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## The ratio decidendi and obiter dicta of a case

### DONOGHUE v STEVENSON (pg.16)

“Snail in the bottle” case

- Donoghue drank ginger beer which was found to have decomposed snail inside
- Donoghue complained of stomach pains and doctor reported it was gastro
- Donoghue sued Stevenson for injuries
- The house of lords decided in Donoghue’s favour

= *Manufacturers of products owe a duty of care to the consumer*

### GRANT v AUSTRALIAN KNITTING MILLS (pg.16)

“Sulphides in underwear causing irritating rash”

- Grant contracted dermatitis because of sulphides present in underwear
- Bed for 17 weeks then hospitalised for 4 months
- Superior courts decided in Grant’s favour (using Donoghue v Stevenson)

= *Manufacturers owed the consumer a duty of care*

## Invitations to treat

### HARVEY v FACEY (pg. 30)

“Bumper Hall Pen”

- Harvey enquired on the price of the pen
- Facey did the lowest price he could offer would be 900 pounds (*offer*)
- Harvey agreed to purchase
- Facey refused to sell, so Harvey sued for a breach of contract

= *Contract would be made only if Facey accepted the offer from Harvey to buy the pen at 900 pounds, in which he did not do*

### PHARMACEUTICAL SOCIETY OF GREAT BRITAIN V BOOTS CASH CHEMISTS (SOUTHERN) Ltd (pg. 30)

“Supplies displayed on shelves”

- Boots displayed supplies on shelves for customers to select and take to the cash register
- Qualified pharmacists would assist at checkout
- Society prosecuted Boots, and argued the offer = chemist placing items on shelves, which was accepted and the contract made = customers putting drugs in a basket
- Boots argued placing the goods on the shelf was an invitation to treat, and the offer = customers taking it to the cashier, who accepted under supervision

= *The court accepted Boots argument*

**CARLILL v CARBOLIC SMOKE BALL Co** (pg. 31) = Offer

“Influenza prevention”

- Defendant offered to pay 100 pounds to anyone who used their influenza carbolic smoke ball in accordance to their directions and still caught influenza
- Carlill (plaintiff) bought and used the smoke ball but still caught influenza
- Carlill claimed the 100 pounds, however sued when rejected

*= Court rejected the defendant stating it was a ‘mere puff’ and too vague, therefore Plaintiff was entitled to the 100 pounds*

**LEONARD v PEPSICO** (pg. 31) = Advertisements

“Pepsi points for rewards”

- Pepsi points could be purchased for an additional 10 cents each, if someone wanted an item but had insufficient points
- An advert was made stating ‘harrier fighter 7,000,000 Pepsi points’
- Leonard decided to purchase the fighter for 7,000,000 points
- PepsiCo rejected the order

*= Court decided the advertisement was a mere puffery, as a reasonable person wouldn’t conclude that offer*

**Revocation to offer**

**BYRNE & Co v LEON VAN TIENHOVEN Co** (pg. 32)

“Goods offered, but withdrawn by a letter with a late arrival”

- Tienhoven offered Byrne goods for sale on the 1st October
- Byrne received the offer on 11th October, in which he accepted that day
- However on the 8th Tienhoven sent a withdrawal letter
- Byrne didn’t receive the withdrawal until 20th October

*= It was held the withdrawal of the offer was ineffective and the contract binding both parties was made on the 11th October*