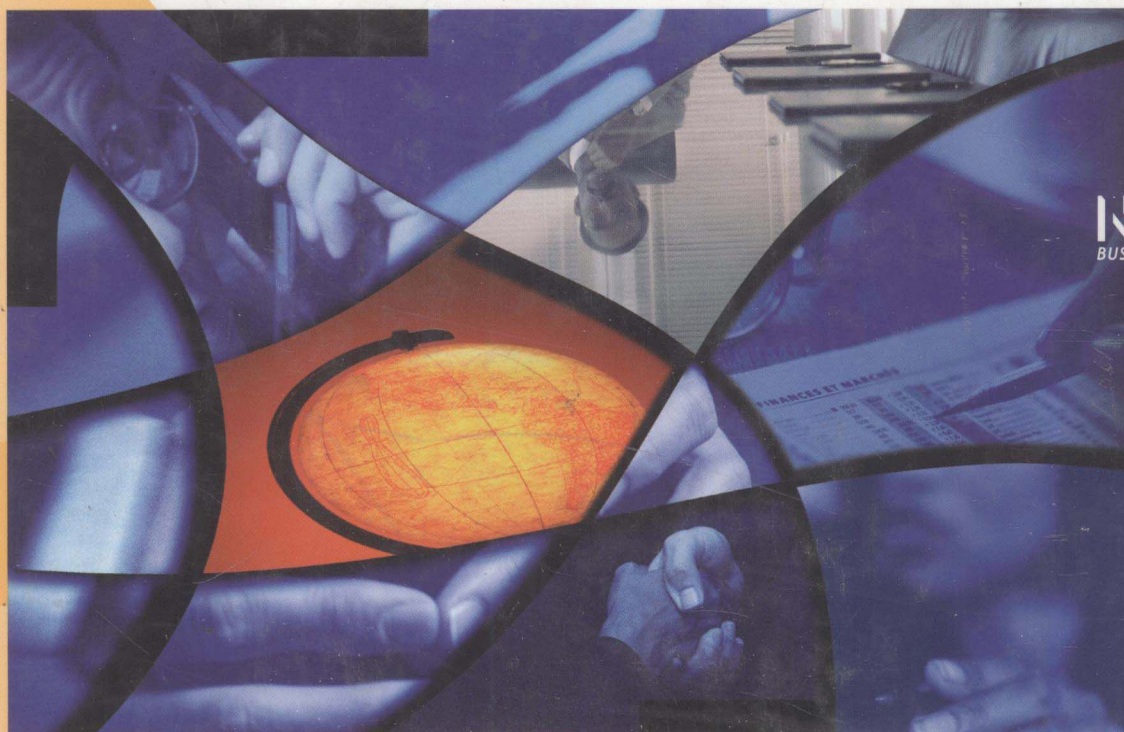


8TH EDITION

Business Law

Principles and Cases in the Legal Environment



NRW
BUSINESS CASES

Davidson
Knowles
Forsythe

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

Business Law

Principles and Cases in the Legal Environment

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NRW Business Application Case

Real-world applications are threaded throughout *Business Law: Principles and Cases in the Legal Environment*. Based on a hypothetical company, this business

application case offers a realistic fact pattern followed by a series of critical thinking questions covering business, ethical, and international considerations. An overview of this unique feature appears on page 2 of the text. Examples are provided on these pages.

NRW CASE 36.2 Finance/Management

INSIDER TRADING RULES UNDER THE '34 ACT

NRW stock is being sold on a national exchange, subjecting the firm to regulation under the '34 Act. The initial public reaction to the firm and its prospects has been good, and the stock has had steady increases in its market price. NRW is currently negotiating with a small firm that has "know-how" that will speed up the response time for both NRW products. This new technology accordingly holds great promise for increased sales. No one outside the immediate family is aware of these negotiations. Mai, Helen, and Carlos want to purchase a significant number of NRW shares before the news "leaks out" about the negotiations. However, they are concerned that if they do so, they will be guilty of insider trading. They ask you what they should do to avoid liability under the '34 Act in this situation. What will you tell them?

