

HADLEY v. BAXENDALE [(1854) EWHC J70]

FACTS:

- The claimant, Hadley, owned a mill featuring a broken crankshaft.
- The claimant engaged Baxendale, the defendant, to transport the crankshaft to the location at which it would be repaired and then subsequently transport it back.
- The defendant then made an error causing the crankshaft to be returned to the claimant a week later than agreed, during which time the claimant's mill was out of operation.
- The claimant contended that the defendant had displayed professional negligence and attempted to claim for the loss of profit resulting from the unexpected week-long closure.
- The defendant retorted that such an action was unreasonable as he had not known that the delayed return of the crankshaft would necessitate the mill's closure and thus that the loss of profit failed to satisfy the test of remoteness.

ISSUE:

Whether the loss of profits resulting from the mill's closure was too remote for the claimant to be able to claim?

RULE:

One should have the knowledge or foreseen the Damages or the party should tell the person to whom the contract is made or shall explain to him the amount of damages for the breach of contract or unable to complete one should have foreseen it or the contractor should tell them himself.

ANALYSIS:

- Hadley shall have an extra pair of the crankshaft so that it mill couldn't stop production and may not suffer damages.
- Hadley should have told the Baxendale that they delivery should be done by the time. But by seems to this it is witnessed that Hadley didn't tell Baxendale appraised for damages.

- Baxendale didn't foresee the damages so he is not the aspirant for the loss of his.
- Seems to this Baxendale should himself asked the Hadley that for how much time you can allow for this to repair. So that he would have an idea that at what time he wants it to be repaired.

CONCLUSION:

The Damages for [Breach of Contract](#) [1] must be limited to those reasonably foreseeable at the time the Contract is made. Baxendale could not have foreseen that a delayed shipment would cause the mill's extended closure, and he was therefore not liable for the lost profits.

REFERENCES

- [1] <https://www.legalmatch.com/law-library/article/breach-of-contract.html>



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