

Traco vs arrow

[Law](#), [Common Law](#)



After a bench trial, the trial court held for Arrow solely under the theory of promissory estoppel and awarded Arrow Judgment against Traco for damages in the amount of \$ 75, 843. 38, plus attorneys' fees and prejudgment interest. Issue Appellant supplier sought review of a Judgment from the 45th District Court of Bexar County (Texas), awarding appellee subcontractor damages, plus attorneys' fees and prejudgment interest, in an action brought for promissory estoppel and negligence for appellant's failure to supply glass doors at the quoted price.

Rule The court affirmed the Judgment of the lower court in favor of appellee subcontractor, finding that promissory estoppel was a viable cause of action in a bid construction case. The court found that the award of damages based on this theory was factually supported by the evidence, and that there was statutory authority for the award of attorneys' fees. The determination of the rate of prejudgment interest also was proper. Analysis Appellant initially argues that the trial court erred in rendering Judgment for Arrow because Traco's bid was revocable and properly withdrawn thirty days after it was made.

Appellant primarily relies upon the argument that its sliding doors are goods as defined by the Texas Business and Commerce Code, therefore, S 2. 205 of this code is controlling. Nevertheless, appellant's arguments ignore the appellee's basic contention and legal theory under which this suit was brought. Appellee sought relief under the equitable doctrine of promissory estoppel on the premise that appellant's promises, by way of its oral bid, caused appellee to substantially rely to its detriment.

Consequently, appellant's assertion that its subsequent letter confirming this bid somehow invokes the application of the Uniform Commercial Code ignores the fact that the appellee relied to its detriment when it reduced its bid based on a telephone conversation with the appellant, prior to the time appellant's confirmation letter was sent or received. Thus, any subsequent written document is irrelevant to Arrow's cause of action; appellant's first point is rejected.

Having resolved that the Uniform Commercial Code does not apply under these facts, we must now resolve whether the equitable theory of promissory estoppel applies to bid construction cases and, if so, whether this doctrine applies under the specific facts of this case. While no Texas case has previously applied the theory of promissory estoppel in a bid construction case, other jurisdictions have consistently applied this doctrine under similar facts, recognizing the necessity for equity in view of the lack of other remedies. Conclusion also was proper.