BUSINESS CONSIDERATIONS What should the officers, directors, and controlling shareholders of a firm whose stock is publicly traded be concerned about when they trade in their firm's securities? What can the firm do to minimize its potential liability when an insider trading scandal erupts?

ETHICAL CONSIDERATIONS Is it ethical for an insider to trade in securities when he or she has information that is not yet available to the general public? Is it ethical to prevent people from using the knowledge or information they have acquired through their jobs to make a profit based on that knowledge or information? Can these two areas be reconciled, ethically speaking?

INTERNATIONAL CONSIDERATIONS If NRW is offering its securities on a foreign exchange, must it provide information to prospective purchasers in the language of that foreign country, or may it submit its information in English? What impact, if any, will requiring the submission of the information only in the language of that foreign nation have on NRW?

NRW CASE 43.1 Management

COPYRIGHT INFRINGEMENT

Mai has come up with what she believes is a creative idea for a commercial for StuffTrakR. She has described it to Helen and Carlos, and they also think it could be a very successful ad. In the ad Mai envisions an extraterrestrial, finding itself marooned on earth, tries to "call home" to get one of its fellow extraterrestrials to rescue it. At first, the extraterrestrial cannot find its phone; but then it remembers its StuffTrakR unit can help in locating the phone. StuffTrakR comes through, and as the extraterrestrial dials, the voice of the announcer then describes the benefits of the StuffTrakR, concluding with the admonition, "Don't leave home without it." The firm members ask you if this ad involves any copyright infringement problems. What will you tell them?

BUSINESS CONSIDERATIONS Why do businesses use the voices, names, and likenesses of famous people to sell their products? Are the uses of ads less effective if the advertiser uses famous people? How do you think of the

NRW CASE 24.3 Finance/Management

FUNDS TRANSFERS

The firm is currently concluding negotiations for a very large sale with a retail store that has locations throughout the southwest. The resulting contract should be for an amount in the high six figures. Carlos is willing to let the retailer pay for the order by check. Helen would prefer that the customer pay either a cashier's check or a certified check. Mai pointed out that, given the "time value" of money, the sooner the firm receives the funds, the better it will be. She thinks that the firm should insist on a wire transfer of the funds as soon as the retailer receives the goods. They all agree that the time value of money is important. They like Mai's idea the best.

NRW

NRW CASE 10.2 Sales/Manufacturing

REVOKING AN OFFER

NRW made a written offer to Joe Daily, one of its suppliers, in which the firm offered to buy Joe's entire supply of microchips at list price. NRW's letter promised to keep the offer open for four weeks. Two weeks after mailing the letter, NRW received an offer from another firm to sell virtually identical microchips to NRW for 20 percent less than Joe's list price. Carlos wants to accept this offer and has asked you whether NRW can revoke the offer to Joe. What will you tell him?

NRW

NRW CASE 19.1 Marketing and Sales

ADVERTISING THE PRODUCT

Helen wants to advertise the StuffTrakR extensively on television, with ads showing the product in use and suggesting the benefits and time to be saved through its use. Mai and Carlos agree with Helen in principle, but they suggest that the product should be enhanced somewhat in order to "grab" the viewers' attention and, hopefully, really spur sales. They have suggested some exaggerated examples that could be used, including having a StuffTrakR on the family dog. In one scenario, the dog runs off, but the family is able to track it down thanks to the StuffTrakR. The commercial ends with the happy family reunited with their pet, and a voice-over saying something like, "The StuffTrakR is the only way to keep your dog safe."

NRW

CONSIDERATIONS: What factors should be considered in making a decision on whether to advertise the product?

NRW CASE 25.1 Management/Finance

SOURCES OF FINANCING

The firm needs a quick infusion of capital, and Mai and Helen would like to have the firm borrow some money for the operation of the business. However, they expect that the bank will want some sort of collateral before making any loan to the firm. Neither Mai nor Helen wants to use her personal assets as security for any credit they receive, but they are not sure that NRW has any assets that can be used to secure the loan. They ask you what assets NRW has that might be useful as collateral for any loans they seek. What will you tell them?

NRW

To my wife and best friend, Dee, and to our children, Jaime and Tara. Thanks to each of you for your love and support.

