

Business Law

Text & Exercises *6th Ed.*

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Chapter 3: The Role of Courts in Our Legal System

Learning Outcomes

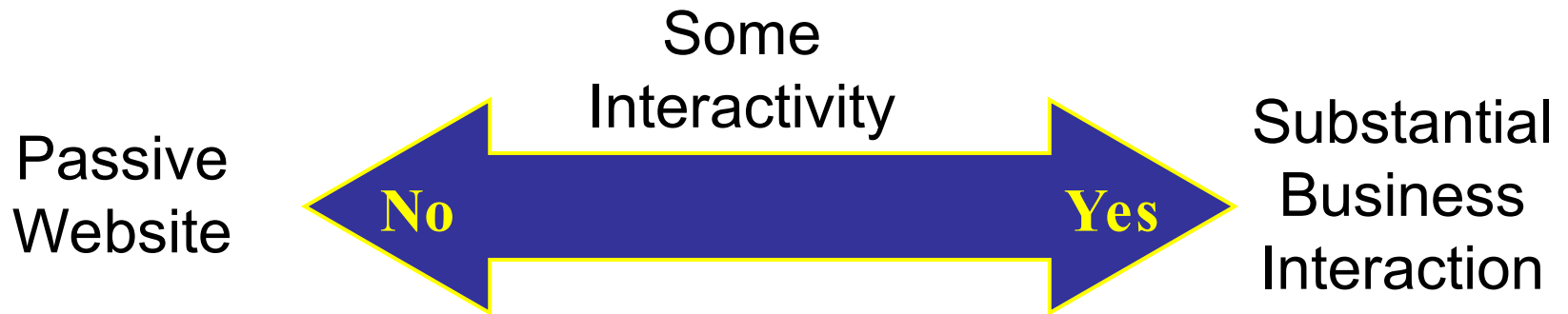
- LO1** • List the basic parts of a state court system.
- LO2** • Identify when a lawsuit can be filed in federal court.
- LO3** • Discuss the procedure of a trial.
- LO4** • Summarize the steps in a typical lawsuit.

Jurisdiction

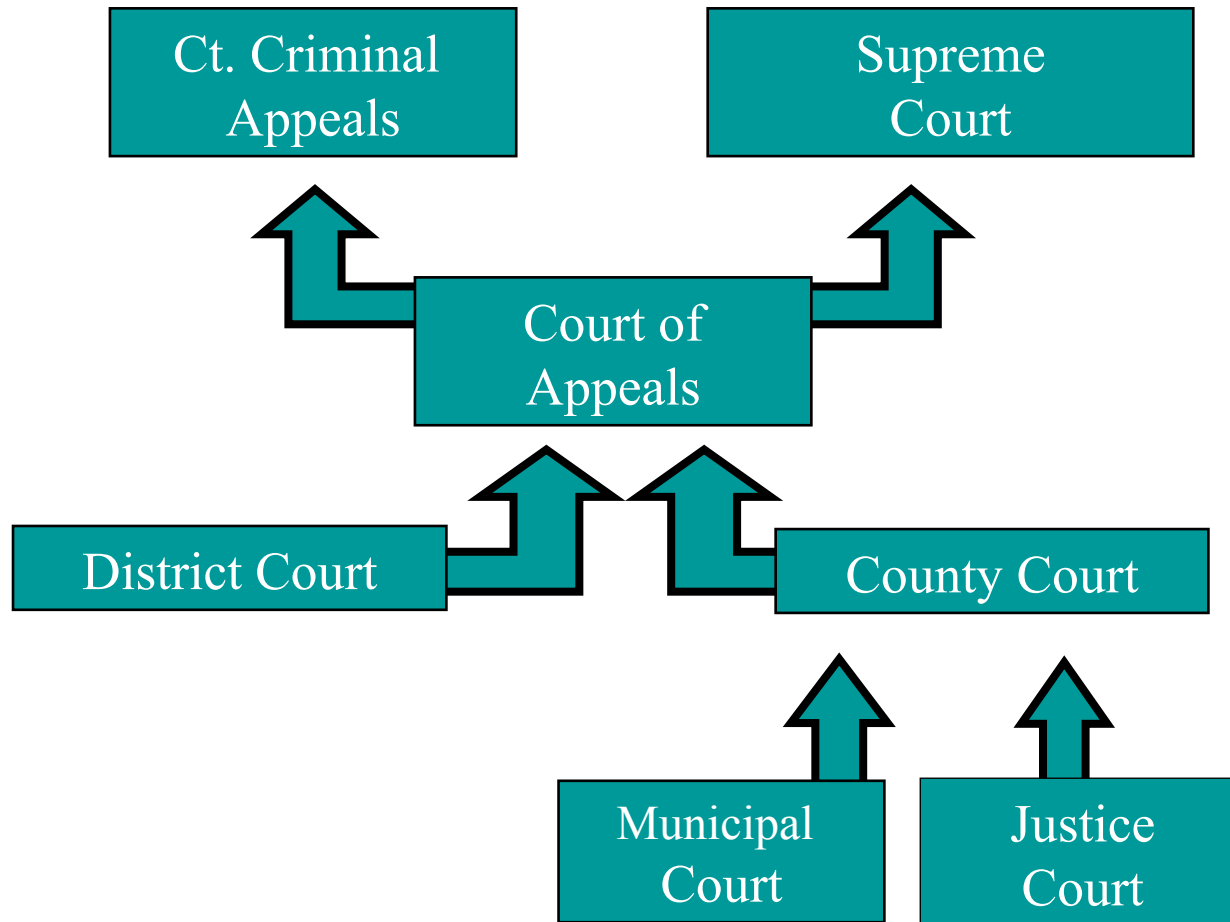
- **Jurisdiction** (“*in personam*”): power of a court to compel parties to appear, hear a dispute and to “speak the law” into a controversy and render a verdict that is legally binding on the parties to the dispute.
- Cyberspace:

Jurisdiction in Cyberspace

- **“Sliding Scale” Standard.**



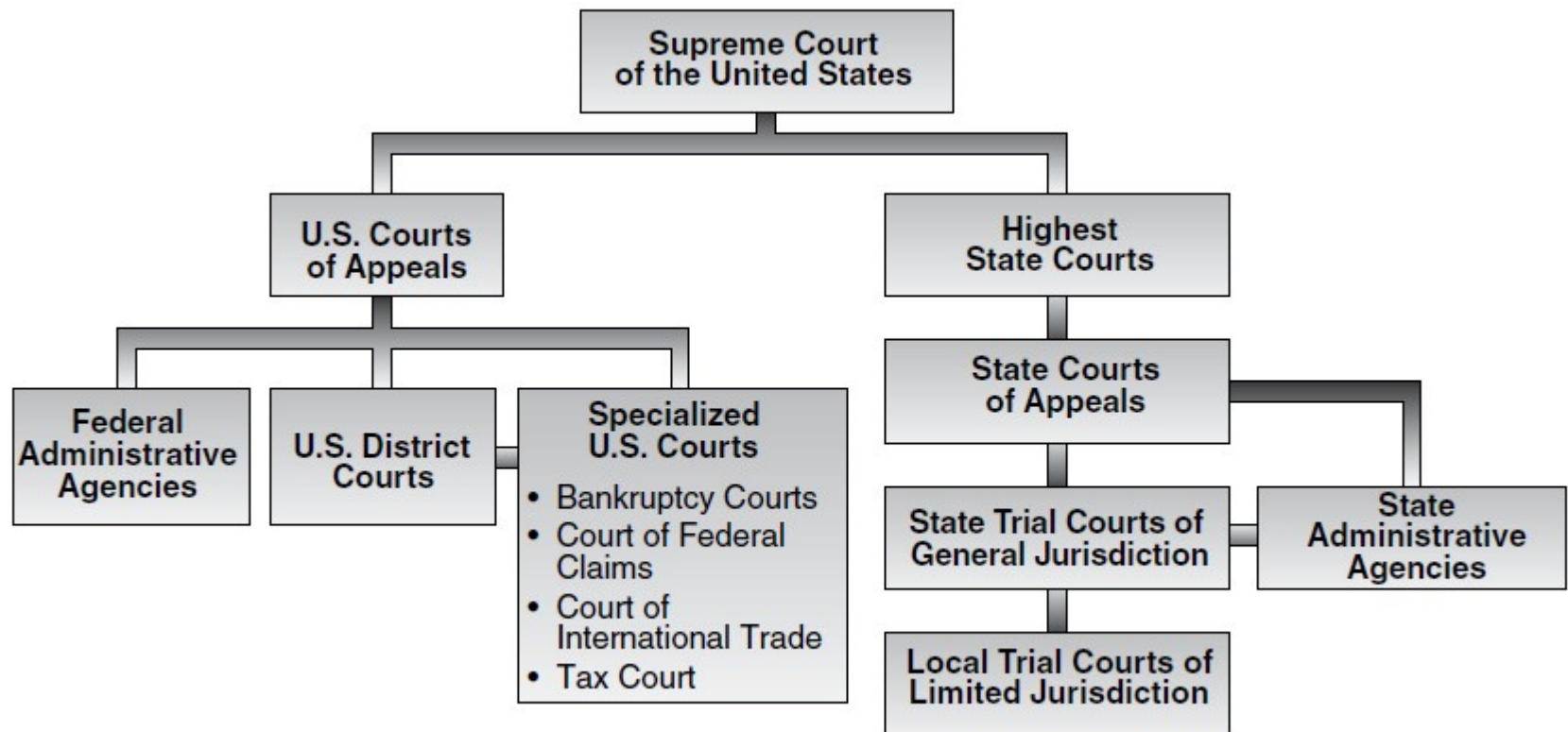
State Court System (Texas)



