

- B. Do Not Return Damaged Item To Shipper** — The return of such items should not be made without written authorization of the supplier.
- C. Secure receipt From Carrier If Damaged Items Are Picked Up For Salvage** — If you surrender damaged merchandise to a carrier for salvage because it is valueless to you, be sure to secure a receipt from the driver when it is picked up. Retain that receipt.



**Statement by  
Interstate Commerce Commission in  
Administrative Ruling No. 120,  
Dated July 7, 1972  
(Appendix, Paragraph 3)**

“Carefully check for any visible damage to the cartons, containers, or items. Include any unusual ‘ratties.’ If such damage exists, the package should be opened immediately and a joint inventory and examination of contents should be made by the carrier and yourself. A full, detailed description of the results of such examination should be endorsed on both the carrier’s delivery receipt and your copy. Generally, the carrier’s driver will sign the exception on your copy of the document. Courts have generally ruled that a consignee may not open the containers and examine the merchandise before giving a receipt to the carrier, unless the containers indicate the probability of damage.” (Emphasis ours.)



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## Your Responsibility When Receiving Freight

NSSEA Member Price: Free  
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not available to nonmembers.

## 1. Steps To Take At Time Of Delivery To Protect Against Loss

- A. **Verify Count** — Make sure you are receiving as many cartons and/or pallets as are listed on the delivery receipt. If any shortage is discovered, note exactly how many cartons and/or pallets are short on the carrier's receipt and have the driver note the shortage on your copy.
- B. **Carefully Examine Each Carton For Damage** — If damage is visible, note this fact on the delivery receipt and have the driver clearly note it on your copy. If the carton has the appearance that the contents may possibly be damaged, insist that it be opened right at that time. Both you and the driver should make joint inspection of the contents. Any concealed damage discovered should likewise be noted on the delivery receipt and on your copy. Be sure to retain your copy.
- C. **Note Any Damage On Delivery Receipt** — If the carton is even slightly damaged, note that fact on the delivery receipt. The driver should not be given a clear delivery receipt (one signed without exception) if there is the slightest crush, crease, scuff, or puncture on any carton. It is vital that you note the condition of any bruised or damaged cartons — such as "slight crush, top right corner" — on both copies of the delivery receipt. Be as definitive as possible.
- D. **Immediately After Delivery, Open All Cartons And Inspect For Concealed Damage** — Even though the driver has left, all cartons should immediately be opened and the contents inspected for possible concealed damage.

## 2. Steps To Take When Visible Or Concealed Damage Is Discovered

- A. **Retain Damaged Items** — Not only must the damaged items be held at the point where received, but the containers and all inner packing materials must be held until an inspection is made by the carrier inspector.
- B. **Notify Your Business Office At Once** — Call Mr/Mrs. \_\_\_\_\_  
Phone \_\_\_\_\_  
(if he/she is not available, proceed with next step — )
- C. **Call Carrier To Report Damage And Request Inspection** — The call should be placed immediately upon discovery of the damage. Under no circumstances should it be put off longer than 15 days after delivery. Failure to report concealed damage within this 15 day period will almost certainly result in the carrier denying your claim.
- D. **Confirm Call In Writing** — It is now a mandatory carrier regulation that all calls reporting discovery of concealed damage and request for inspection be confirmed in writing. Be sure to retain a copy of your confirming letter for your claim records.

## 3. Steps To Take When Carrier Makes Inspection Of Damaged Items

- A. **Have Damaged Items In Receiving Area** — Make certain the damaged items have not been moved from the receiving area prior to discovery of the damage. Allow inspector to inspect damaged items, cartons, inner packing materials, and freight bill. Be sure to retain your delivery receipt, it will be needed as a supporting document when claim is filed.
- B. **After Inspector Fills Out Inspection Report, Carefully Read It Before Signing** — If you do not agree with any facts or conclusions made by the inspector on the report, do not sign it. Unless repairs will be completely

satisfactory, be sure the inspector requests replacement on the inspection report. A new item can be ordered only if the inspection report specifies "REPLACE."

- C. **Failure Of Carrier To Make An Inspection** — In many instances a carrier, when requested to do so, will conduct an inspection of damaged goods, however, at its discretion, it may waive inspection. If it fails to make an inspection another five normal work days after receipt of request from the consignee, excluding Saturdays, Sundays, and holidays, you should conduct your own inspection and record all information to the best of your ability to the cause. Your inspection, in such case, will be considered as the carrier's inspection and will not jeopardize any recovery you are due based on the facts contained in the report.
- D. **Forward Your Copy Of The Inspection Report** — Forward your copy of the inspection report (the carrier's or yours) and the delivery receipt to your business office, who will prepare a claim for filing with the carrier, and/or forward those documents to your vendor if no claim is being filed against the carrier. Claim for loss or damage must be filed within 9 months from date of delivery (or in case of loss, what would have been nine months from date of normal delivery). The carrier has 120 days from date of receipt of your claim to make settlement on interstate claims. Don't delay filing a claim awaiting a tardy inspection.

## 4. Steps To Take After Inspection Has Been Made

- A. **Continue to Retain Damaged Merchandise** — Even though inspection has been completed, damaged items cannot be used or disposed of without written permission from the carrier.