Daniel V. Davidson

For Paul, Mark, and Vicki, who steadfastly supported me during my numerous travails; and for my four miraculous grandchildren (Kyle, Madelyn, Matt, and Beth), who unfailingly rekindle my sense of wonderment and bring me unbridled joy.

Brenda E. Knowles

In loving memory of my father-in-law, John Poptanich (1921–2000).

To my family for all their love and support, especially Jim, Mike, and Mary Helen Poptanich; and Aileen and Robert Zollweg. And to our colleagues and students, thanks for your ideas and suggestions.

Lynn M. Forsythe

Preface

A Business-Oriented Business Law Text

Business Law: Principles and Cases in the Legal Environment, Eighth Edition, offers students a business-oriented introduction to the legal and ethical topics that affect business. This perspective may seem obvious. After all, isn't a business law textbook by its very nature oriented toward the practice of business? While it might seem that they should, not all business law textbooks adopt such an orientation. Textbooks that typically teach the law, often clearly and in great detail, can fail to show students how the law will affect their future careers in the business world. Our goal as business law and legal environment instructors is not to train lawyers, but rather to train future businesspeople to anticipate and avoid legal problems. If legal problems arise, it is critical to know how to recognize the nature of these problems and work with a lawyer to achieve solutions. Legal problems, even lawsuits, are business problems that can be managed.

Our strategy in revising this, our eighth, edition is threefold:

- To present, in an accessible style, a current and comprehensive introduction to the legal topics relevant to business
- To demonstrate how these topics apply to the practice of business
- To provide an approach to legal analysis—often termed *critical thinking*—for addressing legal problems encountered in the practice of business

We also support more fully the teaching and learning process associated with using the text. Our association with West Legal Studies in Business allows us to offer a wide array of supplementary materials for instructors and students.

NRW Business Cases

We have included an integrated, continuous business case or scenario. As the NRW case threads throughout the

text, the individual features profile the experiences of a hypothetical business, NRW, owned and operated by a “local” group of entrepreneurs known to the students. Each chapter begins with an Agenda that highlights the major legal issues from the chapter that are likely to be relevant to NRW. Within each chapter there are three NRW Application Boxes that address particular legal issues and call for students to offer guidance to the firm. Each application box is categorized by the relevant functional area of business—management, manufacturing, finance and accounting, sales, marketing, international business, and personal law. Finally, application boxes include questions involving Business Considerations, Ethical Considerations, and International Considerations. These questions ask the students to go beyond NRW's problem and to decide how the type of problem faced might affect other business concerns. See page xx for an Overview to the NRW business case.

New Coverage in the Eighth Edition

As we mentioned, our first goal is to present, in an accessible style, a current and comprehensive introduction to the legal topics relevant to business. Toward this goal, the book is divided into 10 parts based on traditional topical areas of undergraduate business law. We have made the following content changes and updates to the eighth edition.

Part 1 Foundations of Law Part 1 presents an overview of law and the legal system. The eighth edition provides extended coverage of ethics and international law topics. In particular, Chapter 1, “Introduction to Law,” provides a more detailed discussion of theories of jurisprudence and a new exhibit outlining these theories. Chapter 2, “Business Ethics,” has an increased focus on the application of ethical theories in the practice of business, including the introduction and discussion of some additional ethical theories and an exhibit comparing a number of these theories.

Part 2 The American Legal System Part 2 examines the court system and the legal system used in the United States. We have placed the coverage of constitutional regulation of business in this section. This encourages a discussion of fundamental constitutional law principles while maintaining the focus on business and the application of the legal system to business problems and concerns. The material on dispute resolution has been organized into one chapter that is designed to show the similarities and the differences in the various types of dispute resolution. We examine a civil trial and then look at a number of Alternative Dispute Resolution (ADR) approaches to the same problem, including some new material dealing with on-line dispute resolution (ODR). This section concludes with an examination of torts and business crimes, respectively. The criminal law coverage includes computer crimes.

