

A solid yellow right-angled triangle pointing towards the top-left corner.

BLOGS
Contracts

Dealer's Claim Against Auto Manufacturer That He Was Promised a Dealership Is Rejected by the Court

In *Luther v. Kia Motors Am., Inc.*, 2009 WL 4906878 (W.D. Pa. Dec. 18, 2009), the court granted summary judgment to Kia on a rejected applicant's claim that he had been promised a dealership. The applicant claimed that a Kia representative told him he had been approved at the regional level, and that in the past, those approved at that level were approved by the ultimate national-level decision makers. That constituted an oral contract, according to the applicant. The court disagreed, holding that the conversation did not amount to an oral contract, that the representative did not have the authority to bind the company, and that the applicant had not suffered any damages. It also held that the integration clause contained in the application, which expressly noted that only the written execution of a franchise agreement would constitute approval of the application, foreclosed the applicant's claim.