



Rollin' On [®]



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FREIGHT CHARGES, AND BUMPER STICKERS

Freight Charges:

Hey, buddy, you've got to pay - ?

Those pesky freight charges. They just won't go away. You know the situation: A shipper contacts a carrier or broker in regard to the transportation of the shipper's cargo from origin to destination. The shipper promises to pay and marks "prepaid" on the bill of lading, which the carrier is obligated by law to furnish but which is frequently furnished on a shipper form of bill of lading. The load gets transported, and the carrier or broker invoices the shipper. Unfortunately, the shipper is by now on a banana peel or belly up or somethings else are up and so now what happens?

The carrier is already paying a fortune for fuel, with limited success in passing on fuel surcharges to its paying customers. It's especially tough on the small to medium size carriers, since the freight is drying up and then the idea of telling the shipper that it will cost extra, well, sometime that floats like a lead balloon.

Anyway, back to the problem and what to do. First, many shippers, even big, Fortune 500 type shippers, continue to put on their bills of lading the old, outdated language "subject to the carrier's classifications and tariffs" and stuff like that and how in the heck can someone in a company that size not know and understand about the changes that have occurred over the years. The shipper has the opportunity to discard all of that old baggage and not be concerned at all about the carrier's tariffs. Instead, the shipper is a glutton for punishment.

But that's off the point. The carrier or broker now tries to look elsewhere

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to get paid. The consignee is quickly in the carrier's crosshairs. One day the consignee opens its mail and lo and behold, there's a demand, not even a pretty please, for payment of freight charges from some company that the consignee has never heard of. The letter says that since the consignee accepted the freight, the consignee is absolutely positively liable for all freight charges. The carrier may even instruct the consignee to look at the language on the bill of lading, which is courtesy of the shipper. In many instances the consignee hardly knows what a bill of lading is, since its outbound product doesn't move on a bill of lading.

So the consignee says, whoa, let's slow this horse down and take a look at what's going on. The carrier or broker made a deal with a shipper, now deader than a doornail, and so the consignee is supposed to drop what it's doing and write a check to the carrier because the contracting party has defaulted? The consignee sees that the freight bill says prepaid, and what's this nonrecourse section that hasn't been signed, where the carrier is instructed, again courtesy of the shipper, to look only to the consignee for payment? Then the carrier says, sorry but you accepted the shipment.

The confusion is increased since there's no statute directly on point.

Important Transportation Items: Bumper stickers

Over the years we've all seen vehicles with assorted and numerous bumper stickers. At times it seems the message is the more the better. But that frequently isn't the case. In fact, a

lone, well-articulated bumper sticker with a simple message can be very effective. Going back to yesteryear, here are some that I remember.

From the time I lived in Alaska (1976-78), there was this one:

Wally Hickel, Alaska's Ted Baxter.

OK, to understand, you had to watch Mary Tyler Moore, and also remember Mr. Hickel, an Alaskan politician.

Also from sometime around the first summer I spent in Alaska (1972 in Fairbanks) to 1976:

Happiness is an Okie going home with a Texan under each arm. There was some local animosity against the building of the pipeline by people from "the lower 48", especially Texans.

From the time I lived in Miami (1979-1986):

Will the last American leaving Miami please bring the flag. During the Cuban boatlift, when Castro emptied his prisons and mental institutions and flooded south Florida with 120,000 people. Many local residents relocated to other parts of Florida. Incidentally, the murder rate skyrocketed, but it was of little consequence since the rise was attributable to criminals killing each other. It sure kept the legal defense costs down. Meanwhile, there were people getting busted with, for example, two kilos of cocaine, but charged with only one kilo since one of the kilos would disappear, used to supplement someone's pension. There weren't too many criminals who complained about the disparity.

Switch to email

Just email me your company name and fax number where **Rollin' On** is currently being received, and you'll be switched over.

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

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.

The Obligatory Disclaimer

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