LAUNCHING YOUR BUSINESS LAW COURSE
WITH AN “AWESOME FIRST DAY!”

JUDY GEDGE*

What can match the excitement of the first day of class? Just picture it – each student with his/her new notebook, sharpened pencil and bright-eyed enthusiasm for what’s to come. It’s true that in place of a notebook and pencil, students these days come to class with their laptops or tablets; but their interest and enthusiasm at the beginning of the semester is clearly visible. Our job on the first day of class is to encourage that sense of excitement and enthusiasm. This instructor uses a realistic group exercise on the first day to help promote student enthusiasm for the course. The exercise actively engages the students, introduces them to the subject matter of the course and sets the tone for a collegial and inviting classroom atmosphere. On the very first day of class, with the exercise described in this article, students jump into the negotiation of a contract – the purchase/sale of a used car.

Part I of this article addresses the benefits of using a realistic role-playing exercise in a business law course, particularly on the first day of class. Part II describes the learning objectives of this exercise. The details of using this exercise in the classroom are addressed in Part III including a teaching note with suggested discussion questions. Part IV contains student feedback on the effectiveness of this exercise as a first-day activity. Overall conclusions regarding the use of this exercise are included in Part V.

I. THE EXERCISE: ENGAGING STUDENTS ON THE FIRST DAY

Students are introduced to the study of business law through a realistic role-playing exercise. The ‘actors’ in each group consist of a seller, a potential buyer and a lawyer. The buyer and seller in each group negotiate the purchase/sale of a particular used car and are prompted to address all the issues they think are important in the deal. The job of the lawyer in this exercise is to take notes and prepare a written outline of the final agreed-upon terms of the transaction for the parties to sign. Details of the car are provided (a copy of an actual Craigslist ad is used to make the exercise more realistic). In addition, the Kelly Blue Book value of this particular used car is included in the handout. The simple one-page handout furnished to the students is attached as Exhibit A.
The subject matter of this exercise, buying a used car, has the benefit of being within all students’ personal realm of experience. Even if a student has not actually bought a used car, he/she will most likely have personal experience in operating a car and perhaps have experience of a car breaking down if not properly maintained. The student will also likely have experience in buying or selling other used goods (e.g. textbooks, collectibles, etc.). An exercise that draws on a student’s own experiences helps the student relate to the subject matter and can be effective in grabbing their attention.1

Using a real-life situation helps make the exercise relevant to the students and is therefore more likely to engage their interest.2 Connecting the course material to real-world situations can improve student understanding of the content and can help students remember and use the material.3 Problem-
based learning (such as contract negotiation exercises) can help students become actively engaged in the learning process. One’s own teaching experience can readily confirm that students who are actively engaged in the learning process gain an improved understanding of the material. Scholars also point to a clear connection between active student-centered learning and improvement in students’ critical thinking and reasoning skills.4

Using problem-based learning such as this used car exercise can help students build bridges between the course materials and their own context of knowledge.5 Problem-based learning encompasses a wide range of teaching methods including case studies, experiential exercises (such as contract negotiations) and other realistic simulations and role-playing exercises.6 This used car exercise is an example of a simple contract negotiation.7

4 See, e.g., Marsnik & Thompson, supra note 1, at 203 (“What makes skills-based exercises so important is that they move students beyond knowledge and comprehension of content to higher forms of learning.”) (internal citations omitted); Peter J. Shedd, Perspectives on Teaching, Teaching is Our Calling: Do Something Worthwhile! 29 J. LEGAL STUD. EDUC. 363, 366 (2012) (identifying from his personal teaching experience that students who participate in interactive role-play simulations are actively engaged in the learning environment which produces “more meaningful and lasting learning”); Ponte, supra note 3, at 169-70 (describing the view of many legal experts that effective legal education needs to encourage active or student-centered learning, rather than passive teacher-centered instruction because an active learning environment encourages students to effectively develop written and oral communication abilities and critical thinking and reasoning skills).

5 See, e.g., MCKEACHIE, supra note 3, at 63 (“If we are to teach our students effectively, we need to bridge the gap between the structure in the subject matter and structures in the students’ minds.”); Sean P. Melvin, Case Study of a Coffee War: Using the Starbucks v. Charbucks Dispute to Teach Trademark Dilution, Business Ethics, and the Strategic Value of Legal Acumen, 29 J. LEGAL STUD. EDUC. 27, 34 (2012) (describing one of the benefits of problem-based learning as helping “the student bridge the gap between theory and practice”) (internal citations omitted).

