0781

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INTRODUCTION



Are you thinking of or did you recently start a small business? Use this checklist to **Check Yourself Before You Wreck Yourself!** Taking the time to put these protections in place will position you to have a successful business without exposing yourself to scary legal liabilities.



Choose a Name

This sounds simple enough BUT you want to do a little research to make sure you have chosen a name that is not the same as another business and then you can trademark.

- Search your Secretary of State's database to make sure your business name is available.
- Conduct a Google search to see if there are other businesses on the internet with the same name.
- You will likely want a web site. So, you want to make sure the domain name is available. You can search domain names on namecheap.com or domainsGoogle.com.
- Make sure your chosen name doesn't infringe on someone's registered website by searching the U.S. Patent and Trademark (USPTO) database.
- Decide what form of business entity you want: S-Corporation, Limited Liability Company, Sole Proprietorship, Limited Partnership, etc.
 - [Click here](#) for a short description of each of these business entities.
- File the required paperwork with the Secretary of State's Office. Most of the filings can be submitted on-line and require a filing fee.
- Go to www.irs.gov to apply for the Federal Employment Identification Number (FEIN). Your state may also require a tax ID number.
- Open your business banking accounts. The bank will require your business entity organizing documents (e.g. Articles of Incorporation for an S-Corp or Articles of Organization for an LLC), along with your FEIN.
- Create your organizing documents for your new business entity. For example, By-Laws for a corporation or an Operating Agreement for an LLC. You also want to create organizing minutes and resolutions.
- If your state or city requires it, secure a business license for your line of business.

Disclaimer: This checklist is for educational and informational purposes and is not a substitute for an attorney. Using this checklist does not create an attorney-client relationship between you and Jamii Law or Attorney Gina Smith. This checklist provides a resource to make you aware of what a small business owner needs and provides some suggested tools for you to use.



Protect your Intellectual Property

In this digital age, protecting your creative products is becoming more and more important. You've probably heard a tale or two about stolen or copyright designs. It's better to be safe than sorry.

- Create a list of your intellectual property such as your company name, logo(s), company tag line(s), original designs or writings. Then decide what type of intellectual property protection you need for each.
- Original creative works like e-books, blog content, infographics, T-shirt designs are all your intellectual property that should be copyrighted with the **US Copyright Office**.
- Your business logo and taglines and other design elements that are associated with your brand should be registered with the **US Patent and Trademark Office**.
- Be prepared defend your mark against "copycats." You can reach about trademark and copyright infringement here.

Establish Good Record Keeping Habits

Many new business fail to keep good records. While this may seem like a trivial thing, good business records will help you as your business grows. **Good record keeping is important for establishing and keeping the liability protections your business entity is designed to provide.**

- Hold onto and save all receipts for purchases and professional services. You'll need these when it's time to file taxes.
- Hire an accountant or invest in bookkeeping software that will assist you in keeping up with tax filings. These things are important for establishing the liability protections your business entity is designed to provide you.
- Set up a file system to keep these documents organized and update them regularly.
- Keep of calendar of important annual filings your city or state requires.

Contracts, Contracts, Contracts

You need a contract for every business relationship you enter into. Now, you may think this is a step you can skip. **Stop!! Pump Your Brakes and read a little further.**

If you're intimidated by the concept of a contract, don't be. A Contract is simply a written agreement that describes a product or service to be provided and the price that will be paid for the service. Whether you are delivering or receiving a product or service, you want a contract or written agreement that describes the relationship. **You will have little recourse to force performance or payment without a written contract.**

Here's a list of the relationships you should protect with a written CONTRACT.

- A **Client Service Agreement** with your clients.
- An **Independent Contractor Agreement** for any freelancer or contractor relationships.
- Agreements that govern the ownership of your company, such as **Shareholder Agreements** and **Stock Purchase Agreements**.
- Any **leases** for office, retail space or warehouse space.
- Make sure your contracts include provisions that describe how disputes will be resolved. Consider including **Alternative Dispute Resolution** clauses that will allow you to use negotiation, mediation, or arbitration to resolve disputes. This will save you the time, expense, and heartburn of a court fight.

Make your Website Legal

So now that you have a banging website, you want to make sure you have the policies, terms and conditions in place to make sure you comply with federal and privacy laws.

- Draft & Post **Terms and Conditions** and a **Privacy Policy**.
- Post **Disclaimers** describing the way your products and services should be used.
- Make sure you have rights and permissions to use any intellectual property you did not create like graphics, photos, content, etc.).
- Review and comply with **Federal Trade Commission** advertising regulations.
- Safeguard any information you collect from visitors to your site like email addresses and financial information.

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PARTING THOUGHTS

All of this may seem a bit overwhelming and you might think it's overkill. But ask yourself, is this business just a hobby or do you intend to grow it into an income generating machine that will give you some financial freedom? If your business is more than a hobby, then you need to treat it that way. Trust me; it's easier to put these protections in place at the beginning of your business than it is to find yourself in a legal dispute without the proper protections and with your **ASSETS** exposed.

If all of this seems a bit overwhelming and you need assistance navigating the Small Business Start-up process. Here's a short client testimonial describing how Attorney Gina Smith really ease the business formation process for a client.

- ROBIN BELL YOGA & WELLNESS, LLC-

I STARTED MY OWN WELLNESS BUSINESS IN 2013, BUT NEVER BEGAN THE PROCESS TO BECOME AN LLC. I WAS SO BUSY WITH FAMILY LIFE, SERVING AT CHURCH, WORKING A FULL-TIME JOB, AND WORKING THE BUSINESS, THAT I DIDN'T FEEL LIKE ADDING ONE MORE THING TO MY PLATE. WHEN I FOUND OUT THAT GINA STARTED HER LEGAL SERVICES BUSINESS, I KNEW IT WAS THE PERFECT OPPORTUNITY FOR ME TO FINALLY BECOME AN LLC, WITHOUT THE STRESS OF DOING IT MYSELF. I WAS ABSOLUTELY CORRECT. GINA DID ALL THE WORK FOR ME. IT WAS AN EASY AND EFFORTLESS PROCESS, AND I AM SO HAPPY! I WOULD RECOMMEND JAMII LAW... EXCELLENT SERVICE!

I'm happy to discuss your needs and structure a flat fee package of services to suit you.
Contact me by email at gmsmith@jamiilaw.com or **312.868.0781**.