

BUSINESS MANAGEMENT 303
-THE LEGAL ENVIRONMENT OF BUSINESS-

Spring Semester, 2013

Mondays and Thursdays 2:30 – 3:45 pm

Mondays – Casey Academic Center Forum

Thursdays - Casey Academic Center, Rooms 1 & 2

Professor Stewart Barroll

Office: 123 Court Street

Chestertown, Maryland 21620

Phone: (410) 778-2112

E-Mail: sbarroll2@washcoll.edu

TEXT: Henry R. Cheeseman: *The Legal Environment of Business and
Online Commerce* (7th Ed., Pearson: Prentice Hall 2013)

1. Introduction

This course is an introduction to the legal environment of business. On a basic level, that means an introduction to understanding the law and legal system. But the "legal environment" also includes the political context in which laws are written and enforced, and the social, economic and historical events that influence the creation, enforcement, and application of laws. We also will explore the regulatory activities of federal, state and local agencies, alternative methods of dispute resolution, and how the legal system operates in general.

Several studies have shown that managers themselves view law as an important area of study. An obvious manifestation of the importance of law to business is the rapid and sustained rise in the amount of litigation and regulation to which businesses are subjected. It is possible to chart the increase in litigation in many areas of the law which relate to business. For example, there has been a huge increase in the number of employment discrimination lawsuits filed in the last 25 years alone (121% increase in business litigation, a 17% increase in personal injury litigation, and a 430% increase in employment law cases filed in the Federal District Courts).

George Seidel, Professor of Business Administration at the University of Michigan Business School, in his study of the forces affecting the rise of importance of law in business, lists six forces which have constantly forced legal issues onto management agendas during the last decades of the 20th century. (Seidel 737) In addition to increased

litigation and regulation, he includes globalization, technology, compliance and entrepreneurship as important forces in the modern business world which explain the increasing importance of law to business decision-making. Seidel's conclusion is that "law effectively is a minor for every future manager because it pervades business decision-making and operations."

2. Objectives

The objectives of this course are to:

- provide an in-depth introduction to various aspects of the law and how it affects everyday life.
- provide a basic understanding of the legal system.
- encourage you to see connections between the law and political, social and economic forces in society.
- enhance your critical understanding of how the legal and moral environment of business changes.
- improve your research, writing, and presentation skills.

As a business person, you must be able to recognize potential problems before they become actualized and costly; to know when you need to consult a lawyer and when you do not (it is very inefficient to send every proposed communication or planned course of action past an attorney); and to have sufficient insight into the legal system so that the service and advice of the lawyer can be knowledgeably evaluated and incorporated into your firm's decision-making processes.

3. Reading Assignments, Topics of Discussion, and Exams

Chapter reading assignments are shown below. You must not only read the assignment, but try to think about it as well.

I do expect you to be prepared for each class. You will be called upon. Being prepared does not mean that you have to be an expert who gets all the answers right. Many times there may not be a "right answer".

Each student will be assigned to a debate team for one of the three debates. See the Debate Rubrics posted on Blackboard.

<u>DATE</u>	<u>TOPIC</u>	<u>CHAPTER</u>
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PART I
LEGAL AND ETHICAL ENVIRONMENT

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|----------------------|--|---|
| 1. Monday, Jan. 21 | FIRST CLASS - INTRODUCTION | |
| 2. Thursday, Jan. 24 | Ethics and Social Responsibility of Business | 2 |
| 3. Monday, Jan. 28 | Judicial, Alternative and E-Dispute Resolution | 4 |

PART II
CONSTITUTION AND PUBLIC POLICY

- | | | |
|----------------------|--|---|
| 4. Thursday, Jan. 31 | Constitutional Law for Business
and E- Commerce | 5 |
| 5. Monday, Feb. 4 | Torts and Strict Liability | 6 |
| 6. Thursday, Feb. 7 | Torts and Strict Liability | 6 |
| 7. Monday, Feb. 11 | Intellectual Property and Cyber Piracy | 8 |

PART III
CONTRACTS, COMMERCIAL LAW, AND E-COMMERCE

- | | | |
|-----------------------|--|----|
| 8. Thursday, Feb. 14 | Formation of Traditional and E-Contracts | 9 |
| 9. Monday, Feb. 18 | Performance and Breach of Traditional and
E-Contracts | 10 |
| 10. Thursday, Feb. 21 | FIRST MID-TERM EXAM | |
| 11. Monday, Feb. 25 | <i>FIRST IN-CLASS DEBATE</i> | |
| 12. Thursday, Feb. 28 | E-Commerce and Digital Law | 11 |

13. Monday, March 4 UCC Sales and Lease Contracts and Warranties 12

PART IV
BUSINESS ORGANIZATIONS AND
INVESTOR PROTECTION

14. Thursday, March 7 Small Business and General and Limited Partnerships 14

- SPRING BREAK – NO CLASS MONDAY, MARCH 11 & THURSDAY, MARCH 14-

15. Monday, March 18 Limited Liability Companies, Limited Liability Partnerships and Special Forms of Business 15
(in CAC 1 & 2)

