

TABLE OF CONTENTS

PREFACE TO THE THIRTEENTH EDITION.....	v
ACKNOWLEDGMENTS	ix
TABLE OF CASES	xxxv

PART 1. THE CONDUCT OF BUSINESS IN THE WORLD COMMUNITY

Chapter 1. Commerce or Isolation: The Decision to Trade, Transfer Technology, and Invest Abroad	3
Questions and Comments.....	9

Chapter 2. The Actors: The Countries and Institutions of International Business	11
Section 2.1 Who Are the Actors in Foreign Trade?.....	11
Section 2.2 Nonmarket Economies	15
Section 2.3 The International Organizations Involved in Trade and Investment.....	16
Section 2.4 The Role of Counsel in International Business	22

Chapter 3. Forms of International Business.....	27
Section 3.1 Trading Goods Across Borders: Exports and Imports.....	27
Section 3.2 Licensing Production Abroad.....	29
Section 3.3 Foreign Investment	32

PART 2. INTERNATIONAL TRADING OF GOODS

Chapter 4. Agreements for the International Trading of Goods	37
Introduction 4.0 The Basic Transaction: Toys to Greece.....	37
Part A. How Is an International Commercial Transaction Different from a Domestic One?	37
Part B. The Structure of an International Documentary Sale Transaction with a Letter of Credit	40
Questions and Comments	63
Problem 4.1 Formation of an International Transaction: Insulation to Germany	69
Section I. The Setting.....	69
Section II. Focus of Consideration.....	70
Section III. Readings, Questions and Comments.....	71
Part A. The Traditional Analysis—Conflicts of Law	71
Niagara Transformer Corp. v. Baldwin Tech., Inc.	72

Brand, The European Magnet and the U.S. Centrifuge: Ten Selected Private International Law Developments of 2008.....	73
White and Summers, Uniform Commercial Code	74
Rühl, The Battle of the Forms: Comparative and Economic Observations	78
Questions and Comments	78
Part B. Enter International Law (Herein the CISG)	83
Hanwha Corporation v. Cedar Petrochemicals, Inc.	84
Folsom, Gordon, Van Alstine and Ramsey, Principles of International Business Transactions	86
Roser Technologies, Inc. v. Carl Schreiber GmbH	89
Folsom, Gordon, Van Alstine, and Ramsey, Principles of International Business Transactions	93
Questions and Comments	95
Part C. How Can Clients Avoid This Problem?	99
Questions and Comments	99
Problem 4.2 Commercial Terms, Bills of Lading and Insurance: Books to Australia	101
Section I. The Setting.....	101
Section II. Focus of Consideration.....	103
Section III. Readings, Questions and Comments.....	105
Part A. The Role of International Commercial Terms	105
Folsom, Gordon, Van Alstine and Ramsey, Principles of International Business Transactions	105
Ramberg, ICC Guide to Incoterms® 2010.....	114
Tetley, Marine Cargo Claims.....	116
Questions and Comments	117
Part B. The Basics of Carrier Liability.....	121
Tetley, Marine Cargo Claims.....	121
Berisford Metals Corp. v. S/S Salvador.....	124
J.R.J. Enterprises, Inc. v. M/V Duncan Island	128
Questions and Comments	129
Problem 4.3 Wars and Other Frustrations: Oil from Oman	131
Section I. The Setting.....	131
Section II. Focus of Consideration	135
Section III. Readings, Questions and Comments.....	136
Part A. Picking up the Pieces.....	136
Ocean Tramp Tankers Corp. v. V/O Sovfracht (The Eugenia)	137
White and Summers, Uniform Commercial Code	141
Schwenzer, Force Majeure and Hardship in International Sales Contracts	144
The Civil Transactions Law of Oman.....	146
Spivack, Of Shrinking Sweatsuits and Poison Vine Wax: A Comparison of Basis for Excuse Under UCC	
§ 2–615 and CISG Article 79.....	146

