BLOGS

# Dickinson v Dodds: Revocation of an Offer under Contract Law

Khushi Malviya · 08 Sep 2025

## Introduction

Dickinson v Dodds is a landmark case in English contract law, dealing primarily with the principles of offer, acceptance, and revocation. The case sheds light on two key issues: the communication of revocation through a third party and the enforceability of promises to keep an offer open without consideration.

The ruling established critical precedents on contract formation and the valid withdrawal of offers.

## Facts of the Case

On June 10, 1874, Mr. Dodds offered to sell his property to Mr. Dickinson for £800, stating in the written offer that it would remain open until 9:00 am on June 12, 1874. Mr. Dickinson was given a period to consider the offer but was not required to provide consideration (payment or reciprocal promise) to keep the offer open until the specified time.

On June 11, 1874, Mr. Dickinson decided to accept the offer but did not immediately inform Mr. Dodds. Later that day, a third party, Mr. Berry, informed Mr. Dickinson that Mr. Dodds had already sold the property to another party, Mr. Allan. Despite this knowledge, Mr. Dickinson attempted to formally accept the offer by delivering a written acceptance to Mr. Dodds early the next morning, on June 12, at 7:00 am, prior to the expiration time specified in the offer.

Mr. Dodds refused the acceptance, stating that it was too late as the property had already been sold. Mr. Dickinson, believing the offer remained valid until 9:00 am, initiated a lawsuit against Mr. Dodds for breach of contract, arguing that the original offer had not been properly revoked and that his acceptance should have resulted in a binding contract.

## Issues Before the Court

The case presented two important legal issues:

1. Was the revocation of Mr. Dodds' offer valid, even though the revocation was communicated by a third party (Mr. Berry) rather than directly by Mr. Dodds?
2. Was the promise to keep the offer open until 9:00 am on June 12, 1874, legally enforceable, even though there was no consideration given for that promise?

These issues focus on the principles of revocation and the binding nature of promises, particularly those made without consideration.

## Arguments Advanced

**Plaintiff's Argument**

Mr. Dickinson argued that the offer from Mr. Dodds to sell the property remained valid until 9:00 am on June 12, 1874, based on the explicit wording of the offer itself. Dickinson contended that his formal acceptance, delivered at 7:00 am on June 12, was within the timeframe specified in the offer, thereby forming a binding contract.

Further, Mr. Dickinson claimed that the information he received from Mr. Berry, a third party, should not be considered valid revocation. He argued that, for a revocation to be effective, it must be communicated directly by the offeror (Mr. Dodds) rather than through an intermediary.

**Defendant's Argument**

Mr. Dodds argued that no contract was formed because his offer was effectively revoked before Dickinson's acceptance.

Dodds contended that once Dickinson was informed by Mr. Berry that the property had been sold to another party, it was clear that the offer was no longer open for acceptance. Since Dickinson knew that Dodds no longer intended to sell the property to him, the offer was effectively terminated.

Dodds also argued that his promise to keep the offer open until 9:00 am on June 12 was not legally binding because it lacked consideration.

According to contract law, a promise is enforceable only if it is supported by consideration. Since Dickinson provided no consideration for the promise, Dodds was free to revoke the offer at any time before it was accepted.

## Judgement Given by the Court

The Court of Appeal ruled in favor of Mr. Dodds, holding that:

1. Revocation of an offer does not require direct communication from the offeror and can be valid if the offeree receives reliable information indicating the offeror no longer intends to proceed with the offer. In this case, the information from Mr. Berry regarding the sale of the property to another party was sufficient to revoke the offer. Once Dickinson knew Dodds no longer intended to sell the property, the offer could no longer be accepted. The court thus rejected the argument that a formal withdrawal of the offer by Dodds was necessary.
2. A promise to keep an offer open is not legally binding unless supported by consideration. The court held that the promise to keep the offer open until 9:00 am on June 12 was unenforceable because it was a nudum pactum—a promise made without consideration. Since Dickinson had not given anything in return for the promise, Dodds was not legally obligated to keep the offer open and could revoke it at any time before acceptance.

The court further clarified that for a binding contract to be formed, there must be mutual assent or a "meeting of minds." Since Dickinson was aware that Dodds no longer intended to sell the property, there was no mutual assent, and thus no contract was formed.

## Legal Reasoning and Analysis in Dickinson v Dodds

1. Revocation by a Third Party: The court established that an offer can be revoked indirectly, through a third party, as long as the offeree receives reliable information that the offeror no longer intends to be bound by the offer. In the present case, Mr. Berry's communication to Mr. Dickinson was deemed reliable, and Mr. Dickinson's knowledge of the sale of the property was sufficient to revoke the offer. Thus, Dickinson's subsequent attempt to accept the offer was ineffective because he knew it was no longer open.
2. Consideration and Option Contracts: The court reinforced the traditional contract law requirement that a promise must be supported by consideration to be enforceable. Here, the promise to keep the offer open until 9:00 am on June 12 was not binding because Dickinson had not provided any consideration in return. Without consideration, the promise was unenforceable, and Dodds could withdraw the offer at any time before it was accepted. This aspect of the judgement is significant because it underscores the necessity of consideration in

binding contracts, particularly in cases where one party makes a promise to keep an offer open.

3. Mutual Assent and Contract Formation: The court emphasized the importance of mutual assent in contract formation. For a contract to be valid, both parties must agree to the same terms at the same time. In this case, no mutual agreement existed when Dickinson attempted to accept the offer, as Dodds had already sold the property to someone else, and Dickinson knew this. Without a “meeting of minds,” no contract could be formed.

## Impact and Significance

The decision in *Dickinson v Dodds* remains a cornerstone of contract law and is frequently cited for several key principles:

1. Revocation of Offers: The case established that an offer can be revoked indirectly, as long as the offeree receives reliable information about the withdrawal. This principle has practical implications in modern contract negotiations, where information about an offeror’s intent may come from various sources.
2. Consideration and Binding Promises: The case reinforced the notion that promises to keep offers open (option contracts) are unenforceable without consideration. This principle has important implications for commercial transactions, where parties may seek to secure options to buy or sell assets for a fixed period.
3. Mutual Assent: The case highlights the importance of mutual assent in contract formation. If one party is aware that the other no longer intends to proceed, there can be no binding agreement.

## Conclusion

Dickinson v Dodds provides clarity on the principles of offer, acceptance, and revocation. The ruling illustrates the importance of reliable communication, consideration, and mutual assent in contract formation. By affirming that offers can be revoked through third-party communication and emphasizing the requirement of consideration, the court laid down essential guidelines that continue to influence modern contract law.