

2013

300-03 The Legal Environment of Business

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SYLLABUS
BLAW 300-03: Legal Environment of Business
Fall Term, 2013

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Telephone & Office: 513-745-4310; Smith Hall 224

Office Hours: Mondays: 9 a.m. to Noon; Thursdays: 9 a.m. to 12:45 p.m. Meetings by appointment are available.

Class Meets: Tuesdays and Thursdays: 1p.m. to 2:15 p.m.
Smith Hall 141

Text: The Legal Environment of Business, by: Reed, Pagnattaro, Cahoy, Shedd, and Morehead, 16th edition.

Williams College of Business Mission Statement:

The College educates students of business, enabling them to improve organizations and society, consistent with the Jesuit tradition. The mission of the College is in keeping with the university's mission, articulated by President Michael Graham, S.J. as "Xavier's mission is to serve society by forming students intellectually, morally and spiritually, with rigor and compassion, towards lives of solidarity, service and success."

Course Description:

A substantive review of significant legal issues which impact businesses operating in the United States, with an emphasis on the analytical underpinnings of law and the ethical principles embedded in legal mandates.

Almost every critical decision businesses face involves some form of legal regulation and requirement imposed on them by the laws of the countries in which they operate. In the United States, businesses confront a multitude of laws which impact their daily operations, marketing, product development, human resources management and their financial profitability. The threat of litigation when a business fails to comply with the legal parameters governing its conduct has a significant and demonstrable effect on its profitability and long-term strategic planning. Put in simple terms, **THE LAW MATTERS TO BUSINESS.**

The primary purpose of this course is to provide you with a basic understanding of how laws govern businesses operating in the United States. Through analysis and discussion of substantive areas of law, we will explore the legal landscape through which businesses today must travel. The legal mandates imposed on businesses will be examined in light of ethical principles as well. We will examine how the judicial system in the United States enforces these laws and how that system impacts both the profitability and the strategic planning of businesses. The patchwork of state and federal laws which impact businesses operating in the United States is extensive; this course selects those areas of law which you will most likely encounter when you enter the business world. Because the laws themselves change regularly, specific rules you will learn in this course are generalized and cannot be relied upon in actual business settings. However, the broad principles you will learn should equip you to recognize a legal situation you may face in your business career and understand the implications and importance of that situation.

The objectives of this course include:

- Gaining an understanding of key legal principles impacting businesses.
- Developing an ability to use critical thinking and reasoning skills.
- Developing an ability to effectively communicate in both oral and written presentations your analysis of the implications a legal issue may have on a business.
- Using research methods to investigate how legal issues can be examined and analyzed through sources available to business people.
- Developing an appreciation of the importance of substantive laws and the judicial system on businesses operating in the United States.

Course Learning Outcomes:

1. Critical Thinking

Through this course, students will be able to:

Assess critically the legal and ethical implications of business decisions.

2. Ethics and Social Responsibility

Through this course, students will be able to:

Critically assess the legal and ethical implications of business decisions on stakeholders.

3. Effective Written and Oral Communication

Through this course, students will be able to:

Clearly and professionally communicate information and concepts in writing and orally, using appropriate technology where relevant.

4. Global Perspective and Cultural Diversity

Through this course, students will be able to:

Integrate the concepts of respect, inclusiveness and valuing of all persons into their decision-making.

5. Understanding and Application of Knowledge Across Business

Through this course, students will be able to:

- Describe basic legal and ethical principles relevant to organizations and individuals in the workplace;
- Analyze and explain judicial, legislative and regulatory developments relating to business organizations;
- Critically assess the legal and ethical implications of business decisions;
- Resolve conflicts between legal and ethical responsibilities in the business context;
- Apply legal principles to common scenarios that organizations and individuals encounter in business.

6. Personal and Professional Development

Through this course, students will be able to:

Learn research techniques and be able to identify issues, enabling them to stay abreast of legal developments affecting business.

Assessment:

A variety of methods are used to assess student mastery of these Course Learning Outcomes. Classroom discussion will include the Socratic method and group discussions synthesizing both the theoretical and applied. Students will demonstrate critical thinking and understanding of legal and ethical principles through oral presentations using case analysis and written syntheses of case studies and articles, as well as a legal research paper. Three tests will assess a student's understanding and application of legal principles. A team ethics project will allow students to demonstrate communication skills, as well as to develop their ability to discuss in depth ethical issues involving organizations and individuals in the workplace.

