

Is My Idea Legal?

Today's Most Read

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A good rule of thumb for whether things are legal is to follow your instincts about right and wrong. Generally, the court system works by the judges and juries deciding what they think is right and then finding a legal argument to support that outcome, so most of what seems illegal usually is--especially if it's also very profitable.

If you have an idea and want to check out whether it's legal, try first doing the recommended research for your business plan. Research far enough into any business idea, and areas for further legal inquiry should appear.

For example, let's say you have an idea for selling your encrypting software internationally. You think you can make tons of money, since, after all, you create it once and then license it over and over with little overhead. While assembling your business plan, you begin to research export laws and how to get export licenses as part of figuring your start-up costs. You discover that the U.S. government requires export licenses and that there are three government agencies that oversee sales and contracts made with countries abroad--the Department of Commerce, the Department of Defense and the Department of State. Suddenly, the easy and profitable idea is not so easy and profitable, and may not be legal either, depending on what all these regulations say.

Once you have done enough basic research into your idea to know the legal areas that need further investigation, there are several ways to conduct your research:

- **The Internet.** There are several great sites for accessing cases and statutes by state and federal systems, along with informational articles. The sites I use the most for my online legal research are [Cornell Law School's site](#) and [FindLaw.com](#). Often, an ordinary search on [Google](#) can also provide very helpful information and cases through other sites on the Web. If you are going to try to do formal legal research using case law, be sure you first research how legal research is done so you understand state and federal districts, the hierarchy of the courts and how to find the most recent laws.
- **A law library.** In nearly every town, there is a law library as part of the court system for the town. Sometimes the library is in the court building, and sometimes it's in City Hall or other locations; call the clerk's office for the state or municipal court of your town and ask where it is and how to visit. There are also law libraries in the law schools in your area. Sometimes finding the law schools is a little time-consuming and might require using the phonebook or calling the large local universities or Bar Association office to inquire about which schools there are and how to get in touch with them. Some schools have policies about restricting access to students, but if you dress up in your jeans and

T-shirt and head over with a backpack, it's unlikely anyone will stop you.

When you get inside the library, ask the librarian to point you to the law treatises in the reserve section. This section will have shelves and shelves of the reference books that lawyers read to understand the law, in summary, by type of law. There are books on contracts, property, the law by state, trademark and tons of useful information.

- **A lawyer.** Yes, hated throughout the land, but useful on your side. If you are short of funds, hiring a sole practitioner attorney often will save you money, as they tend to bill at lower rates and be more willing to talk to you for free prior to formally charging you. Try FindLaw.com to find a lawyer in your town who knows the area of law you need help with. To find the sole practitioners, just look for the firm names with only one person's name in the title.

Note: The information in this column is provided by the author, not Entrepreneur.com. All answers are general in nature, not legal advice and not warranted or guaranteed. Readers are cautioned not to rely on this information. Because laws change over time and in different jurisdictions, it is imperative that you consult an attorney in your area regarding legal matters and an accountant regarding tax matters.

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