

ASPEN COLLEGE SERIES

LEGAL ENVIRONMENT

BUSINESS LAW
AND BUSINESS ENTITIES

BRIAN J. HALSEY

JUNE McLAUGHLIN



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Law & Business

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For my beloved Jennifer, Emma, Grace and Caroline. This text is as much yours as it is mine. We built it together.

—BJH

To my students, who continuously teach and inspire me.

—JM

Preface

Legal Environment: Business Law and Business Entities is different from the traditional textbook. Not different in the underlying information in text, but rather in the way that material is conveyed to the students. In three words, our goal for the text was to produce a tool that is *clear, affordable, and effective*.

In our years of teaching the Legal Environment of Business and related courses, we noticed that many legal environment and business law texts were unnecessarily complicated and quickly alienated students. Many textbooks focus on the basic theory without application, or the opposite—application without an understanding of why. That, and the basic approachability problem of the law (it is seen as something scary and “out there”), can shut students off quickly. We seek to avoid those pitfalls with our text.

One of the strongest features of the text is its approachability. It covers all the major subject areas of the legal environment in an easy to understand and concise manner. The basic concepts are explained clearly and simply, without either pandering to the readers or overwhelming them with material more appropriate to a graduate or law school level course. The concepts are reinforced by cases and hypotheticals within the text that allow for practical application of the legal concepts discussed in each chapter.

We are also aware that many texts include information that the professors and students never touch in class. We personally know many professors who assign large texts but pick and choose from within the text for course coverage. This included yet bypassed information causes the cost of the text to increase, yet it adds little to nothing to the course experience. By excluding that information we are able to provide an affordable alternative, reduce waste and support sustainability, and provide the material that professors actually teach in the classroom.

The text is divided into two natural sections. Chapters 1 through 9 are traditional Legal Environment subjects that we suspect virtually every professor will address in their semester, while Chapters 10 through 17 cover concepts that are more traditional Business Law subjects that most, but not all, professors address in their courses. The bifurcation also accommodates multiple-semester courses with an obvious break between subjects, and courses at higher academic levels that require clear and concise material that is beyond the introductory level.

All chapters have the following features:

Learning Objectives The learning objectives set out the important points that students should absorb from each chapter. We drafted these objectives in a simple question format for clarity.

Introduction Each chapter has a short introduction that clearly presents the chapter's coverage.

Ethics Box Law divorced from ethics, and business removed from ethics, are recipes for scandal and for harm to our society. As professors we have a duty to show our students how the three (law, business, and ethics) are interrelated. Ethical concerns are an integral part of the law today—and many classroom debates start on discussions of where and how ethics relates to the law. In order to foster that debate and to impress on the students the importance of this interdependence, we include in every chapter ethical questions, including a separate ethics box that includes source material and a corresponding ethics question.

Useful Web Sites In each chapter are links to web sites of relevance to the chapter material. Many links are to government web sites that contain forms relevant to the chapter coverage. Other links are to general interest web sites that foster classroom discussion. Additional web sites links are included in the instructor's manual and on the accompanying course web sites.

Chapter Summary The chapter summary debriefs the students and explains why the material they just learned is important to the classroom discussion.

Exercises, Questions, and Hypotheticals At the end of each chapter are multiple exercises that require students to apply, outside of the text, some of the concepts from the chapter. Questions review and reinforce the chapter material, and the hypotheticals require practical application of the law.

Sample Cases Each chapter includes a couple of fact patterns based on real cases. The sample cases include citations to the full cases for more in-depth coverage and discussion. Redacted versions of the sample cases also appear in the supplemental materials provided online.

Marginal Definitions Each chapter includes highlighted concepts in the body of the text, and corresponding short definitions in the margins that reinforce those concepts. The margin definitions are also a useful teaching tool and outline to chapter coverage.

Appendix We realize that many professors begin legal environment of business courses and business law courses with political science—an introduction to the structure of government and the various sources of law. Therefore, the Appendix at the end of the book contains the text of the federal Constitution. We also realize that many professors spend significant time on contract law issues. To assist, we included on the web site that accompanies this text not only the Constitution but also a redacted version of the Ohio Code’s UCC Articles 2 and 9 that includes the more important Code sections. These statutes are reflective of the laws of most states, and provide an excellent teaching tool to reinforce how basic contract law principles translate to the real world of business.

Key Terms The text includes a detailed glossary of key terms that contains clear, short definitions of every important concept covered in the text.

Instructor’s Manual The instructor’s manual includes explanatory material, additional resources, sample exercises and exams, sample syllabi, and various other enhancements.

Online Resources An additional feature unique to this textbook will be free Loislaw web access for students and faculty—a feature rare for an undergraduate textbook. Students may use their Loislaw account for research projects, to access additional resources, and to complete course assignments.

A course web site at http://aspenlegalcollege.com/books/legal_environment includes sample customizable PowerPoint presentations, and additional course material.

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