

BUSINESS LAW 508
Professor Williams
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Office Hours: Many office hours are scheduled each week – call x2905 for appointments.
Text: Required: *Business Law: The Ethical, Global & E-Commerce Environment*, Mallor *et al.*, 15th ed. 978-0073524986 This text is available hardcopy at the campus bookstore and elsewhere for purchase or rental. Alternatively, you can buy it as an e-book at <https://create.mheducation.com/shop/>. You'll need Business Law I Mallor 15th ed. ISBN 9781121608115 (approximately \$30) and Business Law II Mallor 15th ed. ISBN 9781121608085 (approximately \$26) for all of the materials we'll use in class.

Other resources, including the chapter quizzes, are available at http://highered.mheducation.com/sites/0073524980/student_view0/index.html

Moodle Course information, including updates and grades, will be posted on Moodle: moodle.csun.edu You access it through your campus account. For more information, see <http://www.csun.edu/at/>

Turnitin.com Some assignments are due uploaded to turnitin.com, which is accessed through Moodle.

Lecture captures (podcasts) are located at:

<http://csun.echo360.com:8080/ess/portal/section/1e719a7e-3735-4da5-8072-6d709ea6c80e>

MBA Program

The MBA program prepares students for professional growth integrating current business theory and practices with their own experiences. Designed to be accessible to the fully employed student, the interdisciplinary program emphasizes analytical thinking, communication, effective teamwork, a global perspective and practices. A spirit of collegiality among the students, faculty, and community is fostered through social and professional activities.

Objectives of the Course

Business Law 508 (3 units) is designed to provide students with an understanding of the legal environment in which business decisions are made. The course will cover the topics of the court system and procedure. We will analyze how the legal system has been created, and how it is modified to address changing concerns. We will study the law of torts, contracts, agency and business organizations

You will analyze how law applies to factual settings. You will read court decisions, prepare written briefs of the decisions, orally defend your interpretations of the cases, and answer hypothetical questions in open class discussion. You will learn to distinguish the application of rules depending on changing circumstances in various cases and hypotheticals. You will learn to argue alternate sides of a dispute regardless of personal belief. You will learn to identify the functions, policies, and trends in the law, and to consider social, economic and ethical influences on the law.

Exams are composed of one or more essay questions that require you to analyze factual situations, identify legal issues and apply the law in determining the outcome of hypothetical cases. Exams sometime include multiple-choice and short answer questions.

Course topics

- I. The Legal System (5% of class time)
 - A. Purposes of law
 - B. Historical background
 - 1. Common law: flexibility of system designed to find remedies for evolving notions of fairness and rights
 - a. Courts of law
 - b. Courts of equity
 - 2. Constitutional law
 - 3. Statutory law
 - C. Legal Reasoning
 - 1. Case law analysis, role of precedent
 - 2. Statutory Interpretation
 - a. plain meaning
 - b. legislative history
 - c. public policy
 - d. precedent
 - D. Distinction between state and federal law
 - E. Distinction between civil and criminal law
 - F. Procedural (sufficient to understand cases studied)
 - 1. Court structure
 - a. jurisdiction
 - b. trial courts distinguished from appellate courts
 - 2. Stages of lawsuit
 - a. pleadings
 - b. discovery
 - c. trial
 - d. appeal (NB: importance of distinguishing questions of law from questions of fact)
- II. Remedies (5% of class time) and Dispute Resolution
 - A. Damages
 - 1. Compensatory: purpose, duty to mitigate
 - a. actual
 - b. general
 - 2. Punitive damages: purpose
 - 3. Liquidated damages: purpose, enforceability
 - B. Equitable remedies: Extraordinary relief
 - 1. Specific performance
 - C. Dispute Resolution: Mediation and arbitration
- III. Torts (20% of class time)
 - A. Intentional: applicability of punitive damages
 - 1. Related to intangibles: invasion of privacy
 - 2. Related to property rights
 - a. trespass
 - b. nuisance
 - 3. fraud/misrepresentation (coordinated with later discussion in contracts)
 - B. Negligence
 - C. Strict liability: Products liability
- IV. Contracts (25% of class time)

