COMMERCIAL CONTRACT LAW

This book focuses on the law of commercial contracts as constructed by the US and UK legal systems. Leading scholars from both sides of the Atlantic provide works of original scholarship focusing on current debates and trends from the two dominant common law systems. The chapters approach the subject areas from a variety of perspectives – doctrinal analysis, law and economic analysis, and social-legal studies, as well as other theoretical perspectives. The book covers the major themes that underlie the key debates relating to commercial contract law: role of consent; normative theories of contract law; contract design and good faith; implied terms and interpretation; policing contract behavior; misrepresentation, breach, and remedies; and the regional and international harmonization of contract law.

Contributors provide insights on the many commonalities, but more interestingly, on the key divergences of the United States' and United Kingdom's approaches to numerous areas of contract law. Such a comparative analysis provides a basis for future developments and improvements of commercial contract law in both countries, as well as in other countries that are members of the common law systems. At the same time, insights gathered here should also be of interest to scholars and practitioners of the civil law tradition.

Larry A. DiMatteo is the Huber Hurst Professor of Contract Law & Legal Studies at the Warrington College of Business Administration and Affiliated Professor at the Levin College of Law at the University of Florida.

Qi Zhou is a Lecturer at the University of Sheffield, School of Law.

Séverine Saintier is a Senior Lecturer at the University of Sheffield, School of Law.

Keith Rowley is the William S. Boyd Professor of Law at University of Nevada, Las Vegas, William S. Boyd School of Law.

Commercial Contract Law

TRANSATLANTIC PERSPECTIVES

Edited by

LARRY A. DIMATTEO

University of Florida

QI ZHOU

University of Sheffield

SÉVERINE SAINTIER

University of Sheffield

KEITH ROWLEY

University of Nevada, Las Vegas



> CAMBRIDGE UNIVERSITY PRESS Cambridge, New York, Melbourne, Madrid, Cape Town, Singapore, São Paulo, Delhi, Mexico City

Cambridge University Press 32 Avenue of the Americas, New York, NY 10013-2473, USA

www.cambridge.org Information on this title: www.cambridge.org/9781107028081

© Cambridge University Press 2013

This publication is in copyright. Subject to statutory exception and to the provisions of relevant collective licensing agreements, no reproduction of any part may take place without the written permission of Cambridge University Press.

First published 2013

Printed in the United States of America

A catalog record for this publication is available from the British Library.

Library of Congress Cataloging in Publication data

Commercial contract law : transatlantic perspectives / [edited by] Larry A. DiMatteo, University of Florida, Qi Zhou, University of Sheffield, Séverine Saintier, University of Sheffield, Keith Rowley, University of Nevada Las Vegas. pages cm
Includes index.
ISBN 978-1-107-02808-1 (hardback)
1. Contracts – United States. 2. Contracts – Great Britain. 3. Commercial law – United States. 4. Commercial law – Great Britain. 5. Common law – United States. 6. Common law – Great Britain. I. DiMatteo, Larry A., editor of compilation.

к840.Сб55 2013 346.4102'2-dc23 2012044080

ISBN 978-1-107-02808-1 Hardback

Cambridge University Press has no responsibility for the persistence or accuracy of URLs for external or third-party Internet Web sites referred to in this publication and does not guarantee that any content on such Web sites is, or will remain, accurate or appropriate.

Robert Bradgate

Edward Bramley Professor of Commercial Law Emeritus

This scholarly book brings together commercial and contract law scholars from both the United States and the United Kingdom. The impetus for this project was a symposium held on 9–10 September 2011 to celebrate the lifetime achievements in this field by Robert Bradgate, Edward Bramley Professor of Commercial Law Emeritus at the University of Sheffield, United Kingdom.

Brief Contents

	PART I: THE ROLE OF CONSENT	1
1.	Transatlantic Perspectives: Fundamental Themes and Debates Larry A. DiMatteo, Qi Zhou, and Séverine Saintier	3
2.	Competing Theories of Contract: An Emerging Consensus? Martin A. Hogg	14
3.	Contracts, Courts, and the Construction of Consent Thomas W. Joo	41
4.	Are Mortgage Contracts Promises? Curtis Bridgeman	67
	PART II: NORMATIVE VIEWS OF CONTRACT	83
5.	Naturalistic Contract Peter A. Alces	85
6.	Contract in a Networked World Roger Brownsword	116
7.	Contract Transactions and Equity T. T. Arvind	146
	PART III: CONTRACT DESIGN AND GOOD FAITH	179
8.	The Duty to Draft Reasonably and Online Contracts Nancy S. Kim	181