Part 3 Contracts Part 3 examines the primary importance of contract law to business. The chapters contained here have been substantially updated, and there is significant attention paid to e-commerce and its growing importance in the area of contract law. Chapter 9 is an introduction to contracts, discussing contract theories and the various areas included in contract law. Chapter 10 covers offer and acceptance, and Chapter 11 discusses consideration. Chapter 12 deals with voidable contract areas, “Contractual Capacity” and “Reality of Consent,” while Chapter 13, “Legality of Subject Matter and Proper Form of Contracts,” examines void agreements and unenforceable contracts, respectively. Chapter 14 discusses the rights of third persons and contract interpretation. The contract section ends with Chapter 15, “Contractual Discharge and Remedies.”

Part 4 Sales and Leases Part 4, which addresses the law of sales and leases, has been significantly revised. Each of the first three chapters examines aspects of Article 2, the Law of Sales. Each chapter then has some coverage of Article 2A, the Law of Leases, that is compared to the coverage of Article 2. Finally, each of these chapters then compares international sale of goods law, as embodied in the CISG, to the coverage provided by the UCC. “Warranties and Product Liability” has been moved to the final chapter in this part. This relocation is intended to emphasize the potential impact that breach of warranty cases can have on a business, and to highlight the fact that many times breach of warranty cases do not fit into the more traditional areas of business concerns. Rather than reflect a “mere” breach of contract, a breach of warranty may well result in substantial damages, thus making it logical for a

businessperson to give separate treatment to this area of law. Part 4 also examines incoterms and ISO 9000, and how each of these areas can affect contracts for the sale of goods in an international setting. There is also a brief discussion of several proposed United Nations conventions that may soon be ratified and that will also affect international sales and other international business transactions.

Part 5 Negotiables Part 5 discusses UCC Articles 3 (Revised), 4 (Revised), 4A, and 7. In addition, it includes a discussion of electronic funds transfers. This new coverage reflects the changes in negotiable instrument law with the revision of Articles 3 and 4 of the UCC.

Part 6 Debtor-Creditor Relations Part 6 examines debtor-creditor relations by looking at three related areas. The first area of coverage involves secured transactions under the newly revised Article 9 of the UCC. The revisions to Article 9 are substantial, and the coverage of this topic is significantly changed to reflect this new, “simplified” treatment. Next is a chapter dealing with “Other Credit Transactions,” which looks at the various types of credit that a business may extend to its customers or use in acquiring those assets needed to conduct the business. Included here is a brief look at “payday loans,” a relatively new and controversial type of consumer loan. Finally, Part 6 examines the federal protections available under the Bankruptcy Reform Act of 1994. The bankruptcy material has been condensed into one chapter that compares the relief available under Chapters 7, 11, and 13 of the Bankruptcy Reform Act. There is also a short discussion of the proposed new Bankruptcy Reform Act and the possible ramifications if it is enacted by Congress.

Part 7 Agency Part 7 explains the agency relationship and its importance in conducting a business enterprise. Special emphasis is given to the liability of both the principal and the agent for contracts entered into by the agent and to the liability of both the employer and the employee for torts and crimes committed by the employee. Policy reasons for the rules are addressed. Protection of the employer’s confidential information and covenants not to compete are also discussed.

Part 8 Business Organizations Part 8 treats the various types of business organizations in a unique manner. Rather than have separate chapters dealing with the various organizations, the text treats the organizations in a compare-and-contrast fashion within the chapters. The emphasis is no longer on how the various types of business organizations should be implemented, but

rather on why a particular form should be chosen. The coverage includes an examination of the limited liability company (LLC) and the limited liability partnership (LLP), as well as the traditional business organizations: proprietorship, partnership, limited partnership, and corporation. Coverage of the Revised Uniform Partnership Act is increased, since it has been adopted by more states. We also include thorough discussions of franchising in Chapter 35 and securities regulation in Chapter 36.

Part 9 Government Regulation of Business Part 9 addresses the regulatory issues regularly faced by businesses, including coverage of antitrust law, consumer protection, environmental protection, and labor and fair employment law. Chapter 38, “Consumer Protection,” is devoted entirely to consumer law and stresses concepts that relate back to Chapter 27, “Other Credit Transactions,” from Part 6. There is also one chapter devoted to environmental law—Chapter 39, “Environmental Protection”—that addresses most of the major environmental statutes. This coverage includes a discussion of some of the policy reasons behind the statutes and the penalties to be faced for violations. The final chapter in this section is “Labor and Fair Employment Practices,” a detailed examination of the rights and responsibilities of management and its employees.

