

# Navigating Your Way Through Freight Claims

The most proactive way to combat damaged freight is to equip your team with a best practice for proper identification and handling of damaged freight, claim filing procedures, and understanding and adhering to time limitations. Armed with the necessary knowledge and tools, your staff will be ready to protect your company from financial loss and liability due to damaged freight.

## **What are the types of Freight Claims?**

The three types of freight claims include shortage or loss, damage (apparent and concealed), and delay.

*Concealed damage* is discovered after a shipment has been received and signed for, where no visible damage to the cartons or product was noted on the delivery receipt.

## **How and when should exceptions be noted?**

Receiving personnel should:

- Note exceptions of damage or shortage on the delivery receipt at the time of delivery as well as if the freight is accepted or refused.
- Be as specific as possible when recording the loss or damage to a shipment. Be sure the driver signs the delivery receipt acknowledging the damage or loss as noted.
- Keep a camera available so that photos of the damaged freight can be taken to support any future claim that may be filed.
- Never indicate on a delivery receipt that a shipment is "pending inspection." This terminology clears the shipment of any damage. If you suspect damage but are unable to go through the product prior to the driver leaving your facility, you should note on the delivery receipt how many skids/cartons/packages appear damaged.
- Examples of **positive ways to sign for damaged product** to support claim recovery success:

"3 units dented and scratched. Visible damage to product"

"1 unit dented and damaged in upper left corner. 1 carton torn"

\*\* Always be specific when documenting damage and signing for the shipment at the time of delivery

- Examples of **ways to not sign for damaged product** which leads to lower probability of claim recovery:

"Subject to inspection"

"Box damaged"

\*\* All freight is subject to inspection, therefore, noting this at the time of delivery does not document specific damage.

**\*\* Noting only "box damaged" documents damage to packaging but not documentation of damage to the actual product.**

**\*\* Take photos of damaged product at the time of delivery and include them with the claim**

Receiving personnel should also be aware that:

- The driver is not obligated to note the damage on the delivery receipt - this is the responsibility of the consignee. If the driver denotes damage on the delivery receipt, receiving personnel should review the notation to be sure the driver did not minimize the actual damage.
- If concealed damage is discovered after the shipment was delivered, set aside the merchandise and contact the carrier to request an inspection. Concealed damage must be reported to the carrier within 5 days of the delivery, unless otherwise noted by the carrier. If the carrier waives inspection, document the date, time, and the individuals name and title. Include this information in your claim.
- For material damage due to freezing (protect from freeze shipments), you should note on the delivery receipt that "upon inspection the material is damaged and the freeze indicators have been tripped."

### ***What should I do with the damaged goods and the packaging?***

- Know your shipper's policy on damaged goods. If you refuse the freight, the carrier will attempt to return the damaged goods to the shipper to hold while the claim is processed. If the shipper refuses to receive the damaged goods, the carrier will charge storage fees for holding the material while the claim is processed. These fees can add up quickly.
- If you are filing a claim, the damaged goods, including all packaging, must be kept until the claim is processed by the carrier. The carrier may send a surveyor agent to inspect the damaged material and the packaging to assist them in making a decision on the carrier's liability for the damage. If the packaging isn't available, the carrier will deny the claim.
- Once the claim is settled, it's the carrier's right to pick up the damaged materials for further disposition.

### ***When should a claim be filed?***

A claimant is required to file within nine months of delivery in order for the claim to be valid. If the shipment was never delivered, the claim should be filed no later than nine months from when the delivery would reasonably have been expected to be made.

For concealed damage or loss, you must notify the carrier of the damage within 5 days of the delivery date, unless otherwise noted by the carrier. It is a good practice to notify the carrier as soon as the damage is noticed to reduce any appearance of impropriety.







### ***Who is responsible for filing the claim?***

It's the responsibility of the shipper, consignee, or owner of the freight to file the claim. If you are in the position to file a claim on a shipment routed by Ascent, immediately notify one of our transportation specialists. Although we cannot file the claim for you, we can help

you organize the appropriate paperwork, and we will note the exception in our system, which will help us track carrier performance.

