

volve the payment of £5 by the retailers direct to the manufacturers. This provision, as will be seen, was relied upon as establishing a right on the part of the manufacturers to sue on the contract. And on discovery of the sale of two tyres at prices below the current list prices, the manufacturers brought this action against the retailers. The Court of Appeal found that no contract had been proved to exist between the manufacturers and the retailers. The contract was in form between the wholesale dealers and the retailers. Although there was a stipulation in the contract in favour of the manufacturers, this would not have the effect of giving rights to the manufacturers, or enable them to sue upon a contract to which they were not parties. The form of the contract, moreover, was inconsistent with the wholesale dealers having entered into it as agents for the manufacturers. The plaintiffs had therefore failed to prove a subsisting contractual relationship between them and the defendants. If the middlemen had in fact and in terms contracted as agents for and on behalf of the manufacturers, they would then drop out and the manufacturers could sue the retailers for breach of contract. The law is therefore clear, and if manufacturers desire to protect themselves they must arrange their business accordingly and enter into direct contractual relations with the retail traders.

As we have seen above, these agreements between manufacturers and their customers to regulate retail prices are not void as in restraint of trade: (cp. *Elliman, Sons and Co. v. Carrington and Son*, *ubi sup.*). Different considerations, however, apply where a number of manufacturers seek by agreement amongst themselves to fix the price, below which they undertake not to sell their goods. Such agreements have been held to be against the public interest and in restraint of trade, and therefore not enforceable: (*Urmston v. Whitelegg Brothers*, 63 L.T. Rep. 454).—*Law Times*.