

Unit 26: Business Law

Unit code: R/601/1145

QCF level: 5

Credit value: 15 credits

- Aim

The aim of this unit is to provide knowledge and application of the law relating to sale of goods, consumer credit, monopolies and intellectual property as it relates to business and its everyday dealings.

- Unit abstract

Learners will recognise that a business operates within a diverse legal framework. Aspects such as anti-competitive practices through monopolies, mergers and the use of intellectual property rights are key, as are domestic consumer provisions and associated provisions within the EU.

Learners need to understand the penalties applicable for failure to comply with these areas of law that follow from the basic rules of contract and tort.

The best business practice is to avoid such liability. Learners need to understand potential liability and the expense involved in such liability needs to be appreciated.

- Learning outcomes

On successful completion of this unit a learner will:

- 1 Be able to apply the main principles affecting the legal relationship between business organisations and their consumers
- 2 Be able to apply the legal rules on consumer credit agreements and agency
- 3 Understand the legal rules relating to monopolies, mergers and anti-competitive practices
- 4 Know key provisions relating to intellectual property rights.

Unit content

1 Be able to apply the main principles affecting the legal relationship between business organisations and their consumers

Sale of goods: statutory implied terms, transfer of property and possession, seller's remedies against the buyer, consumer's remedies against the seller; relevant legislation

Supply of services: statutory implied terms, seller's remedies, consumer's remedies

Product liability: defective goods, consumer remedies against the producer of defective goods; relevant legislation

2 Be able to apply the legal rules on consumer credit agreements and agency

Forms of consumer credit agreements: restricted use of credit, unrestricted use of credit, debtor-creditor supplier agreements, debtor-creditor agreements; relevant legislation

Other agreements: exempt agreements, small agreements, multiple agreements, linked transactions, cancellable agreements

Consumer credit licensing: general requirements, the issue of licences, termination of consumer credit agreements, early re-payment, right to terminate, termination statements, enforcement of consumer credit agreements, creditor's remedies, default notices; relevant legislation

Agency: definition, types of agent, authority of agent, rights and duties of agent and principal, agent's liability to third party, termination of agency; relevant legislation

3 Understand the legal rules relating to monopolies, mergers and anti-competitive practices

Monopolies and competition in the UK: relevant legislation eg on competition, and Fair Trading; scale monopolies, complex monopolies, restrictive trade practices, Director General of Fair Trading

Competition Commission: role of the Commission, appeals tribunal

Dominant positions within the EU: treaty provisions, the abuse of a dominant position and enforcement

Exemptions: treaty articles and definitions, individual and block exemptions

4 Know the key provisions relating to intellectual property rights

Protection of inventions: registration of patents, designs, trademarks and copyright, role of the Patent Office (UK), European Union Patent Office

Patents: patent legislation, patent rights, inventions, patents and employees

Copyright: copyright legislation, ownership of copyright, duration of copyright, using copyright materials

Trademarks and business names: defining trademarks, applying to register a trademark, registering business names

Infringement of intellectual property rights: unauthorised use of intellectual property, patent hearings, copyright tribunal, passing off

Learning outcomes and assessment criteria

Learning outcomes On successful completion of this unit a learner will:	Assessment criteria for pass The learner can:
LO1 Be able to apply the main principles affecting the legal relationship between business organisations and their consumers	1.1 apply the legal rules on implied terms relating to the sale of goods and supply of services 1.2 apply the statutory provisions on the transfer of property and possession 1.3 evaluate the statutory provisions on buyer's and seller's remedies 1.4 apply product liability statutory provisions
LO2 Be able to apply the legal rules on consumer credit agreements and agency	2.1 differentiate between types of credit agreements 2.2 apply rules, termination rights and default notices in a given scenario 2.3 differentiate between the different types of agent 2.4 evaluate the rights and duties of an agent
LO3 Understand the legal rules relating to monopolies, mergers and anti-competitive practices	3.1 outline monopolies and anti-competitive practice legislation in the UK 3.2 explain the role of the Competition Commission within the context of monopolies and anti-competitive practices and the UK Office of Fair Trading 3.3 define dominant positions within the EU common market 3.4 consider the application of EU exemptions to potentially anti-competitive practices
LO4 Know the key provisions relating to intellectual property rights	4.1 identify differing forms of intellectual property 4.2 outline the principles relating to the protection of inventions through patent rights and their infringement in a given business scenario 4.3 describe the principles relating to copyright protection and their infringement in a given business scenario 4.4 compare and contrast the protection of trade marks and business names.

Guidance

Links

This unit links with all the other law units in the BTEC Higher Nationals in Business.

Essential requirements

A resource bank including a range of standard form contracts will be necessary.

Employer engagement and vocational contexts

Centres that have links with businesses may be able to work together to analyse the standard conditions of trading of the business and make suggestions for improvements. Where businesses do not use written contracts, the benefits of having a contract prepared should be considered. Sales staff can work with learners to ensure a full appreciation of the terms on which they are selling goods, and buyers can work in a similar manner.

