

KUTAK  
ROCK<sup>LLP</sup>

LEGAL SERVICES:  
FIREARMS INDUSTRY GROUP



MANUFACTURERS



DEALERS



RANGES

## LETTER FROM THE GROUP

When Kutak Rock decided to form an industry group focused on serving the needs of the firearms and ammunition industry, we decided at the outset that in order to serve the needs of the industry differently, we needed to genuinely *be* different. And different we are.

First, we are industry enthusiasts, passionate about the work we do on behalf of our clients and equally passionate about the firearms industry. Second, we know your products, how they're made, distributed and most important—how they work, and we own and use a wide variety of industry products. Third, we have a pretty compelling story to tell about how we work with clients—a story that includes deep experience, amazing relative geography and a cost structure that delivers true value.

We are the only AmLaw 200 firm with a national firearms industry group. While other law firms might claim they serve the industry, we have more than 20 lawyers focused on the business and legal needs of firearm, ammunition and accessory manufacturers, and dealers and ranges. We offer turnkey service, able to serve every legal need our clients require. We are a true industry group.

We believe that you shouldn't have to pay top-shelf rates for quality legal service. Kutak Rock dispels the myth of the “unattainable triangle of service”—pertaining to quality, price, and speed—and the idea that products or services can only deliver two out of the three sides of the triangle. We deliver responsive service, high-quality legal counsel *and* a value-based cost structure, without compromise—in fact, it's been our service model for more than 50 years.

We invite you to learn more about our group and what we can do for you. Talk to us. Let us listen. When you hire Kutak Rock, you are hiring lawyers who become *business partners* - intelligent about your business, focused on your ever-evolving business objectives, and committed to using innovation and creativity to achieve successful outcomes that exceed expectations, beyond the reach of our competitors.

*Joe*



JOE KAVAN

Senior Partner  
Firearms Industry Group Leader





ammunition navigate the National Firearms Act requirements (and exemptions) for the making and transfer of firearms and annual payments of special occupational taxes (SOTs). Our counsel includes evaluation, form filing and compliance.

### **Excise Tax**

In addition, we advise our clients on Section 4181 of the Internal Revenue Code (Firearms and Ammunition Excise Tax, or “FAET”) and compliance issues related to FAET, including determination of tax liability. Our experience also includes dealing with the Tax and Trade Bureau (TTB) on audits, disputes (including Tax Court) and Offers in Compromise related to FAET liability.

### **Patent and Intellectual Property**

We represent firearm and ammunition manufacturers in the full spectrum of patent and intellectual property law including mechanical patent counsel and prosecution; manufacturing processes and trade secrets; trademark, copyright and service marks; and protecting IP portfolios through monitoring, dispute resolution and commercial litigation. Our licensed patent attorneys and intellectual property attorneys are fully-versed in the technologies relevant to the firearms industry and help manufacturers go to market with confidence and protect their intellectual assets.

### **Corporate Finance**

Our corporate finance as well as mergers and acquisitions attorneys assist manufacturers with business, tax, finance and related strategic objectives. We understand the nuance involved in firearms industry-related finance matters and work to identify obstacles early, fostering smooth and efficient transactions. Our work includes domestic and cross-border mergers, acquisitions, divestitures and spin/split-offs, securities transactions and the full range of financial vehicles including capital raising campaigns, private equity transactions, recapitalizations, joint ventures, stock sales and tender offers, asset sales and bankruptcy, reorganization and workouts. In addition, our commercial and structured finance attorneys represent borrowers, banks, financial institutions, credit enhancers, arrangers and agents in structuring and negotiating financial transactions with a variety of financial institutions.

### **E-Commerce/Internet/Cyber-Risk Law**

We actively assist clients with a broad range of Internet issues, including commercial transactions negotiated or consummated via the Internet, website development, website hosting, cybersquatting, cyber-risk and privacy issues. The firm’s IP and Technology lawyers have helped clients secure rights to their online identities through ICANN domain name dispute resolutions and the policing of trademarks on the Internet. We work to evaluate cyber-risk issues and counsel clients with respect to insurance coverage issues related to cyber-risk.