Disability Services Office:

Anyone who believes he/she may need an academic accommodation based on the impact of a disability (e.g. sensory, learning, psychological, medical, mobility) should contact me to arrange an appointment to discuss your needs as soon as possible. I rely on the Disability Services Office for assistance in verifying your eligibility for academic accommodations related to your disability. If you have not previously contacted Disability Services, I encourage you to do so at 513-745-3280 on the Fifth Floor of the Conaton Learning Commons, Room 514 or e-mail Cassandra Jones at jonesc20@xavier.edu, to coordinate reasonable accommodations.

Requirements:

1. Attendance is mandatory. Roll will be taken at each class. More than three absences will result in a 5 point deduction per additional absence from your final class participation grade. The only exception to this requirement will be for pre-approved absences due to University-related activities. **No laptops, cell phones, or smart phones may be used during class.** Any exception to this policy must be pre-approved.
2. Three Examinations will be given. No make-up tests will be given except for grave reasons. A make-up examination may be an oral examination, in part.

3. Grading is as follows:

Class Participation: 25%

Cumulative Test Grade: 40%

Ethics Presentation: 10%

Research Paper: 25%

4. Letter grades will be assigned along the following scale:

A \geq 94, A- \geq 90, B+ \geq 87, B \geq 84, B- \geq 80, C+ \geq 77 C \geq 74, C- \geq 70, D+ \geq 67, D \geq 63, F < 63.

5. Class Participation: This grade is a composite of a student's (1) daily in-class participation and discussion of the material in the Text and the Application Assignments, including the student's Application Assignment presentation; (2) attendance; and (3) written analysis of the Application Assignments. Evaluations will be based on a student's preparation of these materials. Knowledgeable class participation is strongly encouraged and will be rewarded with a favorable class participation grade. Conduct contrary to the Student Handbook, available on-line, will negatively impact this grade. ("Xavier embraces certain values, which enhance the integrity of the educational community. A student's behavior should reflect the values of respect for oneself, respect for others, respect for authority, respect for property, and honesty and integrity.")
6. Each assignment listed on the Reading List as an "**Application Assignment**" should be prepared as follows: *a one page analysis of the case or handout should be prepared so that you are ready for a detailed discussion of the facts, the significant legal issue or issues, and the reasoning supporting the court's decision and/or the legal topic contained in the case or handout.* Appendix I at pages 745-747 of the Text provides instructions on case briefing which is comparable to the requirements of an Application Assignment. Application Assignments are found in the Text (if the assignment is a case) or on Blackboard under "Course Documents" (if the assignment is an article). Application Assignments may be handwritten. **Each assignment is due and will be collected in class on the day indicated below. No assignment will be collected after that date, with the following exception: You may submit late assignments on the day of the exam for partial credit. No assignment may be submitted via email. Assignments may be submitted in advance of the due date.**

7. Cumulative Test Grade: Tests will be comprised of objective questions (multiple choice and true/false) as well as short answer questions based on business hypotheticals involving legal issues. **The University Policies on Academic Integrity will be strictly enforced.**
8. Extra Credit of up to three additional test points will be awarded for a five minute in-class oral presentation of a current event (i.e. a current legal issue, dispute or case which impacts business) which has been reported in a media source. A sign-up sheet for Extra Credit is available during class periods.
9. Research Paper: This paper should objectively present research and analysis of a legal issue, demonstrating how the legal issue impacts an industry or business. Additional information regarding the research paper is provided in the Supplemental Syllabus attached to this Syllabus.
10. Ethics Presentations: The class will be divided into Ethics Presentations Teams. Each Team will present an ethical dilemma(s) impacting business through role playing and leading a discussion during a 15 minute period. Audio visual presentations are permitted.
11. Reading Assignments (Subject to Revision): Please note that cases in each chapter which are **not** specifically assigned as an Application Assignment may be skipped over. These cases will not be discussed in class and they will not be the subject of testing. Key Terms and Review Questions and Problems at the end of each chapter should be reviewed. The Text contains an excellent Glossary beginning on page 776 which is a useful and valuable review tool for the Terms and Concepts. A good online legal dictionary can be found at: <http://dictionary.lp.findlaw.com/>.
12. Blackboard.xu.edu. Please refer to this site for supplemental information to assist you in this course. Answers to the chapter review questions are posted on Blackboard under "Course Documents" and power points for each chapter are posted on this site under "Course Information". Please notify me if you are not able to access Blackboard for this course.

