



QUATTLEBAUM, GROOMS & TULL PLLC

[www.QGTLaw.com](http://www.QGTLaw.com)

## Arkansas Supreme Court Extends Notice Provisions Of UCC To Services Contracts

*January 2016*

*By: Joseph R. Falasco*

Contact:

Joseph R. Falasco

501.379.1776

[jfalasco@QGTLaw.com](mailto:jfalasco@QGTLaw.com)

The Uniform Commercial Code (UCC), codified in Arkansas at Ark. Code Ann. § 4-1-101 *et seq.*, typically applies only to sales of goods and does not apply to an agreement for services. When an agreement involves both the sale of goods and services, the UCC applies when the transaction is fundamentally an exchange of goods. *B & B Hardware, Inc. v. Fastenal Co.*, 688 F.3d 917, 921 (8th Cir. 2012). Notwithstanding, the Arkansas Supreme Court recently ruled that the UCC provides guidance with respect to contracts for services that are not covered by the UCC. *See Hartness v. Nuckles*, 2015 Ark. 444. Specifically, the Court ruled in *Hartness* that the UCC notice requirements from Ark. Code Ann. § 4-2-607 apply to express or implied warranties created in a contract for services. Thus, even in service contracts, reasonable notice of breach must be given before a lawsuit can be filed.

The Court used broad language in *Hartness*, suggesting the UCC will inform all contracts. The Court stated that it “has often looked to the UCC for guidance on contract principles by analogy” and that it has a “well-established practice of reasoning to the UCC by analogy in contracts for services.” Given the Court’s opinion, persons seeking to sue for breach of contract should carefully consider UCC provisions regardless of whether the UCC is strictly applicable. Likewise, parties sued for breach of contract can look to the UCC for defenses even when the UCC does not govern the transaction.