

## COURSE SYLLABUS

### THE LAWYER'S ROLE IN HELPING CLOSE THE MINORITY-WHITE GAP<sup>1</sup> IN BUSINESS OWNERSHIP ["MINORITY BUSINESS DEVELOPMENT" OR "MBD"]

<https://pennstatelaw.psu.edu/minority-business-development-course>

Part I, *Introduction and in-Depth Analysis of the Minority-White Gap in Business Ownership*,

Part II, *The Lawyer's Essential Tools in Representing a Minority-Owned Small Business*,

Part III, *The Big Ideas for Addressing the Minority-White Gap in Business Ownership*

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**PENN STATE LAW IN UNIVERSITY PARK**

**SPRING SEMESTER 2021**

#### I. Introduction

This seminar will meet once a week for approximately two hours during the Spring semester of the 2021 school year. As discussed below, the seminar is broken into the following three parts:

Part I, *Introduction and in-Depth Analysis of the Minority-White Gap in Business Ownership*,

Part II, *The Lawyer's Essential Tools in Representing a Minority-Owned Small Business*,

Part III, *The Big Ideas for Addressing the Minority-White Gap in Business Ownership*.

#### II. Student Presentations and Papers

As a general matter, for Parts I and II, students will make presentations on the assigned material. The first session in Part III will have outside presentations, and in the last session, the students will make presentations on their papers for the course.

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<sup>1</sup> Although much of the analysis will focus on the black-white gap in business ownership, the principles discussed could inform an understanding of such (1) a brown-white gap, (2) an American Indian-white gap, and (3) any other racial gap. A student could focus his or her paper for Part I and Part III of the course on any minority-white gap issue.

### III. Open Access

Although only Penn State Law students will be able to take the course for credit on an in-class basis, a recording of each session will be available over the Internet on the Penn State Law website without charge to anyone, including law students at other law schools and practicing lawyers. As a general matter, each recorded session will be available several days after each class, and an announcement of the availability will be made on Penn State Law's website. Although remote participants will not be able to react on a real-time basis, they could send by email questions or comments to the presenters at the sessions or Professor Thompson.

Professor Thompson's goal in structuring this course on an Open Access basis is to help put as many law students and lawyers as possible in a position to make a real difference in the development of minority-owned businesses.

### IV. Part I

Part I, *Introduction and in-Depth Analysis of the Minority-White Gap in Business Ownership*, will focus on understanding the current state of the differences between white and minority business ownership and the underlying reasons for such differences. This section of the course will run for four weeks.

### V. Part II

Part II, *The Lawyer's Essential Tools In Representing a Minority-Owned Small Business*, will focus on some of the basic tools a lawyer needs when advising on the formation and operation of a small business, including a practical introduction to the following concepts: (1) the organization and operation of the basic forms of business (*i.e.*, corporation, partnership, and limited liability company (LLC)), (2) the federal income tax considerations in the choice of business entity (*i.e.*, C corporation, S corporation, partnership, or LLC), (3) the private placement exception to the registration requirement of the Federal securities laws, (4) negotiating Small Business Administration assistance for a minority-owned business, and (5) the drafting of an agreement for the acquisition of a small business. In looking at each of these topics, consideration will be given to any issue that is unique to minority businesses. This section will run for eight weeks, and students will make joint presentations on assigned topics with a practicing lawyer.

### VI. Part III

Part III, *The Big Ideas for Addressing the Minority-White Gap in Business Ownership*, will focus on (1) a critique of various existing private and public proposals, and (2) the development of new public and private proposals, for addressing the problem. This section will run for two weeks, and students will make presentations on an assigned topic.

VII. Course Materials and Assignment:

Part II of the course will include readings from [\*Business Planning: Financing the Start-Up Business and Venture Capital Financing, Third Edition\*](#), by Therese H. Maynard, Dana M. Warren, and Shannon Treviño.

All other course materials and assignments will be made available on the website at <https://pennstatelaw.psu.edu/minority-business-development-course> along with the recording for each class session.