**Timetable for the semester
(Subject to revision)**

Date	Assignment
8/27	Course Introduction. Review of Syllabus and Discussion of Course Objectives.
8/29	Bistro 24 Exercise
9/3 & 9/5	Chapter 1: Law as the Foundation for Business; Review of Ethical Principles; Application Assignment: Handout “ <i>Wal-Mart Sued By New York City’s Pension Funds Over Bribery Allegations</i> ” due on 9/5.
9/10 & 9/12	Chapter 3: The Court System; Application Assignment: Handout “ <i>Justices to Hear Microsoft Patent Case</i> ” due on 9/12.
9/17 & 9/19	Chapter 4: Litigation; Application Assignments: Case 4.1 due on 9/17; Application Assignment Handout “ <i>Analysts See Merck Victory in Vioxx Deal</i> ” due on 9/19.
9/24 & 9/26	Chapter 5: Alternative Dispute Resolution; Application Assignment: “ <i>The Cost of Not Settling a Lawsuit</i> ” due on 9/26.
10/1	Examination on Chapters 1,3,4 & 5.
10/3	Research Paper Overview/Library Instruction Chapter 8: Contract Formation UNIVERSITY HOLIDAY: No Class on 10/8
10/10	Chapter 8: Contract Formation; Application Assignment: Case 8.1 due on 10/10. Chapter 9: Contractual Performance and Agency
10/15	Chapter 9: Contractual Performance and Agency (omit pages 269 beginning with section 3 “Conditions of Performance” to page 276 section 6 (“Excuses for Nonperformance”). Resume review in section 7 on page 276. Proposed Research Paper Topics submitted in Class on or before 10/15.
10/17, 10/22 & 10/24	Chapter 10: Torts Affecting Business; Application Assignments: Application Handouts “ <i>Gossip and Slander at a Campus Near You.</i> ” & “ <i>Can a Submarine Sandwich Be Slandered</i> ” & “ <i>Twitter Settles F.T.C. Privacy Case</i> ” due on 10/22. Application Assignments: Case 10.2 due on 10/24. Mid-Term Grades will be posted on-line by Monday, October 21st.
10/29 & 10/31	Chapter 11: Intellectual Property; Application Assignment Handout: “ <i>Microsoft’s AOL Deal Intensifies Patent Wars</i> ” due on 10/29; Application Assignments: Case 11.3 and Case 11.4 due on 10/31.
11/5	Examination on Chapters 8, 9, 10 & 11.

11/7, 11/12 & 11/14	Chapter 17: Financial and Securities Regulations; In-class viewing of the movie, <i>Enron</i> , on 11/7; Application Assignment Handout “SAC Capital is Indicted, and Called a Magnet for Cheating” due on 11/14.
11/19	Chapter 14: Corporate Governance and Business Organizations.
11/21, 11/26 & 12/3	Chapter 20: Discrimination in Employment; Application Assignments: Case 20.2 due on 11/21; Handout “Controversy Shrouds Scarves” due on 11/26; Handout “Social Media History Becomes a New Job Hurdle” due on 12/3. THANKSGIVING BREAK: No Class on 11/28 University Closed.
12/5 & 12/10	Chapter 2: The Role of Ethics in Decision Making. Application Assignment: Handout “ <i>On Wall Street, A Culture of Greed Won’t Let Go</i> ” due on 12/10. Research Papers must be submitted into Turnitin.com and delivered in class on or before Thursday, December 5th.
12/12	Ethics Presentations
12/19	Examination on Chapters 14, 17, 20 & 2 is on Thursday, December 19th in Smith Hall Room 141 from 10:30 a.m. to 12:20 p.m. Research Papers Returned on Day of Examination.

