

OPENING TITLES

INT. COURTROOM

A trial (or hearing) is in progress. The JUDGE listens intently, and occasionally interjects a comment, as the ATTORNEYS present the facts in a case hinging on warranties and product liability.

We FADE DOWN THE ATTORNEY AUDIO, and the HOST WALKS INTO FRAME. The action continues behind him as he talks to the CAMERA.

MUSIC/SFX

HOST (SYNC.):

THERE'S AN OLD SAYING IN THE BUSINESS WORLD: "CAVEAT EMPTOR." IT MEANS "LET THE BUYER BEWARE." IN OTHER WORDS, IN A SALES TRANSACTION, THE BUYER IS RESPONSIBLE FOR LOOKING OUT FOR HIM- OR HERSELF.

UNTIL QUITE RECENTLY, "LET THE BUYER BEWARE" WAS THE PREVAILING PHILOSOPHY IN SALES CONTRACT LAW.

PROTECTION OF THE BUYER WAS NOT A MAJOR CONCERN OF THE LAW. THE COURTS VIEWED A SALES TRANSACTION AS A MATTER OF NEGOTIATING SKILLS -- WITH THE BUYER AND SELLER HAVING EQUAL BARGAINING POWER --

-- AND SO THE COURTS WERE RELUCTANT TO INTERFERE IN THE DEVELOPMENT OF A CONTRACTUAL RELATIONSHIP.

UNTIL THE TWENTIETH CENTURY, A BUYER AND SELLER WOULD USUALLY NEGOTIATE FACE-TO-FACE FOR THE SALE OF GOODS.

THE SELLER WOULD OFTEN BE A TRAVELING PEDDLER WHO WOULD SELL HIS WARES AND THEN IMMEDIATELY TAKE OFF FOR PARTS UNKNOWN.

A SALE WAS USUALLY LOOKED ON AS A TEST OF WITS. THE SELLER DID HIS BEST TO DRIVE A HARD BARGAIN --

-- WHILE THE BUYER DID EVERYTHING POSSIBLE TO GET A GOOD BUY.

NEITHER ONE EVER PUT MUCH STOCK IN WHAT THE OTHER HAD TO SAY. TO THE BUYER, THE STATEMENTS OF THE SELLER WERE NOTHING BUT A SALES PITCH. THESE STATEMENTS WERE NOT LEGALLY BINDING ON THE SELLER, UNLESS IT WAS CLEAR THAT HE HAD ASSUMED RESPONSIBILITY FOR THE QUALITY OF THE GOODS HE WAS SELLING.

BUT OVER THE YEARS, THE WAYS WE DO BUSINESS HAVE CHANGED DRAMATICALLY.