viii	Brief Contents	
9.	Managing Change in Uncertain Times: Relational View of Good Faith Zoe Ollerenshaw	201
	PART IV: IMPLIED TERMS AND INTERPRETATION	223
10.	Implied Terms in English Contract Law Richard Austen-Baker	225
11.	Contract Interpretation: Judicial Role Not Parties' Choice Juliet P. Kostritsky	240
	PART V: POLICING CONTRACTING BEHAVIOR	287
12.	The Paradox of the French Method for Calculating the Compensation of Commercial Agents and the Importance of Conceptualising the Remedial Scheme under Directive 86/653 Séverine Saintier	289
13.	Unconscionability in American Contract Law: A Twenty-First-Century Survey Charles L. Knapp	309
14.	Unfair Terms in Comparative Perspective: Software Contracts Jean Braucher	339
15.	(D)CFR Initiative and Consumer Unfair Terms Mel Kenny	366
	PART VI: MISREPRESENTATION, BREACH, AND REMEDIES	383
16.	Remedies for Misrepresentation: An Integrated System David Capper	385
17.	Re-Examining Damages for Fraudulent Misrepresentation: Towards a More Measured Response to Compensation and Deterrence James Devenney	416
18.	Remedies for a Documentary Breach: English Law and the CISG Djakhongir Saidov	434

	Brief Contents	ix
19.	The Irrelevance of the Performance Interest: A Comparative Analysis of "Keep-Open" Covenants in Scotland and England David Campbell and Roger Halson	466
	PART VII: HARMONIZING CONTRACT LAW	503
20.	Harmonisation of European Contract Law: Default and Mandatory Rules Qi Zhou	505
21.	Europeanisation of Contract Law and the Proposed Common European Sales Law Hector L. MacQueen	529
22.	Harmonization of International Sales Law Larry A. DiMatteo	559

Contents

Cor	itributors	<i>page</i> xxi
Fore	eword by Rt. Hon. Lord Justice Maurice Kay	xxvii
	PART I: THE ROLE OF CONSENT	1
1.	Transatlantic Perspectives: Fundamental Themes and Debates	3
	I. Legacy of Rob Bradgate	3
	A. Commercial Contract Law in the United Kingdom and	-
	United States	4
	1. Statutory Interventions into the Common Law	4
	2. Divergence, Convergence, and Law Reform	5
	B. Major Themes	6
	1. Topical Preview	8
	2. Consent and Promise	8
	3. Theories of Contract, Networks, and Equity	8
	4. Discrete and Relational Contracting	9
	5. Implied Terms and Contract Interpretation	9
	6. Contract Law's Regulatory Function	10
	7. Misrepresentation and Breach	11
	8. Contract and Sales Law Harmonization	11
	II. Conclusion	12
2.	Competing Theories of Contract: An Emerging Consensus?	14
	I. Introduction	15
	II. The Competing Theories of Contract	17
	A. Contract as Based upon Promises	17
	B. Contract as Based upon Agreement	22
	C. Contract as Based upon the Reliance	26

xii

Contents

		D. Contract as Based upon the Assumption of Legally Binding			
		Obligations	27		
		E. Contract as Based upon the Transfer of Rights	28		
		F. Contract as Based upon Relationship	28		
		G. Conclusion on Competing Theories of Contract	30		
	III.	Connections between Competing Theories of Contract	30		
	IV.	Future Developments of Contract Theory: An Emerging			
		Consensus?	36		
	V.	Conclusion	39		
3.	Сог	atracts, Courts, and the Construction of Consent	41		
	I.	Introduction	41		
	II.	Conflation of Efficiency and Consent	44		
	III.	Illusory Nature of Party-Centrism	50		
	IV.	Candor in the Judicial Construction of Consent	56		
	V.	Conclusion	64		
4.	Are Mortgage Contracts Promises?				
	I.	Introduction	68		
	II.	Why Do People Make Promises?	70		
	III.	Are Contracts Promises?	72		
	IV.	Are Mortgage Contracts Typically Promises?	74		
	V.	If Modern Mortgage Contracts Are Typically Not Promises, Is			
		Strategic Default Morally Acceptable After All?	76		
	VI.	Conclusion	80		
	PAR	T II: NORMATIVE VIEWS OF CONTRACT	83		
5.	Nat	uralistic Contract	85		
	I.	Introduction	86		
	II.	Essential Normativity of Contract Doctrine	87		
	III.	Minimum Content of Natural Contract Law	96		
	IV.	Limits of Empiricism?	99		
	V.	Dualism	101		
	VI.	Is Naturalism Fallacious?	110		
	VII.	So What?	114		
6.	Cor	tract in a Networked World	116		
	I.	Introduction	116		
	II.	Three Test Cases	119		
		A. Clarke v. Dunraven	120		

CAMBRIDGE

Cambridge University Press
978-1-107-02808-1 - Commercial Contract Law: Transatlantic Perspectives
Edited by Larry A. Dimatteo, Qi Zhou, Séverine Saintier and Keith Rowley
Frontmatter
More information