Baker, "A Hard Rain's A-Gonna Fall"—Terrorism and Excused Contractual Performance in a Post September 11th World.....	149
UNIDROIT Principles of International Commercial Contracts	157
Authors' Note on Measuring Damages for Non-Delivery.....	158
Questions and Comments	159
Part B. Counseling During Contract Drafting.....	164
Questions and Comments	165
Problem 4.4 Electronic and Consumer Commerce: Produce to Eastern Europe; a Monitor from Ireland	166
Section I. The Setting.....	166
Section II. Focus of Consideration.....	167
Section III. Readings, Questions and Comments.....	169
Folsom, Gordon, Van Alstine and Ramsey, Principles of International Business Transactions	169
Authors' Note on the New EU Regulation on Electronic Identification for Electronic Transactions	177
CISG Advisory Council Opinion No. 1 Electronic Communications Under CISG	179
Rustad and Onufrio, The Exportability of the Principles of Software: Lost in Translation?.....	179
Winn and Bix, Diverging Perspectives on Electronic Contracting in the U.S. and EU	184
Andrews, Electronic Commerce: Lessons Learned from the European Legal Model	186
Questions and Comments	189
Problem 4.5 The Bill of Lading: Computers to Caracas.....	193
Section I. The Setting.....	193
Section II. Focus of Consideration.....	195
Section III. Readings, Questions and Comments.....	197
Part A. Forged Indorsements and Misdelivery.....	197
Schmitthoff: The Law and Practice of International Trade.....	197
Schoenbaum, Admiralty and Maritime Law	199
Adel Precision Products Corp. v. Grand Trunk Western R. Co.....	200
Hual AS v. Expert Concrete, Inc.	202
Edelweiss (USA), Inc. v. Vengroff Williams & Associates, Inc.	204
Folsom, Gordon, Van Alstine and Ramsey, Principles of International Business Transactions	205
Questions and Comments	207
Part B. Misdescription and Disclaimers of Description	210
Jain Irrigation System, Ltd. v. Chemcolit, Inc.	210
Industria Nacional Del Papel, CA. v. M/V Albert F.....	211

Distribuidora Internacional Alimentos v. Amcar Forwarding, Inc.....	213
Tetley, Marine Cargo Claims.....	214
Questions and Comments	217
Part C. Forged Bills of Lading	218
Folsom, Gordon, Van Alstine and Ramsey, Principles of International Business Transactions	218
T.C. Ziraat Bankasi v. Standard Chartered Bank	221
Questions and Comments	224
Chapter 5. Financing the International Sale of Goods	227
Introduction 5.0 Letters of Credit	227
Problem 5.1 The International Letter of Credit: Gold Watch	
Pens to France	228
Section I. The Setting.....	228
Section II. Focus of Consideration.....	233
Section III. Readings, Questions and Comments.....	234
Pietrzak, Sloping in the Right Direction: A First Look at the UCP 600 and the New Standards as Applied to <i>Voest-Alpine</i>	237
Folsom, Gordon, Van Alstine and Ramsey, Principles of International Business Transactions	238
Bergami, What Can UCP 600 Do for You?	245
Bulgrains & Co Ltd. v. Shinhan Bank	248
Voest-Alpine Trading USA Corp. v. Bank of China	253
Pietrzak, Sloping in the Right Direction: A First Look at the UCP 600 and the New Standards as Applied to <i>Voest-Alpine</i>	256
Questions and Comments	259
Problem 5.2 Enjoining Payment of Letters of Credit for Fraud: Tablets from China	263
Section I. The Setting.....	263
Section II. Focus of Consideration.....	264
Section III. Readings, Questions and Comments.....	265
Mid-America Tire, Inc. v. PTZ Trading Ltd.....	265
Dolan, Tethering the Fraud Inquiry in Letter of Credit Law	275
Montrod Ltd v. Grundkötter Fleischvertriebs GmbH.....	277
GAO, The Fraud Rule in Law of Letters of Credit in the P.R.C.....	280
Questions and Comments	287
Problem 5.3 Standby Letters of Credit: Communication Systems to Israel	292
Section I. The Setting.....	292
Section II. Focus of Consideration	294

Section III. Readings, Questions and Comments.....	296
Part A. The Rules Governing International Standby Letters of Credit.....	297
Arnold, The Guarantee on First Demand in German and English Law	297
American Express Bank Ltd. v. Banco Español de Crédito, S.A.....	299
Ellinger and Neo, The Law and Practice of Documentary Letters of Credit.....	301
Folsom, Gordon, Van Alstine and Ramsey, Principles of International Business Transactions	303
Part B. Claims of Fraud in International Standby Letters of Credit.....	305
3M Company v. HSBC Bank USA, N.A.	305
Archer Daniels Midland Co. v. JP Morgan Chase Bank, N.A.....	311
Kelly-Louw, International Measures to Prohibit Fraudulent Calls on Demand Guarantees and Standby Letters of Credit.....	317
Authors' Note on URDG 758 (2010)	320
Kimball and Sanders, Preventing Wrongful Payment of Guaranty Letters of Credit—Lessons from Iran	320
Questions and Comments	322

