Douglas vs. special products

Law



MHA acquired MedEcon, Kethan's employer under a 'non-compete' agreement, including Kethan's contract. Kethan then resigned and violated the 'non-compete' agreement prompting a suit.

Issue

The determinable issue is whether the 'non-compete' agreement was assignable.

Rule

An assignment transfers all of the rights of the assignor as was held in the case of Martha Graham vs. Martha Graham center of contemporary dance (Clarkson et al., p. 304- 307).

Application

MHA acquired all of MedEcon's rights including rights over the ' non-

compete' contract.

Conclusion

The 'non-compete' contract was assignable.

Bruder vs. Texas

Facts

Jones assigned a claim over money, which he paid as a bribe, to Bruder.

Bruder has moved to sue the state for the money that is received as

evidence for the crime.

lssue

The issue to be determined is whether the assigned claim was enforceable.

Rule

A contract is only enforceable if its subject matter is legal (Clarkson et al., p. 260).

Application

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The payment of a bribe is illegal and cannot establish an enforceable

contract.

Conclusion

Bruder will therefore not be successful.

Carlile vs. Carbolic

Facts

The carbolic company announced that it would pay a sum of money to any individual who contracted the flu after consuming its drug. Carlile used the drug but contacted the flu and then sued for the compensation.

Issue

The issue for determination was whether there existed an enforceable contract.

Rule

With other essential elements satisfied, offer, and acceptance constitute a contract (Clarkson et al., p. 237).

Application

Carbolic made an offer that was accepted by Carlile.

Conclusion

A contract was recognized between carbolic and Carlile (Macken, p. 1)

Implied warranty of merchantability; usage of trade

Unless expressly avoided or varied, there is an implied warranty that goods sold by a merchant are of merchantable quality. This means that the goods must be generally acceptable according to their description, must be of reasonable quality, must be ordinarily applicable, and must correspond to their labels. The warranty may generate other warranties (Law, p. 1).

Implied warranty of fitness for a particular purpose

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Unless expressly excluded, there is an implied warranty, in cases where the seller is informed of the purpose of the goods and the buyer relies on the seller's expertise, that the commodities match their intended purpose (Law, p. 1).