		Contents	xiii
		B. OFT v. Lloyds TSB	122
		C. The Eurymedon	124
	TTT	D. Reasonable Expectations	126
	III.	The Basis for Network Effects: Consumer Contracts	127
		A. The Nature of the Modern Regulation of Consumer	
		Transactions	127
		B. Networks and OFT v. Lloyds TSB	129
		1. The Legislative Approach	129
		2. The Courts' Approach	130
		3. The Boyack Hypothetical	131
	TX 7	4. Beyond OFT v. Lloyds TSB	132
	IV.	The Basis for Network Effects: Commercial Contracts	132
		A. The Nature of the Modern Regulation of Commercial	
		Transactions	133
		B. The "Hoffmannisation" of Contract Law	134
		C. Network Effects and <i>The Eurymedon</i>	138
		D. Beware the Classical Inheritance	139
	X 7	E. Big Businesses, Small Businesses, and Shopping Malls	140
	V. VL	The Basis for Network Effects: Private Contracts Conclusion	142
			143
	V11.	Coda	144
7.	Cor	ntract Transactions and Equity	146
	I.	Introduction	147
	II.	Equity in a Contractual Context	150
	III.	Equitable Principles and Contract Law	155
		A. Restating the Issue	155
		B. The Contractual Solution	156
		C. The Equitable Approach	164
	IV.	1 2	169
		A. A Complex Transactional Web	173
		B. The Difficulty of Dealing with the Obligation	174
		C. A Relational Attempt to Deal with this Difficulty	174
		D. Indeterminacy and Vulnerability	175
	V.	Conclusion	176
	PAR	T III: CONTRACT DESIGN AND GOOD FAITH	179
8.	The	Duty to Draft Reasonably and Online Contracts	181
	I.	Introduction	181
	II.	Modern Contracts and the Diminishing of Consent	184

xiv	V Contents		
	III. Duty to Read	187	
	IV. Code as Law and Form as Function	190	
	A. Transactional Hurdles or "Contracts as Checkout Line"	193	
	B. Visualization Strategies or "Contracts as Road Signs and	-71	
	Traffic Lights"	198	
	C. Sensorial Landscaping or "Contracts as Neighborhoods"	199	
	V. Conclusion	200	
9.	Managing Change in Uncertain Times: Relational View of Good		
<i>,</i>	Faith	201	
	I. Introduction	201	
	II. Long-Term and Complex Outsourcing Contracts	202	
	III. A Limited Recognition of Good Faith	206	
	IV. Does the Restricted Approach to Good Faith Accord with		
	Practice?	213	
	V. Theory of Relational Contract	214	
	VI. A Construct of Good Faith as Seen through a Relational Prism	216	
	A. The Extent of the Duty	217	
	B. Criticisms of the Construct	218	
	C. Should Such a Construct Be Accepted?	219	
	VII. Conclusion	220	
	PART IV: IMPLIED TERMS AND INTERPRETATION	223	
10.	Implied Terms in English Contract Law	225	
	I. Introduction	225	
	II. The Historical Development of the Implied Term	226	
	A. Historical Context	226	
	B. Creation of Implied Terms	228	
	III. Theoretical Context	233	
	IV. Concluding Remarks	238	
11.	Contract Interpretation: Judicial Role Not Parties' Choice	240	
	I. Introduction: Challenging Party Choice Theory	241	
	II. The Importance of a Judicial Interpretation Rule	2 49	
	III. Faulty Assumptions Underlie the New Formalists' Opt-in Rule	255	
	IV. Reducing Party Costs and Risks	263	
	V. The Opt-in Rule Should be Justified Like any Other Common		
	Law Doctrine	268	
	VI. Rawlsian Theory, Contextual Evidence, Consequentialist		
	Analysis, Equity, and Probabilistic Models Support a Judicial		
	Interpretation Rule	272	

CAMBRIDGE

	Contents		XV	
	VII.	Courts, Restatements, and Empirical Evidence Challenge		
		Party Choice Theory	275	
		A. Jacob & Youngs: Should Goals Affect Interpretation?	275	
		B. Residual Uncertainty: Overall Objectives and Prospective		
		Consequences	279	
		C. When Should Trade Usage Govern Meaning?	282	
	VIII.	Conclusion	284	
	PART	V: POLICING CONTRACTING BEHAVIOR	287	
12.		Paradox of the French Method for Calculating the		
		pensation of Commercial Agents and the Importance of	0	
	L Cone	ceptualising the Remedial Scheme under Directive 86/653 Introduction	289	
	ı. II.		290	
	11.	The Different Interpretations on the Calculation of "Componention" between Erence and LIK		
	III.	"Compensation" between France and UK Reconciling Compensation and Indemnity?	293	
	III. IV.	Conclusion	303	
	1 V.	Conclusion	307	
13.	Unconscionability in American Contract Law: A			
-	Twee	ty-First-Century Survey	309	
	I.	Introduction	309	
	II.	Mid-Twentieth-Century Development – the 1950s and 1960s	310	
	III.	Further Development – the 1970s and 1980s	313	
	IV.	Unconscionability at the Dawn of the Twenty-First Century	314	
		A. Unconscionability as Applied to Mandatory Arbitration		
		Clauses	315	
		B. Unconscionability in Non-Arbitration Cases – Doctrinal		
		Developments	320	
		1. Adhesion Contracts	320	
		2. Sliding Off the Scale	322	
		3. Mutuality	324	
		C. Unconscionability in Action: Recent Examples	325	
		1. Sales and Leases of Goods	326	
		2. Service Contracts	327	
		3. Domestic Relations	328	
		4. Real Estate Transactions	330	
	X 7	5. Consumer Lending and Credit	333	
	V.	Conclusion	337	

