

Carnegie Mellon University
Heinz College of Public Policy and Management
Institute for the Management of Creative Enterprises
Masters of Arts Management

**INTRODUCTION TO BUSINESS LAW FOR ARTS MANAGERS
FALL SEMESTER 2021
SYLLABUS**

NUMBER OF UNITS: 12

COURSE SCHEDULE: Mondays, 6:020 - 9:10 P.M.
Location: Hamburg Hall, Room 1006
August 30, 2021 to December 6, 2021
Course No. 93831

ADJUNCT PROFESSOR: David A. Gurwin, Esquire
Shareholder, Buchanan, Ingersoll & Rooney PC

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Because I check my work e-mail more often than the CMU e-mail account, PLEASE SEND E-MAILS TO ME AT BOTH ADDRESSES so that I may reply to you promptly. Also, so that I am certain to see the e-mails in a timely fashion, in the "Subject" line of the e-mail, please type "CMU LAW & ARTS CLASS"

TEACHING ASSISTANT: Kelly Englert
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OFFICE HOURS: By appointment. If a matter cannot be handled over the phone, we will set up a time to meet either before or after class.

COURSE DESCRIPTION: INTRODUCTION TO BUSINESS LAW FOR ARTS MANAGERS is an investigation of the basics of business law (contractual and otherwise) that will be encountered in the arts and entertainment industries, including visual and performing arts and emerging areas such as multimedia art. The foundation for all activities in the arts is the contract. Accordingly, you will study contract law that will provide a clearer understanding of the requirements that must be met before a valid contract comes into existence. Contract interpretation and enforcement will also be addressed. In addition to contract law, we will also discuss tort law, agency law, corporate, partnership and limited liability company law, personal and real property law, intellectual property law (copyrights, trademarks, trade secrets, rights of publicity, moral rights) and other laws specifically affecting the entertainment and arts industries.

OVERALL COURSE OBJECTIVES: The overall objective of the course is not to turn the students into lawyers; rather, the goal is to develop an overall framework for legal analysis to enable the student to recognize legal issues when they are presented in order to enable the student to react to and manage legal situations which are commonly encountered in arts organizations.

SPECIFIC COURSE OBJECTIVES: By the end of this course, students should be able to:

- Understand the basic structure of how laws are enacted and enforced in the United States;
- Become familiar with the area of contract law, including the concepts of agreement, consideration, capacity to make a contract, enforceability and breach, as well as new concepts that apply to electronic contracting;
- Understand basic concepts of agency law, including the various types of agency;
- In the area of property law, become familiar with the concepts of personal property and real property;
- Understand basic intellectual property terminology and differences between patents, trademarks, copyrights and trade secrets and the concepts of "fair use" and the "work for hire" doctrine in copyright law, the right of publicity and other IP rights affecting the visual arts;
- Recognize how the various legal concepts studied in the course are applied and reflected in various types of contracts used in the entertainment and arts industries;
- Learn about choice of entity, including sole proprietorships, partnerships, corporations and limited liability companies, including control, liability, structure and tax consequences of each and the advantages and disadvantages of each.

TEXT: Clarkson, Miller, Cross, Business Law, 14th Ed. (Cengage Learning, 2016)

HANDOUTS: You will be responsible for the information contained in any handouts distributed or posted on Canvas to supplement the text material.

CLASS DISCUSSIONS: In addition to being responsible for material in the assigned readings, you will be responsible for the information contained in any class discussions. While I will not be teaching utilizing the "Socratic method" as is done in most law schools, much of our learning still will take place during these discussions. **Please plan to take notes in class.**

- POLICIES:**
- a. No make-up or early exams/quizzes will be administered without my approval.
 - b. Late work will absolutely **NOT** be accepted without my authorization.