Specifically for the firearms industry, we have assisted dealers, wholesalers, and online retailers negotiate agreements with their e-commerce vendors, hosting providers, payment processors, and advertising platforms. We have helped firearms manufactures defend their trademarks from use by unaffiliated websites. We also provide legal guidance to clients faced with decisions concerning software applications, computer systems, data warehousing, information security, support solutions, technology development and outsourcing of technology functions. We work with our clients in all aspects of procurement of hardware and development of solutions such as point-of-sale, inventory management, and other systems. Our lawyers negotiate and draft license agreements that focus on achieving allocations of risk reflecting our clients’ particular needs. Beyond the firearms industry, the firm provides legal expertise to a wide variety of clients, including Fortune 100 corporations, small businesses, software vendors, developers and consultants regarding a wide range of licensing and service agreements.

We also assist with customer facing aspects of your business. We can draft privacy policies, terms of use, and user agreements for your website. We can review you site for compliance with the various privacy laws that impact commercial sites.

### **Government Contract Disputes**

Our government contracts lawyers represent manufacturers government contract disputes related to bid protests and terminations for default and/or convenience. We routinely assist clients with bid protests, pricing disputes, audits and



investigations and contract review. In addition, we represent clients in matters before the Office of Federal Contract Compliance Program.

### **Corporate Compliance**

We regularly counsel manufacturers in the design, implementation and operation of compliance programs that help companies adhere to state and federal regulations. In addition, we represent businesses in disclosure matters, government investigations and litigation resulting from civil, criminal and administrative claims. With a focus on monitoring and early advice, we help businesses thwart potential violations and establish evidentiary trails to better demonstrate compliance with fiduciary duties.

### **Bankruptcy and Restructuring**

Our bankruptcy, restructuring and creditors' rights attorneys assist with the acquisition of distressed companies, restructuring debts owed by a business, its customers or suppliers and handling matters related to all aspects of a bankruptcy filing. We have represented clients in bankruptcy-related matters in virtually every state and industry.

### **Sales, Distribution and Dealer Agreements**

We advise manufacturers in the full continuum of issues related to franchise, licensing and distribution. Our experience includes counseling hundreds of clients on issues related to classification, registration, intellectual property, non-compete agreements, compliance, relationship and business laws, and tax.

### **Commercial and Products Liability Litigation**

Our highly-experienced team of commercial and product liability litigators represent manufacturers of all size in liability actions, including high-exposure and catastrophic injury cases. Our deep understanding of the science and engineering involved in the manufacturing of firearms and ammunition, partnered with state-of-the-art technology and expert testimony, translates to effective and efficient defense. Comfortable in any courtroom, we vigorously assert the defense of the Protection of Lawful Commerce in Arms Act to protect parties in the production chain from vexatious litigation.

### **Insurance and Risk Management**

Our attorneys counsel and represent manufacturers in matters related to risk management and insurance coverage. We help businesses protect their assets through vendor agreements, indemnity clauses and other actions.

### **Real Estate and Development**

We represent manufacturing and industrial clients in all aspects of commercial real estate transactions, including acquisition, development, financing and management.



## DEALERS

Kutak Rock's Firearms Industry group represents dealers and distributors of firearms, ammunition and industry-related hard goods in a full spectrum of corporate governance, contracting, litigation and regulatory matters. We regularly advise on business acquisition, growth and expansion and other complex transactions crucial to our clients' success.

In addition to representing single-store licensees, we counsel local brick and mortar dealers, multi-store operators, local and national on-line distributors and pawn shops. We are uniquely positioned to understand the pressures and issues firearms and ammunition dealers face in managing day-to-day activities, as well as regulatory and licensing issues bearing on our clients' business.

