# Rights and Obligations

## Seattle man vs soft-drink Company

### Introduction

The major legal issues that are present in the scenario between the soft drink company and the Seattle man have a bearing on the law of contracts. This therefore implies that, the bone of contention is whether a legal contract was in existence and whether the case can be deemed as reasonable from an ordinary man’s point of view. Equally, the advertisement arising from the soft-drinks company was necessary to guarantee an offer. These facts are considered to be the fundamental legal considerations that surrounded the case.

### What are the key legal factors present in the scenario?

According to Chitty (2011) and Alces (2011), for a binding contract to be in existence, the meeting of minds of the partners, offer and acceptance, consideration and performance or delivery have to be adhered to. However, in the above scenario, no clear offer was made by the soft drink company and the Seattle man. Hence, implying that no valid contract existed to make the contract enforceable. Likewise, there had to be the meeting of minds or rather mutual consent which points out that all the parties to the contract must have had a mutual understanding based on what the case entailed. What’s more, a signed contract emphasizing acceptance between the soft drink company and the individual who collected the company points to make a binding contract was not substantiated. The advertisement that was aired by the company analytically as Ciro et al., (2014) contends, did not constitute a valid offer since the price of the jet in question was too high to be offered to any client but its intent was just to lure customers into purchasing more drinks. Equally, a counter-offer does not suffice an acceptance.

A mutual consideration as Chitty (2011) asserts must have been effected for a valid consideration to be enforceable within the contract. The soft-drinks company went ahead and tried to offer the Seattle man coupons at the expense of Harrier Jet. This however, can be termed as a breach of the contract by the company owing to initial willingness via advertisements to promote sales. Thus, it can be said that the company failed to perform its obligations or fulfill its duties hence constituting a breach through action. Additionally, the action of going on air by the company insinuated that legal intentions were present. This therefore, obligated the Seattle man to go to court suing the company for failing to honor their pledge. It is deemed that acceptance by conduct was in existence since the Seattle man took the bold steps of writing a business proposal to raise the money from friends and family.

### What is the objective theory of contracts?

The objective of a theory of contracts as asserted by Chitty (2011) refers to a legal concept which enforces a binding agreement between two or more parties such that a reasonable person would rule out that an offer has been made or accepted. Thus, the external person’s perceptions regarding the contract between two parties is analyzed incorporating both the circumstantial conditions that define the matter. The meeting of minds of both partners as Ciro et al., (2014) hypothesize should not be a dependable factor but rather acts of openness and agreement by both parties should be stipulated. Similarly, the hidden intentions of one party are not considered. If from a reasonable man’s perspective, words and actions by one of the parties reveal an intention of willing to be bound by the contract, then the agreement can be legally enforceable (Alces, 2011). It thus implies that a party’s intentions are to be assessed objectively rather than subjectively.

### How does the objective theory of contracts apply to this case?

In the above case, the soft drink company had not made an offer concerning the jet. On the contrary, the Seattle man took the advertisement very seriously. From the scenario, the intentions to reward the complainant coupons is in order. This can be pointed out borrowing from the fact that they jokingly included the Harrier jets and had no intention of offering the same. In essence, the jet price is expensive actually 'off-limits' as the judge noted it sells for millions of dollars. Thus a reasonable man would not be persuaded that the company made any offer, in agreement with the objective theory of contracts (Ciro et al., 2014). What’s more, from the scenario a party’s real intention is not taken into consideration, but rather it is how reasonable a person would view the situation. As a matter of fact, the courts found out that no valid contract was in existence owing to missing of crucial element-an offer- in the company’s advertisements (Alces, 2011).

### Opinions

The court held that there existed no valid agreement because the criteria that is deemed mandatory for a contract to be considered legal were not incorporated by both the Seattle man and the company. For instance, an offer which stipulates that a clear and precise description of the intent to pay reward ultimate points winner was not depicted by the company (Alces, 2011). The soft drink company offering the Harrier jets never signed any contracts with the Seattle man that vindicated a jet would be issued out if all the categories were fulfilled. The case scenario lacked a consent or a legal and an approved contract that is deemed necessary for a contract of exchange of good to be enforced. Though the man was convinced that the offer made via advertisement was true, he did not engage in meaningful research aimed at authenticating the deal and whether the contract was enforceable or valid before the eyes of the law. The assumption that the ad would be of benefit to the company and that the soft drinks company was in a position to agree relentlessly was a mere objective theory of contract. It is an utter truth that the Seattle man never took time to verify his assertions. Both he and the company were not bound by any agreement to perform hence the court found no valid agreement between the parties involved. Lack of mutual consent and an offer invalidates the contract since they are deemed to be the building blocks in any contractual engagement.

### Are advertisements generally considered offers?

Advertisements or commercials are not generally viewed as offers. An offer as Chitty (2011) purports ought to fulfill the following conditions: delivery date, price, terms of payment as well as a detailed description of the good being offered. Thus, for any offer to be considered legally binding all the four conditions must be met otherwise the offer is deemed to be an advertisement. What’s more, an advert is generally viewed as an invitation to consider taking a look at the product being sold though it may portray the offer to sell goods.

In cases of a unilateral contract, there exists the promise arising from only one party to the other. One party ought to make an offer while the other accepts to enable a mutual understanding of both parties (Ciro et al., 2014). In the soft drink company’s case, there was no offer or a promise for a jet but a mere advertisement thus not constituting any reward contract. In this case, only one party obligated to act which is in violation of formation of a contract that requires agreement by both parties. Also, it is essential that both parties demonstrate and attain the four elements of an offer such that if a dispute erupts the issue would be resolved by applying the objective theory of contracts which agitates for a legal suit. And if this is not the case, then the contract is termed invalid. In the soft drink case scenario, the advertisement was not meant to induce any rewards whatsoever since no offer existed. It was actually an absurd.

## Recommendations

Companies should not engage in false advertisements owing to the legal repercussions that may come beckoning. Furthermore, companies should not take their consumers for granted since they are protected by agencies. The giveaways should only be aimed at promoting sales and should not be geared towards underestimating the rights of consumers. Companies should thus be careful in their fine prints making sure that it is within reasonable range. Out of space offers that are too good to be true or irrational only misleads and can tarnish the image of the company.

Likewise, the other piece of advice that I would give to companies is to make exaggerations that any reasonable person can perceive to be achievable without question or doubts. This way, even if subjected to any legal actions they would act accordingly and defend their position. More so, companies should be able to word their advertisement in a clever way not to mislead the public that what is at stake is an offer as opposed to being an advertisement. This will facilitate in setting out a clear consent thus the customers accepting to undertake the challenge are fully aware of what is being offered, and the legal charges should the company violate its initial ads.

## References

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