GRADING:	Quizzes.....	10%
	Midterm Examination.....	40%
	Final Examination.....	40%
	Class Attendance and Participation.....	<u>10%</u>
	TOTAL	100%

Grading Scale:

<i>Numerical Average (after curve, if applicable)</i>	<i>Grade</i>	<i>Interpretation</i>	<i>Points</i>	<i>Credit Toward Graduation</i>
97-100	A+	exceptional	4.33	yes
93-96	A	excellent	4.00	yes
90-92	A-	very good	3.67	yes

87-89	B+	good	3.33	yes
83-86	B	acceptable	3.00	yes
80-82	B-	fair	2.67	yes
77-79	C+	poor	2.33	yes
73-76	C	very poor	2.00	yes
70-72	C-	minimal passing	1.67	yes
≥ 69	D, R	failing	0.00	no
	I	incomplete	0.00	no

Numerical grades may be curved depending on overall class performance on quizzes, the midterm exam and the final exam. Normally, I wait until all of the scores have been calculated before applying an overall curve.

Quizzes will be unannounced and will be given periodically in class on the subject of that week's assigned reading at the end of the applicable class. Quizzes, like the midterm and final, will be closed book but you may use YOUR OWN notes.

Midterm and Final Exams will be a mixture of multiple choice, true/false, and essay questions. **While we may not discuss a specific point which appears in the assigned readings in class, you still will be responsible for all matters in the assigned readings.**

You will not be allowed to bring your textbook for use on the Midterm or Final Exam; however, you will be permitted to bring YOUR OWN notes to those exams. (I will explain this further in detail prior to the Midterm.) Along with your exam, you would be required to turn in your notes. Once your exam has been graded, I will return your notes to you.

Because classroom discussion is so important to the learning process, you will be graded on attendance and classroom participation. In order to be considered as having attended a class, you must attend the ENTIRE class unless I have given you permission to leave early. In certain circumstances, I may excuse an absence (such as for medical reasons or to enable you to attend a program that is directly related to your education or potential job, but NOT including concert attendance) if you advise me in advance that you will not be able to attend a class. My decision on whether or not an absence will be excused will be final.

CARNEGIE MELLON UNIVERSITY POLICY ON CHEATING AND PLAGIARISM

(from the University's website at <http://www.cmu.edu/policies/documents/Cheating.html>)

Students at Carnegie Mellon University are engaged in preparation for professional activity of the highest standards. Each profession constrains its members with both ethical responsibilities and disciplinary limits. To assure the validity of the learning experience, a university establishes clear standards for student work.

In any presentation, creative, artistic, or research, it is the ethical responsibility of each student to identify the conceptual sources of the work submitted. Failure to do so is dishonest and is the basis for a charge of cheating or plagiarism, which is subject to disciplinary action.

Cheating includes but is not necessarily limited to:

1. Plagiarism, explained below.
2. Submission of work that is not the student's own for papers, assignments, or exams.
3. Submission or use of falsified data.

4. Theft of or unauthorized access to an exam.
5. Use of an alternative, stand-in, or proxy during an examination.
6. Use of unauthorized material including textbooks, notes, or computer programs in the preparation of an assignment or during an examination.
7. Supplying or communicating in any way unauthorized information to another student for the preparation of an assignment or during an examination.
8. Collaboration in the preparation of an assignment. Unless specifically permitted or required by the instructor, collaboration will usually be viewed by the University as cheating. Each student, therefore, is responsible for understanding the policies of the department offering any course as they refer to the amount of help and collaboration permitted in preparation of assignments.
9. Submission of the same work for credit in two courses without obtaining the permission of the instructors beforehand.

Plagiarism includes, but is not limited to, failure to indicate the source with quotation marks or footnotes where appropriate if any of the following are reproduced in the work submitted by a student:

1. A phrase, written or musical.
2. A graphic element.
3. A proof.
4. Specific language.
5. An idea derived from the work, published or unpublished, of another person.

IF YOU ARE CAUGHT CHEATING ON A POP QUIZ OR AN EXAM, YOU WILL RECEIVE A ZERO ON THE QUIZ OR EXAM AND YOU WILL NOT BE PERMITTED TO RETAKE IT. IF ANOTHER INSTANCE OF CHEATING OCCURS, YOU WILL RECEIVE A FAILING GRADE FOR THE COURSE.