- A. Agreement: offer, acceptance, including applicability of UCC
 - B. Reality of consent
 - 1. Misrepresentation/fraud
 - 2. Mistake
 - 3. Duress
 - 4. Undue influence
 - C. Legality
 - D. Writing: Statute of Frauds
 - E. Performance, remedies, quasi-contract (coordinated with earlier discussion)
- V. Agency (15% of class time)
- A. Creation & Operation of Agency relationship
 - 1. Duties of Agent to Principal
 - 2. Duties of Principal to Agent
 - 3. Termination of Agency
 - 4. Third-party Relations of the Principal and the Agent
 - a. Contract liability of Principal and Agent
 - b. Tort liability of Principal and Agent
- VI. Employment Law (10% of class time)
- A. Workers' compensation
 - B. Legislation protecting wages, pensions and benefits
 - C. Title VII
 - D. Employment at will
- VII. Business Organizations (20% of class time)
- A. Sole proprietorships, partnerships, joint ventures, limited partnerships, LLCs, LLPs, & Corporations defined and distinguished
 - B. Liability consequences of various forms of business organizations
 - C. Tax consequences of various forms of business organizations
 - D. Operational characteristics of various forms of business organizations

Class Preparation

Most classes are live, however, there are some online components to this class so that we complete the requisite course work. There may be some additional components available electronically. Assignments include readings from the text. In addition, there are cases, problem cases and practice exam questions which must be briefed in writing. A "case" is a court case which is contained in the text. A "problem case (PC)" is an end-of-chapter case summary, which, again, must be briefed. These problem cases are also actual court cases, but do not include the courts' decisions - that will be your job to analyze. When a problem case contains questions, simply ignore them, and instead brief the case. For cases assigned for the live classes, simply bring them to class. For cases and critiques assigned for on-line submission, you will submit assigned work on turnitin.com. Late submissions receive no credit.

You will be called on at random throughout the semester to read your briefs and problems in class. You will not be graded on the briefs or problems. These are learning tools, not finished product. However, if you are unprepared or absent, this will affect your grade as discussed below. You may not record the class without permission.

In addition to live classes, this course has a significant portion of its activities completed remotely. Please examine the assignments schedule carefully and watch for materials available on Moodle and as email links. Be sure to check both the course Moodle site along with your campus email account (which can be forwarded as you wish).

The schedule is tentative and subject to change. Be sure to monitor Moodle and class discussions for updates and changes.

Briefing Cases

To brief cases, case problems and questions, use the following "IRAC" format:

Issue: What question must be answered in order to reach a conclusion in the case? This should be a legal question which, when answered, gives a result in the particular case. Make it specific (e.g. "Has there been a false imprisonment if the plaintiff was asleep at the time of 'confinement'?") rather than general (e.g. "Will the plaintiff be successful?") You may make it referable to the specific case being briefed (e.g. "Did Miller owe a duty of care to Osco, Inc.?") or which can apply to all cases which present a similar question, (e.g. "Is a duty owed whenever there is an employment relationship?") Most cases present one issue. If there is more than one issue, list all, and give rules for all issues raised.

Rule: The rule is the law which applies to the issue. It should be stated as a general principal, (e.g. A duty of care is owed whenever the defendant should anticipate that her conduct could create a risk of harm to the plaintiff.) not a conclusion to the particular case being briefed, (e.g. "The plaintiff was negligent.")

Application: The application is a discussion of how the rule applies to the facts of a particular case. While the issue and rule are normally only one sentence each, the application is normally paragraphs long. It should be written debate - not simply a statement of the conclusion. Whenever possible, present both sides of any issue. Do not begin with your conclusion. The application shows how you are able to reason on paper and is the most difficult (and, on exams, the most important) skill you will learn.

Conclusion: What was the result of the case?

With cases, the text gives you a background of the facts along with the judge's reasoning and conclusion. When you brief cases, you are basically summarizing the judge's opinion. With case problems, the editors have given you a summary of the facts of an actual case, but have not given you the judge's opinion. Your job is to act as the judge in reasoning your way to a ruling, again using the IRAC format. While most of these case problems are followed by a question, ignore the question and instead brief the problem.

Most briefs are one page long. They must be brought to class on the day they are to be discussed. Once an assignment has been discussed, you no longer need to bring it to class. Since the briefs are not normally turned in, they may be either handwritten or typed.

