



Comptroller General
of the United States
Washington, D.C. 20548

Decision

Matter of: National Claims Services, Inc.

File: B-261292

Date: December 5, 1995

DIGEST

Where carrier disputes whether mildew damage to household goods exists and the severity of such damage based on its own inspector's report, it has not overcome other evidence in the file such as the member's statement, the report of the Army inspector and three independent estimates for repairs to various items which noted severe mildew damage.

DECISION

National Claims Services, Inc. (National), on behalf of National Forwarding Co., requests review of our Claims Group's settlement Z-2862672(35), dated March 30, 1995, which found that National was not due a refund of any portion of the \$7,500 set off as a result of damages to a shipment of household goods of an Army member which moved under government bill of lading No. GP-420,432.

The household goods were picked up from nontemporary storage in Rolla, Missouri, on June 3, 1991, and delivered to Fort Bragg, North Carolina, on June 25, 1991. Following the receipt and review of a Joint Statement of Loss or Damage at Delivery (DD Form 1840) and Notice of Loss and Damage (DD Form 1840R), the U.S. Army Claims Service paid the shipper member \$9,946 in damages and requested a reimbursement from the carrier of \$7,500. The lesser amount was assessed against the carrier in view of its contractual limitation (6,000 lbs x \$1.25 = \$7,500).

National has disputed liability for many of the damaged items but the major category of damage was mildew damage. National continues to deny liability for 14 items which it contends did not have mildew damage or it was not as severe as the shipper and the Army contend.

National sent its inspector to view the items a month after delivery and the inspector's report notes that certain items listed as mildewed showed no such damage, if there was mildew, it was not severe and in most cases could be wiped

155729/065251

1219124

off or cleaned by the member without any cost of repair. This account conflicts with the member's statements on the damage claim forms, the damage noted by an Army inspector, and the damage listed on three separate estimates obtained by the member for repairs of various items, all of which noted severe mildew damage. Our Office will not question an agency's calculation of the value of damages to a shipment of household goods without clear and convincing evidence from the carrier that the agency acted unreasonably. American Van Services, Inc., B-250188, Mar. 4, 1993. We do not find that the carrier has overcome the other evidence in the record which shows mildew damage and therefore, will not disturb the Claims Group settlement regarding those items.

National argues that a number of these items did not have to be cleaned but could be washed by the member at no cost or that the member could clean the items such as mildewed boots with polish. A property owner is entitled to recover the cost of such repairs or replacements that are necessary to restore him to the position he would have occupied had there been no loss or damage to the shipment. Ambassador Van Lines, Inc., B-249072, Oct. 30, 1992.

Regarding the other items which National continues to dispute, we have again reviewed the Army's report, the estimates submitted, and National's arguments, we find no reason to disturb the Army's assessment of damages as they appear reasonable and supported by the evidence in the file.

We sustain the Claims Group's settlement.

/s/Seymour Efros
for Robert P. Murphy
General Counsel