

DRAFT

ITRN 770 INTERNATIONAL CONTRACT NEGOTIATION

**Fall 2007
Tuesdays, 7.20-10.00 p.m.
The School of Public Policy
International Commerce and Policy Program
George Mason University**

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Course Description and Goals

This course will survey the fundamental legal issues involved in negotiating and meeting the terms of contracts for the sale of goods across international borders. Specific topics will include an introduction to the law of contracts; the applicability of the Uniform Commercial Code and United Nations Convention on Contracts for the International Sale of Goods to international sales; International Commercial Terms (INCOTERMS) applicable to transportation and risk of loss; regulatory issues, such as customs classification and valuation, and in particular their impact on price; forms of doing business abroad; the importance of documentation; intellectual property issues; product standards; forms of transaction financing; and dispute resolution. Following class lectures and discussions of these topics, students will be expected to apply their understanding of them in negotiation and drafting exercises.

Thus, the course is designed to combine theoretical knowledge of the legal issues that arise in negotiating and fulfilling international contracts with the opportunity to apply that knowledge in simulated negotiating situations and in the preparation of contractual documents reflecting the results of negotiations. In short, the course will prepare students to:

- recognize the issues involved in a potential international transaction,
- negotiate a resolution of those issues, and
- reduce that resolution to writing.

We will place particular emphasis on regulatory issues, such as customs duties, that are unique to international agreements, so that students not only can negotiate and prepare agreements that avoid unpleasant regulatory surprises but also can plan their transactions to take maximum advantage of foreign and United States laws and regulations.

Texts

There will be two texts. The first is Exporting: Regulations, Documentation, Procedures, which will be available through the instructor. The second is a packet of materials prepared by the instructor that will be sent to students by e-mail or posted on a website.

Grading

Grades will be based on students' performance in a negotiation project. The class will be divided into negotiating groups, and each group will be further divided into buyer's and seller's representatives. The groups will conduct negotiations based on a hypothetical proposed transaction, identify the issues that would arise in the transaction, and reach an agreement and reduce the terms of the agreement to written contracts. The graded materials will include (1) an issues analysis, identifying the issues, explaining their importance and resolution, and analyzing why other potential resolutions were not adopted, and (2) contracts prepared by the parties reflecting the terms of their agreement. Grades will be based on the thoroughness and accuracy of the issues analysis and contracts. We will have further discussion of project grading standards at our first session.

Class participation will also be important, especially in the interactive environment that the instructor hopes will characterize the class. In particular, I am looking for questions, disagreements, policy discussions, and examples (cautionary or otherwise) based on student experiences. Ideally, class discussion will demonstrate familiarity with the assigned texts and comprehension of lessons from preceding classes, ability to ask or respond to questions that arise from the texts and discussions, and ability to identify and analyze issues.

Tentative Schedule

We will cover the following topics. The dates may vary to accommodate the schedules of guest lecturers. The schedule has some built-in flexibility to allow us to cover additional topics, depending on the students' interests.

Tuesday, August 28 --	Introduction to Contracts; Fundamental Concepts
Tuesday, September 4, Tuesday, September 11, and Tuesday, September 18 --	International Contracts: The Uniform Commercial Code and United Nations Convention on International Contracts READING: <u>Exporting</u> chapter 2 Reading packet section 1

Tuesday, September 25 and Tuesday, October 2--	Negotiating and Drafting Contracts; INCOTERMS; The Relationship of Contractual Terms and International Documentation READING: <u>Exporting</u> chapters 3,8
Tuesday, October 9--	COLUMBUS DAY RECESS; CLASS WILL NOT MEET
Tuesday, October 16 --	Forms of Doing Business Abroad READING: <u>Exporting</u> chapter 1 Reading packet section 2
Tuesday, October 23 --	Regulatory Issues: Customs Tariffs and Product Standards READING: <u>Exporting</u> chapter 5 Reading packet section 3
Tuesday, October 30 --	Transaction Finance and Setting Your Price READING: <u>Exporting</u> chapters 6 and 4
Tuesday, November 6 --	Intellectual Property Protection; Other Legal Issues; Service and Software Contracts READING: Reading packet section 4
Tuesday, November 13 --	Dispute Resolution READING: Reading packet section 5
Tuesday, November 20 --	Review
Tuesday, November 27--	Negotiation and drafting session
Tuesday, December 4 --	Negotiation and drafting session
Tuesday, December 11 --	FINAL PROJECTS DUE

Statement on special needs of students

If you are a student with a disability and you need academic accommodations, please see me and contact the Disability Resource Center (DRC) at 993-2474. All academic accommodations must be arranged through the DRC.

New Voices in Public Policy

I will consider nominating the very best papers in this course for publication in *New Voices in*

Public Policy. New Voices is a student- and faculty-reviewed journal that shares SPP's finest student work with the rest of the world.

SPP Policy on Plagiarism

The profession of scholarship and the intellectual life of a university as well as the field of public policy inquiry depend fundamentally on a foundation of trust. Thus any act of plagiarism strikes at the heart of the meaning of the university and the purpose of the School of Public Policy. It constitutes a serious breach of professional ethics and it is unacceptable.

Plagiarism is the use of another's words or ideas presented as one's own. It includes, among other things, the use of specific words, ideas, or frameworks that are the product of another's work. Honesty and thoroughness in citing sources is essential to professional accountability and personal responsibility. Appropriate citation is necessary so that arguments, evidence, and claims can be critically examined.

Plagiarism is wrong because of the injustice it does to the person whose ideas are stolen. But it is also wrong because it constitutes lying to one's professional colleagues. From a prudential perspective, it is shortsighted and self-defeating, and it can ruin a professional career.

The faculty of the School of Public Policy takes plagiarism seriously and has adopted a zero tolerance policy. Any plagiarized assignment will receive an automatic grade of "F." This may lead to failure for the course, resulting in dismissal from the University. This dismissal will be noted on the student's transcript. For foreign students who are on a university-sponsored visa (e.g. F-1, J-1 or J-2), dismissal also results in the revocation of their visa.

To help enforce the SPP policy on plagiarism, all written work submitted in partial fulfillment of course or degree requirements must be available in electronic form so that it can be compared with electronic databases, as well as submitted to commercial services to which the School subscribes. Faculty may at any time submit student's work without prior permission from the student. Individual instructors may require that written work be submitted in electronic as well as printed form. The SPP policy on plagiarism is supplementary to the George Mason University Honor Code; it is not intended to replace it or substitute for it. (<http://www.gmu.edu/facstaff/handbook/aD.html>)