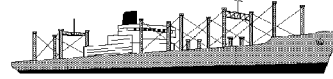




Rollin' On [®]



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HOUSEHOLD GOODS CLAIMS & INTERLINE CLAIMS

Household goods and moving: Are we there yet?

Awhile back there was a report that the average person moves every seven years. Perhaps that number has changed. Either way, that's a lot of moving around.

Psychologists will tell you that moving is one of the most stressful things that married people go through. Obviously, it is stressful for single people as well. The point is that moving causes consternation. As for children, we're told to get their rooms in order first, to get them back into a familiar environment.

Let's say that you're moving out of state and that you want some help. You call up a local moving company that is affiliated with a national company. They come to your house and tell you how the program works. Let's say that the house that you bought at destination won't be available for four months and that you're going to rent a place in the interim.

Meanwhile, you've sold your current house so you need to have the movers put your belongings in storage which they do all the time, so no problem there. With that assurance, you pack up the spouse and kids and pets and off you go to your rental in your new state.

The time comes when you are ready to close on your house at destination and you want to arrange for the moving company to transport your belongings to your new house. (In the meantime you've discovered that you can live without a lot of those things, but that's a whole 'nother story.) The

LARRY R. DAVIDSON
Attorney at Law
1850 Benj. Franklin Plaza
One SW Columbia St.
Portland, Oregon 97258
(503) 229-0199
Fax (503) 229-1856
E-Mail: larry@rollin-on.com
www.rollin-on.com

movers show up with your belongings, and at long last you are reunited with your day to day household goods.

However, you quickly discover extensive damage to many items and you bring that to the attention of the driver, who has already written up a report itemizing damage that was noted when your belongings were taken out of storage. As it turns out, the delivering mover is not the same mover as the origin carrier, although both movers are agents of the same national company. The driver was thus careful to note damage before he took possession. In the interim you have noticed that some of your belongings were not packed well in the delivering trailer.

You file a claim with the national company, since as far as you are concerned, it is responsible. The national company responds by stating that since your belongings went into storage, it is not responsible and that you need to file the claim with the local company. Meanwhile, of course there is no way for you to know who caused what damage. The local agent blames the delivering carrier, stating that the damage noted by the delivering driver is not on your claim.

The law is on your side. If your intent was to put your goods in storage only temporarily, which obviously you did, then they are in a storage-in-transit status, as opposed to permanent storage. While your goods are in S.I.T. status, the carrier remains liable as a carrier, and not as a warehouseman, and thus is bound to a higher standard of care. The national company is

wrong by claiming that the storage was other than S.I.T.

In order for the S.I.T. status to be changed from temporary to permanent storage, the carrier is required to provide you at least 10 days' prior written notice that it is converting the storage from temporary to permanent, the date of the change, the fact that you have nine months in which to file a claim, that it's liability as a carrier is ending, and that warehouseman status will apply going forward.

Relationship to Interline Claims

Thus, the net result is somewhat the same as would pertain to an interline shipment, where the consignee is free to go after the delivering carrier even if the delivering carrier did not cause the damage. The delivering carrier has the right to pursue indemnity against the origin carrier. The point is that the consignee is neither expected nor required to know where the damage occurred. All the consignee needs to prove, as with any loss and damage claim, is that the cargo was delivered in good condition at origin and in damaged condition at destination.

Where to File

The advantage to the consignee of any interline claim, as well as to the homeowner who has just relocated, is that if a lawsuit is necessary, the consignee and homeowner can file right in their own backyard as opposed to having to file in the state and place of origin. That obviously makes it easier to find an attorney, to process the case, and to keep the travel costs either nonexistent or very limited. That may be the difference between filing and not filing a lawsuit.

That's all for now. Until next time, keep the cargo *rollin'!*

The Obligatory Disclaimer

This newsletter is for informational purposes, does not provide legal advice and does not create an attorney-client relationship.

Short Bio

Admitted to the state bars of Oregon, Alaska, Florida and Massachusetts. Practicing law for over 25 years and emphasizing transportation law, business law and related litigation.