

BACK TO BUSINESS

A Necessary Toolkit For Doing Business In 2020

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Presentation Flow

- The Business Plan
- Saving Your Space
- Working With Others
- Protecting Your Work

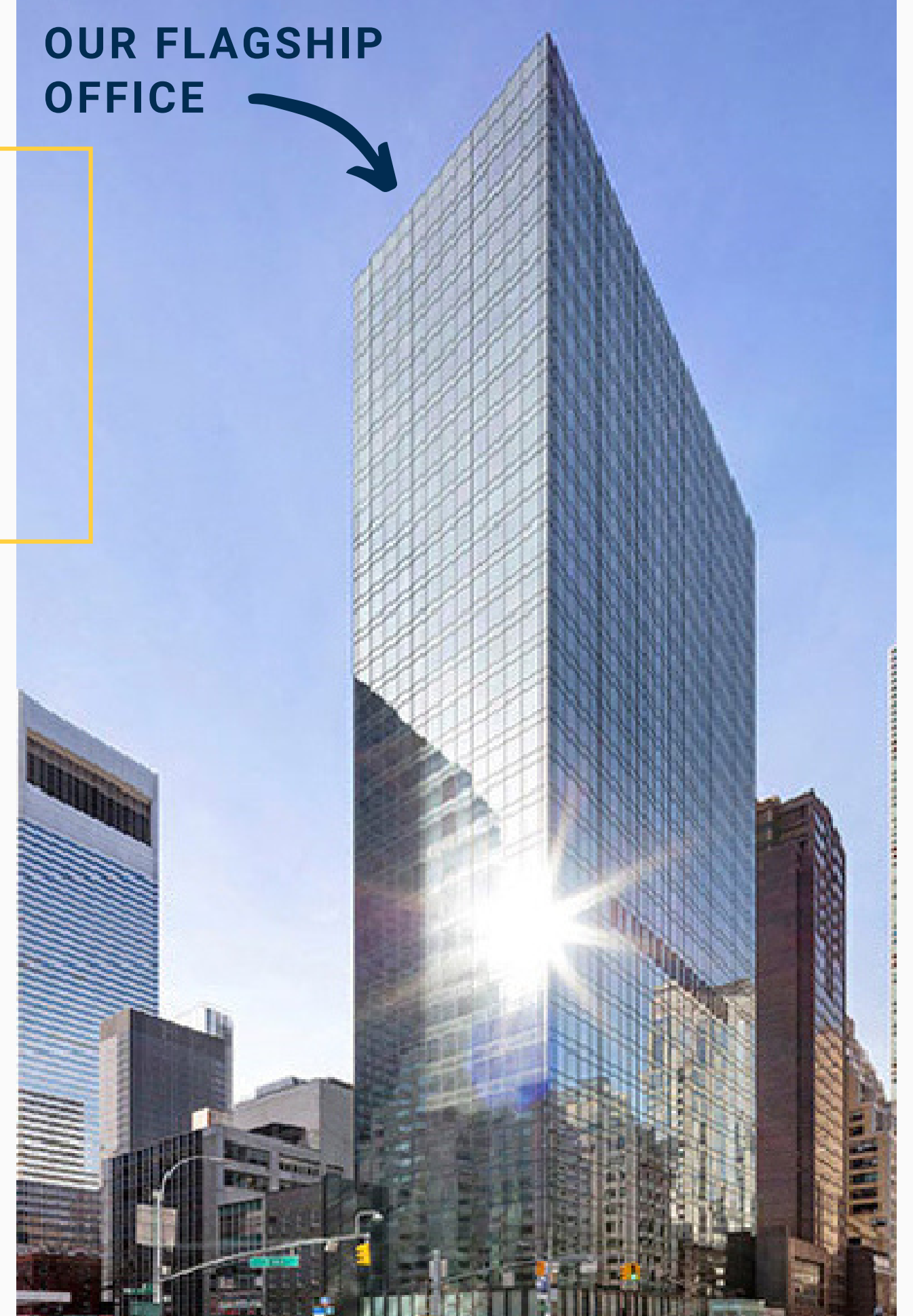
About Us

Pardalis & Nohavicka is a full-service law firm based in the Tri-State Area with offices in Manhattan, Queens, WeWork, Long Island, and New Jersey.

Our mission is to approach each matter with urgency and understanding of your needs.

With their experience and unique approach, our attorneys regularly solve problems for a total fee lower than comparable firms charge.

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WE ARE GLOBAL



Counsel to innovative companies, start-ups, and brands around the world.

