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Background

Whether you want to buy and sell goods, make money out of your carpentry skills, or run your own café, starting a new business can be daunting.

The internet has greatly increased the opportunities for individuals to sell goods, with the absence of any need for traditional 'shop-front' premises.

The purpose of this guide is to enable sellers to establish what their legal obligations are and to provide new businesses with an introduction to the UK's consumer and trading laws.

Buyer rights and seller obligations vary in different situations, depending on the legal status of both:

- when a consumer sells to a consumer ('C2C') or to a business ('C2B'), the seller has minimal obligations and the buyer very few rights; broadly speaking, it is 'buyer beware'
- when a business sells to a consumer ('B2C'), the seller must comply with a wide range of consumer laws, covering such matters as information provision, cancellation rights, buying rights such as description and quality, and product safety. Accordingly, the buyer has extensive legal rights that automatically apply to the transaction
- when a business sells to another business ('B2B'), the seller has contractual and commercial obligations but does not have to comply with most consumer law provisions; therefore, the buyer has significantly fewer rights than in a B2C sale

It is important to clarify the legal status of buyer and seller in order to ensure that obligations are being followed and rights are being observed. The focus of this guide and much of the associated guidance on the Business Companion website is B2C sales. If sellers are making their goods generally available, the fact that at least some of their customers are consumers is likely to be clear. The key assessment then becomes: is the seller 'in business'?

This guidance includes a flowchart and some frequently asked questions to help you determine whether you are deemed to be 'in business' in the first place. If you are, the additional FAQs and model terms can help you get started on consumer law compliance, including creating a set of terms and conditions that can be used for your sales.

[Part 1. Am I in business? >](#)

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