The course is structured around an extended negotiation exercise in which the students of one group will represent a US pharmaceutical company (KJH Pharmaceutical Corporation) and the students of the second group will represent an African agricultural production company (Malundian Cassava Corporation - MCC). The two companies are interested in working together to exploit a new technology developed by KJH that uses the 'cassava' produced by MCC. The form of their collaboration could be a joint venture, a licensing agreement or a long term supply contract.
The negotiations will take place through written exchanges and through face-to-face negotiations. Substantive law issues related to the transaction, as well as negotiations strategy and related business issues, will be addressed during the course.

The thrust of this course is class participation and active involvement in the negotiations process. Students are expected to spend time outside of class, often working in teams of two or more, to prepare for class discussions involving the written exchanges as well as preparing for the face-to-face negotiations.

**Important Notes:**

1. **100% attendance is required.** Nevertheless, each student may miss 1 lesson so long as it is not one of the first 3 lessons and so long as they notify the lecturer 24 hours in advance. Please make sure that you are on time.
2. Please bring your laptops to all the lessons in which negotiations are held.
3. The majority of the reading material needs to be read before the course begins because you won’t have time in between the lessons. Please prepare in advance.
4. **We advise that you schedule at least 60 minutes before/after each lesson for team meetings, to prepare for the next negotiation and so that you have time to write the letters (starting from the 2nd lesson).**

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**Course Goals**

The goals of this course are to (i) introduce students to transactional ( עסקי) law, (ii) provide negotiations training in the context of transactional practice, and (iii) further practical legal skills. The focus is giving students a chance to apply what they’ve learnt in the course (and in life) and to experience a real business negotiation from start to finish within the controlled environment of the classroom.

The purpose of the course is to provide students with an opportunity to gain insight into the dynamics of negotiating and structuring international business transactions, to learn about the role that lawyers and/or business advisors play in these negotiations, and to give students experience in drafting communications and actual negotiations. Students will also learn about the legal and business issues that may arise in joint ventures and licensing agreements.
The main emphasis of the course is class participation and active involvement in the negotiations process. Students are expected to spend time outside of class, working in teams, to prepare for class discussions involving the written exchanges as well as preparing for the live negotiations.

Class discussions will focus on the strategy for, and progress of, the negotiations, as well as the substantive legal, business and policy matters that impact on the negotiations.

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**Grading**

In order to successfully complete this course, students must meet the following requirements:

1. **Pre-class Paper (20% of the final grade):** Hand in a short paper before the course begins. Specific guidelines will be sent a few weeks before the course begins.
2. **Active participation (35% of the final grade)** in (i) all the class discussions, (ii) regarding the preparation of the written exchanges in the negotiation, (iii) the face-to-face negotiations, and (iv) class analysis of the process and progress of the negotiations. Additionally, you are required to act as a Lead Advisor in the negotiations at least once.
3. **Diary - one page, written during the course (20%).**
4. **Final Paper or Presentation (45% of the final grade)** - a 6-8 page retrospective paper (in English) handed in after the course ends, OR a live presentation (given individually) in front of the course lecturers. Detailed instructions will be sent towards the end of the course.

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**Lecturer Office Hours**

By email or after class

assaf.bendavid@idc.ac.il

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**Additional Notes**

1. **100% attendance is required.** Nevertheless, each student may miss 1 lesson so long as it is not one of the first 3 lessons and so long as they notify the lecturer...
24 hours in advance. Please make sure that you are on time.
2. Please bring your laptops to all the lessons in which negotiations are held.
3. The majority of the reading material needs to be read before the course begins because you won’t have time in between the lessons. Please prepare in advance.
4. **We advise that you schedule at least 60 minutes before/after each lesson for team meetings, to prepare for the next negotiation and so that you have time to write the letters (starting from the 2nd lesson).**
5. The syllabus is subject to changes!

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### Reading List

1. The main textbook is "Daniel D. Bradlow and Jay Gary Finkelstein, NEGOTIATING BUSINESS TRANSACTIONS: An Extended Simulation Course" (the "Textbook").

   The Textbook can be found in the library at the main desk. **You cannot take it out of the library so please plan your time in advance. [Due to the Corona epidemic, we have uploaded all the materials to the Google Drive folder].**

2. Unless specifically stated otherwise, when referred to a chapter in the Textbook, you are required to read the full chapter.

