

Chapter 12

1. Wilson Trading Corporation sold some yarn to Ferguson so that he could make and sell sweaters. The sales contract stated that if there were any defects with the yarn, the customer had a limited time in which to notify Wilson. Ferguson received the yarn and washed it. The time period to report defects then expired. During the drying time, the yarn changed colors and made the sweaters unmarketable. Ferguson refused to pay for the yarn. Wilson Trading Corporation sued for breach of contract. Can Wilson Trading Corporation recover for the breach of the contract? *Wilson Trading Corp. v. David Ferguson, Ltd.*, 23 NY, 2d 398.