6See, e.g., MCKEACHIE, supra note 3, at 211 (describing experiential learning as a valuable part of one’s teaching strategies which includes cases, problem-based learning, games and simulations); Marsnik & Thompson, supra note 1, at 205 (“As the name implies, PBL is a methodology in which problems serve as the stimulus and context for student learning.”) (internal citations omitted); Ponte, supra note 3, at 177 (identifying numerous student-centered learning strategies including problem-based learning, realistic simulations and role-playing exercises).

7Contract negotiations are the basis of numerous problem-based learning exercises. These range from the simple to the complex. See, e.g., Marsnik & Thompson, supra note 1, at 206 (describing the value of contract negotiation exercises as a problem-based learning method with the authors preferring a complex contract negotiation problem); Sharlene A. McEvoy, A
This exercise effectively introduces students to the type of critical thinking skills necessary to the study of business law. In addition, using this exercise on the first day of class sends a message to the students that the content of this course is applicable to them personally and can impact them in their everyday lives. Furthermore, by encouraging student participation at the outset, the instructor is able to set the desired tone for the course where students can feel comfortable speaking up in a non-threatening collegial environment. Using a group exercise such as this to launch the course can significantly impact students’ level of interest in the course and provide a concrete example of the type of active learning environment students can expect throughout the semester.

We all know the familiar adage: You only get one chance to make a first impression. The first day of class is the instructor’s one and only chance to make a positive first impression with the students. This role-playing exercise can help start the semester off on the right foot.

II. LEARNING OBJECTIVES

The first day of class provides an excellent opportunity to lay the groundwork for an intellectually rewarding semester. In addition to introducing the students to the substantive area of contracts, this exercise is particularly useful in helping set the tone for the semester. Using this introductory group exercise, it is clear to students from the outset that they are expected to actively participate in the learning process. This first class can set the tone for an intellectual journey in which we can all enjoy the benefits of a welcoming, interactive forum for discussion and debate.

In particular, the primary learning objectives of this exercise are:

- To introduce students to the type of critical thinking and reasoning skills necessary to the study of business law

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*Contract Writing Exercise, 14 J. LEGAL STUD. EDUC. 81, 81 (1996) (describing the benefit of using a simple fact pattern in a contract negotiation exercise).*

*See Koval, supra note 1, at 183 (explaining that using a problem-based learning exercise on the first day of class provides the instructor a great opportunity to connect with the students and creating a positive first-day experience that can lead to higher student motivation throughout the course)(internal citation omitted).*

*Id. at 181 (describing one of the benefits of using a problem-based learning exercise on the first day of class as a way “to model and promote the types of behaviors and skills desired throughout the course”) (internal citations omitted).*

*In particular, this exercise introduces students to the importance of asking the question: ‘What if …?’,* See infra, Part III for specific types of discussion questions that can be used to help expand the students’ thought processes in this exercise.
• To create a positive first-day classroom experience to generate student enthusiasm for the course
• To promote active student-centered learning
• To encourage student participation by showing the students at the outset that our classroom will be a friendly, non-threatening environment
• To provide an introduction to the substantive law of contracts using a concrete example within the typical student’s personal experience
• To present contract law as something that has importance to a student’s own personal life

III. IMPLEMENTING THE EXERCISE

A. Overview

This is a simple group exercise in which students role-play the purchase/sale of a particular used car with the details of the car provided by the instructor. This exercise is particularly useful on the first day as the subject matter is within the context of knowledge of all undergraduate students. It requires no substantive knowledge of the law and presupposes no course pre-requisites. In this way, all students (from freshmen to seniors) are able to grasp the material.11 Using an exercise based on concrete facts with which the student is familiar brings contract law to the student’s level. This helps the student relate to the subject matter as something he is both interested in and capable of understanding. There is plenty of time later in the semester to address more complex fact patterns such as the terms of business contracts between multinational corporations.12

Students divide up into groups of three consisting of the seller, the potential buyer and the attorney. (The attorney in this exercise is not representing either the buyer or the seller. This student’s role is to prepare a contract reflecting the agreed-upon terms and to report out the results of the negotiation to the class.) Generally students easily break up into groups on the basis of whom they are sitting near and this works well. In a class of 36 students, this results in 12 student groups. If the number of students in the class is not divisible by three, a fourth or fifth student added to a group and can be assigned the role of a friend/trusted advisor of the buyer or seller or as

11 See Koval, supra note 1, at 183 (describing that use of a first–day group exercise should assume that students have done no pre-assigned reading so that the content is understandable to students with no preparation).
12 See McKeachie, supra note 3, at 206 (describing the value of choosing an initial problem with simpler facts to help promote student success and building up later to subtle, more complex problems).
a second potential buyer. Because each student has an assigned role in his/her group, everyone is actively participating in the exercise. With so many groups, the result is a classroom filled with (purposeful) noise, a highly desirable learning atmosphere.