Part 10 Property Protection Part 10 examines real and personal property law and “wealth protection.” Part 10 also offers updated coverage on intellectual property law. The first chapter in this part discusses real property, government regulation of real property, and the types of joint ownership. Transfer on death ownership is also included in this edition. The second chapter examines personal property and bailments. The third chapter addresses intellectual property, including a discussion of copyright law and of computers and the law. The part and the text conclude with a consideration of techniques for transferring wealth, including wills, estates, and trusts. Recent changes in transfer tax laws are included.

New and Improved Applications

Our second goal for this revision is to demonstrate how the legal topics presented here apply to the practice of business. Toward this goal, *Business Law* offers the following features, many of them unique to this text.

Court Cases

Each chapter contains three court cases primarily in the language of the court. Cases are organized into the following parts:

- Facts—the facts of the case
- Issue(s)—the issues, in the form of questions, on which the decision hinges
- Holding—the court’s answer to the issue(s)
- Reasoning—the reasoning the court used in reaching its decision, in the language of the court

We have made an effort in this edition to include more judicial language in the cases. Our selection of cases includes both classic, landmark opinions and current, cutting-edge cases. In addition, all of the court cases end with a Business Considerations question and an Ethical Considerations question. These questions illustrate the impact of court cases on business and how business decisions may lead to litigation. Ethical considerations show how ethics constantly affects decision making. Limiting ethical concerns to a cursory examination in an obligatory ethics chapter profits no one; rather, an emphasis on ethics should be an integral part of business decision making.

Resources for Business Law Students

Web sites have been included throughout the text, pointing those students who want to “dig deeper” into particular areas to a starting point for additional information on a variety of topics. There is also a Web site related to the text, available at <http://davidson.westbuslaw.com>.

Discussion Questions, Case Problems and Writing Assignments

Each chapter concludes with 10 discussion questions, four legal case problems, and some “specialized” case problems. Each chapter contains one *business* application case, one *ethics* application case, one *critical thinking* case, and one *You Be the Judge* case problem. The legal case problems ask students to test their understanding of principles and terms covered in the chapter, and the business application, ethics application, and critical thinking problems ask students to apply these concepts to business situations. The You Be the Judge case problem asks the student to prepare an opinion that applies the facts learned to the issues presented in the case. By so doing, the student will gain a greater appreciation for the difficulties involved in drafting an opinion and will (hopefully) consider the alternatives more carefully in his or her role as “judge” of the case. All the end-of-chapter materials can be used as study tools in reviewing the material, as class or small-group discussion material, or as writing assignments.

Supplemental Resources

The eighth edition of *Business Law* now has a site on the World Wide Web devoted to teaching and learning resources for the text (<http://davidson.westbuslaw.com>). Come visit to see for yourself.

The following supplemental resources are also available with the eighth edition. For more information about any of these supplements, contact your Thomson Learning/West Legal Studies Sales Representative for more details, or visit the textbook's Web site.

- *Study Guide* (0-324-15368-6)
- *Telecourse Study Guide* (0-324-20310-1)
- *Instructor's Manual* (0-324-15369-4)
- *Test Bank* (0-324-15365-1)
- ExamView testing software (0-324-15366-X)
- Microsoft PowerPoint Lecture Review Slides (download at <http://davidson.westbuslaw.com>)
- Telecourse Videos—30 half-hour telecourse videos, developed by INTELECOM in conjunction with the third edition of *Business Law*, provide coverage for key topics in business law. Contact your local Thomson Learning/West Legal Studies Sales Representative for more details.
- Videos. Qualified adopters using this text have access to the entire library of West videos, a vast selection covering most business law issues. There are some restrictions, and if you have questions, please contact your local Thomson Learning/West Legal Studies Sales Representative or visit http://www.westbuslaw.com/video_library.html.

