

Academic Year: ( 2020 / 2021 )

Review date: 08-07-2020

Department assigned to the subject: Department of Private Law

Coordinating teacher: RODRIGUEZ DE LAS HERAS BALLELL, TERESA

Type: Basic Core ECTS Credits : 6.0

Year : 2 Semester : 1

Branch of knowledge: Social Sciences and Law

**STUDENTS ARE EXPECTED TO HAVE COMPLETED**

None

**DESCRIPTION OF CONTENTS: PROGRAMME**

Business Law for Entrepreneurs

INTRODUCTION. Commercial Law in the context of the legal system and the business environment

**BLOCK 1. SETTING UP THE STRUCTURE****1. GETTING STARTED. CHOOSING THE LEGAL FORM AND OPENING THE BUSINESS**

1.1. Defining the project, planning the organization and assessing needed resources: choosing between individual entrepreneurs and organizational forms

1.2. Commercial companies. The protection of limited liability

1.3. Personalizing the organization: by-laws, articles of incorporation and shareholders' agreements.

1.3.1. Choosing the legal form: the company as a (formal) contract. And personalizing the legal form: the different documents and their significance

1.3.2. Legal personality and their implications

1.4. Choosing project participants and allocating roles.

1.4.1. Choosing project participants and allocating roles in the organizational structure: the business organogram, outsourcing strategy and ownership-control in the company

1.5. Understanding and handling formalities and registration procedure to set up a business

**2. STRUCTURING INVESTMENT AND DECISION MAKING****2.1. Decision-making in the company**

2.1.1. Decision rights and economic rights

2.1.2. The shareholders' meeting, statutory formalities of decision-making, and voting syndicates

2.1.3. Choosing a model of direction

2.1.4. Anticipating conflicts and breaking deadlock

**2.2. Financing the business project: financial structure, investors and investment agreements**

2.2.1. Sources of investment, stages of company's development and types of investors

2.2.2. Partners/shareholders: basics of capital and consideration for shares

2.2.3. 3Fs, business angels, venture capital and emerging forms of 'crowdfunding' to finance business projects

2.2.4. Attracting and keeping talent: participation in profits and stock options schemes

2.2.5. Preventing dilution while facilitating entry: nominal value, premiums, pre-emption and preferred shares

2.2.6. Entry in and exit from the project

## BLOCK 2. PROTECTING YOUR BUSINESS MODEL

### 3. COMPETING IN THE MARKETPLACE, AND PROTECTING YOUR COMPETITIVE ADVANTAGES AND BUSINESS MODEL

#### 3.1. Rationale and characterization of intangibles

##### 3.1.1. Business and legal rationale of intellectual property law

##### 3.1.2. Protecting innovation and creativity: patents, designs and copyright

##### 3.1.3. Identifying your goods/services and distinguishing from competitors: trademarks and business name. Scope and functions of domain names