3. Additional reading material is specified under each lesson below. Please make sure to read it before each lesson.

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**Lecture #1 - Monday, 14th of December, 15:45-18:15**


**Reading Material:**
ALL of the reading material for the first lesson is VERY important, especially sections 2 and 3.

1. Introductory Video Lecture (see below instructions to open the recording*):

The video is by Prof. Jay Finkelstein (the person who originally created the course).
https://dlapiperglobal.webex.com/dlapiperglobal/ldr.php?RCID=8f5227cd7a637937fb4f8f360ce1b163

*Instructions for accessing the video lecture: Click on the link or copy into your browser (explorer or chrome). You may be asked to download "Cisco WebEx". If so, please accept. Once downloaded, you should be able to open the link and play it immediately. Your browser might shut down after downloading. Just reload and add the link again. If you have any problems, send us an email (with screenshots) and we will try and assist.

2. Introduction to the course (about 35 minutes – much less if you watch it at x 1.5 speed 😃) - recording. Password: IBN2020#

*Notes:
1. In the introduction video I mention China. Sometimes we do the negotiations with students in China, and sometimes they are done internally (IDC students only) like we will be doing in this course. Meaning that you will be split up into 2 teams, and one team will be MCC, and one will be KJH
2. You can skip from minute 14:13 - 16:25.

3. Chapters 5 (You can skip sections 5B -"Domestic…" and 5F - "Basics of cotton") and 6 of the Textbook; Chapter 5 is VERY important to the negotiations. Learn it well.

4. Article: Lee C Buchheit, The Lawyer in Negotiation;

5. Article: Tina L. Stark, Thinking Like a Deal Lawyer, Journal of Legal Education, Volume 54, Number 2 (June 2004) [up to page 233 - the words “Business ethics”].

6. Understanding the Israeli business culture - Link.

7. Corporate and Contract Law:
   a. A summary of the course Contract Law (דיני חוזים) pages 2-5 (1st paragraph), 7-12, 41 (54 - הכרת חוזים) and 59-66. HERE - OR (not both) you can read this article (14 pages): Basic Principles of English Contract Law - Link.
   b. A summary of the course "Corporate Law" (דיני תאגידים) pages 6-9, 18-24, 27-33, 59-61, 122 - 126, and 135 - 138. HERE OR (not both) you can read
selected parts from Bar Mor, Hadara. Corporate Law, Raanana: The Open University of Israel, 2007 (Link)

Volume A (ערך 8)
Subchapter 1.3 - (הנפקת בכלי של ת_above), page 15
Subchapter 1.4 - (הנפקת הפריטות של ת_above), page 17
Subchapter 1.5 - (ממשושתתת שהצעת הפריטות), page 20
Subchapter 1.21 - (חברה לכלי של ת_above), page 61
Subchapter 1.24 - (חוזותיה של ת_above – סעיף), page 68

Volume B (ערך 2)
Subchapter 3.11 - ( kc נמצאות), page 35
Subchapter 3.93 - ( kc נמצאות), page 127

Volume C (ערך 3)
Subchapter 4.1 - ( kc נמצאות – מדבר), page 15
Subchapter 4.88 - ( kc נמצאות), page 189
Subchapter 4.133 - ( הקטרים – מדבר), page 267

*You are NOT expected to become experts on corporate or contract law from reading the above section (7A+B), we only want you to have a basic understanding about how a company works, its structure, key positions (shareholders, directors, officers), basic definitions (such as "shares", "incorporation of a company" etc.) and what are the benefits of incorporating a company. Regarding contract law, you should try understand what is needed for a contract to be considered valid, basic concepts of contracts and skim through 2-3 examples of a contract to see what they look like (there are many examples in the reading material - you do not need to read the entire contracts). During the first lesson we will give you additional background on these subjects.

Lecture #2 - Wednesday, 16th of December, 17:30-20:00

Supply Agreement, License Agreement, Joint Venture Agreement, and Preparation for the 1st communication.

