bodman

Emerging Companies and Venture Capital

accelerate growth

Bodman's Emerging Companies and Venture Capital team helps startup and emerging companies address the broad range of issues they face when trying to form and grow a business.

We are partners that can help choose the optimal business structure for the organization, secure and negotiate equity or debt financing, handle employment concerns related to employees and independent contractors, and craft an intellectual property strategy that protects the company's assets as it conducts business on a day-to-day basis.

As business advisors, we also understand the non-legal, commercial and strategic side of your business. We provide pragmatic, down-to-earth advice that is aimed to place clients in the best position for future success.

CONNECTING STARTUPS WITH INVESTORS

We also help connect our clients to the resources they need to grow and be successful in addition to providing sound legal advice. As a member of the Michigan Venture Capital Association, Ann Arbor SPARK, Automation Alley, and the University of Michigan Center for Entrepreneurship, among other active startup-focused groups, we are aware of and positioned to help your company leverage the resources it needs to succeed.

SERVING EMERGING COMPANIES FROM A BROAD ARRAY OF INDUSTRIES

Our Emerging Companies and Venture Capital team has worked with companies in a wide set of industries such as software, automotive, biotechnology, aerospace, defense, pharmaceutical, publishing, restaurant, security, and telecommunications.

VENTURE CAPITAL AND PRIVATE INVESTMENT FUNDS

We also service venture capital funds and angel investors that are constantly looking to invest in and partner with promising companies. This position allows us to carefully monitor market trends while

efficiently and effectively representing different groups within the startup ecosystem.

SERVICES

Our team is cross-disciplinary. Our attorneys come from our many concentrations to support our emerging company clients in the following areas:

- CORPORATE STRUCTURE

  Whether setting up the original business entity or restructuring an existing one, we assist clients in selecting a corporate structure that is consistent with tax goals, funding strategies, relationships among company founders, intellectual property realization, and plans for corporate growth. We have various fixed-fee arrangements to assist with these initial matters when finances are stretched.

- INTELLECTUAL PROPERTY

  One of Bodman's distinguished strengths is licensing and protection of intellectual property and its associated business concerns. Our Intellectual Property team works closely with its clients to identify, protect, register, commercialize, capitalize, and license brands and core assets.

- FINANCIAL MATTERS

  We regularly advise clients on matters related to equity security financing, SAFE investments, convertible debt financing, and how to handle issues related to options, warrants, and other less traditional methods of startup financing. We also assist clients with setting up tax qualified incentive stock options plans, non-statutory options plans, bonus structures, and other employee retention programs.

- WORKPLACE (EMPLOYMENT & LABOR) ISSUES

  Our attorneys assist both founders and their companies address employment issues by both (1) creating a strategy from the starting point, and (2) advising and helping out as issues inevitably arise. We support the full-range of human resources functions, from the preliminary phase of drafting employment or independent contractor agreements to counseling on the later stages of employment affairs involving severance matters and disputes. Our attorneys also proactively help clients protect their intellectual property assets in employment situations via creation of comprehensive and smart employment policies and employee manuals, in addition to the specialized — and often highly litigated — areas of post-employment restrictions such as customer non-solicitation and non-compete/non-competition agreements.

- CORPORATE TRANSACTIONAL ASSISTANCE

  Bodman's Enterprise Procurement practice has refined the process of reviewing, drafting, and negotiating many types of vendor agreements. Our High Technology team takes advantage of their skills and experience by helping emerging company clients draft template agreements for customers and suppliers; negotiate enterprise or outsourced agreements; or simply review the terms of service that are to be provided by a larger supplier or customer. Our contract review is efficient and effective, and it ensures that clients' new businesses receives market terms (or better) that protect its affairs.

- ADDITIONAL SERVICES

  We also have the capabilities to assist beyond the typical scope of a startup engagement. Done proactively, these services can save clients substantial costs and anguish in the long-term, both personally and professionally.

  - **Data Privacy and Security**

    Bodman's Data Privacy and Security team takes a comprehensive approach to assisting startup companies meet the increasingly high stakes cybersecurity. Trying to stay lean and on the cutting edge of your industry places a tremendous amount of pressure on your business and its data. Defending and protecting that data is critical to ongoing success: your customers – and the government – expect you to keep their information and your data private and secure. Our attorneys will help your employees stay up-to-date on current threats, advise on how to maintain your defenses, and counsel your employees and service providers on compliance and best practices that will help keep your company a leader in your sector.

  - **Individual Client Services**

    The firm has a rich history of representing some of the state's most well-known families, business owners, executives, athletes, and other professionals. Our Individual Clients practice team handles the myriad aspects of estate planning, and they are able to structure both business and personal transactions for the clients' maximum benefit and seek to optimize every tax advantage when possible. They can work with our High Technology team to ensure that either (a) investments tendered by private investor clients are structured to minimize tax consequences, or (b) closely-held startup companies are initially formed and operated in a manner that reduces future negative financial or managerial consequences that may be personally detrimental to the client.

REPRESENTATIVE MATTERS

Throughout the years, we have guided growth companies through the challenges of creating a successful business and helped them through some

of their most memorable transactions that "made" their company.

- **Biotechnology Company Receives Funding from Big Ten University**

  Represented one of the most innovative flow cytometry companies in United States in several matters: (1) completed several funding rounds for the company, (2) negotiated technology deals with the University of Michigan on its behalf, (3) secured intellectual property protections, and (4) structured commercial relationships on the company's behalf.

- **Pharmaceutical Company Receives Economic Development Incentive Package to Expand Manufacturing Facility in an Economically Blighted Area, Creates 600 New Jobs**

  Bodman negotiated a $6.8 million, 10-year state tax credit for a generic drug maker. Combined with local tax abatements worth up to $5.7 million, the deal resulted in a huge manufacturing facility expansion that will create 600 new jobs in an economically blighted urban area.

- **Book on the first African American Woman Cartoonist Released, ALA Names It One of the Top Ten Biographies of the Year**

  Advised the author of a groundbreaking book on Jackie Ormes, the first African-American woman cartoonist, facilitating the publication of the book, which contains cartoons and comic strips that had not been seen in 50 years. The American Library Association (ALA) named the publication one of the top ten biographies of 2008.

- **National Telecommunications Company Successfully Defended Against Class Action Lawsuits Alleging Damage from Gathering of PII**

  Successful representation of a national telecommunications company in numerous class-action lawsuits alleging damages from service outages and from the gathering of personally identifiable information.

- **Private-Public Entities Develop Systems that Allow Stealth Aircraft to Refuel Mid-Flight**

  Structured relationships between private-public entities that developed systems that enable mid-flight refueling of stealth aircraft.

- **Represent Start-Up Companies with Ties to Higher Education**

  Representation of more than one-third of the start-up companies that license technology from the University of Michigan, the largest public research university in the United States.

- **Client's Wheel and Tire Designs Used on the Moon and Mars**

  Structured a business relationship between a client and an inventor-engineer whose designs for wheels and tires were used in space exploration, first on the Moon and then, in an adaptation by NASA, on Mars.

- **Fortune 500 Companies Illegally Using Unlicensed Software**

  Prevented several Fortune 500 companies from using unlicensed copies of a client's software — which models machines and enables faster time-to-market for new products — and quickly recovered significant licensing fees.