xvi

Contents

14.	Unfair Terms in Comparative Perspective: Software Contracts	339
	I. Introduction	340
	II. The Challenge to Contract Theory Presented by SFKs	343
	III. US Law Reform and Software Contracts	347
	A. Advance Disclosure and a Step for Active Assent	349
	B. Reducing the Impact of Product Flaws	351
	C. Remedies and Dispute Resolution	352
	D. Protecting Intellectual Property Rights	354
	IV. Unfair Terms in Comparative Perspective	359
	A. ALI Principles and the EU Unfair Contract Terms Directive:	
	Differences	360
	B. ALI Principles and the EU Unfair Contract Terms Directive:	
	Similarities	362
	V. Conclusion	364
15.	(D)CFR Initiative and Consumer Unfair Terms	366
	I. Introduction	366
	II. Evolution of the (D)CFR Initiative	367
	III. Rationale for EU Private Law Consolidation	368
	IV. (D)CFR Initiative and the Effective Policing of Unfair Terms in	
	Consumer Contracts	371
	A. National Judges' Elaboration of Europeanised Unfairness	
	Standards	373
	B. Judicial Approach to Article 267 TFEU References	375
	C. (Non-harmonised) National Background Rules	377
	D. Towards a Multi-Dimensional Perspective	378
	E. Procedural Dimension: Collective Proceedings	379
	V. Conclusion	381
	PART VI: MISREPRESENTATION, BREACH, AND REMEDIES	383
16.	Remedies for Misrepresentation: An Integrated System	385
	I. Introduction	386
	II. Misrepresentation	387
	III. Rescission	389
	A. Rescission as a Self-Help Remedy?	389
	B. Practical Justice	390
	C. Rescission as of Right	390
	D. Indemnity	392
	E. Compensation	393

Cambridge University Press
978-1-107-02808-1 - Commercial Contract Law: Transatlantic Perspectives
Edited by Larry A. Dimatteo, Qi Zhou, Séverine Saintier and Keith Rowley
Frontmatter
More information

		Contents	xvii
		F. When Restitutio in Integrum Is Impossible	394
		G. Partial Rescission	395
		H. Summary of Rescission	399
	IV.	Damages	400
		A. Tort Damages	401
		B. Fraudulent Misrepresentation (Deceit)	402
		C. Negligent Misstatement	403
		D. Negligent Misrepresentation	404
		E. Innocent Misrepresentation	409
		F. Comparative Perspectives	413
	V.	Conclusion – Integrating Damages with Rescission	414
17.		xamining Damages for Fraudulent Misrepresentation: ards a More Measured Response to Compensation	
		Deterrence	416
	I.	Introduction	417
	II.	The Crucible of Misrepresentation	417
	III.	Fraudulent Misrepresentation and Causation	418
	IV.	Impact on Risk Allocation	422
	V.	Negligent Contractual Misrepresentation	423
	VI.	Accentuating the Punishment	424
	VII.	Exemplary Damages	426
	VIII.	Proportionality	4 2 7
	IX.	Further Dangers of the Compensation Myth	428
	Х.	Availability of Exemplary Damages for Fraudulent	
		Misrepresentation	430
	XI.	Wider Considerations	431
	XII.	Conclusion	432
18.	Rem	edies for a Documentary Breach: English Law and the CISG	434
	I.	Introduction	435
	II.	Termination	436
		A. Duality of the Rights to Reject and Terminate	436
		B. Rejection or Termination	443
		C. Rejection and Termination	448
	III.	Damages	460
	IV.	Conclusion	464
19.		Irrelevance of the Performance Interest: A Comparative	. .
	_ `	ysis of "Keep-Open" Covenants in Scotland and England	466
	I.	Introduction	467