Reading Material:

1. All of chapter 13 (Transactional Documents) - pages 201 - 207.
2. Introduction to chapter 14 (Letter of Intent) - pages 209 - 211 + review the
example.
3. Introduction to chapter 15 (Joint Venture) - pages 221 - 224 + review the example.
4. Introduction to chapter 16 (License Agreement) - pages 263 - 265 + review the example.
5. Introduction to Chapter 17 (Supply Agreement) - pages 275 - 276 + review the example.
6. Article: General Ongoing Negotiations Tactics.

Notes:
1. Go over negotiation tactics (in the introduction video) for next lesson.
2. KJH-1 writes 1st communication to MCC to instructors by 19/12 at 20:00, and after instructor’s comments, to MCC by 20/12 at 20:00.
   a. Be careful not to send drafts to the other team.
   b. Select 1 person who will ask us questions.
   c. Send the letter as a Microsoft Word document.
3. Bring pages 40-42 (II - III) from Ch5 for next class and think what you can learn from the financial details + table 1.

Lecture #3 - Monday 21st of December, 15:45-18:15

Financial aspects, Simulation of negotiation tactics, Preparation for 1st negotiation and Discussion of the first letter from MCC.

Reading Material:
1. The letter from MCC.
2. Chapter 4 - "Use of financial analysis…" - pages: 29 - 32)
3. Re-read chapter 5 but focus mainly on the financial aspects of the deal – including the table 1. [When reading pages 40-42 + table 1, from the textbook (section II), ask yourselves what additional conclusions you can reach from the financial details].

Notes:
1. Both sub-teams should meet before the next lesson to prepare for the negotiation. The 1st session affects the entire negotiation. Come prepared!
2. KJH (IDC) should schedule time to meet after the next lesson so that you will have time to prepare the response to MCC.

Lecture #4 - Wednesday, 23rd of December, 17:30-20:00

Integrated License agreements and Preparation discussion for 1st negotiation (optional).

1st Negotiation (led by MCC-1/KJH-1)

Reading Material:

2. Chapter 10 - "Interrelated Documents" - Section C – pages 170 - 172 (1st paragraph).
3. Chapter 10 - "Contractual language matters" - Section E - pages 173 - 175.

Notes:

1. MCC-1 sends response to KJH - to instructors by 26/12 at 20:00, and after instructors' comments, to KJH by 27/12 at 20:00.
2. KJH students should leave time after next lesson to prepare response letter to MCC.

Lecture #5 - Monday, 28th of December, 15:45-18:15

The Importance of Drafting, Force Majeure, Preparation discussion for 2nd negotiation (optional), and 2nd Negotiation (led by MCC-2/KJH-2) + Discussion on back channeling.

No reading material. (Students: “yay!”)

Note:

- KJH-2 writes to MCC - first to instructors by 29/12 at 16:00, and after
instructors' comments, to MCC by 30/12 at 10:00.

Lecture #6 - Wednesday, 30th of December, 17:30-20:00

Impasse, Knowing when to stop, Preparation discussion for 3rd negotiation (optional) and 3rd Negotiation (MCC-1 / KJH-1 starts. The teams change after the break (after 75 min)).

Note:

MCC-2 writes to KJH – first to instructors by 02/01 at 20:00, and after instructor’s comments to KJH by 03/01 at 20:00.

Reading Material:

1. Chapter 10 - “Impasse” - Section B, pages 159 - 162.
2. Chapter 10 - "knowing when to stop" - Section F, pages 164 - 165.

Lecture #7 - Monday, 4th of January, 15:45-18:15

Media, Minority Protective Rights, Preparation discussion for 4th negotiation (optional) and 4th Negotiation (MCC-2 / KJH-2).

Reading Material:

1. Chapter 10 - "Role of the Media" - Section B - pages 167 - 168.

Note:

- Both teams will negotiate in the next lesson.
- KJH (together) writes to MCC - first to instructors by 5/01 at 16:00, and after instructor’s comments, to MCC by 6/01 at 10:00.

Lecture #8 - Wednesday, 6th of January, 17:30 - 20:00
Preparation discussion (optional) and 5th & final Negotiation (MCC-1 / KJH-2 starts. The teams swap after the break).

No reading material.

Note:

- Both sides send instructors final draft / agreement by the 10/01 at 10:00.

Lecture #9 - Monday, 11th of January, 15:45-18:15

Analysis of the negotiations, Recap of experience and Feedback from students.

No reading material.