

Starting & Growing Your Small Business in Ohio

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How To Use This Legal Guide

Don't just read this E-Book. Put the content to work for your business and circumstance!

Here's how...

STEP 1

Schedule a 30-minutes phone call with me. That's right... Request your appointment right now so that you have a firm deadline to complete the E-Book and finish Step 2. Give yourself a week or two. No longer than this or you'll never finish!

Let's find time to talk... SCHEDULE NOW!

STEP 2

While reading through the information in this E-Book, jot down a few questions specific to your business. Here are a few examples:

- What's the best way for me to protect my business name online?
- Under what conditions does the LLC I operate under NOT protect my personal assets?
- What should I be aware of when signing a "standard" lease agreement?

(Use the next page to compile your questions before we talk.)

You've already scheduled your appointment, right?

STEP 3

Now let's discuss your questions. Don't forget to mark your calendar!

Your appointment time is:	
	(insert appointment time)

Questions for Chris

I need clarification on the following questions:

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About Chris Corpus



About The Author

Chris Corpus Attorney at Law

Chris graduated from Case Western Reserve Law School in 2000 and has been assisting business clients ever since. Chris provides legal services to both start-up businesses and those businesses that are already established. He finds that it is important to get to know his clients and their particular business in order to provide effective and efficient legal advice. He believes that this is necessary as no two clients encounter the same legal needs or advice.

Chris provides legal counsel to business and corporate clients. This legal advice ranges from selecting the appropriate business entity (limited liability company or corporate structure), corporate governance, contract drafting and review, asset purchase agreements, employment and independent contractor agreements, non-disclosure agreements and restrictive

covenants (non-compete agreements and non-solicitation agreements), trademark advice and prosecution, cybersquatting (which is the bad faith registration of a domain name – basically trademark infringement in a domain name), Internet law, licensing, lease review and real estate purchase agreements.

Part 2

Choosing Your Business/Product Name



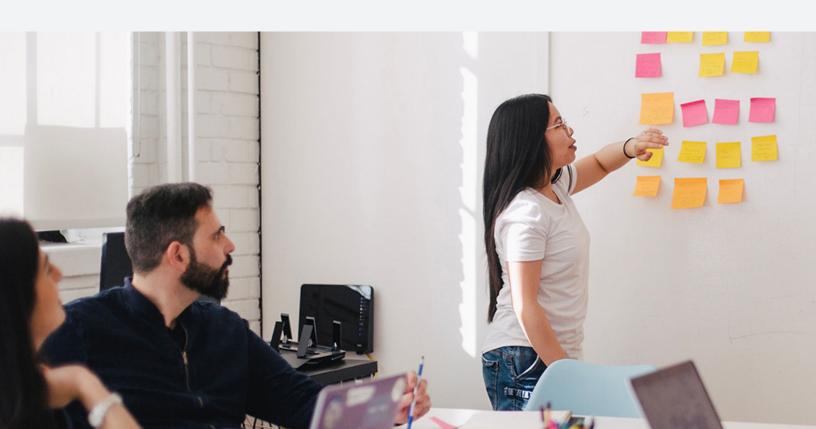
Selecting the right name for your business, product, or service is not an easy decision.

The name needs to appeal to customers, be legally available, and make you happy, all at the same time. Let's look at how to find the right name and how to protect it once you find it.

Finding the Right Name

The name you select will impact your entire business. It will affect your business branding, marketing efforts, and online presence. It needs to be memorable, yet good for SEO purposes. The name of your business, product, or service is often the first impression potential customers have.

The first step to finding that perfect name is to brainstorm as many ideas as possible. Here are a few tips to get you started:



- Write down every word you can think of related to your business niche or industry.
- Use a thesaurus to widen the word pool.
- Add in words describing how you want customers to feel about your product or service.
- Include the actions your employees will take to provide your service.
- Include any colors or special descriptors you want to emphasize.
- Include words that are fanciful and creative.



With this pool of words, start combining them into potential business names. Try to come up with at least 20 business, product, or service name options. Discard any that you don't like. Every one of them that makes your final cut should be a name that you can be proud of for years to come.



With this list of potential names, the next step is to see which ones are truly viable. You want to make sure each name will work long-term and in the real world.

