

T E N T H E D I T I O N

Business Law and the Regulatory Environment

Concepts and Cases

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Jane P. Mallor has taught business law at Indiana University since 1976. During that time, she has received several teaching awards, including the Student Alumni Council Senior Faculty Award, the Faculty Colloquium for Excellence in Teaching, and the Amoco Foundation Award for Distinguished Teaching. Mallor received her B.A. from Indiana University and her J.D. from Indiana University School of Law.

A. James Barnes currently is Dean and Professor of Public and Environmental Affairs at Indiana University, as well as Director of the Long Island Lighting Company. He previously won a distinguished teaching award from Indiana University's School of Business. Barnes's government positions include Deputy Administrator of EPA, General Counsel of EPA, General Counsel of the Department of Agriculture, and trial attorney in the Department of Justice. Barnes received his B.A. with honors from Michigan State University and J.D. Cum Laude from Harvard Law School.

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Arlen W. Langvardt, Professor of Business Law, joined the Indiana University School of Business faculty after private practice as a trial attorney involved in a variety of legal areas. Langvardt has received several teaching awards at both the undergraduate and M.B.A. levels, as well as Holmes/Cardozo Award from the Academy of Legal Studies in Business. He has published numerous articles in law and business journals. In 1992 he delivered the Boal Memorial Lecture at Georgetown University Law Center. Langvardt received his B.A. with highest honors from Hastings College and J.D. with distinction from the University of Nebraska.

This is the tenth UCC edition (and the seventeenth overall edition) of a business law text that first appeared in 1935. Throughout its more than 60 years of existence, this book has been a leader and an innovator in the fields of business law and the legal environment of business. One reason for the book's success, we feel, is its clear and comprehensive treatment of the standard topics that form the traditional business law curriculum. Another is its responsiveness to changes in these traditional subjects and to new views about that curriculum. Prominent among the latter are the injection of regulatory materials that has largely defined "legal environment" approach to business law and the more recent emphasis on ethics and international issues.

Continuing Strengths

This edition continues the basic features that have made its predecessors successful. They include:

- *Comprehensive Coverage.* We believe that the text continues to excel both in the number of topics it addresses and the depth of coverage within each topic. This is true both of the basic business law subjects that form the core of the book and also of the regulatory and other subjects that are said to constitute the "legal environment" curriculum.
- *Style and Presentation.* We like to think that this text is written in a style that is direct, lucid, and organized, yet also relatively relaxed and conversational. For this reason, we often have been able to cover certain topics by assigning them as reading without lecturing on them. As always, we continue to employ italics and bold-face to emphasize key points and terms; to make liberal use of examples; to state the elements of a claim or a list of defenses in numbered paragraphs; and to include many charts, figures, and concept summaries.
- *Case Selection.* We try very hard to find cases that clearly illustrate important points made in

the text, that should interest students, and that are fun to teach. Except where older decisions are landmarks or best illustrate particular concepts, we also try to select recent cases. Our collective in-class teaching experience with recent editions has helped us determine which of those cases best meet these criteria.

- *AACSB Curricular Standards.* The AACSB's recent curriculum standards say that both undergraduate and MBA curricula should include ethical and global issues; should address the influence of political, social, legal and regulatory, environmental, and technological issues on business; and should also address the impact of demographic diversity on organizations. In addition to its obvious stress on legal and regulatory issues, the book contains chapters on business ethics, the legal environment for international business, and environmental law, as well as "Ethical and Public Policy Concerns" at the end of all chapters except the ethics chapter. By putting legal changes in their social, political, and economic context, several text chapters enhance students' understanding of how political and social changes influence business and the law. Finally, Chapter 50's discussion of employment discrimination law certainly speaks to the subject of workplace diversity.

Important Changes in this Edition

This edition's lineup of chapters is unchanged from the ninth edition. The most important changes within that lineup follow. Of course, they are in addition to the routine updating, inclusion of new cases, and replacement of problem cases that accompany any new edition.


- Chapter 6 has undergone a fairly significant rewrite. More importantly, the chapter's discussion of property-related intentional torts has been expanded and cases for these torts included.

- Chapter 7's discussion of negligence and strict liability also has received a fairly significant rewrite.
- Chapter 8 incorporates some recent changes in the law regarding the duration of patents, as well as the 1996 Federal Trademark Dilution Act. It also expands the previous edition's discussions of patent infringement, copyright duration, copyright infringement, and the duration of trademarks.
- Chapter 29 includes the 1994 amendments to the Bankruptcy Code.
- Chapters 40–43 contain some new material on nonprofit corporations.
- Chapter 42 contains discussions of two new takeover defenses: golden parachutes and maintaining a corps of friendly shareholders.
- Chapter 44 includes some new material regarding securities offerings on the Internet.
- Chapter 45 now contains the Private Securities Litigation Reform Act of 1995, which limits the liability of most auditors to the amount of the investor's loss for which the auditor actually is responsible. An even more important inclusion is Securities Exchange Act section 10A, which imposes a public watchdog function on independent auditors, requiring them to report their clients' violations of law to the Securities and Exchange Commission.
- Chapter 47 contains some new material on the FTC's Telemarketing Sales Rule.
- Chapter 49 expands the discussion of federal enforcement authorities' recent attitudes toward mergers.

The Package

- *Instructor's Manual.* We have prepared the lengthy instructor's manual for this text. Each chapter in the manual contains outlined suggestions for structuring the presentation of the corresponding text chapter material, provides additional material and examples not mentioned in the text, discusses each text case while providing points for discussion with students, and answers the problem cases. Each text manual chapter also contains suggested answers to the chapter's ethical and public policy concerns.

Finally, the manual includes an answer key for questions presented in the student workbook.

- *Student Workbook.* The student workbook, prepared by Arlen Langvardt and Michael Phillips, contains true-false, multiple-choice, and short essay questions for each chapter.
- *Test Bank.* The text bank, prepared by Thomas Bowers, Arlen Langvardt, and Michael Phillips, contains true-false, multiple-choice, and short-essay questions. For each question, the manual includes an answer, a page reference to that answer, and a rating of the question's difficulty. In addition, a computerized version of the test bank is available. It enables instructors to generate random tests and to add their own questions.
- *Case Videos.* As was true for its predecessor, adopters of the tenth edition can obtain Irwin's 20 case videos for classroom use. These contemporary dramatizations of business law issues sometimes focus on issues within a particular chapter, or may span different chapters. Portions of the case videos are integrated as problem cases in many chapters. They are designated by a video cassette icon  and the term *Video Case*. In addition, Supplementary Video Case Notes, prepared by Richard Finkley of Governors State University, outline the facts, question, issues, and decision for each video segment, and direct instructors to the appropriate chapter. This material is included in the Instructor's Manual.

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Jane P. Mallor

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