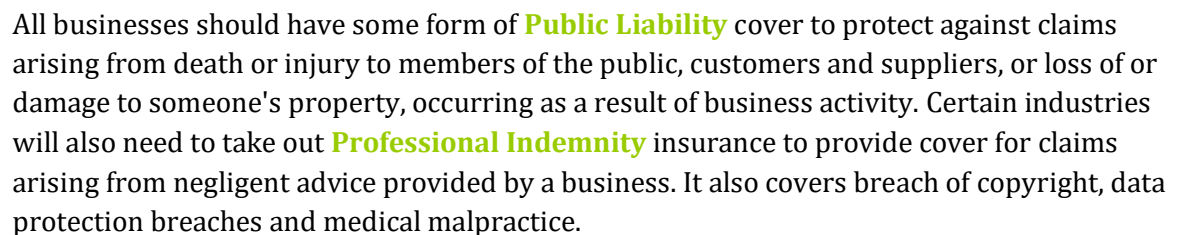


- **Insurances – do I need them and what for**
- **Do I need any licenses to operate**
- **How do I protect my ideas**
- **How to keep up to date**

Insurances: do you need them? (and what should you cover?) There are many different types of insurance policy designed to cover the various risks that might befall the owner of a business, either to alleviate any harm sustained by the business or to protect it from claims made against it for damages it may have caused.

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In addition to the standard Employers' Liability, **Employment Practices Liability** covers costs arising from claims brought against a business by employees relating to discrimination, misconduct in the workplace and wrongful dismissal. **Cyber Insurance** protects businesses against damage to, or loss of information from, computer systems and networks arising from a cyber-attack. It can cover costs incurred by the business itself, as well as third-party losses sustained by customers of the business.

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Having considered the risk of claims for damages being made by third parties, there are also policies to cover anything of value belonging to the business itself, such as **Property (or Business Assets)**, cover which provides protection against loss or damage to business property (such as stock, equipment or premises), for example as a result of fire, flood, theft or vandalism. **Goods-in-Transit** insurance covers goods against loss, theft or damage whilst in transit from one place to another or are being stored during a journey.

If trade customers fail to pay the money they owe to the business, **Trade Credit** insurance pays out a percentage of the outstanding debt when a customer is declared insolvent or defaults on payment for longer than a specified period. A business can take out trade credit cover for all their customers, or just for individual accounts.

Finally, there are policies designed to help a business through times of hardship, including **Business Interruption** which protects against loss of income when a business can't trade as usual due to circumstances such as breakdown of essential equipment, damage to premises or lack of access to the premises, for example due to a gas leak in the local area. It will compensate the business for shortfalls in pre-tax profit and any increased business costs that arise from the interruption. **Income Protection** will also provide business owners with an income if they are personally unable to work as a result of an accident or illness. A policy will typically pay out an income of between 50% and 70% of an individual's pre-tax earnings, although the amount may be reduced if they are receiving any other income.



Also, **Key Person** cover may be appropriate if there is an individual who is so important to the operation of a business that it would suffer greatly from their absence. If the insured individual dies, the policy pays a lump sum to the business that can be used to help it recover. Policies can be extended to cover specific critical illnesses that may prevent a key person from working.

Do you need licenses to trade? Some businesses are required to hold special licenses before they can start trading.

One of the more obvious examples of this is a **Personal Alcohol Licence**, which authorises the holder to supply alcohol at a premises that has a valid premises licence - the Application Fee is currently £37. You will also need to apply for a permitted **Temporary Event Notice (TEN)** if you wish to lawfully carry out licensable activities at premises which do not have a premises licence or club premises certificate for a Fee of £21 for each event.



Business selling food or drink who want to place 'removable furniture' on the pavement for their customers' use, will need to apply for a **Pavement Licence**. This is part of the Planning Process, and the fee from 1st April 2025, will be £350 for the initial application and £300 each year for renewals.

All businesses that sell, distribute, prepare or store food must be **Registered as a Food Business**. This includes restaurants, shops, supermarkets, canteens, delivery vehicles, village halls, market stalls and ice cream vans.