xvii	i	Contents	
	II.	Scots Law of Keep-Open Covenants	471
	III.	Why Would Commercial Parties Ever Seek Literal	
	IV.	Enforcement?	479
	1V.	Enforcement of Keep-Open Obligations under the English Law	482
	V.	The Wisdom of Lord Justice Millet	486 486
	VI.	Supervisory Problems in the Law of Keep-Open Covenants	489
	VII.	Commercial Uniqueness Cases	494
	VIII.	Advice to English Landlords	495
	IX.	Changing the Default Law, Commercial Leasing, and the	
		Irrelevance of the Performance Interest	496
	Х.	Conclusion	501
	PART	VII: HARMONIZING CONTRACT LAW	503
	1 / 1 / 1		503
20.		nonisation of European Contract Law: Default and	
		datory Rules	505
	I.	Introduction	505
	II.	Default and Mandatory Rules: A Comparison	506
	III.	Justifications for the Harmonisation of European Contract Law	-00
	IV.	Harmonisation of Default Rules	509
	V.	Harmonisation of Mandatory Rules	515 521
	VI.	Conclusion	527
)
21.		peanisation of Contract Law and the Proposed Common	
		pean Sales Law	529
	I.	Introduction: Proposed Common European Sales Law	530
	II.	A Historical Scottish Perspective	539
	III.	Comparing the Proposed CESL with the UK Sale of Goods Act	F 4 F
		A. Implied Terms or Rules	545 546
		B. Quality Defined	540 547
		C. Time of Conformity	550
		D. Termination: The Right to Reject	552
		E. Overview	556
	IV.	Conclusion	556
	Нат	nonization of International Sales Law	
22.	L.	Introduction	559 560
	I. II.	Goal of Harmonizing International Sales Law	560 560
		Sour of Harmonizing International Sales Law	200

Cambridge University Press
978-1-107-02808-1 - Commercial Contract Law: Transatlantic Perspectives
Edited by Larry A. Dimatteo, Qi Zhou, Séverine Saintier and Keith Rowley
Frontmatter
More information

	Contents	xix
	A. Substantive Shortcomings	561
	1. Problem of Reservations	562
	2. Problem of Translation	563
	B. Uniformity of Application and National Law Bias	564
	1. Nationally Biased Interpretations	564
	2. Uniformity Principle and the Problem of Divergent	
	Interpretations	565
	C. Widespread Approval and Widespread Disregard	570
III.	Uniformity in Practice and the Problem of Scarcity	571
	A. Civil-Common Law Divide	572
	B. German Role in CISG Jurisprudence	572
	C. Understated Role of Unreported Arbitration Cases	574
	D. Summary	575
IV.	Value of the CISG outside the Context of International	
	Harmonization	575
	A. CISG as Customary International Law and as Soft Law	576
	B. Use as a Model National Law	577
V.	Conclusion	578
Index		581

Contributors

Peter A. Alces is the Rita Anne Rollins Professor of Law at The College of William & Mary School of Law. He practiced law in Chicago and taught at the University of Texas, Graduate School of Business, and the University of Alabama, School of Law. He has been a visiting professor at the University of Illinois, Washington & Lee University, Washington University, and University of Texas Law Schools. He is the author of a number of books and articles, including *Commercial Contracting; The Law of Suretyship and Guaranty; Bankruptcy: Cases and Materials; Cases, Problems and Materials on Payment Systems; The Commercial Law of Intellectual Property; Sales, Leases and Bulk Transfers; The Law of Fraudulent Transactions; and Uniform Commercial Code Transactions Guide. He was Editor-in-Chief of the Journal of Bankruptcy Law and Practice, 1991–2005. He is a member of the American Law Institute and the Association of American Law Schools' Section on Commercial and Related Consumer Law; he was adviser to Restatement (Third) of the Law of Suretyship and Guaranty.*

T. T. Arvind was appointed professor of commercial law at the University of Newcastle on September 1, 2012. Prior to that, Dr Arvind was a lecturer in Law at the University of York, School of Law. He is a qualified attorney in India, where he practiced law with a leading commercial practice for many years before coming to Britain to pursue a career in academia. Dr Arvind joined York Law School in 2007, after five years as a lecturer at the University of East Anglia, Norwich. His research focuses on using evolutionary and historical approaches to analyze current legal questions, and specifically on the intellectual, social, economic, and other influences that shape legal change. He recently completed an analysis of the reaction of lawyers and judges in developing countries to the introduction of transplanted harmonised laws, and a study of the factors that influenced the diverse responses of the German states to the Code Napoleon at the beginning of the nineteenth century (for which he won the SLS Best Paper Prize in 2009). He was awarded the ICLQ Young Scholar Prize in 2010.

xxii

Contributors

Richard Austen-Baker is a senior lecturer in Law at the University of Lancaster. He came to academia after practicing as a barrister. His research interests are in common law, particularly contracts (history, theory, and doctrine), commercial law, and the law of torts as well as the common law remedies. He recently published a book in the field of implied terms and is currently expanding his research in the field of relational contract theory.

