



Freight Claims

What is a freight transportation damage claim?

A freight transportation claim is a lawful demand by a shipper or receiver to a TSP (Transportation Service Provider) for financial reimbursement due to the loss, shortage, or damage of a shipment.

Why file a damage claim?

Filing a damage claim with the TSP holds it accountable for meeting the contractual shipping requirements. The purpose is to make the claimant whole or restore them to the same position as they would be if the cargo had not been lost or damaged.

When and where to file a freight claim?

Claims should be filed promptly once loss or damage is discovered or notified. Claims should be filed directly with the TSP responsible for the original freight shipment. If a shipment is made through a 3rd Party Logistics provider, the claim can be filed through the 3PL.

Supporting documents to file claim

- POD – Proof of delivery or delivery receipt noting damages
- Commercial invoice
- Detailed description of damages
 - Item #
 - Quantity
- Photos of damage (preferred not required)

Scenarios

- Visible Damage
- Concealed Damage – Damage or shortage discovered after delivery driver has left and freight has been received
- Shortage
- Refusal – Receiver does not accept the freight due to visible damages
- Loss – Freight lost in transit, delivery did not occur

Visible damage – Damage is readily apparent

Receiver notices damage at time of receiving and accepts the pallet from the carrier. Receiver makes note of the damage when signing the POD (Delivery Receipt). Receiver to provide item# of damaged items and quantity of cases or units. Pictures of the damages should be requested from the receiver as support if a claim will be filed.



Concealed damage – Damage or shortage discovered after delivery driver has left and shipment is un-palletized and/or boxes are opened.

Loss or damage to a shipment which could not have been noted at time of delivery, must be reported to the TSP within five (5) calendar days from the date of delivery to file claim. The notice of damage or loss must be confirmed as an electronic communication (email or via TSP website). All merchandise should be retained in the same condition it was in when damage or loss was discovered, in case of inspection request by TSP.

Shortage – Only part of shipment is received

When a shortage occurs, the carrier must be notified immediately. The sooner we can notify the carrier, the better chance the carrier has of recovering the missing freight or pallet(s). A detailed description of the shortage should be provided along with pictures of the missing goods if available. The carrier will then begin a dock and trailer sweep to find the missing freight. If the freight is not found within 3 business days, the shipper should proceed to file claim for the freight lost in transit.

Refusal – Due to visible damage

In this case the receiver or the carrier will notify the shipper of the refused freight. The carrier will usually provide pictures of the freight to the shipper and request disposition. Based on the information and pictures provided by the carrier or the receiver, the shipper can request the freight to be discarded or returned free astray depending on the condition of the freight. In some cases, the carrier will dispose of the freight if they determine the condition of the freight to be a hazard. If freight is being returned to the shipper, the carrier will provide a return PRO# for tracking purposes. Once the damaged freight is received back to the shipper an inspection of damages must be performed to confirm item # and qty damaged. Upon inspection the shipper will proceed to file a damage claim against the carrier.

Original Freight charges

Freight charges are to be reimbursed by the carrier in an amount prorated based on the weight of the damaged goods in proportion to the weight of the entire shipment.

Return Freight Charges

In the case of a damaged shipment refused by the receiver, the carrier will be responsible to return the freight free astray at no cost to the original shipper.



General Guidelines for Claims

Receivers must note any visible damages on the POD (proof of delivery) at time of receipt.

The carrier must be notified of the damages within 48 hours of the delivery date.

If the carrier is notified of the damages in a timely manner by either a signed POD noting the damages or supporting electronic notice by email or the carriers website, the shipper has up to 9 months from the delivery date to file claim.

Carriers have up to 30 calendar days to acknowledge the receipt of the claim, and it can take up to 120 additional calendar days to settle a claim.

Claim amounts paid are ultimately decided by the carrier. The carrier liability is limited to a dollar amount per pound by the carrier, stated in the carriers Tariff (see below). Liability coverage varies between carriers. The total claim payment amount may vary from the shipment value.

Carrier Max Liability based on Tile commodity NMFC 182570 freight class 50 & class 60

Maximum Liability Coverage Per Lb			
Carrier	Class 50	Class 60	Max Liability Amount Per Shipment
AAA Cooper	\$ 0.99	\$ 2.35	\$ 20,000
ABF	\$ 2.00	\$ 3.00	\$ 100,000
Daylight Transport	\$ 2.00	\$ 2.50	\$ 100,000
Dependable Highway Expr	\$ 5.00	\$ 5.00	\$ 100,000
Estes	\$ 2.00	\$ 2.35	\$ 100,000
Fedex	\$ 1.00	\$ 3.00	\$ 100,000
Old Dominion	\$ 5.00	\$ 5.00	\$ 50,000
R&L	\$ 2.00	\$ 2.30	\$ 100,000
Saia	Cost of Goods	Cost of goods	\$ 50,000
SEFL	\$ 1.00	\$ 2.50	\$ 100,000
T Force Freight	\$ 1.00	\$ 3.00	\$ 100,000
Total Distribution	\$ 0.20	\$ 0.20	\$ 100,000
XPO	\$ 3.00	\$ 5.00	\$ 100,000
YRC	\$ 2.00	\$ 3.00	\$ 100,000

.50 If product contains glass**