

# UCC TIP OF THE MONTH – Do I Need a Writing When Selling Goods?

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Business moves fast and quite often deals move much faster than even the paperwork upon which they are based.

In a market environment where *just in time delivery* is more the norm than the exception, situations arise when writings to show an agreement to buy and sell goods are incomplete or absent altogether. While it is true that in many instances that agreements for the sale of goods need to be made in a signed writing - that is not always the case.

A contract to sell goods valued at less than \$1,000 can be made in any way that is sufficient to show an agreement was reached. This may include merely examining the parties' conduct. For example, an offer to buy goods followed by a later shipment of those goods likely will be deemed sufficient to show an enforceable contract was formed. This is true even when the only clear term expressed by the parties was the quantity of goods bought and sold.

In such a case, a signed writing is not a legal condition to enforcement of a contract. Indeed, apart from the quantity of the goods changing hands, the law will provide the missing terms up to and including the price of the goods sold.

On the other hand, for contracts involving the sale of goods valued in excess of \$1,000, the parties' agreement, in most cases (oral agreement may become enforceable through performance being an exception to the rule), must be made by a signed *writing* that is sufficient to show that a contract was made. The exact form and content of the writing is not dictated by law. However, the parties' writing, what ever it may be, must be signed at least by the party against whom enforcement of the contract is sought.

Whether a writing or group of writings is sufficient to support a contract often depends on the particular facts presented on a case-by-case basis. When in doubt about the need for, or the content of a writing for the sale of goods, the better course is to seek the advice of an attorney before the shipment is made or received.

UCC TIP OF THE MONTH – DO I NEED A WRITING WHEN SELLING GOODS? Cont.

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