Jean Braucher is the Roger C. Henderson Professor of Law at the University of Arizona, James R. Rogers College of Law. She serves as Vice-President of the National Consumer Bankruptcy Rights Centre and, since 2010, as Director of the National Association of Consumer Bankruptcy Law. Her research interests are contract and consumer law. Her most recent work is *Contracts: Law in Action* (with Stewart Macaulay, John Kidwell, and William Whitford) (3d ed. 2010 & 2011).

Curtis Bridgeman is the James Edmund and Margaret Elizabeth Hennessey Corry Professor of Law and Associate Dean for Academic Affairs, Florida State University College of Law. His scholarship explores the structure and philosophy of contracts and commercial and bankruptcy law. He has written about contract formalism, the specification of rules of contract law, and the role of planning and practical reasoning in contract law. Bridgeman teaches Contracts, Commercial Law, Creditors' Rights, Jurisprudence, and Philosophy of Private Law.

Roger Brownsword is Professor of Law and Director of TELOS at King's College London and an Honorary Professor of Law at University of Sheffield School of Law. As a researcher, Professor Brownsword writes in the fields of contracts and the common law, legal theory, bioethics and the regulation of technology in the UK as well as Australia, Brazil, Canada, Denmark, France, Germany, the Netherlands, Singapore, and the United States. Most recently, Professor Brownsword has acted as a specialist adviser to the House of Lords Select Committee on Stem Cells and the House of Commons Science and Technology Committee. Professor Brownsword is a member of the Editorial Board of *Modern Law Review*.

David Campbell is Professor of International Business Law at Leeds University School of Law. He holds degrees from Cardiff (BSc Econ), Michigan (LLM), and Edinburgh (PhD). He is a Fellow of the Chartered Institute of Arbitrators. He has taught at various UK law schools as well as in Australia, Hong Kong, New Zealand, Spain, and the United States. His research interests are for remedies for non-performance of contractual obligations as well as regulatory theory.

David Capper is a reader at Queen's University of Belfast School of Law. After practicing at the Bar of Northern Ireland for five years he was appointed to the post of Lecturer in Law at Queen's University Belfast in 1989 and was promoted to

Contributors

Reader in June 2002. In 1990–91 he was Visiting Assistant Professor of Law at the University of Detroit Mercy in Detroit, Michigan. He is the Queen's University constituency representative on the council of the Society of Legal Scholars in Great Britain and Ireland and was a member 1995–2001 (vice-chair 1997–2001) of the Lord Chancellor's Legal Aid Advisory Committee for Northern Ireland. He also serves as a lay member of the Institute of Chartered Accountants in Ireland's Insolvency Licensing Committee and is company secretary of SLS Legal Publications (NI) Ltd. Since 2001 he has been Editor of the Northern Ireland Legal Quarterly.

James Devenney was appointed professor of commercial law at the University of Exeter School of Law in 2011. He also held posts at the University of Wales, Cardiff, and the University of the West of England, Bristol. His main research interests are contract law, consumer law, and commercial law. He is currently working on a research project on the European Draft Common Frame of Reference with the Institute of European and Comparative Law at the University of Oxford and Humboldt Universität, Berlin, Germany. He is also involved in a three-year project, Credit & Debt: Protection of Vulnerable Consumers in Private Law (Undue Influence, Unconscionability & Good Faith), which is being funded by the EU.

Larry A. DiMatteo is the Huber Hurst Professor of Contract Law & Legal Studies at the Warrington College of Business Administration at the University of Florida, as well as an Affiliated Professor of Law at the Levin College of Law and at the Center for European Studies both at the University of Florida. He holds a JD from Cornell University, LLM from Harvard Law School, and a PhD from Monash University (Australia). He is the author of numerous books and articles on contract law, international sales law, international patent law, legal history, and legal theory. He is the 2011–12 University of Florida Teacher-Scholar of the Year. He also was awarded a 2012 Fulbright Professorship.

Roger Halson is Professor of Contract Law at the University of Leeds. He has previously taught at Hull, University College London, and Nottingham. He has written extensively in the field of contract law, especially remedies, and his work has been cited by the House of Lords as well as by appellate courts overseas.

Martin A. Hogg is a senior lecturer at the University of Edinburgh, School of Law. Following two years qualifying as a Solicitor with Dundas & Wilson CS in Edinburgh, he was appointed as a Lecturer at the Faculty of Law at Edinburgh in 1995. In 2004 he was appointed Senior Lecturer. He has previously held office as Associate Dean of the Faculty of Law, as well as Director of Undergraduate Studies and Director of Teaching of the Law School. He currently chairs the Law School's Board of Studies. His main areas of research lie in all aspects of the law of obligations, with a current particular emphasis on comparative obligations theory, causation, and the concept

xxiii

xxiv

Contributors

of damage. He is the Scottish Reporter for the *European Tort Law Yearbook*, published annually by the European Centre of Tort and Insurance Law. He also serves as Assistant Editor of *Edinburgh Law Review*.

