

Business Planning

You plan your day.

You plan how to start your business.

You plan your holidays.

You see a lawyer about a plan without having first considered how their advice will impact what you have planned.

The point is, why don't you include in your plan getting advice on your plan before you finish planning.

Clients complain:

My lawyer has changed everything.

My lawyer doesn't understand the opportunity I am losing.

Your lawyer has not changed anything nor are they stopping you making money.

You have failed to include getting legal advice before you finalised your plan.

You don't go and look for a house without planning that you can borrow the funds you need.

You don't plan to buy equipment without speaking with your accountant.

So why do you see getting advice from your lawyer any different to the information you get from your accountant?

Consider the following situation. You want to travel to London. You can go to London by flying west, east or north. West through the middle east. East, the long way across America. Or North over Japan and around the Arctic Circle. Besides flying, you consider taking a ship. Again, you have choices on the direction the ship will take you. You could plan to have a long adventure to get to London by plane, train and automobile.

You see a travel agent. They sit down with you. Having regard to your budget, the time you have and the date you need to be in London; travel options are offered to you.

You consider the options. You choose travel arrangements, and then you complete your travel plans.

As you can see, discussing your ideas before you settle on your plans is how the travel agent helps you.

Lawyers are the same. Consider the following examples.

You have lived your life away from the world. Your parents release you uneducated to live in the world. A person you meet in a Pub discusses with you a business of opportunity of importing cocaine. Being naive, you are unaware that cocaine is an illegal drug that cannot be imported into Australia without government sanction. You can choose to take the opportunity offered to you. It is a genuine business opportunity. Though unbeknown to you, it is illegal and highly risky.

You could also as part of your planning process, talk to a lawyer. The lawyer will explain to you that the opportunity, while genuine, is one that most people would not take up. Unless of course they/you wish to embark upon a life of crime.

Yes, the lawyer is suggesting you take a different course. However, in this instance, their suggestion is one that you can accept or reject. By approaching the lawyer first, you are putting them in as part of your planning process.

Getting information from a lawyer before settling on a plan is a better way of proceeding than doing the following.

Agree with your "new friend" to join them in the venture to import cocaine. Transfer the money you have to Columbia to buy the cocaine and wait for it to arrive in the form of Gnomes. You are told this is the way it is transported as it is more appealing to be sold shaped as Gnomes than as powder in a plastic bag.

Before the cocaine arrives but while in transit, you see a lawyer to have the lawyer tell you all is fine.

The lawyer tells you what you would have been told if you had of spoken to them before sending any money and consummating the deal with your "new friend". Unfortunately, this time your position cannot be changed. You sought advice too late in the process (after you needed it).

Lawyers, like accountants, are business advisers. Lawyers advise on how business can be conducted or if it can be conducted.

In the cocaine example, the lawyer would have explained that to the need to obtain an import permit and licence to import cocaine legally. The Lawyer could help you to achieve your goal in a way that will not result in you facing imprisonment.

Lawyers are valuable to your business when correctly used.

How to use Lawyers?

As soon as you have an idea, it would be best if you spoke to your lawyer.

Your lawyer can guide you about:

1. The use for non-disclosure agreements with the people you are talking with, and or non-competition agreements.
2. Securing the intellectual property in what you are doing, such as a trade mark, a patent or something else.
3. Your business structure to minimise tax and protect you other assets from insolvency or bankruptcy.
4. The agreements you are likely to need to conduct your proposed business.
5. The legal requirements of the proposed business, such as the need for a license.
6. The need for insurances.

By being told what you need, you can then plan for how to pay for what you require: thus, ensuring that you are securing your opportunity and being in the best position to capitalise on it.

Lawyers are not there to get you out of trouble. They can try. Lawyers are better placed to ensure you do not get into trouble. While Lawyers cannot guarantee financial success, they can ensure that your business structure is the right one to capitalise on a successful business opportunity.

If you treat your lawyer as an adviser, instead of a problem solver, you will get better value for your legal budget than paying for them to help you when you like our friend above imports cocaine to take advantage of their "new friends" cocaine business opportunity!!

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