

3710 CONSEQUENTIAL DAMAGES FOR BREACH OF CONTRACT

The law provides that a person who has been damaged by a breach of contract shall be fairly and reasonably compensated for his or her loss. In determining the damages, if any, you will allow an amount that will reasonably compensate the injured person for all losses that are the natural and probable results of the breach.

COMMENT

This instruction and comment were approved in 1980. The comment was updated in 2018.

Repinski v. Clintonville Sav. & Loan Ass'n, 49 Wis.2d 52, 181 N.W.2d 351 (1970), states, "An award of damages for breach of contract should compensate the injured party for losses necessarily flowing from the breach." The losses must be the natural and probable results of the breach. Turner Heat Treating Corp. v. Menco, Inc., 252 Wis. 16, 30 N.W.2d 228 (1947).

"Those naturally arising damages, referred to as 'consequential damages,' include 'all losses that are natural and probable results of the breach.' " Wosinski v. Advance Cast Stone Co., 2017 WI App 51, 377 Wis.2d 596, 901 N.W.2d 797.

"The fundamental basis for an award of damages for breach of contract is just compensation for losses necessarily flowing from the breach." Dehnart v. Waukesha Brewing Co., 21 Wis.2d 583, 124 N.W.2d 664 (1963).

Loss of profits could be included as a loss. Pressure Cast Products Corp. v. Page, 261 Wis. 197, 51 N.W.2d 808 (1952).