Anyone starting a new food business, must register at least 28 days before they start trading. If someone takes over an existing food business they will need to register, even if the business has already been registered previously. Registration is free.



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If you intend to collect money (or sell articles) in any street or public space, to raise money for charity, you will need to apply for a **Street Collection Permit**. There is currently no application fee for these permits. If you are planning a street party or community event, in addition to the consent of the landowner, you may also need to consider other factors, such as alcohol licences, entertainment licences, a road closure order, etc.

How to protect your Intellectual Property (IP)

Intellectual property is something that you create using your mind - for example, a story, an invention, an artistic work or a symbol. **The UK Copyright, Designs and Patents Act 1988** is the current legislation setting out the legal framework governing copyright, designs and patents in the UK and their enforcement. In addition, **The Trade Marks Act 1994** is the current law governing trademarks within the UK.



Copyright arises automatically when an original work is created and protects literary, dramatic, musical and artistic work, including illustration and photography. It also encompasses non-literary written work, such as software, web content and databases as well as sound and music recordings and film and television recordings.

Unless the owner has given permission, a work that is protected by copyright must not be copied, distributed, performed or displayed in public, adapted or uploaded to the internet. Copyright protection lasts for the lifetime of the creator plus 70 years from the end of the calendar year of their death

There are a number of actions that copyright owners can take in order to minimise the risk of copyright infringement. Although it is not a legal requirement, displaying a Copyright Notice or the Copyright symbol © acts as a reminder that copyright applies.

Inserting watermarks or other hidden elements (visible or otherwise) in electronic files containing the work mean that it can easily be identified in the event of a dispute. Keeping copies of draft versions, rough sketches, written research and other preliminary material can also help copyright owners establish themselves as the creator of an original work.

Creators of original works can register them with a **Copyright Registration Service** to receive an independently verifiable dated record of the full content of the work. They can also use online tools such as Google Alerts or free 'plagiarism checkers' to determine whether work has been re-used elsewhere online.

Patents protect inventions that are capable of being made or used industrially, such as a new device, material or manufacturing process. They prevent anyone from making, using, selling, importing or exporting the invention without the patent owner's permission.



Patents are granted by the Intellectual Property Office and last for an initial period of 5 years, after which they can be renewed, for 12 months at a time, up to a maximum of 20 years

Getting a patent is complicated - you are unlikely to get a patent without professional help and it can take several years. Fees of at least £310 will be payable to the Intellectual Property Office (IPO) to complete the application process. In addition, to have the best chance of getting a patent granted you will usually also need to pay a patent attorney for help and advice, which can cost several thousand pounds.

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Design Rights protect the 'design' of a product, i.e. the unique appearance created by the choice of features such as shape, colour and decoration.

Unregistered design right protects the three-dimensional features of a design (meaning its shape and 'configuration') for up to 15 years. In addition, 'supplementary' unregistered design right (SUD) protects two-dimensional design features, such as colours and surface patterns, for three years. Unregistered design right and SUD arise automatically when a product design is created.

However, it is also possible to receive additional protection by registering designs with the Intellectual Property Office. Registering a design protects both its two-dimensional and its three-dimensional features for up to 25 years.

Applications to register a design in the UK are made online to the Intellectual Property Office at: www.gov.uk/register-a-design/send-your-application. The application must include illustrations of the design, which may be photographs, line drawings or computer-aided design images. The fee ranges from £50 for a single design to £150 for up to 50 designs. Many people use a specialist design right solicitor to help them with the application process, which can be complex.



Another option might be to subscribe to an organisation such as ACID. Membership starts at around £15 per month and includes the registration of designs on an on-line databank to create time-stamped evidence of your ownership, use of the 'ACID' logo which can act as a deterrent to would-be copyright thieves and free legal advice on IP-related matters.

A **Trade Mark** is a recognisable word, phrase, symbol or design that is used to distinguish the goods or services of one business from those of others. The owner of a trade mark can apply for it to be registered with the Intellectual Property Office, which prevents anyone from using it in relation to similar goods and services without permission. Once a trade mark is registered, its owner can sell, franchise or license it to others.



