



Lecturers:

Douglas Y. Park, Principal of DYP Advisors

Gain a Business Advantage Through the Law | Business 118 | Summer 2012

## **Course Overview**

This class is designed to help you proactively and thoughtfully use the law for business advantage. You will gain a solid understanding of key legal concepts and how the law can help you achieve your business goals. You will learn not just how to keep yourself out of trouble, but more importantly how to obtain a competitive benefit from your legal moves.

## **Course Schedule**

**(NOTE: After week 1, the assigned readings, discussion questions, and sequence of topics are subject to change. Please do not purchase articles beyond week 1. Links to articles will be posted on Moodle prior to each class.)**

Week 1: How You Can Use the Law for Business Advantage; Basic Legal Concepts

Course overview

How lawyers think

How business people think

A strategy based approach to connecting legal and business reasoning

Basic legal concepts across a company's life cycle – Contracts, Compliance,

Transactions, Disputes, Governance

Choice of entity

REQUIRED PREPARATION:

Law and Legal Reasoning: An Introduction (please purchase at HBR.org)

Henry B. Reiling

<http://hbr.org/product/law-and-legal-reasoning-an-introduction/an/204080-PDF-ENG?N=4294841677%204294841679%204294958507%204294902529%204294841675&Ntt=legal&Nao=20>

First, Empower All the Lawyers

Larry Downes, in Harvard Business Review

<http://hbr.org/2004/12/first-empower-all-the-lawyers/ar/1>

ASSIGNMENT/DISCUSSION:

1. Given the content of the Reiling article, what are some situations where law and business would lead to very different results?
2. Can the different ways that lawyers and business people think be reconciled?
3. What is your reaction to Downes' thesis about how attorneys should be trained?

Week 2: Using Contracts to Secure Resources and Build Relationships

Contracts – Key terms to understand  
Negotiating contracts  
Examples of how contracts allocate risk and create value

REQUIRED PREPARATION:

Contracts 101: What Every Negotiator Should Know About Contract and Agency Law  
Guhan Subramanian

When Contracts Destroy Trust  
Deepak Malhotra, in Harvard Business Review

ASSIGNMENT/DISCUSSION:

TBA

Week 3: Using Compliance for Operational Strength

How compliance can strengthen operations and organizational culture  
Managing risks AND doing business  
Fraud – financial and securities  
Bribery and the Foreign Corrupt Practices Act  
Unfair competition

REQUIRED PREPARATION:

Deception in Business: A Legal Perspective  
Lynn Sharp Paine and Christopher M. Bruner

Ten Commandments of Legal Risk Management  
Michael B. Metzger

A Bribery Coverup at Wal-Mart?  
David Barstow, in the New York Times

ASSIGNMENT/DISCUSSION:  
TBA

Week 4: Using Compliance for Operational Strength (continued); Building Trust and Reputation

Why your organization needs a strong reputation  
Building an ethical organization  
Sales and marketing campaigns  
Online policies and actions, including social media policies, privacy policies, and data security

REQUIRED PREPARATION:

Avoiding Integrity Landmines  
Ben W. Heineman, Jr., in Harvard Business Review

Managing Legal and Reputational Risks  
Harris Diamond, in Corporate Counsel

10 Tips for Creating a Social Media Policy For Your Business  
Jennifer Amanda Jones, in Social Media Examiner

NLRM Warns Employers about Broad Social Media Policies  
Linda Chiem, in Pacific Business News

ASSIGNMENT/DISCUSSION:  
TBA

Week 5: Managing People; Building and Protecting Intellectual Property

Employment contracts – how to craft them  
Incentives in companies  
NDAs and Non-competes  
Types of IP and how to protect and use them

REQUIRED PREPARATION:

Equity Compensation: The Netflix Approach to Compensation  
David F. Larcker, Brian McCall, and Brian Tayan

Introducing the Innovator's Patent Agreement  
Twitter Blog

ASSIGNMENT/DISCUSSION:  
TBA

Week 6: Managing Intellectual Property (continued); Strategic Transactions

Types of IP and how to protect and use them (continued)  
Licensing as a business model  
Changes in corporate structure and ownership

REQUIRED PREPARATION:

How Market Smarts Can Protect Property Rights  
Bharat Anand and Alexander Galetovic, in Harvard Business Review

How You Can Protect your Brand From Copycats  
Blue Carreon, in Forbes

A Sure Fire Way To Get a Licensing Agreement  
Tamara Monosoff, in Entrepreneur

ASSIGNMENT/DISCUSSION:  
TBA

Week 7: Managing Disputes

Litigation – expectations, cost, process, jurisdiction, settlement  
When and when not to litigate – examples such as Oracle v. Google  
Alternative dispute resolution methods

REQUIRED PREPARATION:

When to Litigate, When to Mediate, When to Arbitrate  
Richard J. Rabin

Week 8: Better Governance, Better Results

The governance of LLCs  
The relationship between the board and executives  
The board's duties  
The board and risk management  
The board and strategy  
The CEO's role in governance  
Key corporate governance issues  
Why private companies need to pay attention to governance

Wrap Up

**REQUIRED PREPARATION:**

Fiduciary Duties of the Board of Directors: The Basics  
Douglas. Y. Park

Facebook CEO Zuckerberg Made \$1 Billion Instagram Purchase On His Own  
Steven Musil, Asia c|net

Strategy and Compliance as Competing Imperatives for Boards of Directors  
Douglas Y. Park

**ASSIGNMENT/DISCUSSION:**

TBA

## **Course Materials**

The course does not have a required book. Some of the required and recommended readings will be posted online on Moodle.

In addition, we will ask you to purchase several cases and articles. Each document will cost between \$7 and \$10.

## **Course Expectations**

We are here to learn from each other. In that spirit, the following will contribute to a positive learning environment:

Attend all sessions and actively participate through comments and questions.

Read and think about the assigned reading. We assign reasonable amounts of reading (usually less than twenty pages per week), so you should be able to easily finish it.

Respect others' opinions. You may disagree with others, but please do so in a respectful manner.

## **Course Grading**

### 1. No grade requested

No work is required. However, please follow the Course Expectations outlined above.

### 2. Credit/no credit

To receive credit, you must attend the entirety of at least six class sessions. In addition, you must participate in class through comments and questions. If you do not attend at least six sessions, you will need to complete a five page written assignment that we must both approve.

### 3. Students taking the course for a letter grade

To receive a letter grade for the course, you must write a paper of no more than ten double spaced pages on one of the following topics:

- A. Analyze the litigation strategies from a specific case, from the perspective of both parties. What were the factors considered? What were the good decisions from a business perspective? What were the good decisions from a legal perspective? Did these goals clash or work together?

- B. Compare and contrast the intellectual property management strategies of two companies in the same industry. Discuss whether one was more effective than the other and why.
- C. Discuss three areas of law where your company (or another one of your choosing) could better use the law for business advantage. Include a description of how your company currently deals with each legal issue as well as specific recommendations for how to improve the situation.
- D. You may choose a different topic subject to our approval. We must both approve your topic.

The paper is due two weeks after the last day of class. You must submit a one paragraph description of your paper idea by the fourth class session. You may not change your topic after the fifth class session.