

Billy joel business ethics and law case study

[Sociology](#), [Ethics](#)



**ASSIGN
BUSTER**

Billy Joel decided he wanted to learn to play the violin for his next set of concerts. He called a violin salesman in New York and asked if he had any for sale. The salesman stated he had a Stradivarius and a Guarnerius (two famous brands of violins) and offered to sell them to Billy for \$80,000 and \$24,000, respectively. Billy agreed, over the phone, to purchase the violins from the salesman and told him he would be in town the next week to pick them up.

Billy didn't show up for two months, and when he entered the store, the salesman wasn't there. His wife, Margaret, was there in the store, however, and she had full knowledge of the deal cut between her husband and Billy. (She'd heard her husband whining, complaining, and wailing about Billy not showing up for the last 2 months - and she was really sick of hearing about it.)

Billy asked to see the violins, and Margaret showed him both of them. Billy stated he would agree to pay \$65,000 for both of them, and Margaret, knowing that they were counterfeits and only worth \$2,000 AND realizing that their house was about to go into foreclosure, agreed to the reduction in price and sold Billy the two violins for \$65,000. She gave him a bill of sale that she wrote out on a note pad on the counter, which said, "Paid in full. Stradivarius and Guarnerius violins. \$65,000. Chk # 4301 Billy Joel.

Salesperson: Margaret Madoff." The notepad was one she had brought home from their last vacation to Las Vegas and was from The Flamingo hotel there. Billy took home the violins and proceeded to learn to play, albeit very poorly.

Meanwhile, the salesman discovers that Margaret sold the violins for less than he had bargained for. He sues Billy Joel for the \$39,000 difference, stating that Margaret was not an employee of the store and had no authority to change the deal he and Billy had made.

During the pendency of the suit, and after his next concert, the newspapers stated, " Billy Joel should give up playing the violin! He stinks!" Billy takes his violins to a music store to sell them and discovers they are only worth \$2,000 and that they are not Stradivarius and Guarnerius violins but are instead counterfeits.

He wants to countersue the salesman and asks you on what basis can he do so. Using contract, agency, and any other legal concepts you have learned this session, on what bases can Billy sue the salesman and his wife? What defenses will they have? Do you think Billy can recover? Further, will Margaret's husband (his name is Bernard) be able to collect against Billy for the difference in price from the original deal? Explain your answer fully as to the why's, wherefore's, and why not's for both parties. Use bullet points and " issue spotting" to assist you in your answer.

Case Solution

In the above case scenario, the oral contract that was made between the seller and the buyer are not binding in the court of law in accordance to the contract law. As in the case the seller has been met with the loss of settling for less than the agreed verbal contract holds. The offer that was made by the seller and accepted by the buyer was a partial fulfillment of the

contract. The absent of proof that in deed an agreement was made between the two parties will made the court to rule in favour of Billy. This should hence be the basis of argument that Billy can use.

The sell of counterfeit commodities to a buyer in high prices is considered to be a crime. The use of this basis by Billy holds a chance of guaranteeing him victory. This will also help in the reclaiming of his image as a performer indicating that it was the counterfeit pianos that lead to the earlier poor performance. It is hence imperative to state that through these bases Bill will have a strong argument in the court against the business persons.

Defence to be used by the Business Persons:

It is paramount to note that the Bernard and Margaret as the business persons do not hold a strong case against Billy due to the lack proof of the contract that was made in this business transaction. The fact that Margaret facilitated the completion of the verbal business relations with the sale of the piano at a rate that was lower than the initially accepted prices can be used to state that she was not a business individual. The recommended \$ 39, 000 difference that Bernard is seeking from Billy Joel with regards to the agreed price would be based on the fact that the individual who facilitated the initial processes of the contract was not an authority.

The Collection of the ExtraMoney:

The initial prices that had been verbally quoted by the salesman where: \$ 80, 000 for Stradivarius piano and \$ 24, 000 for the Guarnerius piano. The total price that was paid for during the selling traction was only \$65, 000

which was less by \$ 39, 000. The fact that the two pianos were deemed to be counterfeit with the total worth of only \$ 2, 000, the chances of the business personnel having a refund will be unfruitful. It would not be in order for the court to rule in favour of the Bernard to attain the extra funds by virtue that they had sold a product to their customer that was functioning properly that ended up denting his image as a performer.

The original deal made between the two parties was based on lies and hence should not be cemented with the pay of the extra unpaid funds. A refund for the already paid funds in terms of \$ 65, 000 should be made to the customer. In the analysis of this case, it has been ascertained that the holding of physical proof for the contracts has to be met in any business relations. This will help in the smooth transition of the business activities (Larson, 2010).

Contract:

In this case, the business contract was made between two parties with an oral offer and acceptance of the buyer. Based on the agreement, the two pianos were to be purchased at the stated price of \$104, 000. The reasonable period to enforce the purchase was the agreed one week where Billy was to collect the items. This can be used against him by the seller stating that they did not stick to the original oral business contract. The act of the seller misinterpreting the worth of the two pianos was not lawful since it is prohibited by the federal government. The presence of the third party in the business relation (wife) led to the reformation of the contract a new price

generated. This led to the promise made to be broken by the buyer in the presence of the third party.

Agency:

The ostensible authority that is held by the wife of the seller to give the buyer a new business deal with the information she held about the fake nature of the pianos would be termed in order in the court if the two jointly owned the business. The fact that she was not gives the seller an upper hand in stating that the purchase was made on unfair terms without his knowledge. This gives a somewhat strong basis for argument in the quest to attain the \$ 39, 000 difference in payment that was not made.