



LAW MATTERS FOR DESIGN PROFESSIONALS

MENAKER & HERRMANN LLP

Forming an Architecture Firm in New York

Did you just get licensed in New York and want to open your own firm? Or you just landed a great project to motivate you to finally start your own company? Before you start building your amazing new practice, there are some New York-specific rules you should know about!

Can I name my firm whatever I want?

That depends. The NYS Education Department (NYSED) requires architecture firms to have the word “architect,” “architects” or “architecture” in the name. Even if you want to file for an alternative name (such as “doing business as,” “d/b/a,” “also known as,” “a/ka”, or even just an abbreviated name), that alternative name must still include the word “architect,” “architects” or “architecture.” And, if the name you choose includes initials, foreign words, surnames, abbreviations or “uncommon” words, the NYSED will probably ask you to explain them. If you’re forming a design professional corporation or professional corporation, your corporate name must include periods (D.P.C. or P.C.).

Also, while you may have the utmost confidence in your professional services, you cannot include claims of superiority in your firm name; terms such as “advanced”, “best”, “exceptional”, “expert”, “outstanding”, “premier”, “special”, “super”, or “ultimate” are all off limits.

Can I form an architecture firm with my unlicensed friend/spouse/partner/colleague?

Yes, but it must be a design professional corporation (D.P.C.) and you (as the shareholder with the license) must hold more than 75% of the shares. All other professional entities (limited liability company, partnership, professional corporation) must have only licensed architects as the members, partners or shareholders.

How long does it take to form an architecture firm?

That depends. If you form a limited liability partnership (LLP), you can be filed with the NY Secretary of State within a few days. If you form a limited liability company, professional corporation or design professional corporation, it could take more than three months to be filed with the NY Secretary of State.

Is there anything else I need to do after formation of my firm?

If your new firm is an LLP or PLLC, you will need to arrange for publication of the formation of your new firm in two newspapers during six consecutive weeks. Publication fees can range between approximately \$575 (Westchester, Nassau, Suffolk County) and \$1,250 (New York County), depending on the county in which your office will be located.

Why does becoming a corporate entity take so long?

The NYSED must consent to your choice of name before you can file with the NY Secretary of State. The NYSED will also confirm your license status.

Can I build my brand by forming different entities with similar names?

If only. The NYSED is *very* particular about the names of architecture firms. For example, if you already have a design company, you cannot also form a professional entity using a similar name. If you have a fabrication company, you cannot use a name that will cause a consumer to associate your fabrication company with your architecture firm.

What if I just link my design firm website to my architecture firm website?

You can’t. Just as the NYSED will not permit any co-mingling of funds between an unlicensed entity and a licensed architecture firm, it will not allow a link that permits a consumer to connect the two companies together, since this could give consumers the impression that the design firm also provides architecture services.

Do I have to wait for my architecture firm to be officially filed before I can submit bids and participate in competitions?

Yes. You cannot offer to provide architecture or landscape architecture services as a firm until your architecture firm is filed with the Secretary of State. If you wish, you can submit bids and participate in competitions under your individual name, as a sole proprietorship.

What if I have a contract with a new client and my architecture firm hasn’t yet been filed with the NY Secretary of State?

You can still enter into a contract with the owner, but only as a sole proprietorship. We recommend that you include an assignment provision in your agreement; that way, when you’ve finished setting up your firm, you can assign the agreement to your firm.

What about being a sole proprietor? What would I have to do then?

We would generally recommend that you obtain an Employer Identification Number (EIN) and insurance if you decide to work as a sole proprietorship. However, for greater liability protection, we recommend a limited liability company or other professional entity be established.

My employee/intern is working towards getting licensed in New York and wants to get experience credit for working with me. Anything I need to review?

When submitting time for credit, the official name of your architecture firm must be provided, *not* the DBA.

What happens to my employee/intern if I'm only operating through a design company and not an architecture firm? Is the employee/intern out of luck?

Your employee/intern may still be able to get experience credit but this will depend on (i) the type of work performed and (ii) the type of credit needed to complete the license application process.

Can a consultant/contract worker get experience credit for working with me?

Generally, no. The NYSED will review the consultant/contract worker's experience, but credit is usually not given.

What if I'm hired to do work outside New York?

Before you offer to provide (and ultimately provide), architecture services in other states, you'll most likely have to register with that state's Secretary of State and Board of Architecture. However, every state is different and you will need to review what is required for that particular state.

What if I'm hired by the Architect of Record or Engineer just to provide design work? Do I still have to be licensed in that jurisdiction?

As always, "that depends". However, most states define the practice of architecture very broadly and you may still need an employee who is licensed in that state.

Conclusion

Forming an architecture firm in New York and working in other states is more complicated than many anticipate. Before you commit to anything on paper, we recommend you reach out to us with any questions or for additional guidance.

This Bulletin is for informational purposes only and does not constitute legal advice. Under the rules of some states, this Bulletin may be considered advertising.

If you need legal advice concerning design professional issues please contact [Robert F. Herrmann](#), [Cheryl L. Davis](#), [Michiel A. Bloemsma](#), or [Karen Kim](#)

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