

Preface

Introduction

We wrote this book for two primary reasons. First, we think that the leading casebooks at present tend to give too little attention to unincorporated entities and the problems of small business, and that these topics generally should be addressed from a more transactional and problem-focused point of view. As unincorporated entity forms have proliferated, practical exigency requires more grasp of them and of the transactional problems they pose. Those problems can be just as theoretically challenging as those posed by the largest corporation — more so, really — and those lawyers who will represent Fortune 500 companies are as likely to negotiate a joint venture as to give advice on corporate governance. We made the cuts needed to bring in this material, but we made them with a constant focus on preserving traditional coverage and exhaustive analytical rigor. We tightly edited cases and present only one case on many topics, accompanied by explanations and problems to allow discussion of nuances. We tried hard to select interesting cases within the mainstream of those usually taught.

Second, we desire to make learning about business organizations accessible to students in new ways. Because many come to the course with little business background, we put our material in context with liberal doses of exposition. We also thought we could present the material with more variety and visual appeal. Aside from aesthetic improvements, we have added new pedagogical elements in sidebars, flow charts, and test-yourself features. We believe they enhance the overall learning experience at no cost in analytical rigor or coverage.

In sum, this book features:

- Significantly expanded coverage of **agency** and **unincorporated entities**, as well as detailed, problem-focused treatment of **special transactional problems in small and start-up businesses**;
- **Design elements** intended to create visual appeal;
- **Learning aids** such as **flow charts** and **self-testing** devices and special cross-referencing aids to emphasize **connections** among related topics;
- An **expository approach** providing clear context for the traditional case material that also appears;
- Easy to digest sidebar content intended to develop student **numeracy** in **tax, accounting**, and other relevant concepts;
- An interspersed series of exercises on **ethics for business lawyers**; and
- A **glossary** of terms.

The book is accompanied by an **online Supplement**, which includes a full complement of edited codes to support the readings in the casebook, sets of transactional problems that can be assigned by the professor, and a module that constitutes roughly a “business concepts for lawyers” study guide. The study guide covers tax, accounting, financial, and economic topics keyed directly to the book, includes some supplementary reading assignments, and contains a variety of sample documents to show students the actual materials that lawyers work with every day.

Because different teachers organize their courses differently, we have endeavored to make individual parts of the book and Supplement free standing. We tried to keep the chapters short and modular, and through the use of sidebar explanations or otherwise, the chapters or major sections of chapters in the book should stand alone, facilitating teaching in almost any order. This approach leads to reinforcement of major concepts, as students will encounter them, in different formats and levels of detail, in more than one place. For instance, we emphasize that one of the strongest links between the types of business forms is the law of agency and make sure agency issues are raised with respect to each type of business entity, so that coverage of each can stand alone.

Key to Sidebars

Many of the sidebars in this book are stand-alones to help with understanding a particular case (providing a time-line of events or a diagram of a complicated transaction). But some others are thematically linked with each other, and they have consistent headings. They are:

Room to Argue—indicating an area in which there has been significant academic controversy or conflict among jurisdictions, typically with a key to further reading in the online Supplement.

Dear Prof.—providing clarification when an assumption is made in the text about what students already know.

Time out for PR—raising questions of professional ethics related to the chapter materials and providing relatively complete coverage of the problems encountered by business planners and counselors.

Doing the Numbers—introducing useful mathematical and accounting concepts to be emphasized as users desire.

Connections—referring readers to related material elsewhere in the text.

More to the Story—either noting when the text is generalizing but significant exceptions may exist, or providing cultural context that may have affected judicial reasoning.

JD/BMA—explaining significant business terms and concepts.

This May Help—flow charts, diagrams, checklists, tables and other learning aids.

Other Features

Two other features of the book are worth specific mention. First, there are a series of questions interspersed throughout each chapter, beginning in Chapter 2. These *Think About This* questions may be assigned for in-class discussion or simply to help students think things through before coming to class. At the end of each chapter, you also will find a series of *Test Yourself* questions that students are encouraged to use on their own. The answers to the *Test Yourself* questions, with complete explanations, are in the online Supplement.

Editorial Notes

Citations of authority and references of various sorts, along with footnotes, have been omitted from the readings in the book, except where they serve some specific purpose, and the footnotes that have been included have been renumbered consecutively in each chapter. These deletions, the modification of some headings, the correction of typographical errors, and a few miscellaneous deletions and revisions of a minor nature have not been indicated, but other editorial changes in the readings have been.

We very much appreciate hearing from users of this book and encourage you to contact either one of us at the email addresses below with questions or comments.

Good luck and try to have fun!

Best,

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