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Contracts Questions - September 2014

1. Spider said that he would look after Betty's dog, Toto, for a week while she went on a business trip. Betty is a clothing designer and makes similar business trips several times each year. She usually leaves Toto with her mother, but this time her mother was too busy. The business trips are very profitable for Betty: they are how she sells her designs to stores.

Spider and Betty agreed that Betty would drop the dog off at 9am on Sunday. But when Betty brought her dog to Spider's house at 9 am on Sunday on the way to the airport Spider was not at home. Betty called Spider on his cellphone and he said he had been offered the chance to go on a last minute vacation to the Caribbean and had left the night before. He said he was very sorry to disappoint Betty.

How would your views about the contract law implications of this situation be affected by the following variations on the facts?

- a. Spider loves dogs;
- b. Spider is an entertainer who has a reputation for being an unpleasant person and who has been told by his agent that he could improve his reputation by being seen to be friendly to animals;
- c. Spider and Betty have been friends for many years and Spider agreed to look after Toto to help Betty out;
- d. Toto needs a lot of attention and whoever is looking after him has to be with him almost constantly;
- e. On the same day that Spider agreed to look after Toto, Betty offered to design a shirt for Spider for a special event;
- f. Betty agreed to pay Spider \$10 per day to cover the expense of looking after Toto;
- g. Betty agreed to pay Spider \$200 for looking after Toto for the week;
- h. Spider is in the pet-sitting business.

Would it make a difference if Spider had written a note to Betty which said "I promise to look after Toto for you when you make your next business trip"? Should it make a difference?

If Spider and Betty have a binding contract for Spider to look after the dog what would Betty expect to receive as a remedy for Spider's breach of the contract?

2. A rich merchant lost all of his wealth, but after a while when he and his wife and children had moved to a much simpler home and got used to working hard he heard that one of his ships had been saved. He decided to go on a journey to where the ship was. Before he went away he asked his daughters what they would like him to bring them as presents. The two older daughters asked for expensive clothes, but the youngest, Beauty, said it would be enough for her to see him home safe again. When he asked her again she said that she would like it if he brought her a rose.

The merchant's journey was unsuccessful and he was on his way home when he was

caught in a dark forest in a terrible storm. Eventually he found food and shelter in a magnificent castle. As he was leaving the castle in the morning he saw some lovely roses and picked one to take to Beauty. A Beast suddenly appeared and told him off for taking the rose. The merchant pleaded with the Beast and in the end agreed that if the Beast would spare his life he would take one of his daughters to the Beast's castle to live with the Beast.

When the merchant arrived home Beauty said she would go to live with the Beast so the merchant took her to the castle. There the Beast said that as Beauty had agreed to live with him of her own free will he would give some of his treasures to the merchant for his other daughters.

Are there any contracts in this story?

3. In the summer of 2014 for a period of 2 months SolarCity and Groupon offered to sell a \$1 coupon for a discount of \$400 on a rooftop solar power system installation and maintenance contract. 830 consumers bought the coupons. Does SolarCity have a contractual obligation to provide the discount?

If the coupons were printed in a newspaper or available on SolarCity's website to be printed without any charge would this make a difference?