PART 3. REGULATION OF INTERNATIONAL TRADE

Chapter 6. Tariff and Nontariff Import Barriers.....	333
Introduction 6.0 An Overview	333
Problem 6.1 The World Trade Organization: Oxicorp Trades with Nonmarket and Transition Economies, Including China.....	335
Section I. The Setting.....	335
Section II. Focus of Consideration	337
Section III. Readings, Questions and Comments.....	341
Demeret, The Metamorphoses of the GATT: From the Havana Charter to the World Trade Organization	341
World Trade Organization Agreement, Annex.....	344
Bhala, Enter the Dragon: An Essay on China's WTO Accession Saga	345
Report to Congress on China's WTO Compliance, Executive Summary	347
Folsom, Principles of International Trade Law.....	350
Authors' Note on U.S. Concerns with the WTO Appellate Body's Approach to Appeals and Other Risks to the WTO Dispute Settlement System.....	358
Authors' Note on China and U.S. Trade Disputes in the WTO and Outside of the WTO	360

Ikenberry, The End of the Liberal International Order?.....	362
Questions and Comments	364
Problem 6.2 Customs Classification, Origin and Valuation: Peanut Butter and Jelly Swirl from China.....	367
Section I. The Setting.....	367
Section II. Focus of Consideration.....	368
Section III. Readings, Questions and Comments.....	370
Part A. Product Classification (What Is It?)	370
Harmonized Tariff Schedule of the United States	372
Kelly, Remnants of Recent Customs Litigation: Jurisdiction and Statutory Interpretation	376
Ford Motor Co. v. United States.....	377
Better Home Plastics Corp. v. United States	382
Questions and Comments	387
Part B. Origin Determinations (Where Is It From?)	390
What Every Member of the Trade Community Should Know About: U.S. Rules of Origin	390
Superior Wire, a Div. of Superior Products Co. v. United States	391
Questions and Comments	397
Part C. Valuation (What Is Its Customs Value?).....	398
House Committee on Ways and Means, 108th Cong., 1st Sess., Overview and Compilation of U.S. Trade Statutes	398
La Perla Fashions, Inc. v. United States	402
Questions and Comments	404
Problem 6.3 Nontariff Trade Barriers: Timber and Wood Products from Abroad and Pork and Chicken from the United States	406
Section I. The Setting.....	406
Section II. Focus of Consideration.....	409
Section III. Readings, Questions and Comments.....	411
Part A. Environmental/Conservation Laws as NTBs.....	411
United States—Measures Affecting the Importation of Shrimp	411
European Communities—Measures Prohibiting the Importation and Marketing of Seal Products	421
Questions and Comments	426
Part B. Food Safety Regulations as NTBs	429
2014 Report on Sanitary and Phytosanitary Barriers to Trade.....	429
European Communities—Measures Concerning Meat and Meat Products (Hormones).....	433
Authors' Note on Bans of Beef Hormones, Ractopamine Pork, and Chlorine-Washed Chicken	442
Questions and Comments	444

Problem 6.4 Free Trade Agreements: A Broad U.S. Strategy Perspective and an Auto Industry Perspective.....	445
Section I. The Setting.....	445
Section II. Focus of Consideration	447
Section III. Readings, Questions and Comments.....	449
Part A. A Broad U.S. Strategic Perspective	449
Authors' Note on U.S. Free Trade Agreement (FTA) Actions Under the Trump Administration 2017–2019	449
Summary of the Trans-Pacific Partnership Agreement.....	452
Presidential Memorandum Regarding Withdrawal of the United States from the Trans-Pacific Partnership Negotiations	454
Schott, Why Reconsidering the TPP Might Attract Trump... Goodman, Opportunities to Expand U.S. Trade Relationships in the Asia-Pacific Region	455
Nomination of Wilbur L. Ross, Jr., To Be Secretary of the Department of Commerce	457
Folsom, Principles of European Union Law including BREXIT	460
Questions and Comments	462
Part B. NAFTA & USMCA: Rules of Origin—An Auto Industry Perspective	463
Cantin and Lowenfeld, Rules of Origin, the Canada-U.S. FTA, and the Honda Case	463
McCall, What Is Asia Afraid of? The Diversionary Effect of NAFTA's Rules of Origin on Trade Between the United States and Asia	466
Summary of Objectives for NAFTA Renegotiation.....	470
Freund, Streamlining NAFTA Rules of Origin.....	470
Nomination of Wilbur L. Ross, Jr., To Be Secretary of the Department of Commerce	473
Authors' Note on Renegotiated NAFTA/USMCA Auto Rules of Origin	474
Authors' Note on Moving Production from Mexico to China	476
Questions and Comments	476
Problem 6.5 Tariff Preferences for Developing Nations: Import World and Leather Goods	478
Section I. The Setting.....	478
Section II. Focus of Consideration	479
Section III. Readings, Questions and Comments.....	480
Note, United States Preferences: The Proposed System	480
The “Enabling Clause”	481
2018 Trade Policy Agenda and 2017 Annual Report of the President of the United States on the Trade Agreements Program.....	484
U.S. Generalized System of Preferences Guidebook	491

