

## Recent and Upcoming Publications

Eric Talley contributed several chapters and appendices to a recently published RAND Monograph: ***In the Name of Entrepreneurship? The Logic and Effects of Special Regulatory Treatment for Small Business***, edited by Susan M. Gates and Kristin J. Leuschner. The entire monograph, or selected chapters, can be downloaded at: <http://rand.org/pubs/monographs/MG663/>. This monograph explores the conflict between achieving the overall objectives of business and economic regulations and the grant of exemptions to small businesses and entrepreneurs who are perceived to be disproportionately burdened by those regulations. The book suggests possible directions for future policy that achieves a better balance between the interest in restricting firm behavior through regulation and the desire to encourage small businesses and entrepreneurs.

Jesse Fried (with Brian Broughman) has written "*Deviations from Contractual Priority in the Sale of VC-Backed Firms*" which examines the importance of board control, state of incorporation and other factors which may lead to common shareholders receiving proceeds from sales of Silicon Valley businesses before the liquidation preferences of venture capital investors are satisfied. The paper is available at: [http://papers.ssrn.com/sol3/papers.cfm?abstract\\_id=956243](http://papers.ssrn.com/sol3/papers.cfm?abstract_id=956243). The paper's co-author, Brian Broughman will be a Visiting Professor at Berkeley Law in 2008-09.

Jesse Fried published a proposal that companies adopt stock option plans that require that executives' options be cashed out according to a pre-specified, gradual schedule. His article, "*Hands-Off Options*," appearing in the *Vanderbilt Law Review*, argues that this approach limits executives' ability and incentive to manipulate stock price around the time of option awards and exercise, a problem that led to the stock option scandals and prosecutions of the past few years. You can download the paper at: [http://papers.ssrn.com/sol3/papers.cfm?abstract\\_id=1091068](http://papers.ssrn.com/sol3/papers.cfm?abstract_id=1091068).

In another article on options backdating, Jesse Fried argues that the fact that thousands of firms continued to secretly backdate after the Sarbanes Oxley Act, in blatant violation of its reporting requirements, suggests recent reforms may have failed to adequately curb executives' influence over their boards' compensation decisions. The paper, "*Option Backdating and its Implications*" will appear in *Washington & Lee Law Review* and is currently available at: [http://papers.ssrn.com/sol3/papers.cfm?abstract\\_id=1118439](http://papers.ssrn.com/sol3/papers.cfm?abstract_id=1118439).

Forthcoming later this spring is the book, **Experimental Law and Economics**, edited by Jennifer Arlen and Eric Talley. This book collects some of the leading articles on Experimental Law and Economics: experiments that focus specifically on how individual actors respond to their legal environment. The book highlights the powerful contributions that researchers in this field have made during the last two decades to our knowledge of human behavior, how this research informs the work of legislators, regulators, economists, psychologists, and policy makers interested in human behavior, and how this research needs to evolve to be more effective and persuasive.

Eric Talley co-authored (with James D. Cox of Duke University) an analysis of the recent Delaware Supreme Court case of *In re Walt Disney Company Derivative Litigation* which may be a harbinger of a new template for understanding and applying fiduciary obligations for directors and officers. The piece, "**Hope and Despair in the Magic Kingdom: *In Re Walt Disney Company Derivative Litigation***" will appear as a chapter in **Iconic Cases in Corporate Law** (Jon Macey, ed. forthcoming). The paper is available at: <http://repositories.cdlib.org/blewp/index.html>.

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