Our multi-disciplinary team, comprised of attorneys across the United States, can identify and seek tax credits for land acquisition and development and assist with the implementation of growth plans, including capital acquisitions, mergers and acquisitions and public offerings. We routinely advise clients in matters of corporate structure, including updating bylaws, creating policy and separating various sales units (i.e. retail firearms/ammo, soft lines, gunsmith services and ranges) into stand-alone entities.

Utilizing the appropriate licenses is necessary to operating lawfully and efficiently and mitigating risk. We are experienced advising our clients on the numerous firearms dealer, manufacturer and retail licenses available and are familiar navigating state variances. Our Firearms Industry group also counsels on International Traffic in Arms Regulation

(ITAR) planning, preparation and issues that may arise from exporting, including trafficking and trade violation concerns.

We intimately understand the critical nature of regulatory compliance and assist with planning for audits by the Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF). Our team conducts mock audits to determine omissions and errors so they may be handled preemptively, secret shopper visits to aid in policy enforcement and we guide our clients in the identification of straw purchases. We also develop best practices for use in employee training in the sale of regulated products, point-of-sale policy and procedure, employee handbooks and shooting range incidents.

The Firearms Industry team is experienced with the Protection of Lawful Commerce in Arms Act (PLCAA) and defends firearms dealers against claims in instances when a product they sold is used to harm someone. We understand the PLCAA and the predicate exception and stay up-to-date on the evolving legal landscape for such suits. We help clients assert all of the defenses available to limit potential liability, and as these suits often incorporate straw purchase or other sales-related concerns, we tap into our resources to provide guidance before a lawsuit is filed.

Kutak Rock's Firearms Industry Group advises owners and operators of shooting ranges throughout the U.S. on a wide range of legal issues. We provide unparalleled depth, resources and experience to range operators.

Whether you operate a small family-owned outdoor range facility, or a state of the art indoor tactical training center, we deliver industry tailored legal advice for the full range of legal issues confronting range owners, including state, EPA and OSHA compliance and enforcement issues, land use regulation and noise abatement, retail firearm ammunitions sale and rental regulations. Our team regularly counsels range owners on employment matters, supply chain management and vendor issues, protection of trademarks, trade names and intellectual property.

We advise FFL holding ranges on the retail sale and distribution of firearms, ammunition and regulated accessories. We counsel on the proper handling and disposal of spent ammunition and targets and filters, including contaminants such as lead, brass, TNT, PAH, RDX, nitroguanidine, depleted uranium and black powder. When regulators come knocking, we help range owners navigate through regulatory processes.

In today's regulatory environment, range owners cannot afford to operate without proper policies and procedures in place to ensure full compliance necessary to protect workers, customers and the environment. Lead and noise exposure and the proper handling and disposal of lead waste are hot regulatory enforcement issues. Proper risk management policies are essential to avoid incidents that threaten worker and customer safety, regulatory citations and large fines.

We are experienced in helping range owners develop and implement

best practices. Our team recently joined forces with the nation's leading firearms industry's trade association to help develop and tailor best practices for range operators, including the adoption of effective range safety rules, employee safety, lead exposure and disposal policies.

Whether you operate an established range, are just entering the business, or are ready to sell, we can help. Our experienced attorneys can guide you through the process, including startup and business formation, sale or acquisition, debt or equity financing, and franchising. We frequently advise on:

- Business Formation
- Debt and Equity Financing
- Mergers and Acquisitions
- Franchising
- Local Land Use Regulations
- Noise Abatement
- Real Estate
- Litigation
- Intellectual Property
- Employment
- Workplace Safety
- Federal and State Compliance and Enforcement (OSHA, EPA, ATF)
- Lead Handling, Transport, Disposal and Contamination (TSCA, CAA, CWA, RCRA, CERCLA)



## KEY CONTACTS

Our more than 20 attorneys are on the ground nationwide.  
*Call any of our key contacts and we'll get you to the right person to help.*



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