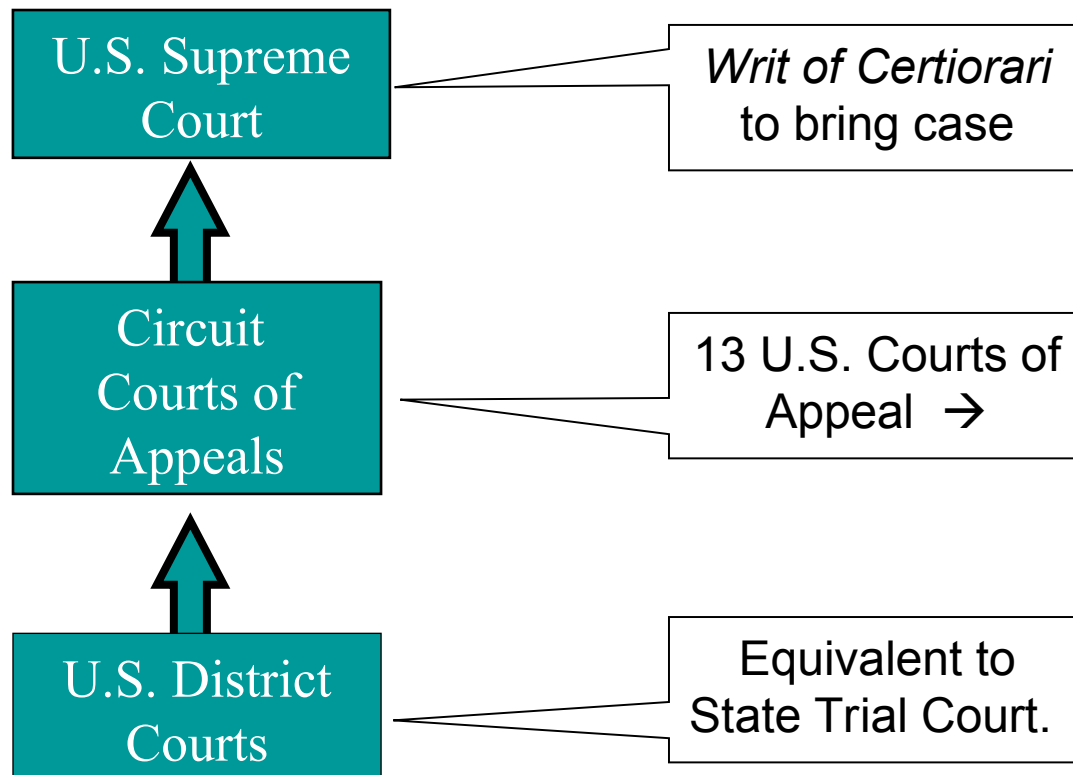
State Court System

- **Trial Courts: general or limited jurisdiction.**
 - General jurisdiction gives broad authority over different types of cases.
 - Limited (special) jurisdiction courts deal with cases restricted to certain subject matter.
- **Courts of Appeals**, up to Supreme Court, *affirm* lower court decisions or *reverse*.

