UNIVERSITY OF PENNSYLVANIA
THE WHARTON SCHOOL
LEGAL STUDIES/MANAGEMENT DEPARTMENT

LGST/MGMT 213 Course Syllabus
FALL 2008
LEGAL ASPECTS OF ENTREPRENEURSHIP

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Course Description: Legal Aspects of Entrepreneurship is a practical and intensive course that examines the critical legal issues confronting start-up and emerging growth companies. The course provides perspective on how the law impacts business risk, the deployment of resources and shareholder value.

Topics include, from this business perspective, an overview of the U.S. legal system; selected contract and tort law topics; the enforceability of confidentiality, non-competition and other restrictive covenants in employment agreements; choice of business form including the legal, financial and tax advantages and disadvantages of general partnerships, limited partnerships, corporations and limited liability companies; tax law; securities law; venture capital and private equity financings; mergers and acquisitions; employment law; and intellectual property law including copyrights, trademarks, trade secrets and patents.

Course Materials:

Required Materials: Readings available on course webCafé.

Recommended Materials: Start-up & Emerging Companies: Planning, Financing, and Operating the Successful Business by G. Smith (Law Journal Seminars Press), and The Entrepreneur’s Guide to Business Law by Bagley and Dauchy (West). Both works are also available in the Reserve section at Lippincott Library.

A Note on the Course: This course is designed to be practical and intensive. Extensive readings are the core of the course. Please do not register for the course unless you intend to be prepared for and actively involved (voluntarily or involuntarily) in each class.

Grading Policy: There will be one mid-term examination, and one final examination. Each examination will be equally weighted and each will be a closed-book, closed-note examination.
TOPICAL ASSIGNMENTS

CLASS 1  INTRODUCTION; OVERVIEW OF THE U.S. LEGAL SYSTEM; LAWYERS AND LITIGATION
Readings: U.S. Legal System materials on webCafé; Lawyers and Litigation materials on webCafé

CLASS 2  SELECTED CONTRACT AND TORT LAW TOPICS: LETTERS OF INTENT AND “BUSINESS TORTS”
Readings: Contract and Tort Law materials on webCafé

CLASS 3  DUTIES TO YOUR FORMER EMPLOYER: COMMON LAW DUTIES AND RESTRICTIVE COVENANTS
Readings: Duties to Your Former Employer materials on webCafé

CLASS 4  CHOICE OF BUSINESS FORM I: SOLE PROPRIETORSHIPS, GENERAL PARTNERSHIPS AND LIMITED PARTNERSHIPS
Readings: Choice of Business Form I: Sole Proprietorships, General Partnerships and Limited Partnerships materials on webCafé

Smith Text, Chapter 1

CLASS 5  CHOICE OF BUSINESS FORM II: CORPORATIONS AND LIMITED LIABILITY COMPANIES
Readings: Choice of Business Form II: Corporations and Limited Liability Company materials on webCafé

Smith Text, Chapter 2, §2.01-2.07

CLASS 6  TAX CONSIDERATIONS FOR START-UPS: IRC SECTION 351- TAX-FREE ORGANIZATION, IRC SECTION 83 - THE SERVICE PROVIDER PROBLEM, AND IRC SECTION 385 - THE RECLASSIFICATION OF DEBT AS EQUITY
Readings: Tax Considerations for Start-Ups materials on webCafé

Smith Text, Chapter 2, §2.08; Chapter 12

CLASS 7  MID-TERM EXAMINATION (NO EXCEPTIONS) – DATE TO BE DETERMINED
CLASS 8  CREDITORS' RIGHTS AND DUTIES; FEDERAL AND STATE SECURITIES LAW

Readings: Creditors’ Rights materials on webCafé; Securities Law materials on webCafé

Smith Text, Chapter 4

CLASS 9  FEDERAL AND STATE SECURITIES LAW; VENTURE CAPITAL AND PRIVATE EQUITY FINANCING

Readings: Securities Law materials on webCafé; Venture Capital and Private Equity materials on webCafé

Smith Text, Chapters 4 and 8

CLASS 10  MERGERS AND ACQUISITIONS; “DEAL LITIGATION”

Readings: Mergers and Acquisitions and “Deal Litigation” materials on webCafé

CLASS 11  EMPLOYMENT LAW I: INDEPENDENT CONTRACTORS VERSUS EMPLOYEES, AND “AT WILL” VERSUS CONTRACT EMPLOYMENT

Readings: Employment Law materials on webCafé

CLASS 12  EMPLOYMENT LAW II: RACE, SEX, AGE AND DISABILITY DISCRIMINATION

Readings: Employment Law materials on webCafé

CLASS 13  INTELLECTUAL PROPERTY LAW

Readings: Copyright, Trademark, Trade Secret and Patent materials on webCafé

Smith Text, Chapter 15

FINAL EXAMINATION: TIME AND LOCATION DETERMINED BY REGISTRAR (NO EXCEPTIONS)