



## Legal Checklist for Start-Ups

1. **Business Plan and Budget.** Develop and document concise, realistic business plan, including an 18-month initial budget.
2. **Advisory Team.** Engage advisory team (accountant, attorney, etc.).
3. **Entity Choice.** Address choice of entity issues (tax and non-tax). Select entity type and state of organization.
4. **Business Name and Branding.** Choose name (check availability with appropriate state agency), form entity and obtain FIN. Reserve domain names for websites and file applications for trademark and fictitious name registrations.
5. **Relationship with Co-Owners.**
  - a. Document owners' agreement (i.e., buy-sell agreement).
  - b. Draft bylaws if corporation is selected entity type.
6. **Franchise issues.** If business model is based on a franchise, obtain and review franchise agreement and related disclosure documents.
7. **Funding.** Raise capital, keeping in mind that compliance with securities laws is required.
8. **Intellectual Property.** Protect intellectual property:
  - a. Investigate availability of and file applications for patents and copyrights.
  - b. Draft confidentiality agreements for employees and trade partners.
  - c. Obtain IP assignments if needed.
  - d. Negotiate all necessary software and other license agreements for start-up use and exploitation.
9. **Permits.** Confirm that necessary permits and licenses are in place.
10. **Location.** Decide whether or not to lease office, warehouse or other space for the business; negotiate and document lease agreement.

11. **Equipment.** Identify equipment needs (e.g., phones, computers, scanners, printers, etc.); buy or lease equipment.
12. **Insurance.** Evaluate business risks and obtain appropriate insurance.
13. **Strategic Partners.** Identify necessary trade partners (e.g., suppliers, distributors); negotiate and document arrangements.
14. **Employees.** Determine when to hire employees based on anticipated timeline or financial target.
  - a. Protect intellectual property: obtain assignments of inventor rights, confidentiality agreements for both employees and independent contractors.
  - b. Prepare employee handbook
  - c. Develop policies and procedures.
  - d. Draft employment agreements, if needed.
  - e. Investigate possible employee benefit programs.
  - f. Obtain worker's compensation insurance.
15. **Succession Plan.** Develop and document a business succession plan/exit strategy that is consistent with your estate plan.

*Susan A. Maslow, a Partner with the Doylestown law firm of Antheil Maslow & MacMinn, LLP, concentrates her practice in corporate transactional work and commercial transactions, including buy-sell agreements. She can be reached at [smaslow@ammlaw.com](mailto:smaslow@ammlaw.com) or (215) 230-7500, x19.*

Serving the greater Philadelphia and New Jersey areas, Antheil Maslow & MacMinn, LLP is a full-service law firm that offers sophisticated, proactive, timely and cost-effective legal advice. The Firm's attorneys are both counselors and advocates. As counselors, Antheil Maslow & MacMinn, LLP lawyers educate clients, which include high net worth individuals, small to mid-sized, privately-held companies, nonprofits and health care organizations, on the law and possible legal implications of their actions. As advocates, they aggressively represent their clients' causes. With its broad range of practice areas in Business & Finance, Tax & Estates, Family Law, Real Estate & Land Use, Litigation, Labor & Employment, and Personal Injury, Antheil Maslow & MacMinn, LLP has the depth of resources and knowledge to satisfy its clients' evolving needs for legal education and representation and help them reach their ultimate goals.

**Disclaimer:** The materials contained on this Web site are designed to enable you to learn more about the services that Antheil Maslow & MacMinn, LLP ("the Firm") offers to its clients. This Web site and the materials provided are not legal advice and you may not rely on them as such. While the Firm may welcome the opportunity to provide legal services, your use of this Web site does not create an attorney-client relationship and communication with the Firm may not be subject to the attorney client privilege. As with any legal problem, you should always seek the advice of competent legal counsel in your own state.