- Run the list of names by your friends and family. Ask them for their honest opinion.
- Make sure a name doesn't have a double meaning that has lewd or sexual overtones.
- Avoid hard to spell names. You want your customers to have no problems finding you.
- Avoid names that will limit your future options. A name like "Wedding Gowns of Canton" may limit both your location and your product line.
- Search the Internet for businesses with the same name. It may be better to have a unique name or at least one that's unique to your niche or industry.
- Make sure to research available domain names. Do you want a domain name ending in ".com" or is another top-level domain (TLD) okay?
- Look for business names that mean something to your business.
 For example, Frank's Fitness would work better for a gym than
 Frank's Place.

If you want to take an extra step to make sure the name is viable, conduct a survey of potential customers. Have them rate each name for your type of business, product, or service. Ask them for comments on why they rated each one. It should give you strong insights into what attracts them and what does not.

At this point, you should have a shortened list of names that are viable. Now, it's time to make sure you can secure the name legally.

- Check the <u>USPTO.gov</u> website to determine if your name is available
 or already being used. It's not always necessary to trademark a name.
 However, it will protect you from others trying to copy your business.
- Search the <u>Ohio Secretary of State's list of registered businesses</u>
 to determine if your name is available or already being used. That will
 tell you if someone else has a legal right to the name.

With a firm name in mind, the final step is to verify the name will not infringe on another company's identity. The best way to do this is to have an attorney assist with this search. Corpus Law Inc can do this for you.



Protecting Your Business Name

Once you have a name that's viable and available, you need to take steps to protect it.

Register your business name with the <u>State of Ohio</u>. This will ensure no other company can use the name within the state. The process is simple.



It's important to go through proper steps to ensure your name is viable and doesn't infringe on another trademark.

Do this before you start printing marketing materials.

- Chris Corpus



Go to the <u>Business Portal on the website for the Ohio Secretary of State</u>.

You can register online or by filing the paperwork through the mail. You can find a list of fees associated with registering on the site as well.



You are not required to trademark the name of a product or service. However, **for proper legal protection, we highly recommend it.** Here are a few of the benefits of registering your trademark:

- You have exclusive rights to that trademark.
- The trademark becomes an intangible asset to the business. It has an actual value.
- You can license the trademark to others.
- You can transfer the trademark at any point in the future. You can do this without selling the rest of the business.
- You have the right to use the "®" symbol, which adds a certain prestige to your marketing.

You register a trademark with the US Patent and Trademark Office.

- Go to the <u>US Patent and Trademark Office's website</u>.
- Fill out the online registration form. It will take about one to two hours.
- It will cost \$375 per class.
- The full process for obtaining the trademark usually takes
 9 to 12 months.
- You can check the progress of the trademark process through the the US Patent and Trade Office's website.

Finding the right name and obtaining trademark protection are critical parts of starting a new company.

While you aren't required to have an attorney to file with the Ohio Secretary of State or the USPTO, it is highly recommended. An attorney has the experience and expertise to file the paperwork properly. This helps avoid delays in the registration process.

Need help registering your business name?

Whether it's registering or protecting your business name, we can help. Request your meeting by selecting the button below.



Ready to register a business name?

LET'S DISCUSS YOUR BUSINESS NAME - FREE!

Part 3

Deciding on an Entity



Types of Business Entities: Choosing The Right One for Your Ohio Business

Introduction

Ohio business owners should carefully consider the types of business entities to determine the best arrangement to achieve their business goals. The business form is important; it can determine the amount of control, the taxation, and the owner's liability.

The business entity definition helps understand the major features of a business type and the advantages and limitations in each type. Owners must be sure that they have the desired amount of legal protection. They must weigh the benefits and risks of each type of business entity to decide the best choice for their situation and goals. A good place to start is with the common types of business entities in Ohio and the widely-accepted business entity definition for each.



I. Defining Each Type of Entity

The <u>sole proprietor</u> is a business form in which the owner or proprietor makes the decisions and is personally liable for the debts, obligations, and liability.



Partnerships are groups of two or more owners that join together to do business. The laws of Ohio make each partner responsible for the partnership's debts and obligations. The law holds partners legally responsible for the wrongful acts of the other partner or partners. These wrongful acts include violations of duties to other partners.

The <u>Limited Liability Company</u> is a type of business recognized by Ohio law.