Generalized System of Preferences (GSP): Overview and Issues for Congress	500
Authors' Note on GSP Eligibility Criteria, USTR Country Reviews, and Compliance with the Enabling Clause.....	503
Questions and Comments	505
Problem 6.6 Contract Preferences for Domestic Producers: Cross-Border Procurement of Photocopiers.....	506
Section I. The Setting.....	506
Section II. Focus of Consideration.....	507
Section III. Readings, Questions and Comments.....	510
Part A. Buy American Procurement	510
Note, The Trade Act of 1979: The Agreement on Government Procurement.....	510
Note, Federal Limitations on State "Buy American" Laws ...	511
Domestic Content Restrictions: The Buy American Act and Complementary Provisions of Federal Law	512
Presidential Executive Order on Buy American and Hire American	516
Trojan Technologies, Inc. v. Pennsylvania.....	518
Crosby v. National Foreign Trade Council	523
Self-Powered Lighting, Ltd. v. United States.....	525
Questions and Comments	526
Part B. International Trade Agreement Limits on Buy American Policies: The Revised WTO Government Procurement Agreement and U.S. Free Trade Agreements, Including the NAFTA and USMCA Procurement Chapters	528
Government Procurement Agreements Contain Similar Provisions, But Market Access Commitments Vary.....	528
Authors' Note on the Analytical Framework Used to Assess Revised WTO GPA Coverage & Introduction to Bid Challenge Procedures Under the Revised WTO GPA	532
GAO Decision on Procurement Protest Matter of: FitNet Purchasing Alliance.....	533
Folsom, NAFTA, Free Trade and Foreign Investment in the Americas.....	535
Questions and Comments	536
Chapter 7. Responses of Domestic Producers to Import Competition.....	539
Introduction 7.0 The Legal Framework for Providing Protection from Import Competition (Trade Remedies)	539
Problem 7.1 Subsidies and Countervailing Duties: Tires from Canada ...	544
Section I. The Setting.....	544
Section II. Focus of Consideration	546

Section III. Readings, Questions and Comments.....	548
Kuruk, The Subsidies Issue in International Trade: Musings of the Economic Partnership Agreement Negotiations	548
Folsom, Gordon, Van Alstine and Ramsey, Principles of International Business Transactions	549
Zheng, The Pitfalls of the (Perfect) Market Benchmark: The Case of Countervailing Duty Law.....	553
Folsom, Gordon, Van Alstine and Ramsey, Principles of International Business Transactions	554
Nedzel, Antidumping and Cotton Subsidies: A Market-Based Defense of Unfair Trade Remedies.....	559
Jacobs, One of These Things Is Not Like the Other: U.S. Participation in International Tribunals and Why Chapter Nineteen of NAFTA Does Not Fit.....	562
Walders & Pratt, Trade Remedy Litigation—Choice of Forum and Choice of Law.....	564
Questions and Comments	568
Problem 7.2 Antidumping Duties: Supercomputers from Japan	572
Section I. Facts	572
Section II. Focus of Consideration	574
Section III. Readings, Questions and Comments.....	576
Enforcement and Compliance Antidumping Manual	576
Authors' Note on Changes to U.S. AD and CVD Law in the Trade Preferences Extension Act of 2015	589
Soft Lumber Products from Canada Investigation Nos. 701– TA–566 and 731–TA–1342 (Final)	591
Folsom, Gordon, Van Alstine and Ramsey, Principles of International Business Transactions	598
Josephs, The Multinational Corporation, Integrated International Production and U.S. Antidumping Laws.....	600
Questions and Comments	602
Chapter 8. Exports	607
Introduction 8.0 Export Controls	607
Problem 8.1 Export Controls: Roll-On Ball Bearings to Europe and China.....	615
Section I. The Setting.....	615
Section II. Focus of Consideration	616
Section III. Readings, Questions and Comments.....	618
Introduction to Commerce Department Export Controls	618
Authors' Note on the Export Control Reform Act (ECRA) of 2018	624
The U.S. Export Control System and the Export Control Reform Initiative	626
Wolf, Modernizing Export Controls: Protecting Cutting-Edge Technology and U.S. National Security	628