Exams and Grade Distribution

There will be a midterm and a final exam. The final exam is cumulative and will be given on the last day of class. The grade allocation is as follows:

Midterm: 35% of course grade

Final exam: 65% of course grade

Grading

In addition, your grade is affected by whether you have prepared case briefs. Briefs are credit/no credit. Completing them is essential to success in developing an understanding, however, they are not graded. These are work product, not finished pieces.

You'll be called on at random for cases due in the "live classes". For online submissions and critiques, you'll be graded on whether they were completed. If you don't complete a brief or critique, you'll receive an "unprepared" mark. One such mark will be dropped from consideration in grading. Any unprepared marks beyond that will cause your final grade in the course to be reduced by 0.1 for each such mark.

The grade reached after averaging the assignments and exams will be the minimum grade you can receive in the course. At the professor's sole discretion, your course grade may be raised based on classroom participation and improvement. Briefs and critiques that improve the class discussion are valued. Plus/minus grading is used.

Grading System (taken from "Regulations", CSUN catalog)

GRADE	DEFINITION	GRADE POINTS
A	Outstanding	4.0
A-		3.7
B+		3.3
B	Very Good	3.0
B-		2.7
C+		2.3
C	Average	2.0
C-		1.7
D+		1.3
D	Barely Passing	1.0
D-		0.7
F	Failure	0

How to Get an A

1. Read the assignments actively, e.g. highlighting, taking notes, annotating an outline.
2. Listen to the podcasts actively, taking notes, annotating your outline, etc.
3. Brief the cases, trying to apply the rule to the facts in a logical, organized fashion. Write enough to demonstrate understanding and depth. Avoid repetition, irrelevancies and observations unanchored to the law.
4. Listen carefully to others' briefs, comparing them with your own. What could you have done better? What did you do well? What questions or observations do you have? Raise them in class when appropriate.
5. After class, look again at your briefs. How would you re-write them? Do it.
6. Test your knowledge by working through the student workbook and online quizzes.
7. Again, annotate your outline, reflecting what you learned from class and the student workbook and quizzes.
8. If, after we've discussed a brief in class you're still confused, talk to me. It's my job to help you. Come to office hours with specific questions and concerns on material we've covered. Don't come for a preview on material we haven't yet covered in class; it's unproductive.
9. Center yourself. You're smart. You work hard. Panic and apathy are unproductive (and, even worse, contagious). Take initiative (figure out the page numbers, determine what work is assigned, read the messages and materials posted on Moodle), take responsibility, don't focus on minutiae but instead

realize that you're being given repeated exercises in reading comprehension and logical thinking. But, because we're on a condensed schedule, you only have 8 weeks to figure this out. Don't dally.

10. If you don't want to do all of this (or simply can't because of your other commitments) that's fine, but realize that it's a choice you're making. Don't outsource the consequences.

General Instructions on Taking Exams

Answer each question fully, clearly, and in the order given. Mere conclusions receive no credit. You should:

- Discuss the issue
- Define and discuss any principles of law, legal theories, etc., relevant to the question.
- Fully apply the given facts to the legal principles on which you rely. Do not ignore any facts, even if they do not support your conclusions. Do not assume that I know that you know something - tell me in your exam what you know, defining every legal term used.
- The actual conclusions you reach could be the least important part of your answer - but you must base your conclusions on complete and intelligent applications of the facts to the legal principles involved
- If further facts could affect the outcome of the problem, state with particularity what they are, and how they could affect the outcome.
- You may either use the "IRAC" format or write in straight paragraph form. Either way, you need to cover the same information: the issues involved, the applicable legal rules, and an application of the law to the facts to reach your outcome. Discuss all issues - some questions have more than one issue.
- If you need scratch paper to make notes, use your exam itself. Although you must turn it in , it will not be graded. You may also designate a page of your bluebook as "notes" and it will not be graded.

