

On behalf of Meadow's Edge Golf Course & Club, Norton signs and returns a letter sent from Oralee. The letter refers to her ability to provide services as a resident golf pro and their price. When Norton attempts to complete the deal, however, Oralee refuses, claiming that they have no contract. Norton claims that they do. What standard determines whether these parties have a contract?

Issue: Was there a valid offer by Oralee which could be accepted by Norton?

Rule: A valid offer requires: 1) a serious present intent to enter into an agreement; 2) that the terms of the offer are definite enough that a court could determine whether a breach has occurred, and 3) that the offer is then communicated to the offeree. The objective theory of contracts says that a parties intent is determined from their objective behavior – what do they do and say.

Analysis: If a reasonable person would have thought that the offeree (Norton) accepted a legitimate offer by the offeror (Oralee) when the offeree signed and returned the letter, a contract was made, and both parties are bound. This assessment is determined, in part, by what was said in the letter (did the letter constitute a valid offer?) and what was said in response (did the response constitute a valid acceptance?). Under any circumstances, the issue is not whether either party subjectively believed that they did, or did not, have a contract.

Here, the only thing we know about the letter from Oralee is that it indicated that she has the ability to provide services as a resident golf pro and the price for those services. Absent more, there would not appear to be a present intent expressed by Oralee in the letter that she is making an offer to become the golf pro at the Meadow's Edge Golf Course. Further, even if it Oralee did intend to make an offer, the terms of the offer would appear too indefinite for a court to be able to enforce. For example, when would Oralee start? How long would she be employed for? What would her work schedule be?

CONCLUSION: A court would likely conclude the letter was not an offer, but rather an invitation to negotiate.