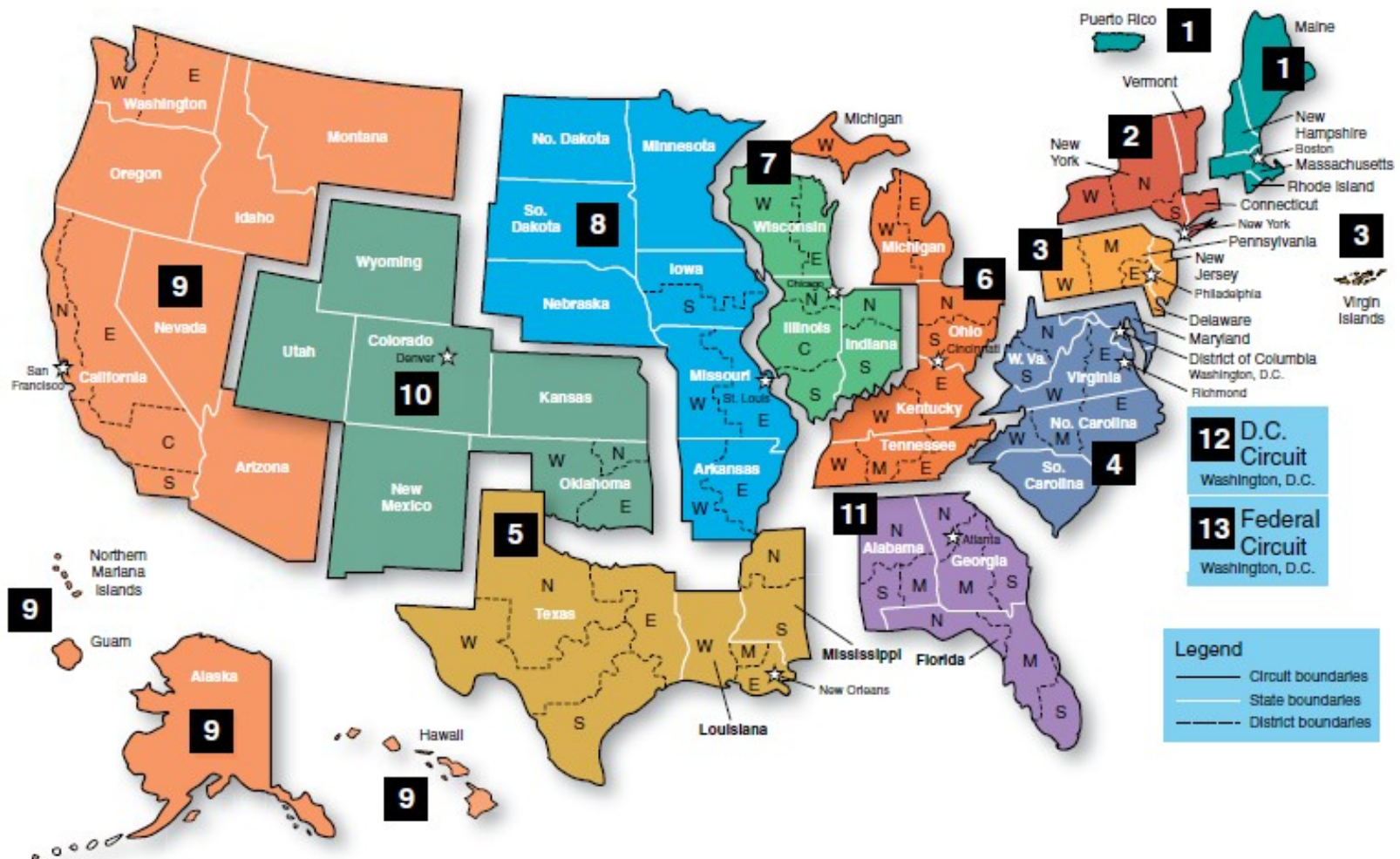
State and Federal Court Systems



Federal Court System



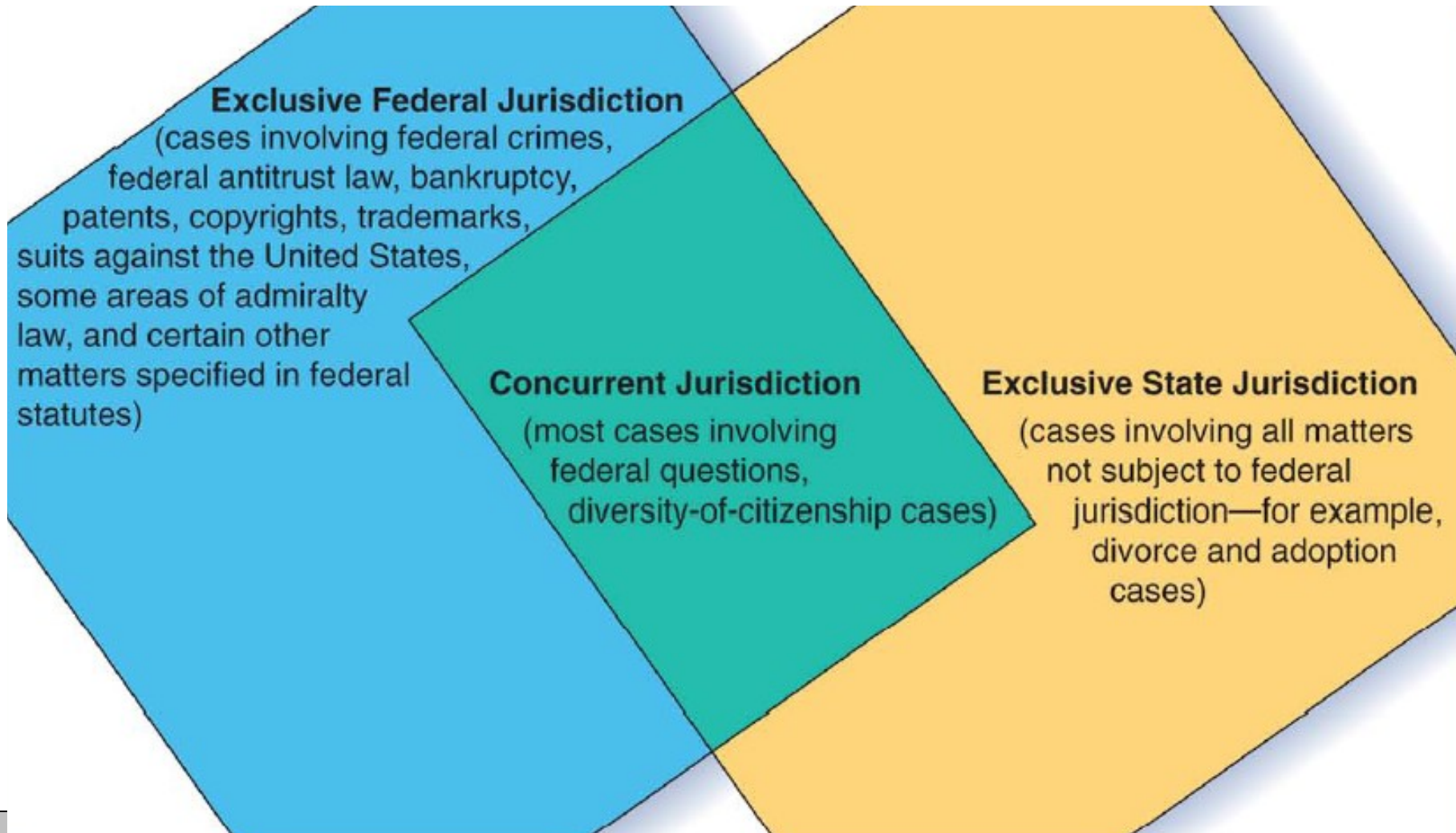
U.S. Courts of Appeal



Jurisdiction of the Federal Courts

- **Federal Question**: cases in which the rights or obligations of a party are created or defined by some federal law.
- **Diversity cases where:**
 - The parties are not from the same state, and
 - The amount in controversy is greater than \$75,000.

Exclusive vs. Concurrent Jurisdiction



How Cases Reach the Supreme Court

- There is no absolute right to appeal to the U.S. Supreme Court, it has complete discretion to hear cases.
- To bring a case, a party requests the court issue a writ of certiorari, which orders the lower court to send the record for its review.

Following a State Court Case

- **Pleadings.**
 - Plaintiff's Complaint.
 - Service and Summons.
 - Defendant's Answer, Motion to Dismiss, or Counterclaim.
- **Dismissals and Judgments Before Trial.**
 - Motion for Judgment on the Pleadings.
 - Motion for Summary Judgment.

Following a State Court Case

- **Discovery.**
 - Depositions and Interrogatories.
 - Requests for Documents.
 - Requests for Admission.
 - Electronic Discovery and Compliance.
- **Pre-Trial Conference.**
- **Jury Selection (Voir Dire).**