The LLC is responsible for its debts and obligations. The LLC form offers

protection for the owners against corporate debts, obligations, and claims as long as the necessary corporate formalities are followed.

<u>Corporations</u> are legal entities that have a status in the law like real persons. The corporation can enter into contracts, own property, buy, sell, and hold things of value. The corporation is a form that protects the owners from liabilities similar to LLCs. The corporation can sue and be sued in its own name.

II. Forming the Business and Continuing in Good Standing

Under Ohio law, sole proprietors and partnerships do not need to meet any formal requirements. LLCs and Corporations must meet filing and organization requirements.

How do you choose the right business entity to meet your circumstance?

Request a free 30-minute consultation!

Sole proprietors operate under the name of the owner or a trade name. Sole proprietors must register a trade name with the Ohio Secretary of State. A sole proprietorship can operate under the owner's identification but must have an EIN

if it has employees. The law automatically dissolves the sole proprietorship upon the death of the owner.

General partnerships are simple and easy to form. Two or more persons can agree to do business as partners. Because there are no requirements and limits, partnerships need agreements to establish the rights and duties of the partners. Once formed, partnerships continue until the partners cease operating as a partnership. By law, a partnership ends by death or bankruptcy of a partner.

Limited Liability Companies must meet the below-listed minimum state formation requirements.

- File Articles of Organization with the Secretary of State
- Appoint and name a registered agent
- Obtain acceptance of articles and agent by the Secretary of State

LLCs usually need a code of regulations to establish procedures for doing business and making decisions. LLCs are flexible and typically continue by following the procedures in their code of regulations and changing them as needed.



Corporations must meet Ohio requirements for formation and continuing operations.

- File Articles of Incorporation for Approval of Secretary of State
- Appoint a Statutory Agent for Approval of Secretary of State
- The incorporator must hold the first meeting of the shareholders and board of directors



Make sure that you have the desired amount of legal protection.

Weigh the benefits and risks of each type of business entity to decide the best choice for your situation and goals.

– Chris Corpus

Corporations must continue in good standing by following Ohio requirements for annual meetings of the Board and shareholders. Corporations that fail to meet the rules may violate duties owed to the public and its shareholders.



III. Liability in the Business Entities

Sole proprietors are personally liable for the debts, obligations, and duties of the business. Partners in a general partnership are also personally liable for the debts and obligations of the partnership along with the liabilities of other partners.

LLC debts, contract obligations, and other liabilities are the responsibility of the LLC as long as the necessary corporate formalities are maintained. The members, managers, and officers are not personally responsible.

The shareholders are the owners of the corporation, and, except as stated in the Ohio law, they are not personally liable for the corporation's debts and obligations. Ohio law holds shareholders personally liable when they make agreements to do so such as with a **personal guaranty**.

IV. Taxes and the Types of Legal Entities

The basic tax treatment of the entities is an important selection factor. The major difference is whether the government taxes the income as business income or income of the business owners. Tax related issues should always be reviewed with your accountant.

Conclusion

When setting up a business or deciding on the business form, owners should consider the requirements for forming and continuing the business including costs. Control of the business is a vital consideration. Each business entity offers a different degree of control and liability by the owner.

Which entity is best for your circumstance?

We can help you choose the right business entity to meet your goals! Request a free 30-minute consultation by selecting the button below.



Let's discuss which entity is best for you: REQUEST 30-MINUTES WITH ME - FREE!

Part 4

Licenses and Permits



A guide to business licenses and permits in the State of Ohio

Starting a business is both exciting and daunting. You are venturing out as an entrepreneur, yet so many things you have to do. One area you need to address promptly is what business licenses and permits you need to have in place. To make things a bit easier, we've put together this guide on business licenses and permits for your business startup in Ohio.

Here are licenses and permits that you may need to get for your business.

Business License

In most cities and counties, you will need a general business license to get started. In Ohio, you need to register your business with the Secretary of State's office. You also need to check with your city or county office if you need a license from them. In many cases, getting a business license requires providing basic information and paying a fee.



Trade Name

When you are doing business under a different name from your own, you need to register it with the state. In Ohio, that name must be unique. You can use the **Secretary of State's online database** to search for names already registered. Once you find a unique name, you fill out the Name Registration form and file it with the Secretary of State's office.