Thomas W. Joo is a professor of Law at the University of California, Davis, School of Law, specializing in corporate governance, contract law, white-collar crime, and critical race theory. Prior to joining the UC Davis faculty, Professor Joo was a clerk in the chambers of the Honorable Wilfred Feinberg of the U.S. Court of Appeals for the Second Circuit and an associate at Cleary, Gottlieb, Steen, and Hamilton in New York. He currently serves as an Executive Committee Member of the Section on Contracts of the Association of American Law Schools. His most recent work is *Corporate Governance: Law, Theory & Practice* (Carolina Academic Press 2004, 2d ed. 2010).

Mel Kenny is Professor of Commercial Law at De Montfort University. He was previously a Reader at Leicester University School of Law. Mel has worked at the Universities of Leipzig (1990–97), Bremen (1997–2001 and 2005–07), Lucerne (2001–05), Durham (2007–08), and Leeds (2008–10) and joined the De Montfort Law School in 2012. In recent years his research has centered on three highly charged legal topics: the 'Europeanisation' of national private law systems and the associated calls for codification and consolidation; the comparative assessment of the treatment of surety agreements across Europe, and the general issue of consumer protection. He is Co-editor of a new series of edited collections, the first volume of which is titled *Unconscionability in European Private Financial Transactions: Protecting the Vulnerable* (Cambridge University Press 2011).

Nancy S. Kim is Professor of Law at California Western University School of Law in San Diego. Professor Kim joined the faculty in fall 2004. Prior to that time, she was Vice-President of Business and Legal Affairs of a multinational software and services company. After graduating from law school, she was a Women's Law and Public Policy Fellow at Georgetown University Law Center and a Ford Foundation Fellow at the UCLA School of Law. Kim is a past recipient of the Wiley W. Manuel Award for pro bono services for her work with the Asian Pacific American Legal Center. Kim currently serves on the executive committee of the Section on Internet and Computer Law of the American Association of Law Schools. Her scholarly interests focus on culture and the law, contracts, women and the law, and technology.

Charles L. Knapp is the Joseph W. Cotchett Distinguished Professor of Law at the University of California Hastings College of the Law. He came to Hastings in 1998 from New York University Law School, where he had been a faculty member since 1964 and was the Max E. Greenberg Professor of Contract Law. Besides his years of service at NYU, he has been a visiting professor at Harvard, the University

Contributors

of Arizona, Brooklyn Law School, and the University of Copenhagen. His principal teaching and research interest is contract and commercial law. Along with Hastings Professor H. G. Prince and Professor Nathan Crystal, he is the co-author of a widely used casebook, *Problems in Contract Law*, published by Aspen and now in its sixth edition.

Juliet P. Kostritsky is the John Homer Kapp Professor of Law at Case Western Reserve University Law School. She is a member of the American Law Institute. Her research interest includes contract and commercial law and she teaches the courses on contract, property, and commercial paper. Her recent research focuses on the interpretation of contract.

Hector L. MacQueen is a professor of Private Law at Edinburgh University and currently serves as a Scottish Law Commissioner. Professor MacQueen has previously held visiting appointments at Cornell University in the United States, the University of Utrecht in the Netherlands, and Stetson University College of Law. He has been a Fellow of the Royal Society of Edinburgh since 1995 and was elected a Fellow of the British Academy in 2006. In October 2008 he was elected Vice-President (Humanities) of the RSE for a three-year term. Professor MacQueen's work in obligations is mainly concerned with the law of contract and unjustified enrichment. He is the author or co-author of three standard student texts and is the Scottish Editor of the last three editions of *Atiyah's Sale of Goods*.

Zoe Ollerenshaw is a senior lecturer in law at University of Sheffield School of Law. Her research interests are contract and commercial law. She qualified as a Solicitor in 1987 and worked in private practice specializing in commercial law, intellectual property, and IT law for leading international law firms. She returned to academia in 2000. She is a member of the Sheffield Institute for Commercial Law Studies (ICLS).

Keith Rowley is the William S. Boyd Professor of Law at UNLV's William S. Boyd School of Law, where he teaches contract law, commercial law, economics and the law, and law and popular culture. He is an elected member of the American Law Institute and currently serves as chair of the AALS Section on Contracts; as Developments Reporter for the ABA Business Law Section's Uniform Commercial Code Committee; and as U.S. liaison to the Contract, Commercial, and Consumer Law Section of the Society of Legal Scholars. He has previously chaired the AALS Section on Commercial and Related Consumer Law and the Sales Subcommittee of the ABA Business Law Section's UCC Committee.