THE BUSINESS PLAN

TASO PARDALIS



The Business Plan



START WITH A COMPANY OVERVIEW CLEARLY OUTLINING:

- Your mission statement
- A summary of the company's legal structure and ownership, company history
- Location, but most importantly - ACCESSIBILITY

YOUR COMPANY'S PRODUCTS & SERVICES:

- Explain the core of what you are trying to achieve and detail the problem you are solving, how you are solving it, your competition, your target audience, and your edge.
- It is essential to include the technologies you are using, intellectual property that you own, and what you plan to build. Display passion for your company's purpose or those reading it will fail to do so as well.

“

Peter Diamandis

DEMATERIALIZATION, DEMONETIZATION & DEMOCRATIZATION

SCALING COMPANY GROWTH AND
THE THREE D'S OF BUSINESS
IN THE MODERN AGE

The Business Plan



MARKETING & SALES PLAN:

- What strategies are you using to reach your target market, promote your offerings, and generate sales and revenue?

FINANCE:

- How much capital does your business need to get started or to grow? Where it will be spent? How much money do you plan on bringing in? Where will you spend it once it comes?

MILESTONES, METRICS, & MANAGEMENT:

- This is the part that investors focus on most. Be sure to include relevant team bios and why your management personnel are the right people for their jobs. Investors very often invest in people more than products.

Complying with new standards due to COVID

NY FORWARD SAFETY PLAN REQUIRED FOR ALL BUSINESSES

- Each business or entity must develop a written Safety Plan outlining how its workplace will prevent the spread of COVID-19.
- This plan does not need to be submitted to a state agency for approval but must be retained on the premises of the business and must be made available to the New York State Department of Health (DOH) or local health or safety authorities in the event of an inspection.
- Covers physical distancing requirements, cleaning & disinfection, contact tracing and COMMUNICATION with employees & clients.

Lessons Learned

While this year's challenges were unexpected, businesses can take away important lessons to be better prepared.

BUILDING A WORKFORCE STRATEGY & INCREASING PRODUCTIVITY

- Finding the right platform to use
- Keeping open lines of communication

AGILITY & WILLINGNESS TO ADAPT

- Value in collaboration & communication tools such as: video conferencing tools, shared documents, e-signatures, etc.

SAVING YOUR SPACE

NATALY GOLDSTEIN



Force Majeure

IN GENERAL, CONTRACTS INCLUDE A “FORCE MAJEURE CLAUSE”, WHICH IS SOMETIMES FOUND IN COMMERCIAL LEASES

Entering Into A New Lease



Force majeure clauses excuse the parties involved in the agreement from performing the requirements under the contract in the event of a force majeure - “act of God” (for example, tornados, hurricanes, etc.).

- This usually discludes the requirement to pay rent
- Force majeure are interpreted by judges very specifically.
 - “Act of God” is usually limited to occurrences that no one can control, ie. in the hands of God.
- Even though this pandemic is in some ways a natural disaster, the real consequence to COVID-19 has been that everyone has been under quarantine, which was a government-enacted force, which does not fit in this act of God description that is usually not included in this clause



NOTHING IN A STANDARD NEW YORK COMMERCIAL LEASE ALLOWS A TENANT TO TERMINATE A LEASE BASED ON THE PANDEMIC, BUT I AM SURE WE WILL SEE MANY FORCE MAJEURE CLAUSES THAT WILL INCLUDE “EPIDEMICS, AND PANDEMICS” IN THE CLAUSE.

Saving Your Current Lease



Communication is key. Tenants & Landlords are willing to compromise.

Saving Your Current Lease



- **Decrease in rent for set period of time**
- **Percentage leasing or income-based rent**
 - Percentage leasing is a type of lease where the tenant pays a base minimum rent in addition to a portion of the tenant's gross income – the percentage of sales that the store gains.
- **Shorter term leases**
 - Generally, a commercial lease term will run anywhere from 5 to 30 years or so.
 - Today, landlords and tenants are trying to be more conservative in unsettling times and are more willing to agree on shorter leases to renegotiate once things have settled.
- **Deferred Payment Plans for Rent**
 - Landlords might agree to defer payment of full rent due or a portion of the rent due

Further Protections Under COVID

WHAT IS A PERSONAL GUARANTY?

- Commercial leases typically include a personal liability provision — also known as a personal guaranty — in which the guarantor agrees to take responsibility for the lease payments of the premises in the event that the business fails to pay rent during the lease term. This may also come into play if the business fails to pay rent after vacating the space before the end of the lease term.

