EXECUTIVE PLAYBOOK

GOOSMANN LAW FIRM

BUSINESS DISPUTES

Protect Your Business Before the Conflict Escalates

- PROTECT OPERATIONS
- PRESERVE LEVERAGE
- MAKE INFORMED DECISIONS
- MOVE FORWARD WITH CONFIDENCE

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BUSINESS DISPUTE OPERATIONS CHECKLIST

What to Do When a Business Dispute Starts Affecting Your Company

When a business dispute begins to interfere with operations, leadership needs a clear plan. The goal is to protect the company, preserve options, understand leverage, and choose the right path forward.

Use this checklist to organize your next steps when a dispute starts affecting revenue, employees, customers, vendors, ownership, cash flow, confidential information, or business continuity.

1 Identify the Operational Threat

Start by defining what the dispute is actually affecting.

Check all that apply:

☐ Revenue or cash flow
☐ Customer relationships
☐ Vendor or supplier relationships
☐ Employee morale or retention
☐ Ownership or leadership control
☐ A pending deal, project, sale, or expansion
☐ Confidential information or trade secrets
☐ Company reputation
☐ Financing, banking, or lender relationships
☐ Regulatory or licensing issues
☐ Personal exposure for owners, officers, or executives
☐ Business continuity or day-to-day operations

Key question:

What will happen to the business if this dispute is not addressed quickly?

2 Gather the Core Documents

Before deciding what to do next, collect and preserve the key records.

- □ Signed contracts and amendments
- □ Emails and text messages
- □ Invoices and payment records
- □ Purchase orders, proposals, or statements of work
- □ Meeting notes or summaries
- □ Financial records tied to the dispute
- □ Internal communications
- □ Customer or vendor communications
- □ Employment agreements or restrictive covenant documents
- □ Ownership agreements, operating agreements, or shareholder agreements
- □ Insurance policies
- □ Any notices, demands, or letters already sent or received

Important!

Do not delete, edit, or reorganize records once litigation, arbitration, or a formal claim is reasonably possible.

3 Review the Contract

Many business disputes are governed by the contract. The contract may determine what can happen next and when.

Review whether the agreement includes:

- ☐ Notice requirements
- ☐ Default or cure periods
- ☐ Payment terms
- ☐ Termination rights
- ☐ Confidentiality obligations
- ☐ Noncompete, nonsolicitation, or noninterference provisions
- ☐ Indemnity language
- ☐ Limitation of liability provisions
- ☐ Attorney fee provisions
- ☐ Venue and governing law terms
- ☐ Mediation requirements
- ☐ Arbitration requirements
- ☐ Emergency relief or injunction language

Key Question

Does the contract require a specific step before filing a claim, terminating the relationship, withholding payment, or taking other action?

4 Define the Business Outcome You Need

A strong dispute strategy starts with the end goal.

What outcome would actually solve the problem?

□ Payment
□ Performance of the contract
□ Ending the relationship
□ Preserving the relationship with new terms
□ Stopping harmful conduct
□ Protecting confidential information
□ Preventing customer or employee interference
□ Removing or separating from an owner or partner
□ Recovering damages
□ Getting emergency court relief
□ Creating a negotiated exit
□ Clarifying rights and obligations
□ Reducing future risk

Key Question

What result would allow the company to move forward?

5 Evaluate Leverage

Leverage is not just about who is right. It includes the facts, documents, timing, business pressure, financial realities, and legal options.

Consider:

- ☐ Who has stronger documentation?
- ☐ Who is under more time pressure?
- ☐ Who has more financial exposure?
- ☐ Who needs the relationship more?
- ☐ Who is more affected by delay?
- ☐ Are customers, vendors, lenders, or employees involved?
- ☐ Is reputation a concern?
- ☐ Is confidential information at risk?
- ☐ Is immediate action needed to prevent harm?
- ☐ Would a lawsuit create helpful pressure?
- ☐ Would mediation or negotiation likely move the matter forward?
- ☐ Would arbitration be required or beneficial?

Key Question

What facts or pressures give your company the strongest position?

6 Assess Timing and Urgency

Some disputes require immediate action. Others benefit from a more measured approach.

Is urgent action needed because:

- □ Money is being moved or withheld
- □ Assets may disappear
- □ Confidential information is at risk
- □ Employees or customers are being solicited
- □ A contract deadline is approaching
- □ A sale, deal, or project may be delayed or lost
- □ The other side is threatening legal action
- □ There is a risk of reputational harm
- □ The business cannot operate normally until the issue is addressed
- □ A statute of limitations deadline is approaching or may have already begun running

Key Question

Does waiting improve the company's position, or does it increase the risk of losing legal rights due to delay?

7 Protect the Business Internally

A dispute can drain leadership time and create internal confusion. Set structure early.

□ Assign one internal point person
□ Limit who communicates with the opposing party
□ Keep internal communications factual and professional
□ Preserve documents and electronic records
□ Protect passwords, access credentials, and confidential data
□ Prepare talking points for employees, if needed
□ Decide who will communicate with customers or vendors
□ Assess cash flow and financial exposure
□ Review insurance coverage
□ Coordinate with accountants, lenders, or other advisors when appropriate

Key Question

Who is responsible for managing the dispute internally while leadership keeps the business moving?

8 Choose the Right Path Forward

Litigation is one strategic tool. Depending on the facts, the right path may involve negotiation, mediation, arbitration, litigation, or a combination of approaches.

Possible next steps include:

□ Informal business discussion
□ Attorney-drafted communication
□ Demand letter
□ Contract notice
□ Negotiation
□ Mediation
□ Arbitration
□ Lawsuit
□ Emergency injunction or court order
□ Settlement agreement
□ Business separation or exit agreement

Key Question

Which path best protects the business and creates the most practical route to resolution?

9 Talk With Litigation Counsel Early

Involving counsel early does not mean the company has to file a lawsuit. It means leadership can make informed decisions before the dispute escalates further.

Litigation counsel can help you:

□ Understand legal claims and defenses
□ Preserve evidence
□ Evaluate contract requirements
□ Assess risk and leverage
□ Communicate strategically
□ Avoid mistakes that weaken your position
□ Decide whether negotiation, mediation, arbitration, or litigation makes sense
□ Protect operations while the dispute is pending

Key Question

What should we do now to protect the company's position if this dispute escalates?

BOTTOM LINE

When a business dispute starts threatening operations, the company needs more than a reaction. It needs a strategy.

The right plan protects the business, preserves leverage, manages timing, and helps leadership move forward with confidence.

Need help evaluating a business dispute?
Early legal analysis can help identify risks, preserve options, and support informed decision-making before a dispute escalates. If you have questions about your situation, contact Goosmann Law Firm to discuss your circumstances.

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__Disclaimer:__ This checklist is provided for general educational and informational purposes only and is not legal advice. Every business dispute involves unique facts and legal considerations. Reviewing this checklist does not create an attorney-client relationship with Goosmann Law Firm. You should consult qualified legal counsel regarding your specific circumstances.

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