

COLLECTING FREIGHT CHARGES

It frequently occurs in commercial transactions that the contract between the seller and purchaser will require that goods be shipped from one destination to another, often interstate, via common carrier. Sometimes the goods are delivered without the freight or shipping charge being paid. When this happens, the carrier is left with the responsibility to collect the freight charges. The collection of such debts is regulated by the Interstate Commerce Act which controls transportation provided by common carriers, including payment of rates or tariffs.

While the shipper is presumed to be the primary party liable for the freight charges for the transportation of the goods, the carrier may pursue collection of the freight charges from either the shipper or the consignee, unless there is a special contract under which the carrier agrees to relieve one of the parties. *O'Boyle Truck Lines v. Beckham*, 616 F.2d 207 (5th Cir. 1980). The fact that the shipper is actually the party who contracted with or hired the common carrier does not prevent the common carrier from pursuing the consignee. Unless the consignee is an agent having no beneficial interest in the property, he is generally responsible for the payment of the shipping charges. 49 U.S.C. Sec. 10477 (1979).

When the contract between the seller and the purchaser requires the purchaser to pay for the freight charges, the shipper may protect itself by executing the non-recourse clause on the bill of lading. The bill of lading is the basic transportation contract between the shipper and the common carrier. If the bill of lading provides that the carrier shall not make delivery of the ship-

ment without payment of the freight or other lawful charges by the consignee, then the carrier becomes liable itself if it delivers the goods without payment. If the bill of lading is silent, however, then the shipper remains primarily liable for the charges.

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