



BUS 206 Milestone One Guidelines and Rubric

Overview: Business law impacts our everyday lives, both personally and professionally. Businesses enter contracts, manufacture goods, sell services and products, and engage in employment and labor practices—activities that must all adhere to certain laws and regulations. Recognizing and evaluating legal issues is a fundamental skill that will help you navigate commercial relationships and avoid potential problems in the business world.

Prompt: Imagine yourself as a paralegal working in a law office that has been tasked with reviewing three current cases. You will review the case studies and compose a short report for each, applying your legal knowledge and understanding of the types of business organizations. In each of the three reports, you will focus on areas of law covered in this course. Case Study One focuses on the legal system, criminal law, and ethics.

Case Study One: Chris, Matt, and Ian, who live in California, have decided to start a business selling an aftershave lotion called Funny Face over the internet. They contract with Novelty Now Inc., a company based in Florida, to manufacture and distribute the product. Chris frequently meets with a representative from Novelty Now to design the product and to plan marketing and distribution strategies. In fact, to increase the profit margin, Chris directs Novelty Now to substitute PYR (a low-cost chemical emulsifier) for the compound in Novelty Now's original formula. PYR is not FDA approved. Funny Face is marketed nationally on the radio and in newspapers, as well as on the web and Facebook. Donald Margolin, a successful CEO and public speaker, buys one bottle of Funny Face over the internet. After he uses it once, his face turns a permanent shade of blue. Donald Margolin and his company, Donald Margolin Empire Inc., file suit in the state of New York against Novelty Now Inc. and Chris, Matt, and Ian, alleging negligence and seeking medical costs and compensation for the damage to his face and business reputation. It is discovered that PYR caused Margolin's skin discoloration. The website for Funny Face states that anyone buying their product cannot take Chris, Matt, and Ian to court. Novelty Now's contract with the three men states that all disputes must be brought in the state of Florida.

Specifically, the following **critical elements** must be addressed:

- A. Apply the **rules of jurisdiction** to the facts of this case and determine what jurisdiction(s) would be appropriate for Margolin's lawsuit against Funny Face and Novelty Now, respectively. Consider federal court, state court, and long arm principles in your analysis.
- B. Assume all parties agree to pursue **alternative dispute resolution** (ADR). Analyze the advantages and disadvantages of two types of ADR appropriate for this case. Be sure to define the characteristics of each in your answer.
- C. Applying what you have learned about ADR, which type would each party (Funny Face, Novelty Now, and Margolin) **prefer** and why?
- D. Apply concepts of criminal law and discuss whether or not corporations and/or corporate officers may be held liable for **criminal acts**.
- E. Identify, per the classification of crimes in the text, any **potential criminal acts** by Funny Face and/or Novelty Now.
- F. Assume the use of the emulsifier PYR, at the direction of Chris, is a criminal offense. Apply concepts of criminal law and discuss the **potential criminal liability** of Funny Face, Chris, Matt, Ian, and Novelty Now. Include support for your conclusion.
- G. Apply at least three guidelines of **ethical decision-making** to evaluate ethical issues within the case study.

Rubric

Guidelines for Submission: Your submission should be a one- to two-page Word document with double spacing, 12-point Times New Roman font, and one-inch margins. Citations should be formatted according to APA style.

Critical Elements	Exemplary (100%)	Proficient (85%)	Needs Improvement (55%)	Not Evident (0%)	Value
Case Study One: Rules of Jurisdiction	Meets “Proficient” criteria and cites scholarly research to support claims	Correctly applies the rules of jurisdiction to the facts of this case and determines what jurisdiction(s) would be appropriate for Margolin’s lawsuit against Funny Face and Novelty Now	Applies the rules of jurisdiction and determines what jurisdiction(s) would be appropriate for Margolin’s lawsuit against Funny Face and Novelty Now, but determination of jurisdiction is incorrect for this case	Does not apply the rules of jurisdiction or determine what jurisdiction(s) would be appropriate for Margolin’s lawsuit	13
Case Study One: Alternative Dispute Resolution	Meets “Proficient” criteria and offers insight, based on scholarly research, as to why the chosen types of ADR would be appropriate choices in this situation	Analyzes the advantages and disadvantages of two types of ADR and defines the characteristics of each	Analyzes the advantages and disadvantages of two types of ADR, but analysis is cursory or does not define the characteristics of each	Does not analyze the advantages and disadvantages of two types of ADR	13
Case Study One: ADR Preference	Meets “Proficient” criteria and offers concrete examples to substantiate and comprehensively describe why the chosen types of ADR would be preferred by the respective parties	Applies knowledge of ADR and discusses which types of ADR each party (Funny Face, Novelty Now, and Margolin) might prefer and logically defends choices	Applies knowledge of ADR and discusses which types of ADR each party might prefer, but discussion is cursory and/or does not discuss reasons for preferences, or defense is illogical	Does not apply knowledge of ADR or discuss which types of ADR each party might prefer	13
Case Study One: Criminal Acts	Meets “Proficient” criteria and cites specific, applicable rules of law	Applies concepts of criminal law and discusses whether or not corporations and/or corporate officers may be held liable for criminal acts	Applies concepts of criminal law and discusses whether or not corporations and/or corporate officers may be held liable for criminal acts, but discussion is cursory or lacks detail	Does not apply concepts of criminal law or discuss whether or not corporations and/or corporate officers may be held liable for criminal acts	13
Case Study One: Potential Criminal Acts	Meets “Proficient” criteria, and ideas are well supported with annotations from the text	Correctly identifies, per the classification of crimes in the text, any potential criminal acts by Funny Face and/or Novelty Now	Identifies any potential criminal acts by Funny Face and/or Novelty Now, but criminal acts identified are incorrect for this case	Does not identify any potential criminal acts by Funny Face and/or Novelty Now	13

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Case Study One: Potential Criminal Liability	Meets “Proficient” criteria and cites scholarly research to support analysis	Applies concepts of criminal law and discusses the potential criminal liability of Funny Face, Chris, Matt, Ian, and Novelty Now and includes support for the conclusion	Applies concepts of criminal law and discusses the potential criminal liability of Funny Face, Chris, Matt, Ian, and Novelty Now but does not include support for the conclusion, or support is weak	Does not apply concepts of criminal law or discuss the potential criminal liability of Funny Face, Chris, Matt, Ian, and Novelty Now	13
Case Study One: Ethical Decision- Making	Meets “Proficient” criteria and offers insight into the relationship between ethics and law	Accurately applies at least three guidelines of ethical decision-making to evaluate ethical issues within the context of the case study	Applies at least three guidelines of ethical decision-making to evaluate ethical issues within the context of the case study, but application of guidelines has gaps in accuracy or logic	Does not apply at least three guidelines of ethical decision-making to evaluate ethical issues within the context of the case study	13
Articulation of Response	Submission is free of errors related to citations, grammar, spelling, syntax, and organization and is presented in a professional and easy to read format	Submission has no major errors related to citations, grammar, spelling, syntax, or organization	Submission has major errors related to citations, grammar, spelling, syntax, or organization that negatively impact readability and articulation of main ideas	Submission has critical errors related to citations, grammar, spelling, syntax, or organization that prevent understanding of ideas	9
Total					100%