Following a State Court Case

- **At the Trial.**



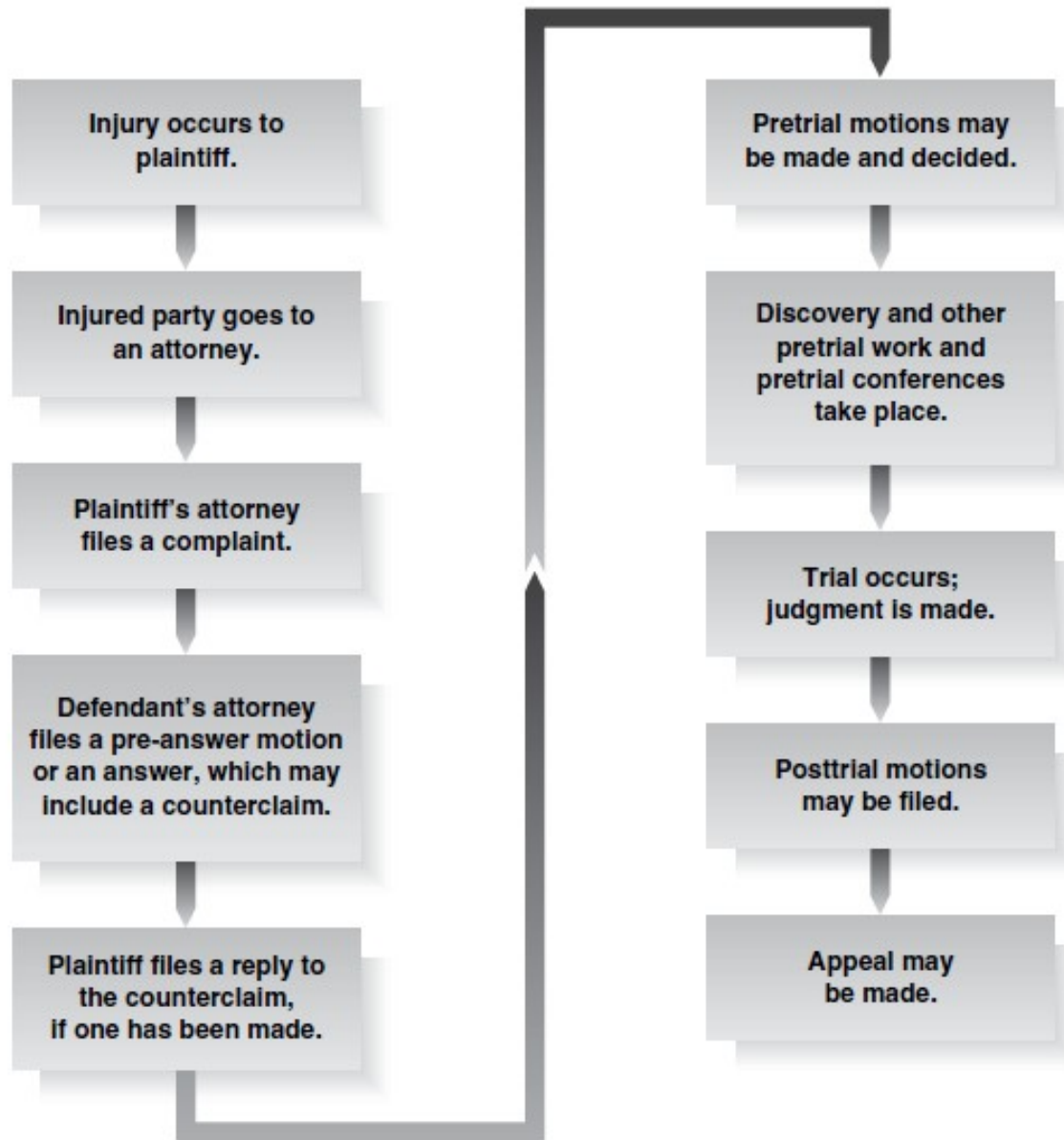
- Opening arguments.
- Plaintiff's Case in Chief.
 - Defense cross-examines Plaintiff's witnesses.
- Defense Case in Chief.
 - Plaintiff cross-examines Defense witnesses.
 - Rebuttal: from Plaintiff.
 - Rejoinder: from Defense.

Following a State Court Case

- **At the Trial** (cont'd)
 - Closing Arguments.
 - Motion for a Directed Verdict, or
 - Motion for New Trial.
- **The Appeal.**
 - Filing the Appeal: briefs pointing out reversible error that require reversal of the trial court's verdict.
 - Appellate Review: courts do not consider new evidence. Only consider briefs and evidence presented at trial.

LO4

Summarize the Steps in a Typical Lawsuit.



Courts Adapt to the Online World

- **Electronic Filing.**
- **Courts Online (websites, court dockets).**
- **Cyber Courts and Proceedings.**
- **Online Dispute Resolution (ODR).**
 - Negotiation.
 - Mediation.
 - Arbitration (employment contracts).