An Introduction to the Consequences of Violating U.S. Export Control Laws	634
Guidance on Reexports/Transfers (In-Country) of U.S.-Origin Items or Non-U.S.-Made Items Subject to the Export Administration Regulations.....	638
Elements of an Effective Export Control Program.....	639
Germany Export Control Information	639
List of Dual-Use Goods and Technologies.....	640
Questions and Comments	641
Problem 8.2 International Economic Boycotts: Machine Lathes to Cuba and Qatar	646
Section I. The Setting.....	646
Section II. Focus of Consideration.....	647
Section III. Readings, Questions and Comments.....	649
Part A. The Boycott of Cuba by the United States	649
Cuba: U.S. Policy in the 115th Congress	652
Opinion of the Inter-American Juridical Committee in Response to Resolution AG/Doc 3375/96 of the General Assembly of the Organization, Entitled “Freedom of Trade and Investment in the Hemisphere”.....	659
Authors’ Note on UN General Assembly Resolutions and WTO/GATT Compliance Issues Connected with the U.S. Embargo of Cuba	660
Questions and Comments	661
Part B. The Antiboycott Laws and Regulations of the United States.....	665
Arab League Boycott of Israel.....	668
Israel and the Boycott, Divestment and Sanctions (BDS) Movement	670
UN Human Rights Council Resolution 31/36, A/HRC/RES/31/36 (20 April 2016), Israeli Settlements in the Occupied Palestinian Territory, Including East Jerusalem, and in the Occupied Syrian Golan	671
United States v. Meyer.....	672
Questions and Comments	675
Problem 8.3 Questionable Payments to Foreign Officials: Processed Foods in Nigeria	679
Section I. The Setting.....	679
Section II. Focus of Consideration.....	681
Section III. Readings, Questions and Comments.....	684
Part A. The United States Approach	684
Barta & Chapman, Foreign Corrupt Practices Act	684
United States v. Kozeny	690
Securities and Exchange Commission v. Jackson	693
U.S. Department of Justice, Foreign Corrupt Practices Act Opinion Procedure Release	697
Questions and Comments	700

Part B. Enter Foreign and International Law—The OECD Convention and Other Rules.....	704
International Anti-Bribery Act of 1998, Senate Report No. 105–277.....	706
United States v. Esquenazi.....	707
Exporting Corruption: Progress Report 2018: Assessing Enforcement of the OECD Anti-Bribery Convention	710
Questions and Comments	710

PART 4. TRANSFERS OF TECHNOLOGY

Chapter 9. Licensing, Theft and Forced Technology Transfers	715
Introduction 9.0 Intellectual Property and International Transactions ...	715
Patent Protection.....	717
International Recognition of Patents	719
Knowhow and Trade Secrets	720
Trademark Protection	722
International Recognition of Trademarks	724
Copyright Protection	725
International Recognition of Copyrights	726
The WTO and Intellectual Property (TRIPs)	727
WTO Reduction of Tariffs on Information Technology	729
Problem 9.1 Franchising and Trademark Licensing: Colonel Chicken	
Goes Abroad.....	730
Section I. The Setting.....	730
Section II. Focus of Consideration	730
Section III. Readings, Questions and Comments.....	731
Part A. Preparing to Franchise Abroad.....	731
Zeidman, Memorandum to Foreign Counsel: An Introduction to International Franchising.....	731
Pengilley, Legal and Commercial Aspects of International Franchising—Problems in Their Negotiation.....	732
Glickman, Typical Franchise Agreements (Fast Food Franchise).....	734
Questions and Comments	743
Part B. Regulation of the International Franchise	
Agreement.....	745
The Franchises Act, Alberta, Canada	745
Heftner and Zeidman, Preparing a Trademark License Agreement: Contractual and Antitrust Considerations	749
Treaty on the Functioning of the European Union (TFEU).....	751
Folsom, Principles of European Union Law including BREXIT	752
Commission Regulation 330/2010 on the Application of Article 101(3).....	753

Gordon, Hamburgers Abroad: Cultural Variations Affecting Franchising Abroad	758
Questions and Comments	762
Problem 9.2 Illegal and Unauthorized Transfers: Pirated and Gray Market ROCKERS™ Music.....	763
Section I. The Setting.....	763
Section II. Focus of Consideration	764
Section III. Readings, Questions and Comments.....	765
Part A. Counterfeit Goods	765
Counterfeiting and Theft of Tangible Intellectual Property: Challenges and Solutions	765
Motion Picture Association of America, “Anti-Piracy”	767
Authors’ Note on U.S. Counterfeiting Remedies	769
Importation of “ROMless” Computers Not Barred Under § 602(b) of Copyright Act.....	770
Cohen, Anti-Circumvention: Has Technology’s Child Turned Against Its Mother?	772
Universal City Studios, Inc. v. Shawn C. Reimerdes	775
Questions and Comments	778
Part B. Gray Market Goods.....	779
Weicher, K Mart Corp. v. Cartier, Inc.: A Black Decision for the Gray Market	779
K Mart Corp. v. Cartier, Inc.....	783
Lever Bros. Co. v. United States	787
Quality King Distributors, Inc. v. Lanza Research International, Inc.....	790
Folsom, Principles of International Trade Law	793
Silhouette International v. Hartlauer	794
Questions and Comments	796
Problem 9.3 Regulation of Technology Transfers: Section 337 Proceedings, TRIPs and Pharmaceuticals from Thailand.....	798
Section I. The Setting.....	798
Section II. Focus of Consideration	800
Section III. Readings, Questions and Comments.....	800
Part A. Exclusion of Infringing Imports from the U.S. Market	800
Glick, Section 337 of the Tariff Act of 1930	800
In re Certain Personal Computers and Components Thereof.....	804
Reagan Disapproves ITC Ruling in “Duracell Battery Case” Following Treasury Objection	808
Newman, The Amendments to Section 337: Increased Protection for Intellectual Property Rights.....	809
Questions and Comments	816