A Note on AACSB Curricular Standards

The AACSB curricular standards relevant to business law and the legal environment of business state that curricula should include ethical and global issues; the influence of political, social, legal and regulatory, environmental, and technology issues; and the impact of demographic diversity on organizations. We believe *Business Law: Principles and Cases in the Legal Environment* uniquely satisfies these standards.

First, global issues are treated in depth in several areas, beginning with Chapter 3, “International Law.” The

“International Sales of Goods: CISG” is covered in Chapters 16 through 19 (more than in any other current business law text), and letters of credit are addressed in Chapters 3 and 27. We also have included an “International Applications” question in each of the NRW boxes “threaded” throughout the text.

We have revised Chapter 2, “Business Ethics,” to reflect more of the application of ethical theories than the theories themselves. Ethics questions also appear following court cases, NRW business application boxes, and at the ends of chapters.

Second, we have revised the text with the intent of creating a book that is intuitive, engaging, and oriented toward providing the legal skills students will need in the business world. Hence, the contents of the book stretch beyond the mere presentation of “legal topics” to encompass the spectrum of “political, social, legal, regulatory, environmental, and technological issues.” The pedagogical features are designed to augment this content.

Finally, the attention to applications, evidenced in the Agenda, and the NRW business application thread case, uniquely contributes to showing how demographic diversity affects organizations. In the NRW case, the principals must understand the cultural and political challenges that a larger domestic and international market (and workforce) pose for them. These include issues ranging from employee privacy to labor law, from employee use of NRW computers to sexual harassment. By following the case, students are immersed in these problems and are asked to offer advice as questions arise. This encourages sensitivity and an understanding of other points of view.

On another level, the principals (and, vicariously, the students) learn that successful businesses today are often cross-functional. In this case, Mai, Carlos, and Helen need to recognize how the law applies to marketing, sales, management, finance and accounting, and manufacturing, and they must be able to act on this knowledge. The students, by assuming an advisory role with NRW, have a unique glimpse at the cross-functional nature of many business activities today. *Business Law* supports the current trend toward integrating business disciplines.

Acknowledgments

Writing a textbook is always an arduous undertaking, even if the text is “merely” a revision of a previous edition. This edition has been no different, and in many ways it has been more difficult. There have been numerous substantive changes in the law since the last edition, and each of these warranted our attention. There are also several areas that

are in a state of upheaval as we go into print, and trying to be as up-to-date as possible while meeting a production deadline can be a problem for the entire production team.

This edition of the book would not have been possible without the help, assistance, and guidance of our developmental editor, Bob Sandman. Bob is always there when we need him. His good humor, his patience, and his support have been invaluable to us. Production Editor Emily Gross has also been tremendous. She has provided advice when needed and has assisted Bob in helping us put together this book.

Each of the authors owes a hearty “thank you” and a sincere “well done” to the other two authors. Each provided feedback, (positive) criticism, and support to the others during the hectic days of reading copyedited pages and page proofs. Each of us brings a unique personality to the process, and we have learned how and when to merge our talents to produce the best book possible. As authors, we have been a team for quite some time, working together through eight editions of the text. We each write about an equal number of chapters, and we each have input into the chapters written by the other authors. We sincerely believe that our group effort has been successful and that the sum of our contributions is greater than the parts. We hope you enjoy using this book as much as we have enjoyed preparing it.

A special thanks to our families. They put up with the late nights and the short deadlines and provide support and suggestions to help us get through the process every time we revise the text. Without their support and encouragement, we would never be able to accomplish our goal.

Finally, a sincere thank you to the following reviewers, whose suggestions, criticism, questions, observations, and keen and insightful commentaries on our work helped us maintain our focus and write a text that preserves content but is user-friendly, readable, and enjoyable:

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Susan Mitchell, *Des Moines Area Community College*

Robert L. Mitchum, *Arkansas State University*

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Professor Davidson has published numerous articles on business law, the teaching of business law, and business ethics. He was named the Outstanding Teacher of the Year at Central Connecticut State College. In 1979 he received the Outstanding Faculty Award from the Arkansas chapter of Beta Alpha Psi, and in 1980 he was named the Razorback Award winner as the Outstanding Business Professor, both at the University of Arkansas. In 1984, Professor Davidson was awarded the Meritorious Performance Award at California State University, Fresno. In 2001, he received the Outstanding Faculty Award from the College of Business and Economics at Radford University.

