

CASE COMMENT: CARLILL V. CARBOLIC SMOKE BALL COMPANY

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INTRODUCTION

The Above named case i.e., Carlill v. Carbolic Smoke Ball Company which was chosen by the Court of Request by the judges' seat Lindley, Bowen, and AL Smith within the year 1892 comes beneath the Indian Contract Act, 1872. This above-named case is considered beneath the portion of the fundamentals of the proposal of the contract given under Section 2(a) of the Indian Contract Act, 1872 i.e., the offer may be particular or common. This case is about the common offer which was publically made in the daily paper and other platforms and acknowledgment was given to the offer/proposal. Within the case, we are going ponder approximately how the recompense was given to the offeree/proposee and how the execution of the conditions publicized within the daily paper constitutes acknowledgment of an offer/proposal.

FACTS

- Carbolic Smoke was a general company that launched a new product which was named "Smoke Ball". This product was launched to save people from the flu.
- The Smoke Ball Company advertised promotion of that product in the Pall shopping center gazette and also in other daily papers and in that advertisement, they stated that whosoever will use the ball for two weeks thrice a day, he/she will not get infected due to flu.
- If in any case, anybody who used the ball in the prescribed way and then gets infected due to the flu, that person will be given a reward of 100 pounds by the Carbolic Smoke Ball Company.
- The advertisement given was for the new Smoke Ball to save people from flu amid the flu widespread in the year 1889-1890.
- According to the advertisement made by the company, they had also mentioned in the advertisement that they have stored 1000 pounds within the Alliance Bank as the reward for the people who will get infected by the flu in case.

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- When Mrs. Carlill saw the advertisement in the daily paper, she became interested in that advertisement and also got fascinated by the advertised product. Mrs. Carlill started to utilize the ball in the prescribed way that was for two weeks thrice a day during the year 1891.
- Unfortunately, the ball did not work on her while she used the ball in the prescribed way and she got infected by the flu.
- After seeing all this, her husband Mr. Carlill got tensed and composed a letter for the sake of her wife to the Carbolic Smoke Ball Company to claim compensation because Mrs. Carlill was got infected by the flu and their product did not save her from the flu attack.
- After getting the letter from Mr. Carlill, the company disregard it and sent a letter expressing that it would not be an issue unless the course has been used in the prescribed way.
- The Carbolic Smoke Ball Company also wrote in the letter that they will not give any kind of compensation to Mrs. Carlill because there was not any contract between them and Mrs. Carlill and if they talk about the offer, then that offer was not made to form a contract and it was just an offer to the people to use the ball.
- After getting the letter of reply from the Carbolic Smoke Ball Company, Mrs. Carlill decided to record a case against the Carbolic Smoke Ball Company and in that case, she stated that the company promised to pay 100 pounds to the person who will get infected by flu but now the company is denying their promise to pay as per the advertisement.

ISSUES

In this case, the most point which emerges is the advertisement made by the Carbolic Smoke Ball Company with respect to 100 pounds in a common substantial offer.

- Did any sort of communication of acknowledgment was done by Mrs. Carlill to the company or not?
- Does this execution of the conditions advertised within the daily paper constitute acknowledgment of an offer and does the Carbolic Smoke Ball Company found liable to pay condensation to Mrs. Carlill due to the loss suffered to her?

DECISION

It was held that the Catholic Smoke Ball Company lost its case. This case from the side of Carboloc Smoke Ball Company showed up straight absent. The court said that there was a completely authoritative contact by the company of 100 pounds to Mrs. Carlill because the proposal was accepted by her. The reasons that were given by the three judges are as follows:

- That the given advertisement in the daily paper was a general offer to all and those who accepted the offer, used the ball and also then get infected by the flu were totally considered to get 100 pounds as consideration and fulfilling the conditions of taking the ball in the prescribed way was considered as an acceptance of the offer.
- That obtaining or using the ball constituted a great thought, and it was a great burden brought for the company and moreover, many individuals buying the product smoke ball after seeing the advertisement in the daily paper was a clear advantage to the Carboloc Smoke Ball Company. The company's claim that 1000 pounds were kept in the organization's Bank appeared genuine and purposeful to be legally found.
- That it was a general offer to all, so there was no need for communication of acceptance between Mrs. Carlill and the Carboloc Smoke Ball Company and Mrs. Carlill used the ball in the said way, so the execution of the condition advertised in the daily paper was totally and completely constitutes as acknowledgment of the offer.
- That all the conditions are seen and it is also true, so the Carboloc Smoke Ball Company is held liable to pay 100 pounds compensation to Mrs. Carlill due to the proper acceptance of the offer.

OBSERVATION OF THE COURT

The judges observed that the advertisement made by the Carboloc Smoke Ball Company was open to all people who will see the advertisement and will start using the ball. It was also seen that the Carboloc Smoke Ball Company deposited 1000 pounds in its bank for those who will be attacked by flu after the correct use of the ball in said way. So, it was ensured to them that the Company will provide 100 pounds compensation to the infected people. The court observed that it was an open proposal which says that "when one person signifies his willingness to another to get their assent thereto on the given terms and conditions" and here, the assent was given by Mrs. Carlill. It was also well observed by the court that Mrs. Carlill used the ball in the said way but the Carboloc Smoke Ball Company was not ready to accept

trust her. The contract was made between them when Mrs. Carlill started using the ball and it was a fully authoritative contract but the company was not ready to accept this fact. The Company dishonored the contract that was fully binding between both the parties and the company was entitled to pay 100 pounds to Mrs. Carlill as decided by Justice Lindley, Justice Bowen and Justice AL Smith.

ANALYSIS

Defendant's Arguments - The defendants said that there was no contract formed between them and Mrs. Carlill and they will not pay any compensation to her because it was just an advertisement that they printed in the daily paper. They had no intention to pay for the same. They also said that the communication of acceptance was not done between them and Mrs. Carlill so, there was not any formation of the contract.

Plaintiff's Arguments - The plaintiff said that she started using the ball after seeing the advertisement because it was clearly mentioned in it that she will get compensation if she will be caught the flu after using the ball she also used the ball in the said manner and no matter what but the company will have to give her the compensation because she accepted their offer and hence formed a contact between them. The court analyzed that the plaintiff's argument is going in the very right way and there was a total mistake of the defendant and he is liable to pay 100 pounds compensation to the plaintiff because they have posted the same in the advertisement.

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