Caution:

- Use non-eraseable dark blue or black ink for your essays. Do not use white-out or tear pages out of your blue book.
- Bring one large bluebook and one 882 scantron to the midterm and final. Do not write your name on the bluebook cover; instead write your name on the inside back cover of the bluebook only. The purpose of this requirement is to ensure blind grading. Write on every line of the blue book. Write on only one side of each page; however you may use the facing page to insert information. Write your name on the exam itself. When you complete the exam, place the exam and scantron inside your bluebook and turn in the whole as a package. Failure to follow all of these directions will cause a 0.1 reduction in your exam grade. Failure to return the exam itself will result in a grade of "F" for the exam and may be referred to the Associate Dean's office for further proceedings.
- All exams are closed book and open note. You may bring in two, double-sided pages (no larger than 8.5x11 inches) of anything you wrote.

Assignments

	Readings & Lecture capture	Work due ¹
Tues., 1/24 LC²	<p>Legal system, court system, procedure, remedies, court system & civil procedure. Read ch. 1 & 2</p> <p>Podcasts³: Watch/listen to Civil Procedure and Introduction to Law</p> <hr/> <p>Negligence: read 216-236; 242-47.⁴</p> <p>Podcasts: Torts Introduction; Torts: Negligence</p>	<p>Ch. 7: Brief <i>Kroger</i>,⁵ PC 5.⁶</p> <p>Please note that these are not graded – just give them a try and bring them to class. In addition to the explanatory materials in this syllabus, you'll find additional guidance at http://www.csun.edu/blaw/student-resources</p> <p>> “How to brief a case”</p>
Sat., 1/28 LC	<p>Negligence & Products liability</p> <p>Podcast: Torts: Products liability Chapter Quizzes, ch. 7⁷</p>	<p>Brief <i>Gonzalez, Lanuzzi & Daniell</i> (all are attached), PC 8, 9 & 11</p>
Tues., 1/31 LC	<p>Contracts, offer: read ch. 10 Acceptance: read ch. 11</p> <p>Podcasts: Contracts: Offer; Contracts: Acceptance</p>	<p>Ch. 10: brief <i>Grunden-Martin</i> (attached), PC 2, 5 & 6</p> <p>Ch. 11: brief <i>Trademark</i>, PC 1 & 5</p>
Tues., 2/7 RC⁸	<p>Quasi-contract: read 326-28. Statute of Frauds: read ch. 16 (responsible for sale of goods ≥\$500 and sale of interests in land)</p> <p>Podcasts: Taking exams; Contracts: Quasi-Contract; Contracts: Statute of Frauds; Remedies</p>	<p>Ch. 9: brief PC 8 Ch. 16: brief PC 8</p> <p>post all briefs in a single file to turnitin.com⁹</p> <p>Confidentiality agreement due online</p>

¹ Assignments and meetings may change. Be sure to stay abreast of information in the class.

² “LC” refers to a live, in-person class. The designations of “LC” and “RC” (see footnote 8) may change; carefully attend to class information given in class and online.

³ “Podcast” refers to lecture capture. You should view or listen to each listed recording. They are located at: <http://csun.echo360.com:8080/ess/portal/section/1e719a7e-3735-4da5-8072-6d709ea6c80e>

⁴ All page numbers refer to the hardcopy text; note that the e-version has a dual numbering system; do not refer to renumbering of those pages but instead to the original page numbers, in smaller font.

⁵ Unless noted otherwise, all cases are located within the assigned readings.

⁶ “PC” refers to the problem cases located at the end of each chapter.

⁷ Chapter quizzes are located at http://highered.mheducation.com/sites/0073524980/student_view0/index.html

⁸ “RC” refers to a remote class. No physical attendance required; no campus class meeting. Again, this designation may change. Please be alert to class information given in class and online.

⁹ Turnitin.com is located in Moodle.

