Course Description

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 lecturers 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 ( OSError) 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, licensing agreements and supply contracts.

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 (25% 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 (30% 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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**Reading List**

1. The main textbook is "Daniel D. Bradlow and Jay Gary Finkelstein, NEGOTIATING BUSINESS TRANSACTIONS: An Extended Simulation Course" (the "Textbook").
The hard copy of the Textbook can be found in the library at the main desk. However, note that you cannot take it out of the library, so plan your time out accordingly. For your convenience, the reading material for the first lesson (and the pre-course assignment) will be uploaded to Google Drive and the Moodle.

*Note that the page numbers below may not coordinate with the hardcopy textbook (due to a change in versions), so in case of a mismatch, please follow the chapter title provided.

2. Unless we specifically stated otherwise, when we refer 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.

**Class #1 - Monday, 25th of October, 13:45 - 16:15 PM- Room E203.**

**Subjects Covered:** Introduction round + Q&A, Introduction to International Negotiations and Analysis of Facts and Best Structure.

**Reading Material for this Lesson:**

The reading material for the first lesson is VERY important, especially items 2 (intro) and 3 (chapter 5).

1. Introductory Video Lecture (see below instructions to open the recording*): [Link](#)
   * In the video you will see a Professor name Jay Finkelstein - the person who originally created the course.
2. **Introduction to the course** (about 31 minutes - much less if you watch it at x 1.5 speed 😊) - [Link](#).
   Password: Honors2021#
3. **Chapters 5** and 6 of the Textbook. The information in chapter 5 is VERY important and will come up in every lesson - especially in the negotiations. You should read it at least 3-4 times, whilst focusing on the information about Cassava, the parties of the deal and the deal structure itself.

   * The hard copy in the library contains sections called “Domestic Simulation Module” (5B) and the "Basics of cotton" (5F) - you do not have to read them.
5. Article: Lee C Buchheit, The Lawyer in Negotiation;
7. Corporate and Contract Law:
   a. A summary of the course "Corporate Law" 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 (אכרך)
      Subchapter 1.3 - (תאגיד של כלכלת של תאני), page 15
      Subchapter 1.4 - (תאגיד ממלאיה של יאני), page 17
      Subchapter 1.5 - ( itkאודא ומمشاית של יאני), page 20
      Subchapter 1.21 - (חברה של להקמתה כלכלית), page 61
      Subchapter 1.24 - (סיכום– מוגבלת חברה של יתרונותיה), page 68
      Volume B (בכרך)
      Subchapter 3.11 - (ה民事יה), page 35
      Subchapter 3.93 - (ב民事יה המפרחת), page 127
      Volume C (גכרך)
      Subchapter 4.1 - (ה民事יה מפואר – מפואר), page 15
      Subchapter 4.88 - (cheiden), page 189
      Subchapter 4.133 - (-basket – מפואר), page 267
   b. A summary of the course Contract Law ( قولهודר) pages 2-5 (1st paragraph), 7-12, 41 (54 - הכרות חוור), and 59-66 HERE - OR (not both) you can read this guide by Allen & Overy (14 pages): Basic Principles of English Contract Law - Link.
      • Note: 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). Throughout the course we will give you additional background on these subjects.

**Important Notes for the Next Lesson:**

- KJH students should leave time after the next lesson to sit together and prepare the first communication.
- The next lesson will end 20 minutes later - at 16:35 (you will get this time back in the last lesson).

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**Class #2 - Monday, 1\textsuperscript{st} of November, 13:45 - 16:35 PM, Room E203.**

**Subjects Covered:** Introduction to Corporate and Contract Law, Supply Agreement, License Agreement, Joint Ventures, and Preparation for the 1\textsuperscript{st} communication.

**Reading Material for This Lesson:**

1. Chapter 13 (Transactional Documents) - pages 175 - 180.
2. Chapter 14 (Letter of Intent) - pages 181 - 182 + review the example.
3. Chapter 15 (Joint Venture) - pages 190 - 192 + review the example.
4. Chapter 16 (License Agreement) - pages 229 - 231 + review the example.
5. Chapter 17 (Supply Agreement) - pages 241 - 242 + review the example.

**Important Notes:**

1. KJH-1 writes 1st communication to MCC. Send to instructors by the 04.11 at 10:00 AM, and after you get an instructor’s comments, to MCC by 07.11 at 10:00 AM.
   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.
2. For next lesson: go over the negotiation tactics (from the introductory video in
lesson 1) and the “ongoing negotiation tactics document” (in the Google Drive) for next lesson.