The students easily slip into their roles. They are told that while they cannot deviate from the facts provided in the handout, they can provide any additional information they think appropriate. During the first 5-10 minutes of the exercise, students familiarize themselves with the information in the handout, identify their respective roles and begin the process of negotiating the transaction.

After the students have had a chance to get involved in the nitty-gritty of the negotiations, it is helpful for the instructor to circulate amongst the student groups. In this way the instructor can find out how the group is doing and what issues the students have been addressing. It is not unusual for students initially to limit their focus solely to the purchase price. The instructor can nudge them to resolve the purchase price issue and to move on to other important issues. For instance, how will the buyer verify the mechanical condition of the car? How and when will the seller be paid the purchase price? In this way the instructor can begin to encourage critical thinking by the students. In addition, this allows the instructor to set the tone for the course - that discussion is encouraged and takes place in a friendly, non-threatening atmosphere.13

B. Teaching Note

Students need no expertise in business law (or in any other academic subject) to fully participate in and benefit from this exercise. For this reason, it is particularly well-suited for the first day of an introductory undergraduate business law or legal environment course. Approximately 30-40 minutes is recommended to complete this exercise as described herein. This leaves the remaining 10-20 minutes of a typical 50-minute class for other introductory material.14

13 See Koval, supra note 1, at 189, n. 29 (describing this type of interaction with groups during a first day exercise as beneficial in terms of connecting with students and putting them at ease).

14 Some instructors may want to use this remaining time to address ‘housekeeping’ items such as grading and other matters included in the course syllabus. See id. at 190 (describing the importance of reserving time after a first-day group exercise to address the “process-related needs of the students”). Others may prefer to engage in additional participatory activities. This instructor has found it both informative and enjoyable to use this time to offer to purchase various items from students to introduce them to the study of formation of a contract by offer and acceptance.
Approximately 10-15 minutes is allocated for the group discussions. Following this, the instructor chooses a group and asks the student-attorney to report out the terms agreed to by the parties. After the student-attorney has summarized the contract terms agreed to by the parties, the instructor can ask the buyer and seller in turn whether they’re satisfied with the terms of the transaction. When they confirm that, yes, they’re satisfied with the transaction, the instructor can congratulate them on a successful negotiation (regardless of the specific terms agreed upon). This can be used to introduce one of the fundamental principles of contract law, the doctrine of freedom of contract, i.e. that parties are free to enter into a contract on essentially whatever terms they choose and, in general, courts will enforce the terms of their contract. There is no right or wrong deal to be made in this exercise.

While circulating amongst the groups, the instructor can also make note of which issues have been addressed by which groups. Although there clearly will not be enough time to ask each group for a detailed report, it is helpful to ask three or four groups to report to the class. This is a good opportunity for the instructor to pose follow-up questions for the group/class. Here are some specific examples although many more can and do come up in each class.

- “Seller, you and the buyer have agreed on a purchase price of $4,000 but I didn’t hear anything about the method of payment. What if the buyer pays you with a $4,000 personal check, you sign over title to the car, hand him the keys and 3 days later your bank informs you that the buyer’s check bounced. Would you be a happy camper?”

Clearly the seller will not be pleased in this ‘what-if’ scenario. This leads to a discussion of what the seller could have done in

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15 In the uncommon event that a buyer and seller are unable to make a deal, this can be identified as an equally successful interaction as each party is free to negotiate with another buyer/seller to make an acceptable deal.
16 The doctrine of freedom of contract is a fundamental principle of business law. See 16A Am. Jur. 2d Constitutional Law § 615 (2014) (“The right to contract freely with the expectation that the contract will endure according to its terms is as fundamental to our society as the right to speak without restraint. The freedom to contract is thus a part of the liberty protected by the Due Process Clauses of the Fifth and 14th Amendments.”) (internal citations omitted).
17 See MCKEACHIE, supra note 3, at 207 (describing the instructor’s role in exercises like this as “primarily to facilitate discussion – by listening, questioning, clarifying, challenging, encouraging analysis and problem solving…”).
negotiating this contract to help avoid this problem. Other groups may have dealt with this issue and can be solicited for input.\(^{18}\)

- “Buyer, what if after you’ve paid $4,000 for this car, it develops serious engine trouble in the first week (even though the seller told you it was in ‘tip-top’ condition). It will cost you $1,500 to have it fixed. Would you be a happy camper?”

