

Sommereksamen 2018

Reeksamen

Skriftlig prøve i: 460141E035 International Business Law

Varighed: 3 timer

Hjælpemidler: Alle

International Business Law (460161U074)

Spring 2018

Re-exam Paper – 6 August 2018

Type

- 3-hour exam.
- WOAI: On-site written exam with upload of the exam paper in WISEflow, use of the internet allowed during the exam, own PC required.
- The WOAI examination format is applicable.

Note

- All students should read the exam guidelines and instructions carefully, and read the entire exam paper before writing their answers.
- Students must cite their sources throughout their answer paper appropriately and accurately.
- Students should include a full bibliography of academic literature, case law (where relevant), and all sources used as a reference in their answer paper.
- Students may use a footnote/reference manager (eg. EndNote, Mendeley, Zotero, etc.) to assist them in keeping track of their references.

- Students may use any citation method they use, as long as it is used consistently, and it is clear and unambiguous.
- Students should make sure that they are answering their chosen questions as articulately as they can.

Format

- There will be five questions in total on the examination paper.
- Of those five questions posed, students must answer a total of **three questions**. They must select their questions in the following way:
 - o Students must answer the single question from **Section A** (Question 1).
 - o Students must answer one question from **Section B** (Question 2 or 3).
 - o Students must answer one question from **Section C** (Question 4 or 5).
- In their answer paper, students should make clear which questions they are answering.

Technicalities

- The answer paper should have page numbers.
- The answer paper should be completed with the main text in the Times New Roman font, size 12, spaced 1.15, and justified.
- The same applies for the footnotes, except for the font size, which should be 10.

Exam Paper

Carrefour is a company that specialises in hypermarkets and grocery goods shopping. It is headquartered in France, and is classified as a multinational retailer, given its strong presence in more than 30 states around the world. Whilst the company has had stores since 1960, it was not until 1969 that that opened their first hypermarket, which has become one of *Carrefour's* most defining features as an international company.

Despite this extensive worldwide presence, *Carrefour* has no stores in Denmark, Sweden, Finland, Norway, or Iceland. In Denmark, there are a number of grocery goods stores that are in operation, with everything from *Netto*, *Rema 1000*, *Føtex*, *Lidl*, *Fakta*, *Aldi*, *Meny*, *SuperBrugsen*, and *Bilka*. However, of these, only one is classified as a 'hypermarket'—*Bilka*—and thus, *Carrefour* sees the Danish market as ripe for new competition in the sector. Thus, the management of *Carrefour* in France begin to make preparations for expansion into Denmark.

Carrefour's proposed expansion into Denmark will be their first venture into a Nordic state, and have found four different sites to open their first four stores together in Denmark's four major urban centres—Copenhagen, Aarhus, Aalborg, and Odense. To get the four stores ready for their grand opening in Autumn 2018, *Carrefour* have made extensive business arrangements through international contracts to get all the products they need for their stores shipped to Denmark from locations all over the world.

In Summer 2018, one of *Carrefour's* large goods suppliers based in Italy said there was going to be a problem with delivering some of the goods according to the timeline that had been agreed in the international contract. As a result, *Carrefour* find themselves at risk of not having all the items in their new Danish stores for their grand opening in the Autumn 2018, which is quite an embarrassment for a company that seeks to offer a better hypermarket alternative than the sole operator at present in Denmark – *Bilka*.

The new regional manager at *Carrefour* for the Danish market is quite distressed by this news delivered by the Italian supplier, and is pondering what the company can do to overdue this significant setback.

Questions

Section A

Question 1

By its very nature of having large hypermarkets, *Carrefour* is a major international buyer of goods, and concludes many international contracts with sellers from all around the world.

On a general level, from the perspective of *Carrefour*, as a buyer, outline what you believe to be the essential obligations that they may have with respect to international contracts.

On a more specific level, from the perspective of the Italian seller in this scenario, outline what you believe to be the essential obligations that they may have with respect to the international contract they have with *Carrefour*, in light of the given circumstances.

Furthermore, in your answer, consider the available remedies that might be available in this given circumstance. Base your answer on your knowledge of major international legal arrangements, namely, the United Nations Convention on Contracts for the International Sale of Goods (CISG).

Section B

Question 2

Carrefour operates over 12,000 stores throughout the world. Its proposed expansion into Denmark, with four new stores, seems reasonable modest. Yet, given the minimum number of competitors when it comes to hypermarkets, *Carrefour* expects these four new stores to be successes.

With the opening of new stores in a state that it has not previously has had a presence gives rise to regulatory issues from the perspective of law. Detail the legal regime concerning the freedom of establishment within EU law.

In your answer, make reference to the relevant instruments of EU law, including the articles in the treaties, and how the jurisprudence has developed to allow companies establish themselves in other EU Member States. Furthermore, apply these considerations to how they would affect *Carrefour* from establishing themselves in Denmark.

Question 3

Carrefour is a French company, and has many stores in the European Union. Thus, it sells many goods originating from within the EU. Accordingly, it benefits from the free movement of goods, as set out in Articles 34-36 TFEU.

Details the legal regime governing the free movement of goods within the EU by making reference to the relevant provisions of the EU treaties, the relevant case law of the Court of Justice of the European Union, and academic literature to support your answer.

Section C

Question 4

Carrefour state that they own '*a number of international brands*', and for the purposes of intellectual property law, it '*registers and renews brands, monitors them and defends [its] rights against any third parties*'.

Detail the considerations that *Carrefour* must contemplate if they are to be successful in securing their logo and associated brands as part of the firm's intellectual property from a legal perspective.

Question 5

For *Carrefour's* international operation to work, it must have an effective distribution network for the wide variety of goods that are sold in its hypermarkets, including at its new stores to be opened in Denmark. In line with its complex but efficient distribution network, it expects delivery for all its goods to be made by international suppliers to its stores as per the agreed international contract arrangements.

Taking into account the delivery they hope to receive from the Italian supplier to its new Danish stores, detail the risk and delivery considerations that are applicable for *Carrefour* with respect to international sales law. In your answer, be sure to reference relevant international legal instruments such as the CISG, and other relevant items that may be considered when engaging in international contracts.