OTHER CLASSROOM POLICIES:

1. The use during class of laptops, cell phones, PDAs, BlackBerrys, iPods, MP3 players and similar devices is **prohibited** unless specifically authorized by me. You may use those devices during break periods in the class. This is not meant to deprive you of the ability to take notes; rather, it is meant to keep the focus on my lectures and to encourage active and meaningful participation in discussions without the distractions caused by those devices. In fact, one of the things I would like for the class to learn how to do is to take hand notes in a setting such as this and to distill information from those notes.
2. Food and beverages are permitted in class (due to the time the class is to take place); however, please be respectful of others with regard to noise and food odors.
3. Please be on time and ready to learn right at 6:00 pm.
4. Please participate in the discussion, ask questions (there really are not any dumb questions), and share ideas, but be respectful of your instructor and fellow classmates. Vigorous debate is fine and is often the most valuable way to learn; rude behavior is not.

WEEKLY SCHEDULE

PLEASE NOTE THAT ASSIGNED READINGS MAY BE SUBJECT TO CHANGE. I WILL GIVE YOU AMPLE NOTICE OF ANY SUCH CHANGE BY POSTING THEM TO BLACKBOARD AND SENDING E-MAILS TO YOU.

WEEK ONE - 8/30/21

**** Assignments to be completed in preparation for Week One:

1. **Please bring a large Note Card and write first and last name in Sharpie (to help me learn your names) as well as pronunciation (if not obvious). Please place these "name tags" on your desktop until I learn all of your names. Please keep doing so in the following weeks until I tell you it is no longer necessary. THANK YOU FOR THIS!**

2. Read Business Law, Unit One – The Legal Environment of Business, Chapter 1, pages 1-25, Chapter 2, pages 27-47, and Unit Three – Contracts and E-Contracts, Chapters 11 and 12, pages 216-241

Introduction to the Course and Instructor
American Law Basics

Contracts

Nature and Terminology
Agreement

Weekly Objectives: Understand the rules that will govern the class; understand the basic structure of how laws are enacted and enforced in the United States; understand basic contract terminology and the critical contract law concept of "agreement."

**** Assignment to be completed in preparation for Week Three: Read Business Law, Unit Three - Contracts and E-Contracts, Chapters 13 and 14, pages 250-279

WEEK TWO - 9/6/21

LABOR DAY – NO CLASS

WEEK THREE – 9/13/21

Contracts (continued)
Consideration
Capacity and Legality

Weekly Objectives: Understand the critical contract law concept of "consideration" and the notion of contractual capacity and legality.

**** Assignment to be completed in preparation for Week Four: Read Business Law, Unit Three - Contracts and E-Contracts, Chapters 15, 16, and 17, pages 280-322

WEEK FOUR - 9/20/21

Contracts (continued)

Mistakes, Fraud and Voluntary Consent

The "Writing Requirement" & Statute of Frauds

Third Party Rights

Weekly Objective: Understand various exceptions to the enforceability of contracts and be able to distinguish between those exceptions; understand that certain contracts must be in writing to be enforceable; understand rights of parties who are not actual signatories to a contract.

**** Assignment to be completed in preparation for Week Five: Read Business Law, Unit Three - Contracts and E-Contracts, Chapters 18, and 19, pages 323-354; Electronic Contracts and Electronic Signatures, Chapter 12, 241-249; and read Federal E-SIGN Law (handout or distributed electronically)

WEEK FIVE - 9/27/21

Contracts (continued)

Performance and Discharge

Breach of Contract and Remedies

Electronic Contracts and E-Signatures

Weekly Objectives: Understand and be able to determine when a contract's obligations have been fulfilled; understand the concept of breach of contract and the various remedies available in the event of a breach; obtain a working understanding of the role of electronic contracts and the impact and enforceability of electronic signatures.