Employer Identification Number (EIN)

When you create your new business, it is typical to obtain an employeridentification number (EIN) from the IRS. This identifies you as a business to the IRS. Obtaining an EIN is free when you do it directly with the IRS.







Sales Tax Permit

If you plan on selling products or services, you may need a sales tax permit. In Ohio, this is called a vendor's license. It allows you to collect taxes on taxable products and services, then send those funds to the state. You can obtain a vendor's license by filling out the appropriate forms and submitting them through the Ohio Business Gateway.

Zoning

Many cities and counties in Ohio use zoning laws to restrict where businesses can operate. You should check with your city or county zoning office to see if you need a special permit or variance to operate your business in your desired location.

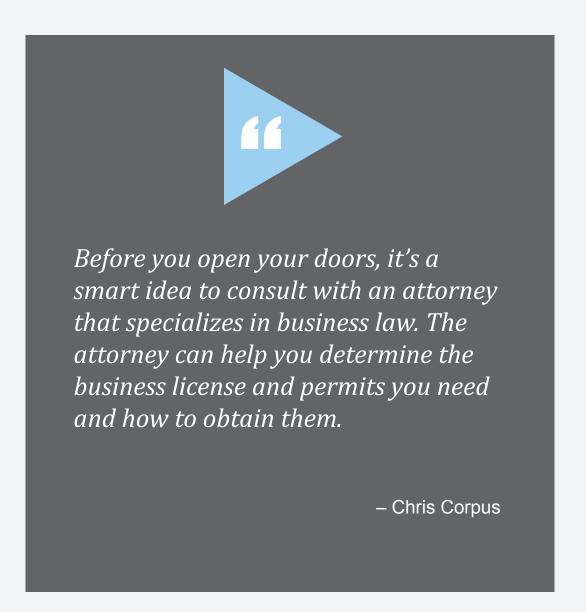
Home Occupation Permit

Some local Ohio governments require home-based businesses to have a home occupation permit. Check with your city and county government to determine if you need this permit.

Professional License

Specific professionals and businesses need special licensing in place before they can open their doors. For example, in Ohio, doctors and lawyers need to be

certified and licensed before they can offer their services. Day care centers are another business that needs to obtain and keep special licensing.



Health Permits

A health permit is required for most businesses that sell food or beverages that are cooked and served to the public. In Ohio, these permits are handled at the county level. Check with your local Health Department for permit requirements.

Fire Department Permit

Some businesses store and use flammable liquids. If these businesses are open to the public or offer a place for people to assemble, the fire department may need to inspect and certify the space. Your local fire or building department can help you determine if you need such a permit.

Environmental Permits

Businesses of all sizes must comply with environmental regulations, controls, and laws. The Ohio EPA is responsible for making sure businesses are in compliance. If your business will create, transport, store, treat or dispose of any hazardous waste, you need to contact the Ohio EPA about regulations. At the city and county level, you will need to get approval from your local sewer department before you connect to a publicly owned wastewater system.



Signage Permit

Some Ohio city and county governments have laws that require businesses to get a signage permit before putting up a sign. Some also regulate how big the sign is and where it can be placed. Talk with your local building department to see if you need a signage permit.

Building and Construction Permits

If you are renovating a building where you will be operating a business, you may need building and construction permits from the local building department at the city or county level. Contact them before you start making any changes.

Special State and Federal Licenses

Many state and federal agencies require certain businesses to obtain special licenses. For example, in Ohio, businesses that manufacture or sell alcohol must have a license from the <u>Division of Liquor Control</u> in the Department of Commerce. Businesses that manufacture guns or transport wildlife may need special permits from both the state and federal levels.



You might think getting a business license isn't a big deal. It's just easier to start your business without all the hassle. That's where you're wrong. If you are caught without the proper licenses and permits, you could face stiff penalties, the closure of your business, and, in some cases, jail time. It's just not worth the gamble.

Before you open your doors, it's a smart idea to consult with an attorney that specializes in business law. The attorney can help you determine the business license and permits you need and how to obtain them. Contact Corpus Law Inc. today at 216-973-2475.

Which licenses and permits do you need?

If you need guidance on which licenses and permits are needed for your business, we can help.

Request a free 30-minute consultation by selecting the button below.