Professor Davidson is a member of Alpha Kappa Psi, Beta Gamma Sigma, Sigma Iota Epsilon, and Beta Alpha Psi. He is also a member of the Academy of Legal Studies in Business and its Southern Regional. He has held all of the offices in the Southern Regional, including president, and is currently serving as the senior advisory editor for the *Southern Law Journal* and the *Proceedings* of the region's annual meeting.

Brenda E. Knowles

Brenda E. Knowles received a B.A. *magna cum laude* from the University of Evansville, an M.A. from Miami University, and a J.D. from the Indiana University School of Law, Bloomington. She is professor of business law and director of the Honors Program at Indiana University South Bend, where she has been the recipient of two systemwide, all-university teaching awards, the Amoco Foundation Excellence in Teaching Award and the Wilbert Hites Distinguished Teaching Award for Mentorship. She has received numerous other systemwide and school citations for excellent teaching. She also has been active in FACET, the faculty colloquium on excellence in teaching and learning in the academic community. In 1995, Professor Knowles was named director of the Honors Program (a position theretofore always held by liberal arts faculty members). In 1997, the Student Association at Indiana University South Bend chose her as the campus's “Outstanding Educator.”

Professor Knowles specializes in research on employment discrimination, pedagogy, and intellectual property law. She publishes her work in professional journals and has won an award for her research. In addition, she has been recognized both nationally and locally for her professional and civic accomplishments, most recently through the W.

George Pinnell Award for outstanding service to Indiana University. Professor Knowles is an active member of the Academy of Legal Studies in Business (ALSB) and of several regionals. More specifically, having held every office, she is a past president of both the ALSB and the Tri-State Academy of Legal Studies in Business. Professor Knowles presently serves as the chair of the ALSB's Research and Teaching Mentorship Programs; and, in 1994, she won the ALSB's Master Teacher Award. In 1998, she received the ALSB's Senior Faculty Excellence Award. Moreover, she is a member of Beta Gamma Sigma. She is licensed to practice law in Indiana and is a member of the American, Indiana State, and St. Joseph County Bar Associations.

Lynn M. Forsythe

Lynn M. Forsythe received her B.A. from The Pennsylvania State University and her J.D. from the University of Pittsburgh School of Law. She passed the bar examinations in the states of California and Pennsylvania. She is professor of business law at the Craig School of Business at California State University, Fresno. Professor Forsythe held administrative positions at the school, including director of graduate business programs, interim department chair, and co-chair of the AACSB Reaccreditation Committee. She is currently the undergraduate assessment coordinator for the school and the assessment coordinator for the legal environment option.

Professor Forsythe is the author of numerous articles on business law and business law pedagogy. She has held

the positions of editor-in-chief, staff editor, and reviewer for *The Journal of Legal Studies Education*, and is currently advisory editor for that journal. She received the 1992 School of Business Faculty Award for Educational Innovation and previously was awarded a university Meritorious Performance Award. She has been an estate and gift tax attorney for the Internal Revenue Service and has taught business law, administrative law, government regulation of business, real estate law, business ethics, estate planning, and business and society. She is active in IMPAC, a statewide effort to address topical coverage in the core curriculum. She has recently been appointed to the Intersegmental Business Administration Council, an effort to coordinate the core business curriculum in California and improve the articulation of business courses in the California community colleges, California state universities, and Universities of California.

Professor Forsythe is a member of Beta Gamma Sigma and Alpha Kappa Psi. She was active in the American Bar Association Section of Taxation, for which she chaired subcommittees and panels, including an American Law Institute—American Bar Association advanced program. She is active in the Academy of Legal Studies in Business, for which she served as academic program coordinator for the 1983 meeting, liaison to the National Conference of Commissioners on Uniform State Laws, member of the Executive Committee, and chair and vice-chair of its Business Ethics Section. She has held all the offices, including president, in the Western Regional Academy of Legal Studies in Business.

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