**** Assignment to be completed in preparation for Week Nine: Read Business Law, Unit Seven - Agency and Employment, Chapter 32 and 33, pages 606-640

WEEK SIX – 10/4/21

Agency Law

Agency Formation and Duties

Agency: Liability to Third Parties and Termination

Weekly Objectives: Understand basic concepts of agency law, including the various types of agency; be able to understand how an agency relationship is formed and the duties owed depending on the nature of the agency relationship; understand how an agent can bind a principal and explain how an agency relationship can be terminated.

**** Assignment to be completed in preparation for Week Seven: Study for Midterm Exam

WEEK SEVEN – 10/11/21

MIDTERM EXAM

THE MIDTERM WILL COVER ALL MATERIALS FROM WEEKS ONE THROUGH SIX

**** Assignment to be completed in preparation for Week Eight: Read Business Law, Unit Ten – Property, Chapter 48, pages 920-938

WEEK EIGHT - 10/18/21

Personal Property

The Nature of Property and Personality

Personal Property and Bailments

Weekly Objective: Understand the concept of personal property (as opposed to real property) and bailments of personal property.

**** Assignment to be completed in preparation for Week Nine: Read Business Law, Chapter 49, pages 939-960

WEEK NINE - 10/25/21

Real Property

Real Property Basics and Landlord-Tenant Relationships

Weekly Objective: Understand the basics of real property law, including landlord-tenant law.

**** Assignment to be completed in preparation for Week Twelve: Read Business Law, Chapter 8, pages 150-169; print out copy of posted IP Rights Comparison Chart

WEEK TEN 11/1/21

Intellectual Property Law

Comparison of Various Types of IP

Works Made for Hire

Weekly Objective: Understand basic intellectual property terminology and differences between patents, trademarks, copyrights and trade secrets.

**** Assignment to be completed in preparation for Week Thirteen: read handout posted on Canvas regarding Other Rights Affecting Visual Arts; scan sample entertainment industry contracts that I post on Canvas (you will NOT need to know any specifics of any of those contracts)

WEEK ELEVEN- 11/8/21

Intellectual Property Law (continued)

Other "IP-Like" Laws Affecting Visual Arts

Entertainment Industry Contracts

Typical Contracts

Typical Provisions

Weekly Objective: Understand the concepts of "fair use" and the "work for hire" doctrine in copyright law; understand rights of publicity and other IP rights affecting the visual arts and be able to apply the analysis of the fair use doctrine to specific examples; see how the various legal concepts studied in the course are applied and reflected in various types of contracts used in the entertainment industries.

**** Assignment to be complete for Week Fourteen: Read Business Law , Chapters 36, 37 and 38, pages 690-740. Business Law, Chapters 39 and 40, pages 741-781 and pages 798-819.

WEEK TWELVE - 11/15/21

Business Organizations

Sole Proprietorships

Partnerships

Limited Liability Companies

Corporations and Corporate Governance

Weekly Objective: Understand the basics of the sole proprietorship, the partnership, and the limited liability company, including control, liability, structure and tax consequences of each and be able to recognize the advantages and disadvantages of each form of entity. Understand the basics of the corporate and corporate governance, including control, liability, structure and tax consequences of corporations and be able to recognize the advantages and disadvantages of the corporate form of entity.

**** Assignment to be completed in preparation for Week Thirteen: Complete Survey of “Extra” topics that you want to discuss.

WEEK THIRTEEN – 11/29/21

For this last class session, it will be an opportunity for the class to discuss other legal topics in the arts that were not otherwise covered by the course. **THE TOPICS COVERED IN THIS CLASS WILL NOT BE ON THE FINAL EXAM.** It will also be an opportunity to ask questions in preparation for the Final Exam. The specific “other topics” that we will discuss will be based on a survey submitted to the class during the week prior to this class.

**** Assignment to be completed in preparation for Week Fourteen: Study for Final Exam.

WEEK FOURTEEN – 12/06/21

FINAL EXAMINATION (Exact Location TBD)

THE FINAL EXAMINATION WILL COVER ALL MATERIALS FROM WEEKS EIGHT THROUGH TWELVE