Do you have questions about Licenses & Permits? **REQUEST 30-MINUTES OF ANSWERS - FREE!**

Part 5

Finding and Leasing Office Space



How do you lease the perfect space for your business?

Before you start leasing space, you want to keep a few important things in mind. No matter if you're opening your first business or boutique or you need more space for your growing business, finding space is important.

Understanding these 3 lease terms is of great value:

- Personal Guaranty
- Lease Terms and Renewals
- Rental Payments

Read an explanation of each in this web article.

We've pulled together eight things to keep in mind before and as you shop for your new space.

1. How Much Space Do You Need? (Expansion Potential)

Since this is going to be your business's home base, space is huge. If you plan to grow your business, you have to have room for expansion. A good rule of thumb to keep in mind is to have at least 1,000 square feet of space for every four to six employees. This usually gives you enough room for them all to have their own space to work.

2. Budget (How Much Can You Afford?)

Your budget is going to play a big role when you're finding space. Before you start looking, set a maximum amount you can comfortably afford each month. This should include your rent, utilities, taxes, parking, insurance, and any other common costs like maintenance. Don't forget your security deposit or costs to improve the building for your business needs.



3. Location, Location

Your new location is going to be important to you, your employees, suppliers, and customers. Ideally, your location will be easy to get to for everyone, highly visible, and have a good amount of traffic flowing by to draw new customers in. The easier you make it for your employees to get to work, the longer they'll stay around. It's also a good idea to keep an eye on any competition in the area.



4. Nearby Tenants

Before you start leasing office space, take a few days and learn what tenants are around you or in your building. How do these tenants fit with your business? Do they complement it or compete with you? Ideally, the tenants will complement your business, and you don't want your competition right next door. This can draw business away from you.

5. Parking and Security

Both your staff and your customers should feel secure. Consider the area you want to put your business. Is it going to be safe after dark or when your employees leave for the day? Are there any security measures in place to protect your business and your employees like alarms, cameras, and locks? How's the parking? You want ample space, so your customers don't have to struggle to find parking, and there should also be space for your staff.

6. Is Co-Working Space a Consideration?

Co-working is where staff from different businesses share the same office space. This business model lets you reduce your costs because several companies will split the cost of rent, utilities, and even staff costs can split. For example, a single receptionist can work for different businesses in the same space. Co-Working spaces may also be beneficial for collaboration.

7. Landlords

There are great landlords around, and there are bad landlords around. If you have tenants in the building, be sure to ask them about the landlord before you sign anything. Will they be quick to fix issues you have and how strict are they? Do they charge miscellaneous fees? Ideally, you'll have a landlord that wants you to succeed in their space, and they'll work to keep you happy.

8. Negotiating

When it comes to leasing space, most terms are negotiable. It's a good idea to get an attorney to do a <u>commercial lease review</u> and help you negotiate the best terms possible. They can also look for traps that an untrained eye may miss and warn you about them before you lock yourself into a contract.

For immediate assistance 216-973-2475

With this simple how-to guide and eight tips, you'll be able to confidently work on finding space for your needs. Shop around, take your time, and set your business up for success.



There is no such thing as "standard" lease agreement.

The time to have the terms of a lease reviewed is <u>before</u> you sign the contract.

This E-Book does not provide legal advice or create an attorney-client relationship. If you have any questions or would like to learn more about this topic or if you have other legal questions, do not hesitate to contact Chris Corpus, Esq. of Corpus Law Inc at 216-973-2475.

Do you need to lease office space?

If you're considering office space and signing a lease we can review the lease terms before you sign. Start by requesting a free phone consultation using the button below.



Start the lease review process now.

REQUEST A 30-MINUTE LEASE REVIEW - FREE!

Part 6

Conclusion



Corpus Law Inc is a law firm created to represent the legal interests of entrepreneurs and business owners.

Our clients range from a person just starting to kick the tires of entrepreneurship, a person working part-time on his/her business, and to businesses that generate millions of dollars of revenue per year.



For immediate assistance 216-973-2475

Sound legal advice for your business, including these specialties:

- Selecting the appropriate business entity
- Corporate governance
- Contract drafting and review
- Asset purchase agreements
- Employment and independent contractor agreements
- Non-disclosure agreements and restrictive covenants
- Trademark advice and prosecution
- Cybersquatting
- Internet law
- Licensing
- Lease review
- Real estate purchase agreements