Clearly the buyer will not be pleased in this ‘what-if’ scenario. This leads to a discussion of what the buyer could have done in negotiating the contract to help avoid this problem. The instructor can nudge the student-buyer to a possible solution by asking such follow-on questions as: “Did you look at the engine before you agreed to buy the car? Do you know anything about how car engines work? (I know I don’t!) If not, how could a buyer satisfy himself about the mechanical condition of a car before he buys it?” Again, other groups may have dealt with this issue and can be solicited for input.\(^{19}\)

- On occasion, a buyer will negotiate some type of warranty from the seller. For example, a seller might agree to pay for any repair the car needs for a period of 30 days following the sale. If so, the instructor could ask: “Seller, what if 4 days after the sale the buyer presents you with a bill for $2,000 for replacement of all 4 tires and a new exhaust system. The buyer tells you that he brought the car to the local Midas Muffler Shop and that’s what they said it needed. Would you be a happy camper?”

Clearly, the seller will not be pleased in this ‘what-if’ scenario. This leads to a discussion of ways the seller might have limited the terms of the warranty (as to dollar amount, type of repair covered, etc.) Or perhaps the seller will identify that, on reflection, he shouldn’t provide any warranty on a car that’s more than 10 years old.

This type of analysis helps students begin the process of looking beyond the immediately apparent and encourages them to carefully examine a situation. Using these type of ‘what-if’ questions introduces students to the

\(^{18}\) While it may seem obvious to the instructor that the seller should insist on payment in ‘good’ funds such as a cashier’s check, this issue is often not obvious to typical undergraduate students based on their own limited experience.

\(^{19}\) As in the prior example, it is not uncommon for students to overlook the importance of having a mechanic perform a pre-contract inspection based on their own limited experience.
type of intellectual inquiry that is essential to the study of business law. This is an effective way to lay the groundwork for the type of critical thinking that students will be engaged in throughout the semester.20

IV. STUDENT FEEDBACK

The author has used this car-buying exercise in her business law course for a number of years. More recently, she has used this exercise as an introduction to contract law on the first day of class. Student feedback on the use of group exercises such as this has overall been positive. To obtain specific feedback regarding the car-buying exercise and its impact on students’ first-day impressions, the author asked students in her spring 2014 classes to complete an anonymous survey at the end of the first day of class.21 In total 131 students submitted the anonymous survey at the end of class (out of a total of 135 students in attendance on the first day). The results are shown on Exhibit B. The survey results provide support for the conclusions that:

✔ Students enjoy participating in the buying a used car exercise (89.3% of the respondents answered ‘Agree’ or ‘Strongly Agree’).
✔ Students are enthusiastic about what is to come in this course based on the first class (92.4 % of the respondents answered ‘Agree’ or ‘Strongly Agree’).
✔ Students feel more comfortable about speaking up in this class based on the first day’s experience (74.9% of the respondents answered ‘Agree’ or ‘Strongly Agree’).

Students’ narrative comments on the anonymous survey are, with few exceptions, overwhelmingly positive. Here are a few of their comments:22

- “I thought the exercise was a great way to start the course!”
- “It was [a] fun first day and I look forward to this semester.”
- “The group exercise was a perfect way to let students engage with each other and feel more comfortable.”

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20 It can also be used to highlight one of the roles of a business lawyer – to identify the risks in a proposed transaction and structure it to minimize those risks, all in a manner satisfactory to the parties. It’s not enough to identify a problem; we also need to provide possible solutions to the problem.
21 The student survey questions were drawn from a similar student survey described by Professor Koval in his excellent article. See Koval, supra note 1, at 193.
22 Anonymous survey sheets are on file with the author.
• “I think this class will be very interesting and the prof creates a comfortable classroom atmosphere.”
• “It was a great introduction [to] the course in general and to the professor’s teaching style. It made me excited to be taking this course.”
• “The exercise helped a lot because it used an everyday situation to teach the law principle.”
• “I love the hands on experience. It makes learning easier.”
• “Most interesting first class I’ve been to.”
• “Awesome first day!”

