Sample Exam Question #4

On March 1, 2001, Gwyneth and Russell agreed that Gwyneth would pay Russell $100 each for two tickets to the March 15, 2001 New York premiere of “The Orange Pumpernickel.” The parties further agreed that Russell would deliver the tickets to Gwyneth no later than March 14, 2001.

The New York premiere of James Cameron’s new movie, “The Orange Pumpernickel,” starring Chris Rock, Jet Li, Dame Judi Dench, and the Olson Twins, was scheduled for March 15, 2001 at the Radical City Musik Hall. That same night, the 41st Street Playhouse scheduled the premiere of a stage production of “The Orange Pumpernickel,” directed by David Mamet, and starring Adam Sandler, Christopher Reeve, and Pamela Anderson Lee.

On March 2, 2001, Russell purchased two tickets from the 41st Street Playhouse for $75 each.

On March 14, 2001, when Russell delivered the play tickets to Gwyneth, Gwyneth refused to pay, claiming that Russell had agreed to sell her tickets to the movie, not the play. Russell did not have any tickets to the movie, and none were commercially available at that late date. Russell tried unsuccessfully to find another buyer for the play tickets and to obtain a refund from the Playhouse. Unable to use them himself, he left the tickets with Gwyneth in case she changed her mind.

Gwyneth hoped to star in the much-anticipated sequel to “Titanic” and planned to schmooze James Cameron while at the movie premiere. Gwyneth was unable to obtain tickets to the movie premiere from any other source, and was relegated to watching coverage of the premiere on “E! Television.” During the post-premiere coverage on “E! Television,” James Cameron announced that he had decided to cast Jennifer Lopez as the female lead in “Titanic 2: Jack is Back.” Mr. Cameron candidly stated that he met Ms. Lopez for the first time at the premiere, and that he had gone to the premiere for the purpose of finding someone for the role. Hollywood newspaper “Weekly Variety” reported in its next issue that Ms. Lopez will be paid $10 million for her performance in “T2:JiB.”

Gwyneth, devastated by the news of Cameron’s casting decision, sues Russell for failing to provide her with the movie tickets. Russell counterclaims against Gwyneth for failing to pay for the tickets he delivered to her.
A. Suppose that, at the time they made their contract, Gwyneth knew about the movie premiere, but not about the play, and Russell knew about the play, but not the movie. Who should win and on what theory or theories? Please explain.

B. Suppose that, at the time they made their contract, Russell knew that Gwyneth wanted tickets to the movie premiere and, despite that knowledge, Russell provided her with tickets to the play. Who should win and on what theory or theories?