

## **International Transaction Skills**

### **Prof. Barry Lites**

Required Text: *International Business Transactions – Problems, Cases and Materials* (Chow; Schoenbaum) (3rd Edition, 2015). There will be numerous supplementary materials - excerpts, commentaries, articles, statutes, case law, etc. - all of which will be required reading.

Attendance and participation are mandatory and constitute a significant portion of each student's final grade. Students will be permitted up to two excused absences. An absence is excused if (1) illness, family emergency, or a similar situation prevents you from attending class **and** (2) you notify me via email ([blites@bdllaw.com](mailto:blites@bdllaw.com)) of the particular circumstances before or as soon as possible after class. An unexcused absence is one that does not meet the two criteria in the foregoing sentence. It's up to you to keep track of how many times you've been absent. You will receive no notification of the fact that you have reached your limit of two excused absences. Any unexcused absence(s) will reduce your total score by 5% for each unexcused absence. For example, if your scores from the project and final exam, together with class contribution, total 90% and you have two unexcused absences, your semester grade will be 81% (i.e., 90% minus ten percent).

A sign-in sheet will be circulated at the beginning of every class. You are responsible for making sure that you sign the attendance sheet. This must be done in the classroom. Falsifying a signature on an attendance sheet can lead to failure in the course and a charge of academic dishonesty under Part I(3)(e) of the Law School's Code of Student Conduct.

ITS does not lend itself to laptop note-taking. Interactive back and forth are a critical aspect of the class experience and use of laptops, tablets, electronic notebooks, mobile phones and other devices are a distraction. In ITS, laptops and all other electronic devices may not be used during class. *Use of electronic devices will result in the student being marked as absent for the class.*

In addition to the final exam: the course grade will be based on the following project assignment:

#### Phase I:

Each student will choose a company that she/he represents and a foreign country whose market the company wishes to penetrate (obviously, the company cannot have any existing presence in the country or in the region). She/he will research the company and become thoroughly familiar with the product and its value to its home market. In addition, he/she will research the target country from the following perspectives: economic, legal, social and business culture. Through this research, students will determine the chosen foreign country's economic strengths and weaknesses as they relate to the success of the entry of the product/service/technology into the foreign market.

Each student will develop a business plan to penetrate the market of their selected country with a specific product, service or technology. The product, service or technology must be that of a company that is not currently doing business in the region of the target country (i.e., may have ventured outside of its home country but not in the area of the target country). If you choose a non-US company, the target country may not be the US. Be sure that you are thoroughly familiar with both your company's home country as well as the target country.

The product, service or technology must speak the target country's identified socioeconomic needs/weaknesses. One of the key elements of the business plan will be the legal and logistical

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barriers or issues that exist in connection with selling into that market. A marketing plan that is in line with the country's cultural sensitivities must be included.

Once you have chosen your target country and product/service and conducted preliminary research regarding the elements described above, each student must schedule a meeting with me either before or after class to provide a preview and receive my feedback. *This meeting is mandatory.*

The business plan (PowerPoint with financial projections in Excel) will be a presentation to the board of directors (i.e., myself and the class) of the company that owns the product/service/technology. and will be used as a basis for negotiating your company's first deal in that country. Each student will present their plan.

The most compelling of these presentations will be taken to the deal stage (Phase II) in which the class will be divided into teams, one side representing the company and the other representing the in-country partner or governmental regulator. The teams will negotiate terms sheet for the market-entry of the product based on one of the market entry structures studied in the lecture portion of the course.

#### Phase II:

The class will be divided into teams of two – one lawyer and one business executive. For each business plan chosen for the deal stage, one team will represent the US company and another team will represent a company or governmental entity operating in the target country in an industry relevant to the product/service/technology.

Each group of four will attempt to execute the deal outlined in the business plan. The information in the country report/business plan will be used by each side to get the best deal possible from their perspective. The deal will be documented from Non-Disclosure Agreement through closing using form documents provided. Teams will be graded based upon the final negotiated deal terms and documents.

#### Grading:

Class attendance/preparation/participation: 20%

Project: Phase I: 50%; Phase II: 5%

Final Exam: 25%