Part B. TRIPs and Compulsory Patent License Transfers	818
President Clinton's Submission to Congress of Documents	
Concerning Uruguay Round Agreements	818
WTO Trade-Related Intellectual Property Rights (TRIPs)	
Agreement	820
Folsom, Principles of International Trade Law.....	824
Pechman, Seeking Multilateral Protection for Intellectual	
Property: The United States "TRIPs" Over	
Special 301	827
Questions and Comments	828
Problem 9.4 Technology Transfers: Drill-Bit in Germany and China.....	829
Section I. The Setting.....	829
Section II. Focus of Consideration.....	831
Section III. Readings, Questions and Comments.....	831
Part A. Licensing by Agreement to Germany	831
Draft License Agreement	831
Folsom, Principles of European Union Law including	
BREXIT	837
Commission Regulation (EC) No. 316/2014 on the	
Application of Article 101(3) of the Treaty to	
Categories of Technology Transfer Agreements	840
Questions and Comments	848
Part B. Forced Technology Transfers to China.....	849
Folsom, International Trade Law including Trump and	
Trade.....	849
Folsom, International Trade Law including Trump and	
Trade.....	853
Questions and Comments	860

PART 5. FOREIGN INVESTMENT

Chapter 10. Establishing and Operating a Foreign Investment.....	865
Introduction 10.0 Opportunities and Challenges in Investing Abroad.....	865
Problem 10.1 The Why, Where and How of Investing Abroad: Domestic	
Goods Inc. Invests in Europe.....	868
Section I. The Setting.....	868
Section II. Focus of Consideration.....	869
Section III. Readings, Questions and Comments.....	870
Part A. Choosing the Location of the Investment.....	870
Questions and Comments	878
Part B. Corporate Form.....	878
Questions and Comments	882
Part C. Acquisition of an EU Business by Merger or	
Acquisition	886
Folsom, Principles of European Union Law including	
BREXIT	887

Commission of the European Communities Decision	891
Questions and Comments	896
Problem 10.2 Approval to Invest: Munson of Canada Invests in the United States and Mexico.....	899
Section I. The Setting.....	899
Section II. Focus of Consideration.....	900
Section III. Readings, Questions and Comments.....	901
Part A. Munson of Canada in the United States and the Committee on Foreign Investment in the United States.....	901
U.S. Department of the Treasury, CFIUS Resource Center	901
Ralls Corp. v. Committee on Foreign Investment in the United States	902
Authors' Note on the Evolution of the CFIUS	910
U.S. Department of Treasury, Summary of the Foreign Investment Risk Review Modernization Act of 2018.....	913
Questions and Comments	914
Part B. Munson Ltd. in Mexico	917
Authors' Note on the Investment Laws of Canada, Mexico and the United States.....	917
Folsom, Gordon, Van Alstine and Ramsey, Principles of International Business Transactions	921
Authors' Note on Foreign Investment and NAFTA.....	926
Questions and Comments	927
Problem 10.3 Project Financing of Foreign Investments: Mogul Liquefies Gas in Russia	928
Section I. The Setting.....	928
Section II. Focus of Consideration.....	929
Section III. Readings, Questions and Comments.....	930
Hoffman, A Practical Guide to Transactional Project Finance: Basic Concepts, Risk Identification, and Contractual Considerations	930
Blumenthal, Sources of Funds and Risk Management for International Energy Projects	938
Fitzgerald, Project Financing Techniques	941
Fitzgerald, International Project Financing: An Overview	945
McLaughlin and Greene, Representing the Owner at the Project Planning Stage.....	948
Finnerty, Project Financing, Asset- Based Financial Engineering.....	952
Crothers, Project Finance in Central and Eastern Europe from a Lender's Perspective: Lessons Learned in Poland and Romania	955
Questions and Comments	957