Sat., 2/11 LC	Contracts Reality of Consent: read ch. 13 Legality: read ch. 15 Podcasts: Contracts: Reality of Consent; Contracts: Legality	Ch. 13: brief PC 1, 4 & 7 Ch. 15: brief <i>Nasc</i> , PC 2 & 9; Read and be prepared to analyze in class Contract Analysis assignment
Monday, 2/13 Online assignment	Practice exam	Practice exam – submit to turnitin.com. Credit/no credit
Tues., 2/14 LC	Practice exam analysis; questions and review; Midterm	Midterm
Tues., 2/21 RC	Agency: read ch. 35 & 36 Podcast: Agency: Creation, Fiduciary Duties, Tort liability; Contract liability of agent; Contract liability of principal	Ch. 35: Brief <i>Abkco</i> ; PC 1, 3, 6 Post all briefs in a single file on turnitin.com
Sat., 2/25 LC	Employment Law Read ch. 51 Podcasts: Employment Law: Introduction and Equal Opportunity	Ch. 36: Brief PC 1, 2, 7, 8 Ch. 51: Brief <i>Darco</i> , PC 4, 7, 11
Tues., 2/28 LC	Business Organizations Partnerships, sole proprietorships Read ch. 37, 38 & 39 Podcasts: Business Organizations: Introduction; Business Organizations: Partnerships; Business Organizations: Partnership Dissolution	Ch. 37: Brief PC 6, 9, 10 Ch. 38: Brief PC 6, 7
Tues., 3/7 RC	LLPs, LLCs, Ltd. Partnerships, corporations: read ch. 39 & 40 Podcasts: Business Organizations: LLCs & LLPs Business Organizations: Limited Partnerships	Ch. 39: Brief PC 8, 9 Ch. 40: Brief PC 3, 7 Post all briefs on turnitin.com in a single file
Sat., 3/11 LC	LLPs, LLCs, Ltd. Partnerships, corporations: read ch. 41, 42 Podcasts: Business Organizations: Corporations – Creation, Characteristics, Promoters, Piercing the Corporate Veil, Corporate Management, Shareholders, Corporate Finance, Securities	Ch. 41: Brief PC 9 Ch. 42: Brief PC 8, 9 Read and be prepared to analyze in class Contract Analysis assignment
Tues., 3/14 LC	Questions & review; final exam (cumulative)	Final exam

Supplemental Cases & Case Problems

Daniell v. Ford

In 1980 Connie Daniell tried to commit suicide by climbing into the trunk of her 1973 Ford car. She remained locked in the trunk for nine days before being released. She allegedly suffered physical and mental injuries resulting from the event and sued Ford on the basis of products liability, alleging that the car was defective for not having a means to escape the trunk and for failing to warn consumers of this risk. In *Daniell v. Ford*, what result? Debate the issues.

Gonzalez v. Garcia

Gonzalez, Garcia and Longest were co-workers at a power plant who carpooled to work. One day after work, when Garcia was driving, they went to a nearby boat landing and drank beer and tequila for three hours. They then went to nearby liquor store and, over Gonzalez's protests, bought more tequila. Gonzalez called his wife to come pick him up, but she was not home. They then went to a bar where Garcia and Longest drank tequila and Gonzalez drank a beer. Gonzalez then insisted on driving Garcia's car, and drove Longest home. After helping Longest into his house, he returned to the car to find Garcia in the drivers seat. Garcia refused to allow Gonzalez to drive. Gonzalez got into the passenger seat and fell asleep. Garcia then got into a one-car accident, injuring Gonzalez. Garcia's blood alcohol rate was .20%. In the case of *Gonzalez v. Garcia*, what result? Discuss fully.

Grunden-Martin v. Fairmount

On April 20, Grunden-Martin wrote to Fairmount, in part: "Please advise us the lowest price you can make us on our order for ten carloads of Mason green jars...state terms and cash discount." On April 23, Fairmount replied by letter: "Replying to your favor of April 20, we quote you Mason fruit jars....pints \$4.50, quarts \$5.00, half-gallons \$6.50, per gross, for immediate acceptance." On April 24, Grunden-Martin sent a telegram ordering ten carloads of quarts. On that same day Fairmount responded by telegram, "Impossible to book your order. Output all sold." Grunden-Martin claims that there is a contract. Is there?

Lanuzzi v. Phillip Morris

Mrs. Lanuzzi began smoking in 1951 when she was fifteen. She smoked two packs a day until her death from lung cancer in 1984. She had tried several times, unsuccessfully, to quit. Her family brought a wrongful death and products liability suit against the cigarette manufacturer, Phillip Morris. The evidence showed that there was some suspicion that cigarette smoking could cause cancer as early as the 1950's. Some internal documents of Phillip Morris indicated that they knew that there was some evidence of the causal connection between cigarette use and illness, but that they did not warn consumers of this information. The FDA did not require that warnings of the risk of illness be placed on packages until the 1960s. Phillip Morris did so at that time, in compliance with federal law. In the Lanuzzi's suit against the defendant, what result? Discuss fully.