Djakhongir Saidov is a senior lecturer in law at the University of Birmingham, School of Law. He joined Birmingham Law School in September 2004. Prior to

XXV

xxvi

Contributors

joining Birmingham, Dr Saidov taught at the Norwich Law School, University of East Anglia. He also practiced law in Tashkent, Uzbekistan. He received his LLB from the University of World Economy and Diplomacy (Uzbekistan) and his LLM with distinction and PhD from the University of East Anglia. His research and teaching interests are in the fields of international commercial law and law relating to international oil and gas operations. His recent publications include *The Law of Damages in International Sales – the CISG and Other International Instruments* (Oxford, Hart Publishing 2008) and 'A ULIS Echo in the CISG World' *Lloyd's Maritime and Commercial Law Quarterly* [2010, pp. 201–07].

Séverine Saintier is a senior lecturer at the University of Sheffield, School of Law. Prior to her current position, Dr Saintier worked in Liverpool University (1997–2003). She joined the Sheffield School of Law as a Lecturer in 2003 and was promoted to Senior Lecturer in 2008. She obtained a Maîtrise in international business law, an LLM in English law in 1995, and a PhD in 2001 from Sheffield University. Her research interests are in the areas of commercial, agency, and comparative law. She has contributed the national notes for English law in the Mandate and Representation Title of Principles, Definitions and Model Rules of European Private Law: Draft Common Frame of Reference. Her second monograph in the field of commercial agency (co-authored with Jeremy Scholes) has been used by the House of Lords in the case of *Lonsdale* (2007). Dr Saintier has been the Director of the Sheffield Institute of Commercial Law Studies (ICLS) since 2007.

Qi Zhou is a lecturer at the University of Sheffield, School of Law, in the United Kingdom. Previously, he was a practicing attorney in the People's Republic of China. His research interests are in the areas of contract law, commercial law, and regulation, as well as law and economics. Dr Zhou is the convener of the contract, commercial, and consumer law group of the Society of Legal Scholars; a member of the Standing Committee of the UK Chinese Law Association; an Assistant Editor of the *Journal of International Trade and Policy*; and a member of the Sheffield Institute of Commercial Law Studies (ICLS). He has researched in such areas as efficient breach, remedies and unconscionable contracts, misrepresentation, and unilateral mistakes.

Foreword

It was a privilege for me to be invited to attend the symposium in Sheffield in September 2011 that has given rise to this book. I imagine the invitation was the result of my long association with the School of Law at Sheffield rather than any perception that I have current expertise in the comparative law of commercial contracts. However, I derived enormous benefit from my attendance.

The sharing of knowledge and expertise among legal experts from different jurisdictions is essential to the development of the law. It is also important that, at a time when the laws of the United Kingdom are more than ever influenced by developments in the European Union, we do not forget the heritage that we share with other common law jurisdictions, particularly in relation to our fundamental concepts and basic principles. One of the most formative and durable influences on my judicial career was the time I and other British judges and lawyers spent with American colleagues in Edinburgh, London, and Washington DC, in 1999 and 2000 as part of the Anglo-American Legal Exchange. The historical similarities in our respective laws bind us together and our more recent divergences enable each of us to see how our own laws and practices may yet develop.

And so to the world of commercial contracts. Notwithstanding their common origins, the laws of the United Kingdom have developed differently from those of the United States. Most noticeably, they have diverged in relation to the duty of good faith and the doctrine of unconscionability. American judges have been more interventionist than their British counterparts. In the United Kingdom, the biggest source of regulation and calibration of unequal bargaining power now derives from obligations imposed on the Member States of the European Union. However, even in areas where there are no or few such obligations, the judicial development of our law does not always replicate the approach of American courts. Thus, for example, our approaches to construction, to implied terms, and to remedies differ significantly.

xxvii

xxviii

Foreword

All this makes the comparative methodology that permeates this book particularly useful. Leading scholars from the United States and from the United Kingdom have come together to bring their varied expertise to bear on these important issues. Their approaches are refreshingly diverse. Some contributions resemble ones with which I was familiar as a Professor of Law thirty years ago. Others, particularly the more theoretical ones, are expressed in a language with which I was previously unfamiliar. Taken together, the contributions provide a unique and extremely valuable set of insights into our respective commercial contract laws. The book will help academics and practitioners on both sides of the Atlantic, and in Continental Europe, to appreciate where there is hope for harmonisation or approximation and where there is not. It is a most stimulating collection that should enhance the understanding of all those concerned with the development of the law of commercial contracts, both within and beyond the academic world.

I congratulate the organisers and the contributors to the September 2011 symposium. It is entirely appropriate that it can now reach a wider audience through this original and excellent book, which is a fitting celebration of the achievements of Professor Robert Bradgate, which inspired it.

> Maurice Kay Vice-President, Court of Appeal Civil Division Royal Courts of Justice London