##### 3.1.4. Protecting know-how and your business models as a whole: trade secrets, unfair competition and other rights

#### 3.2. The scope of protection. Legitimate uses and illegitimate interferences

##### 3.2.1. Rights of patent holders: right to a patent, indication of the inventor and employees inventions

##### 3.2.2. Protecting against illegitimate uses: the owner's legal rights, and the breaching party's defences

##### 3.2.3. Exploiting innovation: licences, technology transfer and other agreements

#### 3.3. Advertisement Law: building an image in the market

## BLOCK 3. PLANNING THE BUSINESS ACTIVITY

### 4. CONTRACTS AND TRANSACTIONS

#### 4.1. Private autonomy and refusal to deal

#### 4.2. Drafting a contract: drafting exercise

#### 4.3. Concluding a contract:

##### 4.3.1. Negotiation, preliminary dealings and pre-contractual liability

##### 4.3.2. Offer, counter offer, and acceptance

##### 4.3.3 Time, place and conditions

##### 4.3.4. Standard terms and adhesion contracts

#### 4.4. Interpretation and gap filling. Good faith, reasonableness and default rules

#### 4.5. Validity and enforceability of contracts

#### 4.6. Electronic contracting (abridged)

##### 4.6.1. Running an online business: drafting terms of use

##### 4.6.2. Participating in electronic marketplaces

##### 4.6.3. E-marketing and other commercial strategies for the electronic environment

##### 4.6.4. Digital identity management

#### 4.7. Limits in commercial contracting: consumer law and other mandatory rules

#### 4.8. Breach of contract and dispute resolution

##### 4.8.1. Remedies

##### 4.8.2. Sources of liability: contract liability, tort liability and insurance against liability

##### 4.8.3. Dispute resolution

### 5. BASICS OF SALE OF GOODS: INTERNATIONAL SALES AGREEMENTS

## BLOCK 4. EXPANSION STRATEGIES

### 6. EXPANDING DOMESTICALLY AND OVERSEAS

#### 6.1. Subsidiaries and branches

6.2. Agents, distribution and franchises

6.3. Investing abroad: joint ventures, strategic alliances, and reporting obligations

## 7. CONCLUSIONS AND PROJECT

### LEARNING ACTIVITIES AND METHODOLOGY

The aim of the course on Commercial Law (Business Law for Entrepreneurs) is two-fold: firstly, gaining a full insight into theoretical basics and fundamentals of legal rules governing business activities and, secondly, learning by experience how to apply legal instruments to solve real-world problems, to adopt efficient business decisions, to deploy commercial strategies and to promote entrepreneurial initiatives.

Therefore, the evaluation scheme will assess students' theoretical knowledge and practical skills.

Class attendance, in-class participation and three graded assignments to be presented and discussed in class will represent 15% of final grade.

Three graded practical exercises (related to Blocks 1, 2 and 3) will be prepared in groups and presented and discussed in class according to the Weekly Timetable.

- Exercise 1: Case 1: Negotiating an Investment Agreement

- Exercise 2: Case 2: Devising a Global Strategy for Protecting Business Assets. Students have to choose one of eight proposed cases in order to outline an all-embracing strategy (trade secrets, patents, trademarks, designs, copyrights) aimed to protect all relevant business assets of the selected product/business model.

- Exercise 3: Case 3: International Sales of Goods. Students will participate in a simulated arbitral proceeding (Moot) in relation to an international sales contract

#### Final assignment

Students will set up in groups, along the whole term, a real business project that will be delivered and orally presented before an evaluating committee at the end of the term (May). The presentation of the project will simulate a financing/venture round. In the evaluating committee, along with the professor of the course, one or two experts who work in the venture capital market might be invited to take part in

### ASSESSMENT SYSTEM

Final Exam: 50%

Final Assignment (Team assignment): 35%

Practical exercises (Team exercises): 15% (class attendance and 3 graded exercises in class)

#### a). Final exam (50%)

The final exam is structured as follows. The exam will have three parts:

- 20 multi-choice test questions
- 4 short questions
- 1 practical case (exercise)

#### b). Final assignment (35%)

Students will set up in groups, along the whole term, a real business project that will be delivered and orally presented before an evaluating committee at the end of the term (May 2018). The presentation of the project will simulate a financing/venture round. In the evaluating committee, along with the professor of the course, one or two experts who work in the venture capital market might be invited to take part in.

#### c). Class attendance and Practical exercises (15%)

Class attendance, in-class participation and three graded assignments to be presented and discussed in class will represent 15% of final grade.

Three graded practical exercises (related to Blocks 1, 2 and 3) will be prepared in groups and presented and discussed in class according to the Weekly Timetable.

- Exercise 1: Case 1: Negotiating an Investment Agreement

- Exercise 2: Case 2: Devising a Global Strategy for Protecting Business Assets. Students have to choose one of eight proposed cases in order to outline an all-embracing strategy (trade secrets, patents, trademarks, designs, copyrights) aimed to protect all relevant business assets of the selected product/business model.

- Exercise 3: Case 3: International Sales of Goods. Students will participate in a simulated arbitral proceeding (Moot) in relation to an international sales contract.

**% end-of-term-examination:** 50

**% of continuous assessment (assignments, laboratory, practicals...):** 50

BASIC BIBLIOGRAPHY

- RODRÍGUEZ DE LAS HERAS BALLELL, TERESA Introduction to Spanish Private Law , ROUTLEDGE, 2011