

Tortious Interference

Tortious interference, in the [common law](#) of [tort](#), occurs when a person intentionally damages the [plaintiff's](#) [contractual](#) or other business relationships. This tort is broadly divided into two categories, one specific to contractual relationships (irrespective of whether they involve business), and the other specific to business relationships or activities (irrespective of whether they involve a contract).

Tortious interference with contract rights can occur where the [tortfeasor](#) convinces a party to breach the contract against the [plaintiff](#), or where the tortfeasor disrupts the ability of one party to perform his obligations under the contract, thereby preventing the [plaintiff](#) from receiving the performance promised. The hardcore instance of this tort occurs when one party induces another party to breach a contract with a third party, in circumstances where the first party has no privilege to act as it does and acts with knowledge of the existence of the contract. Such conduct is termed tortious inducement of breach of contract.

Tortious interference with business relationships occurs where the tortfeasor acts to prevent the [plaintiff](#) from successfully establishing or maintaining business relationships. This tort may occur when a first party's conduct intentionally causes a second party not to enter into a business relationship with a third party that otherwise would probably have occurred. Such conduct is termed tortious interference with prospective business relations, expectations, or advantage or with prospective economic advantage.

An early, perhaps the earliest, instance of recognition of this tort occurred in *Garret v. Taylor*, 79 Eng. Rep. 485 (K.B. 1620). In that case, the defendant drove customers away from the plaintiff's quarry by threatening them with mayhem and also threatening to "vex [them] with suits." The King's Bench court said that "the defendant threatened violence to the extent of committing an assault upon ... customers of the plaintiff ... whereupon 'they all desisted from buying.'" The court therefore upheld a judgment for the plaintiff.

In a similar case, *Tarleton v. McGawley*, 170 Eng. Rep. 153 (K.B. 1793), the defendant shot from its ship Othello off the coast of Africa upon natives while "contriving and maliciously intending to hinder and deter the natives from trading with" plaintiff's rival trading ship Bannister. This action caused the natives (plaintiff's prospective customers) to flee the scene, depriving the plaintiff of their potential business. The King's Bench court held the conduct actionable. The defendant claimed, by way of justification, that the local native ruler had given it an exclusive franchise to trade with his subjects, but the court rejected this defense.

The tort was described in the case of *Keeble v. Hickeringill*, (1707) [103 Eng. Rep. 1127](#), styled as a "[trespass on the case](#)". In that case, the defendant had used a shotgun to drive ducks away from a pond that the plaintiff had built for the purpose of capturing ducks. Thus, unlike the foregoing cases, here the actionable conduct was not directly driving the prospective customers away, but rather eliminating the subject matter of the prospective

business. Although the ducks had not yet been captured, the [Justice Holt](#) wrote for the court that "where a violent or malicious act is done to a man's occupation, profession, or way of getting a livelihood, there an action lies in all cases." The court noted that the defendant would have the right to draw away ducks to a pond of his own, raising as a comparison a 1410 case in which the court deemed that no cause of action would lie where a schoolmaster opened a new school that drew students away from an old school.

Typical examples

1. Tortious interference of business.- When false claims and accusations are made against a business or an individual's reputation in order to drive business away.
2. Tortious interference of contract.- When an individual uses "tort" (a wrongful act) to come in between two parties mutual contract.

Elements

Although the specific elements required to prove a claim of tortious interference vary from one jurisdiction to another, they typically include the following:

1. The existence of a contractual relationship or beneficial business relationship between two parties.
2. Knowledge of that relationship by a third party.
3. Intent of the third party to induce a party to the relationship to breach the relationship.
4. Lack of any privilege on the part of the third party to induce such a breach.
5. Damage to the party against whom the breach occurs.

The first element may, in employment at will jurisdictions, be held fulfilled in regards to a previously untermiated employer/employee relationship.