LOCAL LAW 1932-A

- In May, the New York City Council passed a law that includes provisions aimed at helping restaurants and small business owners manage their responsibilities under their lease. A major component of this law was the suspension of the enforcement of personal guaranties for defaults that occurred between March 7, 2020, and September 30, 2020.

WORKING WITH OTHERS

JOSEPH D. NOHAVICKA



Employee Handbooks



- WORKING EXPECTATIONS

- POLICIES

- DISCIPLINE

- PROTECTIONS FROM
CLAIMS SUCH AS
WRONGFUL TERMINATION
AND HARASSMENT

Harassment Policies

Whether you are the owner of a small or large business, it is essential to have a clear and comprehensive sexual harassment policy in place. This is a crucial step in protecting your business and your employees.

NEW YORK COMPLIANT POLICIES MUST:

- Make clear that sexual harassment will not be tolerated and that any employee engaged in sexual harassment will face sanctions, including managerial personnel that knowingly allow sexual harassment to continue.
- Provide examples of conduct that will be deemed sexual harassment.
- Provide information on federal, state, and local laws concerning sexual harassment, and addressing remedies available to sexual harassment victims—including available forums for adjudicating sexual harassment complaints.
- Provide a complaint form, and outline company procedures for handling sexual harassment complaints in a timely and confidential manner.
- State that it is illegal to retaliate—in any way—against an employee who files a sexual harassment complaint, testifies or assists in an investigation.

Harassment Training

All employers must conduct interactive sexual harassment prevention training with all current employees.



- New employees should be trained as quickly as possible.

- Sexual harassment prevention training **MUST** be completed at least once per year.

- All records pertaining to company sexual harassment training must be maintained in the ordinary course of business.

Document Everything



Agreements: Shareholder or member operating agreement outlining the relationship of the parties and the terms of the venture.

- What do the parties get and under what terms?
- What happens when one of the partners wants to exit?
- What happens if more money is needed?

Document Everything



It is essential to draft contracts with **vendors, clients and employees**. Some deals on a handshake may never lead to any serious legal problems, but it will make for plenty of headaches. You need to have something in writing to outline terms and conditions.

- Independent Contractors with access to sensitive information such as code, website data, customer lists and pricing info should be subject to NDA and non-compete language in their agreements.
- Independent Contractors who you are contracting to build or design something for you: should have clear language that the IP or the rights in the work or anything created on your time or dollar are yours.

Contracts



EMPLOYMENT CONTRACTS

Compensations, benefits, termination etc.

NONDISCLOSURE AGREEMENTS

Protect your business information

NON COMPETE

Prevents ex-employee for working with a competitor

INDEPENDENT CONTRACTOR AGREEMENTS

Clarify relationships

PROTECTING YOUR WORK

GIANNA MCARTHUR



Trademarks



- Symbols used in commerce to identify goods and services
- Can consist of words, fonts, logos or a combination
- The U.S. Patent and Trademark Office does not allow the registration of generic words or phrases, for example the word “table”
- Trademark rights are identified through continuous commercial utilization which allows the public to recognize goods and distinguish them from other goods

HELPFUL TIPS

- Record date of first use
- Only used for the goods or services on the registrations.
 - When registering marks, you decide specific classes of registration
 - Marks cannot be used for classes not included in registration
- Must continue to use trademark
 - You could lose registrations if you fail to use the mark

Benefits To Registering



Registration provides the owner of a mark many benefits:

- Allows users to identify a trusted brand
- Prevent third-party use of mark or registration of a confusingly similar mark
- Notice to the public of ownership of the mark
- Exclusive right to use the mark in connection with goods or services listed in the registration
- Enhances legal rights
 - Cease and Desist Damages
 - Injunctions
 - License marks to others

Copyright

- Protects original works of authorship including literary works, musical works, dramatic works and choreographic works
- Apply to published and unpublished works

Copyright owners have the exclusive rights:

- Reproduce the work
- Perform and display the work publicly
- Sell the work
- Protections can last the life of the author plus an additional 70 years

Patent

- Protect inventions
- Property rights to new, useful, and nonobvious inventions
- Requires timely filing
- Allows the inventor to exclude others from making, selling, and using the patent during the term
- Terms of patents can vary from 14 years to 20 years

Customs and Border Protection of Intellectual Property Rights

- U.S. Customs and Border Protection (CBP) can detain, seize and destroy products entering the United States if it has an infringing trademark or copyright registered with the U.S. Patent and Trademark Office of U.S. Copyright Office
- Intellectual property right owners can partner with the CBP to receive border enforcement of registered Intellectual Property
- Prevent flooding of infringing and competing goods in the market





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