Steve Sowle owns and operates Crique du Sowlé, the sole Sowle soul circus. For his premiere in Las Vegas, Sowle is negotiating with Ruddy Stein of the circus supply company, Equipment Roche, for trapezes and other equipment. Sowle sends Stein a note saying, “I need trapezes, free ropes, aerial silks. Can you supply them?” Stein responds, “What if I send you our standard purchase order agreement for **you to fill out specifying exactly what and how much you want? Fill it out, send it back to me. I’ll check our supply, but I am sure we can do it.”** Sowle agrees to the arrangement, and Stein sends an unsigned purchase order agreement for Sowle to fill out.

Did Stein make an offer?

(a) Yes

(b) No

Sowle does so, specifying in detail the type and quantity of the equipment he needs, including “40 red aerial silks.” The purchase order includes the delivery date of June 13 and specifies all other relevant aspects of the deal. The purchase order also contains this clause:

*Entire agreement clause*: this agreement represents the complete and final statement of the parties’ obligations. Neither party is relying on any oral or written representations not contained in this agreement.

Sowle signs the form and returns it with a note that says, “All filled out and signed! Ready for you to accept. Great dealing with you.”

Did Sowle make an offer?

(a) Yes

(b) No

After he sends it, and before Stein can respond, Sowle calls Stein and says, “I said 40 *red* silks, but can we make that blue silks instead?” Stein agrees. “Blue it is,” he says. When he is ready to sign the agreement, Stein calls Sowle and says “I notice that the written agreement still has ‘red aerial silks’ in it instead of blue. But we agreed the red means blue right?” Sowle says, “Right! We are OK.” Stein says, “I am good with that,” and he signs the agreement while still on the phone and tells Sowle, “I am sending back my signed acceptance.” He does so with a note that says, “I include the following provision which is incorporated in the purchase order form as if contained therein:

In the event a dispute shall arise between the parties to this contract, it is hereby agreed that the dispute shall be referred to United States Arbitration and Mediation for arbitration in accordance with United States Arbitration and Mediation Rules of Arbitration. The arbitrator’s decision shall be final and binding and judgment may be entered thereon.

Sowle and Stein have no further communications about the agreement.

Assume that Sowle and Stein’s oral agreement concerning the blue aerial silks satisfies the requirements of offer, acceptance, and consideration, and assume that the agreement concerning the delivery of trapezes, free ropes, aerial silks is an enforceable agreement. Does the parol evidence rule make the oral agreement unenforceable?

(a) Yes

(b) No

Does the written agreement contain an arbitration clause? You may assume that the offer did not contain any limitations on changing its terms. You may also assume that Sowle and Stein are merchants.

(a) Yes

(b) No

Sowle then contacts the choreographer, Professor Ostrzecer—Dr. O, as she is widely known--to design dances for his performers. Dr. O offers to design the dances, detailing the terms in writing. Sowle says, “I want to think about it.” Dr. O says, “My current intention is to hold this offer open for five days, but you had better hurry. A lot of people want my services.”

Is this an option contract?

(a) Yes

(b) No

Sowle calls two days later to accept, but before he can open his mouth, Dr. O says, “I was just about to call you. I am revoking my offer.” Sowle says, “You can’t do that! Your offer was irrevocable for five days!”

Is Dr. O’s offer irrevocable?

(a) Yes

(b) No