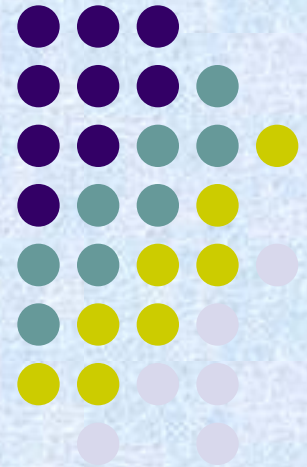


DBA 211

International Marketing

The International Legal
Environment

Week 6





Learning objectives

- At the end of this lecture, students should be able to:
 - state the major heritages of today's legal systems.
 - list the important factors in the jurisdiction of legal disputes.
 - discuss various methods of dispute resolution.
 - highlight the unique problems of protecting intellectual property rights internationally.

Learning objectives (cont.)



- explain how legal differences between countries can affect international marketing activities.





Bases for legal systems

- The major heritages that form the bases for the majority of today's legal system are:
 - common law
 - code law
 - Islamic law



Legal disputes



- Legal disputes may occur:
 - between governments (i.e. different countries).
 - between a company & a government.
 - between two companies.



- Problems occur when there is a commercial dispute
 - i.e. determining whose legal system has jurisdiction over the dispute, etc.

Jurisdiction in International Legal Disputes



- Jurisdiction is usually determined by one of the following methods:
 - Jurisdictional clauses in the contract.
 - Where the contract was entered into.
 - Where the provisions of the contract are performed.



Dispute Resolution

- There are four options available to the international marketer:
 - Informal resolution
 - Conciliation
 - Arbitration
 - Litigation



Intellectual property rights

- Tangible or intangible assets of a business:
 - arising from research and development of a product or name.
- Companies must be able to legally protect their property rights (i.e. to protect against piracy & counterfeiting).



Inadequate Protection

- Failure to protect assets may result in:
 - the legal loss of rights in potentially rewarding markets.
 - loss of sales.
 - damage to the company's reputation.

IP considerations



- International marketers need to consider:
 - the various measures that can be taken to secure the property rights for their products in an international market.

Commercial Laws Within Countries



- Legal systems & the interpretations in the legal systems may be different in other countries.
- Laws related to:
 - marketing
 - green legislation
 - antitrust
- An international marketer must understand the differences in commercial laws to avoid costly mistakes.

References



- Cateora, P. R., & Graham, J. L. (2008). *International Marketing* (13th ed.). USA: McGraw-Hill.

