

SUMMARY STATEMENT

Good v. Harry's Dairy, Docket No. 46350

This appeal arose from a dispute over a contract to purchase hay. Jeff Good and Harry's Dairy entered into a contract providing that Harry's Dairy would purchase 3,000 tons of Good's hay. Harry's Dairy paid for and hauled approximately 1,000 tons of hay over a period of approximately eight weeks, but did not always pay for the hay before hauling it and at one point went several weeks without hauling hay. After Harry's Dairy went a month without hauling additional hay, Good demanded that Harry's Dairy begin paying for and hauling the remaining hay. Harry's Dairy responded that it had encountered mold in some of the hay, but would be willing to pay for and haul non-moldy hay at the contract price. Good then sold the remaining hay for a substantially lower price than he would have received under the contract and filed a complaint against Harry's Dairy alleging breach of contract. Harry's Dairy counterclaimed for violation of implied and express warranties and breach of contract.

The district court granted summary judgment in favor of Good on all claims, and a jury ultimately awarded Good \$144,000 in damages. Harry's Dairy appealed, arguing that there were several genuine issues of material fact precluding summary judgment, that the jury verdict was not supported by substantial and competent evidence, and that the district court erred in awarding attorney fees, costs, and prejudgment interest to Good.

The Supreme Court reversed, in part, the district court's orders on summary judgment. Specifically, it reversed the district court's grant of summary judgment on Good's breach of contract claim and Harry's Dairy's breach of the implied warranty of merchantability claim, as well as its dismissal of Harry's Dairy's breach of contract claim. As a result, the Court also vacated the judgment on the jury verdict and the award of attorney fees and costs and remanded the case for further proceedings consistent with its opinion.