V. CONCLUSION

Without doubt, use of this role-playing exercise has successfully achieved the desired learning objectives. Students leave class on the first day of a new semester enthused about what is to come and are prepared to actively participate in our exploration of business law. Using this exercise can help you launch your business law course (in the words of one student) with an “awesome first day!”
EXHIBIT A
BUYING/SELLING A CAR

➢ As the buyer, you are looking for a reliable car. It doesn’t have to be a pretty car or a ‘snazzy’ car. It just has to provide you with reliable transportation. You need a vehicle in a hurry (otherwise you won’t be able to visit your boyfriend/girlfriend at University of Vermont next weekend!). Your grandmother has told you that she will give you $3,000 towards the purchase of a car so long as it’s a Nissan (which she believes are the safest and most reliable cars). (You’ve also got $1,500 saved up from your summer job.)

➢ As the seller, you really need to sell this car. You’re moving out of the country to start a new job and you’re flying out in less than a week.

➢ See below for seller’s ad on Craigslist New Haven.

Negotiations
• Divide into groups of 3 students each
• Within each group identify:
  o 1 student who will play the role of Seller
  o 1 student who will play the role of Buyer
  o 1 student who will play the role of the lawyer who will take notes and prepare an outline of the final-agreed on terms

• Negotiate the purchase/sale of this car addressing all the issues that are important to the buyer and/or seller.

Outline of Final Terms
• When the negotiations are complete, make sure the written outline fully summarizes the agreed-on terms then buyer and seller sign and date it

Class Review
• The lawyer in each group will report out the summary of the final agreed-on terms of their transaction.
CRAIGSLIST AD POSTED BY SELLER

Nissan Sentra SE 2001 - $4,000 (East Haven)

Great Condition Nissan Sentra SE 2.0 2001 with a lot of extras!!! I am selling my car because I'm moving out of country. The car is in mint condition, fully loaded and worth looking at it if anyone is interested. The car has 106,300 highway miles, power windows, sunroof, spoiler, brand new rims and tires, engine in excellent condition, no dents, racing engine, 4 cylinders, low in gas, four doors, plenty trunk space, the radio is I phone compatible. The car is ready to go and does not need any fixing. Title is clean. The price is negotiable and if anyone is interested please send me an email, call me or text me my phone number is 203xxxxxx. Serious buyers please!!!!!!

KELLY BLUE BOOK (www.kbb.com/used-cars)

According to Kelly Blue Book, a used car like this, in a private party sale has a value of-

$4,326 (Excellent condition); $3,961 (Very Good Condition); $3,861 (Good Condition); $3,436 (Fair Condition)
## EXHIBIT B
### STUDENT SURVEY RESULTS

<table>
<thead>
<tr>
<th></th>
<th>Strongly Disagree</th>
<th>Disagree</th>
<th>Neutral</th>
<th>Agree</th>
<th>Strongly Agree</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. I liked participating in the buying a used car exercise on the first day of class.</td>
<td>1.5%</td>
<td>.8%</td>
<td>8.4%</td>
<td>48.1%</td>
<td>41.2%</td>
</tr>
<tr>
<td>2. Before our first class, I thought this course would not be relevant to me personally in my day-to-day life.</td>
<td>12.2%</td>
<td>35.9%</td>
<td>28.2%</td>
<td>20.6%</td>
<td>3.1%</td>
</tr>
<tr>
<td>3. Based on our first class, it seems this course may be relevant to me personally in my day-to-day life.</td>
<td>.8%</td>
<td>0%</td>
<td>7.6%</td>
<td>52.7%</td>
<td>38.9%</td>
</tr>
<tr>
<td>4. Based on our first class, I am enthusiastic about what’s to come in this course.</td>
<td>.8%</td>
<td>0%</td>
<td>6.9%</td>
<td>51.9%</td>
<td>40.4%</td>
</tr>
<tr>
<td>5. Based on our first class, I have a good understanding of the professor’s teaching style.</td>
<td>.8%</td>
<td>0%</td>
<td>8.4%</td>
<td>45.0%</td>
<td>45.8%</td>
</tr>
<tr>
<td>6. Based on the first day of class, I feel more comfortable about speaking up in this class.</td>
<td>.8%</td>
<td>3.8%</td>
<td>20.6%</td>
<td>48.9%</td>
<td>25.9%</td>
</tr>
</tbody>
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