Problem 10.4 Issues Confronting Established Investments: Currency, Transfer Pricing and Domestic Goods, Inc. in Latina.....	961
Section I. The Setting.....	961
Section II. Focus of Consideration	962
Section III. Readings, Questions and Comments.....	963
Part A. Currency Risk and Exchange Controls.	963
Folsom, Gordon, Van Alstine and Ramsey, Principles of International Business Transactions	963
Authors' Note on Currency Controls	965
Speech by the President of Latina to the Congress and the Nation	967
Questions and Comments	971
Part B. Transfer Pricing	973
United States Code, Title 26.....	974
U.S. Department of Treasury, Internal Revenue Service, Overview of IRC Section 482.....	975
Organisation for Economic Co-Operation and Development (OECD), Transfer Pricing Guidelines for Multinational Enterprises and Tax Administrations	975
Note, Regulation of Transfer Pricing in Multinational Corporations: An International Perspective	976
Wheeler, An Academic Look at Transfer Pricing in a Global Economy	978
Questions and Comments	979
Problem 10.5 Foreign Investors and International Human Rights:	
Domestic Goods, Inc. in Indonesia	980
Section I. The Setting.....	980
Section II. Focus of Consideration	981
Section III. Readings, Questions and Comments.....	982
Filártiga v. Peña-Irala.....	982
Questions and Comments	984
Doe v. Unocal Corp.....	986
Doe v. Unocal Corp.....	988
Beanal v. Freeport-McMoran, Inc.	990
Kiobel v. Royal Dutch Petroleum Co.....	993
Jesner v. Arab Bank PLC	1000
Questions and Comments	1006
Problem 10.6 Expropriation of Foreign Investments: Fishing Rods in Marnesia.....	1007
Section I. The Setting.....	1007
Section II. Focus of Consideration	1008
Section III. Readings, Questions and Comments.....	1010
Part A. The Act of Taking.....	1010
Restatement (Third) of the Foreign Relations Law of the United States	1011

Statute of the International Court of Justice, Article 38(1)	1012
Resolution on Permanent Sovereignty over Natural Resources.....	1013
Declaration on the Establishment of a New International Economic Order.....	1013
Charter of Economic Rights and Duties of States	1014
Schachter, Editorial Comment, “Compensation for Expropriation”.....	1014
Restatement (Third) of the Foreign Relations Law of the United States, § 712.....	1016
Questions and Comments	1017
Part B. Litigation in U.S. Court: Foreign Sovereign Immunity and the Act of State Doctrine.....	1019
Helmerich & Payne International Drilling Co. v. Bolivarian Republic of Venezuela	1020
Questions and Comments	1025
Authors’ Note on the Act of State Doctrine.....	1026
Questions and Comments	1027
Part C. Insuring the Risk	1030
Questions and Comments	1034
Problem 10.7 Bilateral Investment Treaties and Investor-State Arbitration: Rodco Looks Beyond Marnesia	1035
Section I. The Setting.....	1035
Section II. Focus of Consideration.....	1035
Section III. Readings, Questions and Comments.....	1036
U.S. Model Bilateral Investment Treaty	1036
Dolzer, Fair and Equitable Treatment: Today’s Contours	1038
Bird-Pollan, The Sovereign Right to Tax: How Bilateral Investment Treaties Threaten Sovereignty	1043
BG Group PLC v. Republic of Argentina	1046
S.D. Myers, Inc. v. Government of Canada.....	1050
Questions and Comments	1055
Problem 10.8 Investing in Sovereign Debt: The IMF, Amabank and Worlddebt in Asiana.....	1058
Section I. The Setting.....	1058
Section II. Focus of Consideration	1059
Section III. Readings, Questions and Comments.....	1061
NML Capital, Ltd. v. Republic of Argentina.....	1061
Questions and Comments	1067
The IMF at a Glance	1069
IMF Lending	1071
Shula, Critique of IMF Loan Conditionality.....	1072
Carrasco, Book Review: <i>Negociar en Tiempos Difíciles</i> (To Negotiate in Hard Times), by Hernan Somerville.....	1075
Questions and Comments	1077