16. Thursday, March 21 Corporations and the Sarbanes – Oxley Act 16 & App. B

17. Monday, March 25 Corporations and the Sarbanes – Oxley Act 16 & App. B

18. Thursday, March 28 Investor Protection, E-Securities, and Wall Street Reform 17

19. Monday, April 1 *SECOND IN-CLASS DEBATE*

20. Thursday, April 4 SECOND MID-TERM EXAM

PART V
AGENCY, EMPLOYMENT, AND LABOR LAW

21. Monday, April 8 Agency Law 18

22. Thursday, April 11 Equal Opportunity in Employment 19

23. Monday, April 15 Employment Law and Worker Protection 20

24. Thursday, April 18 Labor Law and Immigration Law 21

25. Monday, April 22 Labor Law and Immigration Law 21

PART VI
GOVERNMENT REGULATION

26. Thursday, April 25 Antitrust Law and Unfair Trade Practices 22
27. Monday, April 29 *THIRD IN-CLASS DEBATE*
28. Thursday, May 2 Extra Class – make up if necessary

FINAL EXAM – MONDAY, MAY 6, 2013, 9:00 – 11:30 A.M.

Information on Assignments, Attendance and Exams

1. Late assignments will receive a grade of zero unless excused.

2. If you are absent on the day an exam is given, it is your responsibility to contact me before the exam is administered. Deferments will only be granted for very good cause shown. Failure to contact me before the exam and/or failure to show very good cause for a deferment may result in your not being able to make up the exam and you receiving a grade of zero for that exam.

3. If you are absent on the day on which an assignment is handed out, it is your responsibility to make arrangements to obtain the assignment and complete such assignment by the due date.

4. If you are absent on a day on which an in-class assignment is completed, it is your responsibility to make arrangements to obtain the assignment from a classmate prior to the next class meeting and to complete and turn in such assignment on or before the next scheduled class. If the in-class assignment is not turned in before the next scheduled class, it will be considered late and receive a grade of zero.

5. Attendance is mandatory, and is part of your participation grade. Absences will be noted and will be considered in assigning a final grade. Class participation will also be considered in assigning a final grade. Students are expected to be ready to discuss the readings (including the Learning Objectives, Critical Legal Thinking Cases and Ethics Cases) in class. I will call on students to answer various questions. I will also pose general discussion questions to the class. Class participation is encouraged and everyone should have the opportunity to share their opinion. *Important Note:* Class participation

points can be deducted for counter-productive classroom activity – most especially disrupting the class by inappropriately talking to your neighbors.

NOTE: If you decide to drop this course, it is *your* responsibility to go to the **Registrar's** Office and submit the proper form to be formally withdrawn from the course.

6. All written homework must be neatly typed in a professional, interesting and readable manner, using 14 point font, 1-inch margin left and right, top and bottom (the same as this Syllabus). No handwritten material will be accepted unless otherwise indicated.

7. All written work must conform to the general rules of English, spelling, paragraphs, punctuation, grammar, and sentence structure.

8. The power to all electronic devices, including cell phones and computers, shall be turned OFF during class and examinations. Failure to power-off such devices during an exam may result in you not being allowed to complete the exam.

9. Pens, not pencils, must be used for all exams and in-class assignments.

10. The three exams will cover lecture material, textbook readings, class discussions, guest speakers, videos shown in class, debate topics and homework assignments. The exams will be a combination of multiple choice, short answer and essay questions. Each exam is NON-CUMULATIVE, and will test only your application of material covered during the period immediately preceding that exam. For example, the second mid-term exam will test only that material we have covered since the first mid-term exam.

11. If you must make-up an exam, OAS will proctor make-up exams on Fridays, from 9 a.m. ---1 p.m. only, and the make-up exam must be received in OAS by noon on Thursday. If you need accommodations (extended time), I must have your exam to OAS by noon the day before you are to take the exam or OAS will not proctor it. Accordingly, you should tell me verbally and by email of your need for a proctored exam at least several days before the exam.

Academic Integrity/Cheating/Plagiarism

An original work product on all assignments is expected of each and every student. Assignments are to be a student's own work product and not a collaborative effort, unless indicated otherwise. All materials excerpted or quoted from a source must be properly identified and cited. Cheating, fabrication, facilitating academic dishonesty, and/or plagiarism may result in a grade of "F" for the course and appropriate disciplinary action in accordance with college policies and procedures. By participating in this course you are giving permission for the instructor to send your written work product to *turnitin.com*.

Grading

EXAMS (3)	60%
CLASS PARTICIPATION (including performance as debate team and audience member, discussions in class; attendance is part of participating)	20%
ASSIGNMENTS (debate topic papers, <i>etc.</i> ; composition, spelling, grammar, and style count)	20%

General Grade Scale for assignments and exams:

A+ = 97-100	A = 93-96	A- = 90-92
B+ = 87-89	B = 83-86	B- = 80-82
C+ = 77-79	C = 73-76	C- = 70-72
D+ = 67-69	D = 63-66	F- = 0-62

Final Class Grades are issued on an A, B, C, D, F scale. There MAY BE + or – final class grades.

Online Sources:

A great source for legal research is the Jurist website: <http://jurist.law.pitt.edu/>
Also, there is the Legal Information Institute at Cornell Law School, see <http://www.law.cornell.edu/> . If you have trouble with legal terminology, there are a number of free online law dictionaries, including <http://dictionary.law.com/> .An easy way to obtain copies of legal cases and articles on the law is [googlescholar.com](http://www.google.com).