3. Bring pages 40-42 (includes table I and Table II) from Chapter 5 for next lesson and ask yourselves what conclusions you can reach based on the financial details and + table 1 (regarding the cassava and extract).

Class #3 - Wednesday 3rd of November, 17:30 - 20:00 PM, room PE203.

Subjects Covered: Financial aspects, Negotiation tactics simulations, Preparation for 1st negotiation and Discussion of the first letter from KJH.

Reading Material for This Lesson:

1. Article: General Ongoing Negotiations Tactics.
2. Chapter 4 - "Use of financial analysis…" - pages: 24 - 27
3. Re-read chapter 5, focus mainly on the financial aspects of the deal, and specifically the financial aspects regarding the Cassava and Extract. Ask yourselves what conclusions you can reach based on the financial details and + table 1 (regarding the cassava and extract)

Important Notes for the Next Lesson:

- Remember to bring your laptops for the next lessons.
- On the days that you have negotiations, we intentionally start the lessons later (at 14:45) so that you have time (between 13:00 - 14:45 PM) to prepare for the negotiations. You WILL need this time, so take advantage of it. For next class (1st negotiation), both sub-teams should meet before to prepare for the negotiation. The 1st session affects the entire negotiation, so do come prepared! MCC teams should also schedule time to meet after the next lesson so that you will have time to prepare the response to KJH teams.

Class #4 - Monday, 8th of November, 14:45 - 17:15 PM, Room PE 201.

Subjects Covered: Integrated License agreements and Preparation discussion for 1st negotiation (optional). 1st Negotiation (led by MCC-1 / KJH-1).
Reading Material for This Lesson:

1. The letter from KJH.

Important Notes:

- MCC-1 sends response to KJH - first to instructors by the 09.11 at 20:00PM, and after instructors' comments, to KJH by the 10.11 at 11:00AM.
- KJH students should leave time after next lesson to prepare response letter to MCC.

Class #5 - Wednesday, 10th of November, 17:30 - 20:00 PM, Room PE105.

Subjects Covered: The Importance of Drafting, Back-channeling and 2nd Negotiation (led by MCC-2 / KJH-2).

Reading Material for This Lesson:

Reread Chapter 10 - Section L - "Contractual Language Matters" - pages 156 - 157.

Important Notes:

KJH-2 responds to MCC - first to instructors by the 15.11 at 10:00 AM, and after an instructor’s comments, to MCC by the 16.11 at 21:00 PM.

Class #6 - Monday, 15th of November, 14:45 - 17:15 PM, Room 201.

Subjects Covered: Impasse, Force Majeure, Media/Press, Minority Protective Rights, one-on-one Coaching Session (optional). No Negotiation.

Reading Material for This Lesson:

2. Chapter 10 - Section B - “Impasse”, pages 143 - 146.
3. Chapter 10 - Section I - “Role of the Media”, pages 150-152.

**Class #7 - Wednesday 17th of November, 17:30 - 20:00 PM, Room PE105.**

**Subjects Covered:** Knowing When to Stop, and 3rd Negotiation (led by MCC-1 and KJH-1).

**Reading Material for this Lesson:**

**Important Notes for Next Lesson:**
MCC-2 writes to KJH. First to instructors by the 19.11 at 16:00 PM, and after an instructor’s comments, to KJH by 21.11 at 21:00 PM.

* Ask instructors about food and drinks for lesson 9 or 10 (let’s see which of you see this).

**Class #8 - Monday, 22nd of November, 14:45-17:15 PM, Room PE201**

**Subjects Covered:** 4th Negotiation (led by MCC-2 and KJH-2).

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

**Important Notes:**
- MCC (as a group) writes to KJH. First to instructors by the 23.01 at 13:00 PM, and after instructor’s comments, to MCC by the 24.01 at 13:00 PM.
- Both sub-teams (1 & 2) will be negotiating in the next lesson.

**Class #9 - Wednesday, 24th of November, 17:30 - 20:00 PM, Room PE105.**

**Subjects Covered:** 5th & Final Negotiation (45 min for MCC-1 + KJH-1 and then 45min for MCC-2 + KJH-2), Recap of experience and agreement analysis (might move to lesson 10).
No reading material (Students: “yay!”).

**Important Note:**

- Both sides send instructors final draft / agreement by the **27.01 at 10:00AM**.

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**Class #10 - Monday, 29th of November, 13:45 - 16:15 PM, Room PE103.**

**Subjects Covered:** Analysis of the negotiations, Comparing Results, Snacks and Feedback session. Q&A about the final paper.

No reading material.

If you’ve read until here and survived, you’re amazing! Ok, you can stop reading. Go have a rest or do something fun 😊