Licensing others to use your designs: Anyone who owns the Intellectual Property Rights to a product or design, can enter into a Licence Agreement with another party, which allows them to reproduce and use the IP on their own products or merchandise. The owner of the IP Rights is the Licensor and the individual or company allowed to use the IP is the Licensee.

There are different types of Licence, depending on the degree of exclusivity afforded to the Licensee and these usually involve the Licensee making payments to the Licensor. These may include an upfront Issuance Fee, periodic Maintenance or Renewal Fees, Milestone Fees (e.g. when a predetermined number of sales have been achieved) or ongoing Royalties (usually as a percentage of sales made).

Due to the complex nature of some of these agreements, it is quite customary to retain a Licensing Agent who negotiates the terms on behalf of the IP owner and oversees the collection of the fees and royalties as they fall due (charging a commission fee for their work).

Useful Website Addresses:

Please note, some of the following sites are maintained by third party organisations and neither North Devon Council nor North Devon Plus are responsible for the accuracy of any information they contain. You should exercise the usual security precautions when viewing external websites.

Specialist Insurance Providers

SAA – Supporting All Artists - <https://www.saa.co.uk/membership-insurance-guide/>

a-n The Artists Information Company - <https://www.a-n.co.uk/about/insurance/>

General Insurers

Hiscox - <https://www.hiscox.co.uk/business-insurance/art-and-crafts-shop>

AXA - <https://www.axa.co.uk/business-insurance/craft-insurance/>

Direct Line - <https://www.directlineforbusiness.co.uk/small-business-insurance/craft-insurance>

Simply Business - <https://www.simplybusiness.co.uk/insurance/artists/>

Brokers

Taw Insurance Solutions - <https://tawinsurance.co.uk/business-insurance/>

NFU Mutual - <https://www.nfumutual.co.uk/business-insurance/>

Swinton - <https://www.swinton.co.uk/business>

General Insurance-related Website Addresses:

Business Insurance: The Basics British Business Bank
www.british-business-bank.co.uk/finance-hub/business-insurance-basics

Business Insurance Guides British Insurance Brokers' Association (BIBA) www.biba.org.uk/insurance-guides/business-insurance-guides

Business Insurance Association of British Insurers (ABI)
www.abi.org.uk/products-and-issues/choosing-the-right-insurance/business-insurance

Employers' Liability (Compulsory Insurance) Act 1969: A Brief Guide for Employers Health and Safety Executive (HSE) www.hse.gov.uk/pubns/hse40.htm

IP-related Website Addresses:

Intellectual Property Office www.gov.uk/government/collections/intellectual-property-designs

Business & IP Centre, Devon <https://bipc.librariesunlimited.org.uk/>

The UK Patent Library (PatLib) Network (25 locations across the UK) www.gov.uk/government/publications/uk-patlib-network

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The UK Copyright Service provides guidance on copyright notices and registration at:

https://copyrightservice.co.uk/copyright/p03_copyright_notices

https://copyrightservice.co.uk/services/about_copyright_registration

ACID (Anti Copying In Design): <https://www.acid.uk.com/>

Creating a Google Alert: <https://support.google.com/websearch/answer/4815696?hl=en>

Examples of free plagiarism checkers, go to: <http://www.scribbr.com/plagiarism/best-free-plagiarism-checker>

Information on Licencing Intellectual Property: <https://www.gov.uk/guidance/licensing-intellectual-property>

Operating Licence and Permit-related Website Addresses:

Operating licences etc. in North Devon: <https://www.northdevon.gov.uk/business/licences-and-permits>

To register with the Environment Agency as a Waste Carrier: <https://www.gov.uk/register-renew-waste-carrier-broker-dealer-england>

To register a Food Business: <https://register.food.gov.uk/new>

Protecting Your Creative Assets Factsheet prepared by North Devon Plus
as part of the Flourishing Barnstaple Programme

<https://northdevonplus.co.uk/> email: info@northdevonplus.co.uk

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