Introduction to Business Law

# Response to Question (a)

           The legal aspects of a business can be better handled by a critical and comprehensive understanding of the entire business case. The analyst needs to examine the entire perspective of legal claim to determine the legitimate position of all stakeholders. Consideration of all the relevant facts is also mandatory to present the actual form of legal business contract (O’Kelley and Thompson, 2017, p. 31). It is important to critically overview the considered case of the Lame Duck Restaurant owned by Johnny. The legal concerns appeared when Li insisted on the management of the hotel to sustain booking for her wedding due to the approach of a business contract. It is significant to examine whether there is the existence of a proper legal business contract between the shareholders in the form of management of the restaurant by Li or else the rules of contract can never be applied to this situation. This specific assessment can be better handled by examining specific issues, rules, and applications in the context to determine the legal position of both the parties of Li and Johnny as the owner of Lame Duck Restaurant. The evidence of the situation can be attained by examining the necessary facts of this specific business case. This specific issue in the organisational setting appeared when the owner of the restaurant decided to revamp the pricing system of the restaurant and established 15% mark-up on all kinds of food. Development of a new pricing system is one critical feature that greatly influences the business situation on legal grounds.

Detailed analysis of this case explicitly revealed that Li booked the wedding after the establishment of changed prices by the management of the restaurant. It is noteworthy to indicate that this booking is mistakenly accepted by Summer, who was the sales and marketing representative of the restaurant. It is observed that the accounting department of the hotel accept the deposit and finalise the overall invoice with Li. Furthermore, the entire domain of quoted price was accepted by Li and paid the deposit. The turning point to this specific case is observed when the error in the quotation was explored. This specific happening becomes the reason of legal conflict between the higher management of the restaurant and Li as the customer. At that point, Li comes up with the claim that due to the business contract between both the parties, the management of the restaurant is bound to give wedding services to him under the prospect of law. This specific situation demands Johnny to critically examine the entire perspective and figure out whether the contract with Li exists or not.

Proper understanding of the legal position of the business contract reveals that there is the existence of a contract between the management of the restaurant and Li. Identification of the general criteria of the contract is essential to provide necessary advice to Johnny about the legal considerations of this situation. A business contract is established as a legally binding agreement between two or more than two parties (Publishers and Briefs, 2009, p. 90). This specific legal concept is further elaborated that there must be an existence of a valid offer that must be accepted by another stakeholder. In case of Lame Duck Restaurant, it is mentioned that Li booked the wedding with new price quotation that was accepted by the accounts department.

**Response to Question (b)**

The complication of this specific case demands to critically identify the prevalence of actual mistake that causes complexities and inconvenience for both the parties (Beatty et al., 2018, p. 15). Identification of actually responsible entity is necessary to find out required legal solutions to this issue. Examination of the entire case reveals that there was a mistake that appears in case of negligence from the business representative of Lame Duck Restaurant. It is established through the detailed analysis that the approach of the new pricing system is poorly handled by different departments of the restaurant. There is an absence of proper performance engagement to successfully attain the necessary information and suitably share it with customers. Moreover, it is observed that the necessary information was never properly shared by the client. Lack of communication is one major cause that leads to major mistakes in this specific business scenario. A critical examination of different facts associated with this case is a necessary condition to identify all the mistakes that appeared.

           A critical assessment of the legal position of this specific business case reveals that the prospect of mistake appeared by both the parties of management of the restaurant and Li as a potential client. The legal issue appeared in this scenario due to the mutual mistake adopted by Summer and Li. The sales and marketing representative (Summer) of the organisation poorly handled the entire domain of launching a new design. It is observed that there was no proper communication between different relevant departments when Summer developed a design considering the new pricing system. The accounting department of the restaurant should be on-board to develop a necessary and suitable practical domain. There was a long duration of two weeks before Li booked the services of the restaurant for the wedding. The upper management of the restaurant should ensure the proper domain of auditing to timely identify the issue of quotation.

When it comes to accepting the booking of Li then it is mentioned that Summer showed negligence and accepted the booking without considering the element of corporate feasibility. It was essential for Summer to explore all the different complications and consideration in this scenario before developing a business association with Li. The error in case of quotation price in itself was one major mistake that eventually made the legal position of Lame Duck Restaurant weak as compare to another stakeholder in the form of Li.

The behaviour of negligence and lack of engagement between different operational departments of restaurant area raises major concerns regarding mistakes that were established by the representative of Lame Duck Restaurant. On the other hand, identification of mistake established by Li is also essential to identify the actual legal perspective of this case. The examination of this specific case revealed that there were some features of concerns considering the approach of Li. There was the absence of detailed documentation of contract between both the parties which was completely ignored by Li at the time of transaction. Detailed information about the entire scenario was not obtained by Li that caused immense complication in the case of this particular scenario.

**Response to Question (c)**

Detailed consideration in the aftermath of the violation of the business contract is also essential to determine the actual implications of business laws (Johnson and Sohi, 2016, p. 190). This specific approach is also viable in case of business organisation of Lame Duck Restaurant. It is critical to determine what consequences can legally be borne by the management of this restaurant if Johnny refuses to provide services in the form of premises for the wedding. The refusal in this manner can be immensely detrimental by the management of the restaurant considering the legal prospects of this specific issue. Undoubtedly, it is vital to identify legal grounds of this case to determine the actual practical implications that can be possible in case of service refusal by the restaurant. The legal domain of business law indicates about the consequences that might appear in case of violation or rejection of the business contract. The rejection of providing the premises of wedding can be determined in the form of rejection of a business contract that formulated between the management of the restaurant and Li.

           The owner of the Lame Duck Restaurant should have a proper understanding of different legal considerations when there is an existence of breaching of business contract. This form of understanding is essential to take necessary business measures accordingly concerning the prospect of giving premises for wedding services to Li as per the scenario of booking. The consequences of this paradigm can be better handled by examining the same approach of some former legal cases. It is an essential aspect of the legal analysis to examine the examples of former legal business cases that can be handled in the form of the same scenario. This form of understanding can be a vital approach for Johnny to formulate significant business decisions by providing wedding services to Li. The inefficiency of providing proper customer services to the clients can cause a major business and legal burden on the management of the organisation. The higher management of the restaurant needs to accept their responsibility and take necessary measures to retain customers as much as possible.

           Restitution is one possible legal penalty appeared in case of breaching of the contract appeared between different parties (Pratt, 2008, p. 35). The practical implications of this approach make it essential for one party to pay the other back once the phenomenon of breaching a contract appears as a valid prospect. This legal penalty might be a risk for Johnny in this specific case if the management of the restaurant is not willing to provide wedding services to Li. The prospect of punitive damages is another complication that might be faced by Johnny in case of giving services to Li after the domain of booking. The legal position of punitive damages made it essential for the party to pay the necessary amount of money who breached the business contract. Compensation is another legal consideration that appeared in case of legal approach of the business breach (Marin, 2016, p. 23). This specific criterion makes it essential for the accountable party to provide the necessary compensation to the other shareholder.

**References**

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