### **What documentation should be included in the claim?**

When filing a freight claim on a shipment that was routed by Ascent, you are responsible for proving that the carrier received the freight in good condition, what items were short or damaged when received, and the dollar amount of the loss or damaged goods. Include the following documentation with the claim:

-  Original bill of lading or a certified copy;
-  Original invoice displaying value of goods from seller/manufacturer of product;
-  Copy of the proof of delivery notating delivery exception(s);
-  Salvage value or damage allowance;
-  Repair invoice (if applicable) from repairing organization; and,
-  If available, include photos of the damaged cartons/skids/etc.

### **Should we still make payment on the invoice from Ascent if a freight claim is filed against the shipment?**

The Ascent invoice must be paid in full in order for the carrier to review the claim. Your freight claim should not include the freight charges. Once the carrier approves payment of your claim, you can email the approval to [HudsonFPA@ascentgl.com](mailto:HudsonFPA@ascentgl.com) and we will file an Overcharge Claim for the freight charges with the carrier.

### **What is the carrier's responsibility in the claim process and when could I expect the claim to be resolved?**

The carrier must:

- Acknowledge that a claim was filed within 30 days;
- Assign a file number to the claim;
- Resolve the claim within 120 days (settle, decline, or pay);
- Notify the claimant, in writing, each 60-day period following, in which a claim remains unresolved.

### **What is the best way to file the claim with the carrier?**

The most common way to file a claim is through U.S. Mail, but some carriers will accept e-mail. Check with the carrier for their specific preference for accepting claims and always keep a copy of the claim and all supporting documentation for your records.

**Knowledge is Key:** Although you cannot take away the fact that your freight has been damaged, or even misplaced, the burden can be eased if your company establishes procedures and educates staff to handle these occurrences in an efficient and expedient manner. Be knowledgeable about the laws and establish internal guidelines for identifying and handling freight claims. By doing so, you will mollify your loss and accelerate the recovery of the claim.

**If you have additional claims questions you may contact Ascent (800-689-6255):**

- Brian Pollock, extension 0438, email: [brian.pollock@ascentgl.com](mailto:brian.pollock@ascentgl.com)
- Tony Sims, extension 0437, email: [tony.sims@ascentgl.com](mailto:tony.sims@ascentgl.com)

#### Common Carrier Claims Contact Information

CARRIER	PHONE#	EMAIL ADDRESS
A DUIE PYLE	8005235020	claimsdept@pyleco.com
ABERDEEN EXPRESS	5137723210	claims@aberdeenexpress.com
AAA COOPER	8006337571	cargoclaims@aaacooper.com
CROSS COUNTRY FREIGHT	8005210287	claims@shipcc.com
DAYTON FREIGHT LINES INC	8008605102	claims@daytonfreight.com
ESTES EXPRESS	8043531900	claims@estes-express.com
FEDEX FREIGHT INC	8003083963	file.freightclaim@fedex.com
MIDWEST MOTOR EXPRESS	7012231880	claims@mmeinc.com
PANAMA TRANSFER	8004892088	panamaosd@panamatransfer.com
PITT OHIO EXPRESS LLC	8003667488	<a href="mailto:eclaims@pittohio.com">eclaims@pittohio.com</a>
OLD DOMINION FREIGHT LINES	8008256636	claims@odfl.com
R&L CARRIERS INC	8002895225	cargoclaims@rlc.com
RMX FREIGHT SYSTEMS	8003342444	matt.allen@rrohio.com
ROADRUNNER FREIGHT	8005330662	claims@rrts.com
SAIA MOTOR FREIGHT	8009507242	claims@saia.com
SOUTHEASTERN FREIGHT	8037947300	cargoclaims@sefl.com
SOUTHWESTERN MOTOR TRANSPORT	8005331071	joereyes@smtl.com
TFORCE FREIGHT	8886539720	cargoclaims@tforcefreight.com
USF HOLLAND INC	8663893641	claims@hollandregional.com
USF REDDAWAY	5036501286	claims@reddawayregional.com
US ROAD FREIGHT EXPRESS	3169429944	cgoken@usroad.com
WARD TRUCKING	8004583625	claims@wardtlc.com
XPO LOGISTICS	8884358130	claims.ltlcdc@xpo.com
ABF FREIGHT	4797858741	cargoclaims@abf.com

