The Comptroller General
of the United States

Washington, D.C. 20548

Decision

Matter of: Motor Service Company, Inc. - Liability for Damage to Mobile Home and Contents

File: B-229087

Date: March 28, 1988

DIGEST

A common carrier, that delivered an Air Force member's mobile home and its contents in much worse condition than when they were picked up, alleges that the owner interfered with its drivers when they were attempting to prepare the trailer for occupancy at destination and contests the amount of damages, $7,750, without presenting sufficient evidence to show that the Air Force determination was unreasonable. Under these circumstances the denial of the carrier's claim for $7,750 (its maximum, contractual, limited liability), that was withheld from funds otherwise due the carrier, is affirmed, since all the damage estimates were approximately $20,000.

DECISION

Motor Service Company, Inc. (MSC) appeals our Claims Group's determination that it is liable for $7,750, the full limited contractual liability for damage to a mobile home and its contents that occurred when MSC moved the mobile home for the Air Force. Since MSC does not deny that the unit was damaged in transit or show that the damage was less than $7,750, we affirm the Claims Group's determination and deny MSC's claim.

BACKGROUND

Two MSC drivers picked up separate halves of a double-wide mobile home belonging to Sergeant William P. Elledge, USAF, in January 1985, in Ray City, Georgia, and delivered them to Lackland Air Force Base, Texas. The mobile home had been purchased new slightly over a year before the move for an amount in excess of $25,000. At time of pick-up, slight scratches were noted by the drivers. Extensive damage to one section of the mobile home was noted when it was delivered on February 6, 1985, and the owner refused to sign the delivery documents until the other half arrived, when

the drivers would set up the entire unit for occupancy. The second half was delivered February 11, also with extensive damage. The drivers worked on putting the sections together until February 16, when they said they had done all they could do. Apparently, at this time, the mobile home owner took the keys to the mobile home from the drivers. At that point the roof cap was not properly assembled, and the sides had about a 2-foot gap at the bottom between them. The mobile home was uninhabitable.

When the Lackland Air Force Base claims officer notified MSC's home office regarding the damage shortly after February 16, MSC's representative objected to his drivers being deprived of the opportunity to finish the set up services. He said that the mobile home could still be put back together in the same condition that it was in at the beginning of the move.

A joint inspection of the mobile home was arranged on February 22, 1985, between the Lackland Air Force Base claims officer, MSC's representative, and the owner of the mobile home. After the inspection, MSC's representative contracted with a mobile home repairman to provide a damage estimate. The contractor's first repair estimate, between $6,000 and $8,000, which was contingent on him being able to locate matching materials, was revised about a month later to approximately $20,000. The owner obtained other estimates of $19,000 and $25,000, and the claims officer determined that the present value of a unit similar to the owner's was in excess of $21,000. The claims officer obtained the services of a base engineer who documented the extent of the damage and attributed it to the negligent performance of MSC's drivers. As a result the Air Force paid the owner $25,000 under 31 U.S.C. § 3721, and through subrogation demanded $7,750 from MSC, which, as stated, the agency collected by deduction.

DISCUSSION AND CONCLUSION

MSC does not deny that damage was done to the mobile home in transit. It argues that it should not have to pay for the damage because it was not accorded what it considered to be an appropriate opportunity to repair the mobile home itself after delivery, and no consideration was given to the slight scratches noted at origin. In the alternative, the carrier contests the agency's report concerning the cost to repair the unit, and the proper measure of damages.

Concerning the carrier's contention that it should have been afforded an opportunity to repair the damage itself, rather than pay for the repairs, we held in a similar case involving a damaged mobile home that a carrier has no right to insist upon repairs or replacement, and that the agency has the discretion to pay the claim or replace the property

in kind. See Chandler Trailer Convoy Inc.--Reconsideration, B-193432, Sept. 13, 1979.

Concerning the proper measure of damages, the only evidence MSC included in the record was sales material from some mobile home dealers listing selling prices for new mobile homes. Most of the material related to smaller size mobile homes than the one that was damaged. MSC provided no explanation of whether the sales materials pertained to mobile homes of comparable quality to the one that was damaged. Sales prices for comparable sized mobile homes ranged from $18,000 to around $13,000. MSC offered nothing to refute the repair estimates, including the $20,000 estimate presented by its own contractor, or the original purchase price of the mobile home involved here. The general disagreement that MSC expressed to some statements of the Air Force's claims officials were not detailed and did nothing to affect the measure of damages.

The undisputed facts show that the actual damage done to the mobile home and its contents in transit far exceeded the $7,750 deducted from MSC. Further, the slight scratches noted upon the mobile home at origin are irrelevant.

In the absence of any competent evidence from a carrier concerning the reasonableness of the cost of repairs or the market value of a mobile home before and after transportation, we will not reverse an administrative determination of damages. See 57 Comp. Gen. 415 (1978), and Chandler Trailer Convoy Inc., B-194208, Aug. 13, 1979. Accordingly, since MSC has not presented any evidence to show that the amount of $7,750 deducted by the Air Force was unreasonable, we affirm the Claims Group's denial of MSC's claim.1/

for Milton J. Socolar
Comptroller General
of the United States

1/ With its claim MSC requested several items of information which our Office does not possess and which would not be germane to our adjudication function upon the written record. Therefore, the information was not provided. In response to one request, however, copies of the following decisions in which our Office has found in favor of a mobile home carrier in an appeal of a claim are being furnished to MSC. Chandler Trailer Convoy Inc., B-202117, May 20, 1981; Chandler Trailer Convoy, Inc.--Reconsideration, 64 Comp. Gen. 117 (1984).