

**554.2314 Implied warranty: merchantability — usage of trade.**

1. Unless excluded or modified ([section 554.2316](#)), a warranty that the goods shall be merchantable is implied in a contract for their sale if the seller is a merchant with respect to goods of that kind. Under [this section](#) the serving for value of food or drink to be consumed either on the premises or elsewhere is a sale.

2. Goods to be merchantable must be at least such as

- a. pass without objection in the trade under the contract description; and
- b. in the case of fungible goods, are of fair average quality within the description; and
- c. are fit for the ordinary purposes for which such goods are used; and
- d. run, within the variations permitted by the agreement, of even kind, quality and quantity within each unit and among all units involved; and
- e. are adequately contained, packaged, and labeled as the agreement may require; and
- f. conform to the promises or affirmations of fact made on the container or label if any.

3. Unless excluded or modified ([section 554.2316](#)) other implied warranties may arise from course of dealing or usage of trade.

[C24, 27, 31, 35, 39, §9944; C46, 50, 54, 58, 62, §554.16; C66, 71, 73, 75, 77, 79, 81, §554.2314]  
Referred to in [§554A.1](#)