Bringing Your Business Online: Website Terms

Description

The current COVID-19 pandemic has forced many businesses online in order to survive. In many cases, businesses had no plans to be online. Others were forced to move online more quickly than planned. In order to assist these businesses, we are preparing a series of articles discussing some of the more important legal issues to address when moving your business online.

Article 1: Website Terms

Job one is to get the online technology up and running. Then there are some legal issues to which you should pay attention to protect your business. For most businesses, these can wait until after you get your business up and running (all while balancing home schooling and grocery obligations). But these are all issues that you should address once you have had a chance to catch your breath.

One of the most important items that your website needs are "terms of use" (also known as "terms and conditions" or "terms of service"). These terms do not replace your ordering, sales and delivery terms. Rather, they govern the relationship between the operator of the website (your business) and the users of the website and its content.

There are several different kinds of terms, depending on the type of business you are operating. The most common are:

Basic Terms of Use

For basic websites that only offer information about the business, the terms generally will provide that the content on the site is covered by copyright laws, that the content cannot be used for commercial purposes by others, and contact information for the business.

E-Commerce Terms and Conditions

For sites that allow users to create accounts, that sell products and services, or that allow others to post content or comments, further provisions should be added. These terms include

- · provisions governing the accounts;
- provisions describing how accounts may be terminated;
- · terms of sale;
- what types of payment are accepted;
- how payments will be made;
- · how deliveries will be made.

If third party comments and content are allowed, the terms also will need provisions regarding copyright policies, and how others can submit claims of copyright infringement.

Apps/Terms of Service

For websites that provide services directly (sometimes known as "Software as a Service" or "SAAS" websites), additional terms are required. These terms discuss the rules of how the website can be used and limit the website operator's liability for such use. If an application (or "app") for tablets or wireless phones is connected to the website, these terms also generally will provide licensing terms and requirements for use of the app.

It is tempting to just copy the terms from another website, especially when you are rushed for time. However, there is danger in doing this, as the terms on another site may omit a provision that you need to protect your site or, may contain provisions with which your site does not comply. Either way, you could be subjecting your business to unnecessary liability. It is much safer to construct your own agreement tailored to your business.

If your website does not have terms in place, we would be happy to discuss your requirements and assist you. Partridge Snow & Hahn Partner <u>John Ottaviani</u> has over 25 years of experience bringing businesses online and can provide the guidance needed to make the transition as painless as possible. He can be reached at jottaviani@psh.com or 401-861-8253.

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