PART 6. DISPUTE SETTLEMENT

Chapter 11. The Resolution of International Disputes.....	1083
Introduction 11.0 Issues and Options in International Dispute Resolution	1083
Problem 11.1 Choice of Forum and Jurisdiction: Televisions to Spain.....	1085
Section I. The Setting.....	1085
Section II. Focus of Consideration.....	1086
Section III. Readings, Questions and Comments.....	1087
Part A. Choice of Forum	1087
M/S Bremen v. Zapata Off-Shore Co.	1087
Questions and Comments	1092
Part B. Foreign Defendants and Personal Jurisdiction in U.S.	
Courts	1096
Goodyear Dunlop Tires Operations, S.A. v. Brown	1096
Benton v. Cameco Corp.	1101
Questions and Comments	1113
Part C. Jurisdiction in the European Union.....	1114
Problem 11.2 Service of Process, <i>Forum Non Conveniens</i> and Choice of Law: Orchid Fertilizer to Venezuela.....	1115
Section I. The Setting.....	1115
Section II. Focus of Consideration.....	1116
Section III. Readings, Questions and Comments.....	1116
Part A. Service of Process.....	1116
Volkswagenwerk AG v. Schlunk.....	1117
Brockmeyer v. May.....	1122
Questions and Comments	1126
Part B. Forum Non Conveniens.....	1128
Piper Aircraft Co. v. Reyno	1128
Republic of Bolivia v. Philip Morris Companies, Inc.....	1131
Questions and Comments	1132
Part C. Choice of Law	1134
Problem 11.3 Extraterritorial Jurisdiction and Discovery: Antitrust, Air Travel and the North Atlantic	1139
Section I. The Setting.....	1139
Section II. Focus of Consideration.....	1140
Section III. Readings, Questions and Comments.....	1141
Part A. Extraterritorial Application of U.S. Law	1141
Hartford Fire Insurance Co. v. California.....	1141
F. Hoffmann-La Roche Ltd. v. Empagran S.A.....	1147
Morrison v. National Australia Bank Ltd.....	1149
Folsom, Principles of European Union Law including BREXIT	1154
Questions and Comments	1157
Part B. Extraterritorial Discovery.....	1157
Société Nationale Industrielle Aérospatiale v. United States District Court.....	1158

In re Air Cargo Shipping Services Antitrust Litigation.....	1164
Folsom, Gordon, Van Alstine and Ramsey, Principles of International Business Transactions	1167
Questions and Comments	1170
Problem 11.4 Enforcement of Foreign Judgments: A Money Judgment from Solterra.....	1171
Section I. The Setting.....	1171
Section II. Focus of Consideration.....	1172
Section III. Readings, Questions and Comments.....	1173
Part A. Recognition and Enforcement of Foreign Judgments in U.S. Courts	1173
DeJoria v. Maghreb Petroleum Exploration S.A.	1175
DeJoria v. Maghreb Petroleum Exploration S.A.	1180
Questions and Comments	1183
Part B. Recognition and Enforcement of U.S. Judgments in Foreign Courts	1185
Baumgartner, Understanding the Obstacles to the Recognition and Enforcement of U.S. Judgments Abroad	1186
Questions and Comments	1189
Part C. Rendering Judgments—The Choice of Currency.....	1190
Manches & Co. v. Gilbey	1190
Prefatory Note to Uniform Foreign Money Claims Act.....	1193
Questions and Comments	1195
Problem 11.5 Choosing Arbitration: Televisions to Spain (Again).....	1196
Section I. The Setting.....	1196
Section II. Focus of Consideration	1196
Section III. Readings, Questions and Comments.....	1197
Part A. The Decision to Arbitrate	1197
Folsom, Gordon, Van Alstine and Ramsey, Principles of International Business Transactions	1198
Ware & Levinson, Principles of Arbitration Law	1200
Questions and Comments	1202
Part B. Drafting an Arbitration Clause	1202
Ware & Levinson, Principles of Arbitration Law	1202
Folsom, Gordon, Van Alstine and Ramsey, Principles of International Business Transactions	1203
International Centre for Dispute Resolution (ICDR), Guide to Drafting International Dispute Resolution Clauses	1204
Questions and Comments	1208
Part C. Compelling Arbitration	1209
Apple & Eve, LLC v. Yantai North Andre Juice Co. Ltd.	1209
Mitsubishi Motors Co. v. Soler Chrysler-Plymouth, Inc.	1216
Questions and Comments	1223

Problem 11.6 International Enforcement of Foreign Arbitral Awards:	
Cars from Malaysia	1224
Section I. The Setting.....	1224
Section II. Focus of Consideration	1226
Section III. Readings, Questions and Comments.....	1227
Parsons and Whittemore Overseas Co. v. Societe Generale de L'Industrie du Papier (RAKTA).....	1227
Mitsubishi Motors Co. v. Soler Chrysler-Plymouth, Inc.....	1232
Spier v. Calzaturificio Tecnica, S.p.A.....	1234
Ware & Levinson, Principles of Arbitration Law	1240
Questions and Comments	1241
Appendix. The European Union	1247
An Introduction to the EU Legal System and BREXIT.....	1247
Section I. The Setting.....	1249
Section II. Focus of Consideration	1250
Section III. Readings, Questions and Comments.....	1250
Part A. Law-Making	1250
Folsom, European Union Law including BREXIT	1250
Questions and Comments	1259
Part B. The European Court of Justice	1260
Treaty on the Functioning of the European Union (TFEU).....	1260
Commission v. United Kingdom	1262
Lord MacKenzie Stuart, The Court of Justice of the European Communities: The Scope of Its Jurisdiction and the Evolution of Its Case Law.	1271
Questions and Comments	1273
Part C. BREXIT	1274
Folsom, European Union Law including BREXIT	1274
Questions and Comments	1282
INDEX.....	1283