

3 reasons your business needs a 'legal brickhouse'

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Getting entangled in costly legal troubles that could potentially sink the company is the last thing any business owner wants. Unfortunately, the numbers don't lie. In any given year, as many as [36 percent to 53 percent of small businesses](#) are involved in lawsuits.

Building a legal brickhouse — or a legal framework as solid and sturdy as brick — is a necessary measure to protect your business. It's comparable to the story of the Three Little Pigs: If you lack a legal brickhouse, the first wolf that notices your house may blow it down. This wolf might even be inside your door. For instance, without a key employment agreement, a key employee can easily walk out of the door with a million dollars of your business.

A competent business lawyer is crucial to ensuring this and other disasters don't occur. Here are three reasons for small and medium business owners to seek legal counsel in advance and mitigate liability.

1. You must invest in the future by preventing problems before they occur

As in most situations, it will always cost less to anticipate and prevent problems than to conduct damage control later. Hiring a lawyer as a business adviser or starting out with a consultation will equip you with the tools you need to avoid future litigation because business attorneys can foresee what will go wrong based on past legal experience.

Even if their fees seem expensive, the long-term cost will be far preferable to the financial losses of a lawsuit. Lawsuits not only waste immense amounts of money and time, they also damage business value.

2. Legal knowledge is not just powerful; it's necessary

Ignorance does not hold up as a defense in court, so you must be in the know. It's never a good idea to go into a situation blind, especially when money is involved. Legal counsel will decipher the numerous laws, codes and restrictions for you and ensure you properly understand them and their pitfalls.

A business lawyer will also advise you to ensure you're never ignorant of any potential complications or liabilities. For instance, you might not know why establishing a brand trademark is so important. An effective attorney would tell you that without strong intellectual property protection, you could lose a million-dollar brand. [Here](#) are other examples of common lawsuits that blow down legal straw and wood houses.

3. Lawyers will streamline processes to ensure your business is set up for success

Hiring an advocate who will personally get to know your business and act in its best interests can be essential to your success. Business owners are faced with various agreements, disputes, transactions and entity creations that are inherent to starting or growing a business. Attorneys will determine the most beneficial course of action in many situations.

Skilled business law attorneys at [Hudspeth Business Law](#) will help you determine an advantageous business structure for your circumstances, negotiate and craft airtight contracts, resolve disputes, assist with the development of employee protocols, review noncompete agreements and much more. With these lawyers' help, you can establish an unshakable legal foundation and build upon it as is suitable to your business's growth curve.

[Schedule an appointment](#) at Hudspeth Business Law today to learn more about what you can do to build a legal brick house and guarantee your path to success is legally sound.

Attorney Donald W. Hudspeth has more than 20 years' experience practicing corporate and business law. Before attending law school, Hudspeth held a stock broker's license at the age of 21 and owned his own business at the age of 23. He was a business law professor at Arizona State University, West Campus, and has conducted classes and seminars for a number of higher institutions and organizations. Hudspeth has published two books on law and is the founder of the radio programs "Law on the Edge" and "Law Talk."