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## Owner Managed Businesses

*A Brief Guide to Some Common Legal Issues Affecting  
Owner Managed Businesses*



## Owner Managed Businesses

Owner managed businesses are considered by many to be the backbone of the UK economy. They come in all shapes and sizes and trading entities, ranging from sole traders, partnerships, limited liability partnerships and limited companies employing sometimes just two or three staff, sometimes hundreds. They cover a vast range of enterprises, manufacturing, services, retail, technology, sports and leisure, to mention just a few.

Whilst the range of activities of managed businesses is diverse in the extreme, they have a number of common interests, one of which is the need for access to high-quality professional advice, presented with a human touch at the point of delivery. At Band Hatton Button, we are very conscious of the needs of owner managed businesses, many of our clients fall into this category, and we know that access to accurate and practical legal advice, often at short notice, is very important. We want our owner managed business clients to think of us as not just there to provide specific legal advice, but to recognise the practical needs of the business concerned.

We have identified 10 possible key areas which we feel may be of particular interest to most owner managed businesses, and if any of the following issues strikes a chord with you, please do get in touch and take advantage of our free consultation (see below):

### Governance

1. Is your corporate constitutional documentation in order and fit for purpose, and are you in full regulatory compliance, do you need anything additional to underpin or improve your existing documentation?

### Contractual Issues

2. Do you have bespoke standard terms and conditions of trading and if not do you need to – most businesses should have a set of term standard terms and conditions of trading as a starting point in any business relationship, although the necessity, appropriateness and content will vary from business to business?
3. Are there any specialist contract issues which you need to consider, to address a particular business relationship, method of doing business or set of circumstances?

### Employment

4. Are your contracts of employment fully up-to-date? Employment law is constantly evolving and it is important to ensure that you continue to comply with all relevant legislation – this will extend to company policies and procedures which derive from the basic contract of employment? Out-of-date or inappropriate contracts can make life very difficult in the event of a claim by an employee (or ex-employee), and as with so many things, prevention is immeasurably better and less expensive than cure.
5. Do you need any guidance as to the practicalities of conducting an in-house disciplinary or grievance hearing, in order to ensure that this is conducted fairly and in accordance with statutory requirements, so as to not to expose you to any claim?

### Protecting your Business Rights

6. Do you need any guidance as to the protection of your business name(s), and any intellectual property rights which you may have (for instance trademarks, patents, design rights)?

### Property Issues

7. If you are a relatively small business, you may be taking on a lease of premises for the first time, and there are many issues which a prospective tenant needs to be aware of not only when taking a lease, but negotiating the key terms of the lease in the first place? For our "10 Tips" when taking on a lease, please click on Commercial Property on our website and open up the Publications.
8. Would you welcome a review of your legal title to your property, whether this be freehold or leasehold, including a summary of any of the restrictions affecting the property?

### Credit Control

9. We provide a bespoke fixed fee debt recovery service, but the advice we are able to provide can extend far further than simply the recovery of a particular debt, we are happy to discuss with you the pro-active steps you can put in place to improve credit control, as well as debt recovery.

### The Future

10. Do you have a proper exit strategy in place, which would extend to ensuring that all business owners have considered appropriate inheritance and other tax planning, and that any necessary tax planning is reflected within those owners' Wills.

There may well be a host of other legal issues which the business needs advice upon from time to time, depending on specific issues, for instance contentious disputes, property acquisition, expansion involving corporate acquisition, conversion of an unincorporated business to a limited company, to name just four, but the above is simply intended to highlight some key issues which we think may be common to most businesses, and which generally have the same theme of **prevention being immeasurably better than cure**.

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**We are very happy to offer to owner managed businesses, whether existing or new clients, an additional service, a free consultation of up to an hour, either from a general discussion point of view, in order to establish whether there are any legal issues which the business needs to give some thought to, or on any particular issue of concern. This consultation would be on an entirely without obligation basis.**

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