SUPPLEMENTAL SYLLABUS

I. The research paper should provide an objective presentation, based on sources, of a legal problem or legal issue and analyze how it impacts an industry or business. The paper should be 6 to 10 pages in length, typed and double-spaced, not including the bibliography. The bibliography should provide complete references to sources and should contain, at a minimum, five sources. Possible sources include: articles from news journals and newspapers, law cases, treatises, law reviews, books and interviews. Internet websites may constitute a source but a website’s value will be weighted according to the website’s objectivity and credibility. Wikipedia is not an acceptable source. **The Text may not be used as a source for the paper.** Cases found in the Text may be used and cited as a source if a Lexis or Westlaw citation is used for the case. Examples of excellent papers submitted by students are uploaded on Blackboard under “Course Documents” for your review. The bibliographies for these papers have been removed. Databases which may be helpful in your research are on Blackboard under the “Library Links” tab.

II. The University Policies on academic integrity will be **strictly enforced**. Each paper must be submitted to TURNITIN.COM to verify that it represents the student’s work. The link for this is on Blackboard under the “Assignments” tab. Additional information will be provided in class regarding the mechanics of this. **Please review the article on Plagiarism posted on Blackboard and consult the professor with any questions as to what constitutes Plagiarism in a research paper.**

III. Research papers are due on or before **Thursday, December 5th**, during the class period. A paper is deemed “late” if handed in after the class period on December 5th. A ten point deduction off the grade of the paper will be taken for each day a paper is “late”. Papers must be submitted to Turnitin.com **before** papers are handed in during the class period.

IV. Sample topics for the research paper are listed below. Please note that students may propose other topics not listed. All paper topics are subject to my approval. Citations in the research paper should follow the **Harvard Blue Book Style Sheet** format also detailed below.

Sample Topics:

Fraud
product liability
Trade Secrets
Patent Law
Trademark Law
Copyright Law
The Sarbanes Oxley Act of 2002
The Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010
White-collar crime
Securities regulation
The Securities Act of 1933
The Securities Exchange Act of 1934
Insider trading
Antitrust questions
Environmental laws
Products and Service Liability
Whistleblowers
Employee Privacy
Insider Trading
Title VII of the Civil Rights Act of 1964
religious accommodation
sex discrimination
Equal Pay Act
Pregnancy Discrimination Act
sexual harassment
affirmative action and reverse discrimination
seniority systems
Civil rights act of 1866
age discrimination
Americans With Disabilities Act
whistleblowers
Limitations to "At Will" employment
Workplace privacy
Family Medical Leave Act
covenants not to compete
International Business Transactions
Export Controls
Foreign Corrupt Practices Act
NAFTA
General Agreement on Tariffs and Trades
Piracy and Counterfeit Goods

Blue Book Style Sheet

I. Periodicals (Law Reviews): - Author's first and last name, Title of the Article (underlined if you can not italicize), Volume Number of the periodical Name of the Journal (law review) (do not use the word "volume" or "vol" in the cite) First page the article appears on (do not use the word "page", or "p." or "pp."), page of the quote or attribution (year the article was printed).

i.e. Paul E. Fiorelli, Winking Through the Blindfold: What Motivates White Collar Criminals?, 21 Akron L. Rev. 327, 331 (1988).

II. Newspapers: - Author's Full name (if the article is signed, no name if unsigned), title of the article (underlined if you can not italicize), title of the newspaper, date of the newspaper, at page number, column numbers.

i.e. Tom Getschow, Overdriven Execs, Some Middle Managers Cut Corners to Achieve High Corporate Goals, Wall St. J., Nov. 8, 1999, at 34, col. 4.

III. Magazines: - Author's full name, Title of the article (underline if you can not italicize), name of the magazine, cover date of the issue, at first page of the article, page number of the cite.

Ted Nugent, Still Rock and Roll to Me, Rolling Stone, February 29, 1992, at 61.

IV. Books: - Author's first and last name, title of the book Page number (year of publication).

i.e. Marvin Clinard & Peter Yeager, Corporate Crime 66 (1980).

V. Statutes: - Title of the Act, Public law number (if available), Volume number of U.S. Code U.S.C. or U.S.C.A. Section number (year of the code or supplement).

i.e. Tax Reform Act of 1996, Public L. No. 94-455, Section 601(a), (codified as 26 U.S.C. Section 280A (1986).

or, Comprehensive Environmental Response, Compensation, and Liability Act, 42 U.S.C. Section 9601-9675 (1988).

