

SAM – TRANSPORTATION MANAGEMENT

DISPOSITION OF DAMAGED SHIPMENTS

3867

(Revised 02/93)

Carriers are almost always responsible for transit loss or damage. However, consignees have a legal responsibility for keeping damage costs at a minimum and must accept damaged freight that can be reasonably repaired. If the goods are damaged so much that they become almost worthless, you may refuse the delivery. In that case be sure to file a claim for the full value of the shipment.

Some items can only be repaired by the factory where they were made. If repair costs are more than \$100 and more than one company can make the repairs, try to get competitive bids.

Carriers who pay the full invoice price for claims on goods that are damaged beyond reasonable repair are, in effect, purchasing the damaged goods. The carrier will usually want the damaged goods as salvage. Therefore, you must hold the damaged goods and make them available for the carrier to pick up.