



Tips for Avoiding Litigation for Startups

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Litigation can be a long and expensive process. For a startup, it could stall the growth of your business and sometimes even lead to collapse of the business. Below are some tips to help you minimize litigation.

1 Involve a licensed lawyer

A lawyer will ensure that all your agreements and contracts are properly drafted and that your business interests are protected. A lawyer will not only provide you with general legal advice on your business but also assist in drawing of contracts, and preparation and review of lease agreements for the business premises.

2 Register all intellectual property

Registration of intellectual property owned by your business minimizes litigation by ensuring that your business is not infringing existing intellectual property. Registration also protects your brand.

3 Comply with employment laws

Compliance with employment laws minimizes the risk of employment litigation. Ensure that you use the correct procedures in hiring and terminating employees

4 Comply with regulatory laws relating to your industry

Most industries have specific laws regulating business in addition to general laws and by laws. For instance, if your company is engaged in the sale of pharmaceuticals, ensure that you get licenses from the Pharmacy and Poisons Board. This will ensure minimize the risk of closure or litigation based on non-compliance.

5 Employ Alternative Dispute Resolution

In the event that a dispute arises, consider using alternative dispute resolution mechanisms such as mediation and arbitration. This will avoid the long process of litigation as well as preserve the reputation of your business.

