

UCC article 2 amendment is here.
July 2003

When electronic, online and Internet ordering first became a hot topic, many companies were reluctant to switch citing potential legal concerns with contract formation. During the past few years as the government has adopted electronic signatures and the UCC Committee has promulgated UCITA and UETA, electronic ordering has become more acceptable. Today, many companies have implemented electronic ordering of MRO supplies as a conscious decision to take the legal risks and remain competitive.

Indeed, the latest ISM/Forrester Research announced results of the latest Report On eBusiness shows that companies are now using ebusiness for an increasing percentage of direct materials. <http://www.ism.ws/quicksearch/index.cfm?keyword=QS27>

Regardless if you are already ordering electronically or still considering it, buyers should be aware of the legal implications of online and electronic ordering. Finally, new initiatives by the UCC Committee and regulations are catching up with our defacto use of this technique.

This past year, the NCCUSL and ALI have adopted an amendment to UCC article 2 which addresses issues of electronic contract formation and e-commerce.

From the ALI press release;

Article 2 of the UCC has governed the sale of goods since its promulgation in 1951. UCC2 has been amended to accommodate electronic commerce and to reflect development of business practices, changes in other law, and interpretive difficulties of practical significance.

You can learn more about the legal implications of online ordering as well as the latest initiatives directly from someone who has been involved in the process. Ben Beard, professor of law at the University of Idaho has been a participant on the ABA committees drafting the new electronic commerce laws. He will be presenting the program.. **UCC Contract Formation on paper vs. cyberspace.** at the Pacific Northwest Purchasing Conference in October. (<http://www.mltweb.com/orgs/conf/schedule.htm#cyberspace>)

Make plans now to attend the conference, meet Ben beard and hear all about the UCC amendment. Read about this and the other great conference programs at <http://www.mltweb.com/orgs/conf/schedule.htm> then visit the conference web site and register today <http://www.napmcb.org/Conference/60thPurConf2003.htm>

You can find more detailed articles about B2B electronic commerce in Mike Taylor's Purchasing Toolbox online at <http://www.mltweb.com/prof/tools.htm>

This article was sent to people who are Mike Taylor's BuyTrain mailing list. You can subscribe to the mail list and find a short archive of recent articles on line at <http://www.mltweb.com/tools/buytrain/index.htm>

See you at the Conference
Mike