

Case Name: Smith Corporation v. Johnson Enterprises

Docket No: 22-1453

Term: October 2022

Facts:

This case involves a contractual dispute between Smith Corporation and Johnson Enterprises. Smith Corporation entered into an agreement with Johnson Enterprises for the delivery of specialized industrial equipment. Johnson Enterprises failed to deliver the equipment within the agreed time frame and cited supply chain disruptions as the reason. Smith Corporation sued for breach of contract, claiming financial losses due to the delay. The trial court found in favor of Smith Corporation, awarding compensatory damages.

Johnson Enterprises appealed, arguing that the delay was caused by unforeseen global circumstances and was thus excusable under the force majeure clause in the contract.

Decision Type: Majority opinion

Disposition: Affirmed

Held: The Supreme Court affirmed the decision of the appellate court. The majority held that the delay did not qualify as force majeure under the specific language of the contract, and Johnson Enterprises was liable for damages.