

remedy that was not in the offer. It also stated that its acceptance was expressly conditioned on AEC's agreement to its terms. The sensors that AEC sold to Chrysler failed, due to the nonconforming wiring, and Chrysler had to recall cars in which it had been installed. AEC had to reimburse Chrysler for its losses caused by the recall. AEC sued Belden to recover the amount of money AEC paid to reimburse Chrysler, and Belden claimed that the limitation of remedies in its acknowledgment protected it from liability for these damages. Is Belden correct?

4. Standard Bent Glass wanted to buy a machine for its factory that would produce cut glass. In March 1998, it started negotiations with Glassrobots Oy, a Finnish corporation. By February 1999, negotiations had reached a critical juncture. On February 1, Standard Bent Glass faxed an offer to purchase a glass fabricating system from Glassrobots. The offer sheet began, "Please find below our terms and conditions related to ORDER #DKH2199," and defined the items to be purchased; the quantity; the price of \$1.1 million; the payment terms; and installation specifics, instructions, and warranties. The letter concluded, "Please sign this ORDER and fax to us if it is agreeable." On February 2, Glassrobots responded with a cover letter, invoice, and standard sales agreement. The cover letter recited: "Attached you'll find our standard sales agreement. Please read it through and let me know if there is anything you want to change. If not, I'll send 2 originals, which will be signed." The contract included an arbitration clause and several references to arbitration. Glassrobots did not return, nor refer to, Standard Bent Glass's order. Later that day, Standard Bent Glass faxed a return letter that began, "Please find our changes to the Sales Agreement," by which it meant Glassrobots's standard sales agreement. This letter apparently accepted Glassrobots's standard sales agreement as a template and requested five specific changes. The letter closed, "Please call me if the above is not agreeable. If it is we will start the wire today." On February 4, Standard Bent Glass wired the down payment to Glassrobots, and on February 8, the wire transfer cleared Glassrobots's bank account. On February 5, Glassrobots sent Standard Bent Glass a revised sales agreement that incorporated almost all of the requested changes. Glassrobots's cover letter stated, "Attached you'll find the revised sales agreement. . . . Please return one signed to us; the other one is for your files." A provision of this agreement stated that "this Agreement shall come into

force when signed by both parties." Standard Bent Glass never signed the agreement. On February 9, Standard Bent Glass sent another fax to Glassrobots in which it stated, "Just noticed on our sales agreement that the power is  $440 \pm 5$ . We must have  $480 \pm 5$  on both pieces of equipment." There was no further written correspondence after February 9 and no contract was ever signed by both parties. Nevertheless, both parties continued to perform. Glassrobots installed the glass fabricating system and Standard Bent Glass made its final payment to Glassrobots. Standard Bent Glass noticed defects in the equipment, and the parties disputed the cause of the defects. Standard Bent Glass sued Glassrobots. Glassrobots claimed that the contract between the parties included an arbitration clause under an appendix to the standard sales agreement. Did it?

5. Richard Davis, a South Carolina real estate broker who buys underpriced properties to renovate and sell (i.e., "flipping" homes), conceived of and developed a pilot episode of a television show documenting the flipping process. He shopped the pilot to a number of television networks, including to A & E, where he worked with the director of lifestyle programming, Charles Nordlander. Davis and Nordlander discussed turning the show into a series for A & E. Davis proposed that he would assume all of the financial risk relating to the purchase and resale of the real estate but that they would otherwise split the revenues of the show. According to Davis, Nordlander responded, "Okay, okay, I get it." Thereafter, Nordlander arranged for Davis to meet with various A & E representatives and with a production company, Departure Films, all the while reiterating the terms Davis outlined; however, they never reduced the terms to writing. With Departure Films on board, filming began, and A & E's senior vice president notified Davis that "the board approved the money for our series," *Flip This House*. They filmed 13 episodes of the series, and the show was a commercial success. Unfortunately, there was a dispute over Davis's compensation. A & E offered to pay Davis an appearance fee per episode and a 5 percent share of incremental revenue attributable to the show. Davis rejected that arrangement and signed a talent agreement with another network. A & E went on to produce three more seasons of *Flip This House* without Davis and never paid him any money, let alone half of the series' net revenue as required by the terms Davis and Nordlander discussed. Davis sued for breach of contract, but A & E denied ever entering