



the scope of considerations that must be addressed by a director at a time when a company is modifying or adding to its operations or plant. These considerations include:

- whether the modification or addition will cause excess emissions into the environment which breach EPA criteria, even

during the 'commissioning' of the plant

- have the directors and managers made all relevant enquiries to persons concerning the implementation of the new operations or plant, in particular, have all relevant enquiries been put to an environmental

consultant responsible for implementing a 'technological' solution that will have an environmental impact?

- is the information to be considered by the directors and managers adequate and appropriate for making informed decisions?



News and Views

e-Business — tips and traps

By **Andrew Chalet**, Phillips Fox

Business, and the way we conduct business, has been dramatically altered by the emergence of e-commerce. E-commerce is impacting upon existing business and consumer relationships and creating opportunities for new relationships, redefining distribution chains and challenging existing approaches to the protection and valuation of intellectual capital. To manage the legal implications of an e-business strategy effectively, an understanding of e-commerce business models, relationships and the law is essential.

Implementing your e-commerce strategy

In our experience, little consideration is given to the legal issues which impact on the development of proposed e-business strategies at the executive and board levels. This results in a lack of resources being committed to e-commerce projects.

With detailed understanding of specific industries, and an appreciation of the issues and challenges for conducting business over the Internet, you will be in an excellent position to assist in identifying the legal issues for an e-

commerce business strategy, as well as the planning, design and implementation of your e-commerce initiatives. Many, potentially fruitful, e-commerce initiatives are wasted because of the lack of attention to basic legal details.

Getting started

There are a number of specific legal issues to be considered in the planning, design and implementation of your e-commerce projects. Some of these issues require contractual arrangements to protect and support your ongoing Internet strategies.

Following are some of the issues to look out for, and a checklist of the legal considerations along the way.

Imagine it

When you are in the planning stages of your e-business there are some pertinent issues to consider, these include:

- confidentiality/ownership of intellectual property
- trade marks and domain names
- the brand — use the experts!
- regulatory issues — from the Trade Practices Act to on-line gambling/auctions
- jurisdictional issues.

Design it

The design phase of your e-business requires legal assessment of:

- website agreements/warranties and intellectual property
- security and backup/dependencies
- agent/supplier/customer contracts
- joint ventures.

Produce it

Broader business issues facing production are:

- structure — tax and control
- capital raising — friends
- shareholder agreements
- investment ready?

Launch it

Critical to the success of launching the e-business are a number of issues such as:

- distribution arrangements
- customer privacy/refunds, returns, etc.
- customer data — gathering and use of.

Grow it

You've gone live, your business is up and running and you want to increase business. Some legal implications surround:

- further capital raisings
- new 'partners'
- changing regulatory environment.