VI. Cases: - Case name, volume of the reporter Title of the reporter First page that the case is found in the reporter, page(s) of the cite (circuit number [if a federal case] year).

i.e. Bush v. Harvey Transfer Co., 146 Ohio St. 657 (1946)., or

i.e. DiSilvestro v. United States, 767 F. 2d 30, 31-32 (2d Cir. 1985)., or

i.e. Nixon v. Phillipoff, 615 F. Supp. 890 (N.D. Ind. 1985).

VII. Id. - Id. is used when the next cite uses the same information (except there may be a different page number of the new cite). [Please note both id. and supra are underlined, this is done if you do not have the ability to italicize.]

i.e. 15 Richard Posner, Optimal Sentences for White-Collar Criminals, 17 Am. Crim. L. Rev. 409 (1980).

16 Id. at 410.

VIII. Supra - Supra refers to a new cite referring to a previous cite with at least one intervening cite.

i.e. 12 George Stricharchuk, Business Crack Down on Workers Who Cheat to Help the Company, Wall St. J., June 13, 1986 at 25, col. 4.

13 Peter Drucker, The Concept of the Corporation 81 (1992).

14 Stricharchuk, *supra* note 12, at 25, col. 4.

IX. Lexis - When printing a case from Lexis, note the fact that you are citing from Lexis, parenthetically. You will not be able to cite to actual page numbers, unless the star paging feature is available.

i.e. George Drechsel, Intentional Infliction of Emotional Distress: New Tort Liability for Mass Media, 89 Dick. L. Rev. 55 (1985) (Lexis).

X. Internet – Author, the title or top level heading of the material cited, and the URL, the most recent modification date or the date you visited the cite.

Christopher A. Myers, and Laura Eilers, *Personal Liability for Organizational Fraud & Abuse: Boards of Directors May be Held Responsible* (visited August 19, 1999) <<http://www.mmhc.com/hcbd/articles/HCBD9711/personalliabilityfororgani.html>>.

XI. Miscellaneous style rules

A. When quoting more than fifty (50) words from one source, skip a line, indent the entire quote five (5) spaces, and single space (also, do not use quotation marks "" at the beginning or end of the quote).

The publication giving rise to Falwell's suit occurred in the November 1983 issue of *Hustler*, which contained a parody of certain advertisements for Campari Liqueur. The actual Campari advertisements had featured interviews with well-known persons who discussed their "first time." The "first time" referred to in the advertisements was the particular celebrity's first consumption of Campari Liqueur. It was apparent, however, that the advertisements contained double entendres of a sexual nature. The parody in *Hustler* pictured Falwell as the celebrity supposedly being interviewed. In the "interview" which was written by *Hustler* personnel, Falwell referred to his "first time" - allegedly an incestuous encounter between a drunken Falwell and his drunken mother in an outhouse.¹

B. When you are quoting a quote (the source you are quoting, quotes another source): (1) if the quote is more than fifty words, follow the guidelines in XI.A, and put quotation marks within the quote, and (2) if the quote is less than fifty (50) words, use single quotes around the quotation:

i.e. Commentators have addressed whether public figures asserting intentional infliction of emotional distress could provide a way of circumventing traditional defamation obstacles. This was noted in the famous Falwell v. Hustler case. The Supreme Court of the United States, "continued with a ringing endorsement of significant free speech principles, noting the 'robust political debate' contemplated by the first amendment necessarily will lead to statements critical of public officials and public figures."²

1 Arlen Langvardt, Stopping the End-Run by Public Plaintiffs: Falwell and the Refortification of Defamation Law's Constitutional Aspects, 26 ABLJ 665, 688 (Winter 1989).

2 *Id.* at 692.

If you are quoting or paraphrasing a law review article which is quoting or paraphrasing a case, you may cite the law review article without going to the original source. An example of this is footnotes 1 and 2 above, when the Langvardt article cites language from the Supreme Court in Falwell v. Hustler. You do not have to go to the Falwell case to get the cite for this quote.

C. All cites are treated as sentence which must end with a punctuation mark (usually a period).