

DRAFT
SUBJECT TO REVISION

INTL 770

INTERNATIONAL CONTRACT NEGOTIATION

Fall 2003
Tuesdays, 7.20-10.00 p.m.
Arlington, Room 268

The School of Public Policy
International Commerce and Policy Program
George Mason University

George Thompson
Neville Peterson LLP
1900 M Street, NW, Suite 850
Washington, DC 20036
Office Telephone: 202-861-2959
Office Facsimile: 202-861-2924
Office e-mail: gthompson@npwdc.com
Office Hours by Appointment

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, if necessary, sold through the bookstore). In addition, students are urged to refer to International Commercial Agreements by William Fox, a copy of which is available in the law school library.

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 26 --	Introduction to Contracts; Fundamental Concepts
Tuesday, September 2, Tuesday, September 9, and Tuesday, September 16 --	International Contracts: The Uniform Commercial Code and United Nations Convention on International Contracts READING: <u>Exporting</u> chapter 2 Reading packet section 1 Fox chapters 1,3
Tuesday, September 23 and Tuesday, September 30 --	Negotiating and Drafting Contracts; INCOTERMS; The Relationship of Contractual Terms and International Documentation READING: <u>Exporting</u> chapters 3,8 Fox chapter 2
Tuesday, October 7 --	Forms of Doing Business Abroad READING: <u>Exporting</u> chapter 1 Reading packet section 2
Tuesday, October 14 --	COLUMBUS DAY RECESS; CLASS WILL NOT MEET
Tuesday, October 21 --	Regulatory Issues: Customs Tariffs and Product Standards READING: <u>Exporting</u> chapter 4 Reading packet section 3
Tuesday, October 28 --	Transaction Finance READING: <u>Exporting</u> chapter 5
Tuesday, November 4 --	Intellectual Property Protection; Other Legal Issues; Service and Software Contracts READING: Reading packet section 4

Tuesday, November 11 --

Dispute Resolution

Tuesday, November 18 --

READING: Fox chapters 6-11
Review

Tuesday, November 25--

Negotiation and drafting session

Tuesday, December 2 --

Negotiation and drafting session

Tuesday, December 9 --

FINAL PROJECTS DUE