Terms Of Use: Does Your Website Really Need Them And What Should They Include?

I love regular readers of this column!!! They provide wonderful ideas for topics through email and casual conversations on the street. Today’s topic is a great example. “Dean, your recent columns regarding E-commerce have gotten me thinking about the need for some kind of statement to not only let users know about the terms of business with my company but also maybe protect me as well. Give us some suggestions.”

As you’ve visited business websites, you’ve probably noticed some have a “Terms of Use” section while others do not. This raises the question, “Does your small business’s website need Terms of Use?” Also, sometimes referred to as “Terms and Conditions” or “Terms of Service,”

Terms of Use specify the rules governing the use of your website. They can help you avoid disputes and manage expectations as people use your website. Most importantly, they offer your business some protection by limiting liability if anyone were to take you to court over something that happened as a result of their using your website or errors on your site. Although you have no legal obligation to have a Terms of Use section on your website, you might consider adding them for peace of mind—especially if you take payments online through your website or allow users to publish content on your site.

What you include within your Terms of Use can depend on the type of business you have and the capabilities your website gives users.

Some basic components of a Terms of Use statement include:

Permitted Use – This sets the rules for how website visitors may access and use content (written text, graphics, data, images, logos, video clips, etc.) on your site. Typically, this is where your business describes any restrictions on copying or reproducing content from your website. If users may post content on your site, it would also describe what you prohibit.

Liability Disclaimer – This states you can't be held responsible for incorrect information or errors on your website. It’s particularly important if you publish content created by others.
Privacy Statement – If you collect information about users (email addresses, credit card numbers, etc.), you should explain how this information will be used by your business.

Copyright – Sometimes rolled into the Permitted Use section, this identifies that your site and your business identity belong to you. For example, “Copyright © 2017” followed by your website’s URL. You should also consider identifying any trademarked products or services to protect them, as well.

Governing Law – This discloses what jurisdictions’ governing laws (the state or province and country) apply to your website. It might be worded something like this: “These terms and conditions are governed by the laws of the State of Minnesota and the laws of the United States of America.”

Where To Begin
Creating Terms of Use is relatively easy. Online tools exist to generate basic Terms of Use for you after you input information about your business. If your business website simply provides information about your company and your products and services, the basic terms and conditions these generators produce might serve your business well. To ensure the Terms of Use you create with an online tool has all you need and is worded appropriately, consider asking an attorney to review them before publishing them on your site. If you're engaged in selling/taking payments from customers through your website or if you allow others to post content to your site, you will probably require more detailed language and would benefit from asking an attorney to help you create your Terms of Use.

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