

Washington, D.C. 20548

## Decision

PR

Matter of: Interstate Van Lines, Inc. - Damaged Household  
Goods

File: B-197911.2

Date: September 9, 1988

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### DIGEST

A common carrier acknowledging its liability for damaging a shipment of household goods must pay the full cost of repairing that damage (up to the agreed limit of liability) even though some incidental pre-existing scratches to one item are also repaired in the process. However, the carrier is not liable for damage alleged to have occurred to another item but not shown to be greater than the pre-existing damage noted on the inventory at the time the goods were received by the carrier.

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### DECISION

Interstate Van Lines, Inc./A World Wide Moving, Inc. (Interstate), has appealed our Claims Group's denial of its claim for the amount the United States Navy set off from Interstate's account for damage to two items of a service member's household goods Interstate transported.<sup>1/</sup> We reverse the disallowance of the carrier's claim as to one item (waterbed rails), but we sustain the disallowance as to the other item (a dresser).

#### Waterbed Rails

Interstate has already agreed to the Navy's recovery of \$96 for loss or damage to five items of the service member's shipment. However, Interstate reclaims \$44.10 deducted from it for damage to two waterbed rails because it believes the Navy has not shown the rails to be in worse condition upon

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<sup>1/</sup> The goods belonging to Petty Officer Third Class Ellen L. Irvin, USN, were shipped by the Navy in May 1986 from Virginia Beach, Virginia, to Groton, Connecticut, on Government Bill of Lading NP-906,924.

delivery than their pre-existing condition as described on the household goods inventory prepared at the origin.

When the Navy first notified Interstate of damage to the shipment, the notice document referred to inventory item number 263 as the damaged item and that document also described the damaged item as "waterbed rails" which were "broken in half (1), broken in several places, covering torn." The inventory document listed item number 263 as "waterbed part 0/2" and described the item's condition as broken, soiled, and badly worn.

Approximately 3 months after the Navy sent the notice document, it sent a detailed claim to Interstate, which described the damaged item as "waterbed rails, padded-1 broken in half" but changed the inventory item number of the waterbed rails from 263 to 259. The inventory document listed item 259 as "waterbed rail 0/4" but listed no pre-existing damage. When Interstate objected to the Navy that the inventory item numbers relating to the waterbed part that was claimed to be damaged had been changed for the purpose of filing a claim, the Navy offered no explanation but merely recited that item 259 on the inventory showed no pre-existing damage.

The Navy's notice listing "covering torn" and the detailed claim document listing "waterbed rails, padded" both indicate that the rails were partly cloth. An invoice document in the file from a waterbed company used to establish the value of the waterbed rails described them as "one pair side pads." The inventory document listed item number 263 as the only waterbed item with pre-existing damage apparently containing cloth, and listed the waterbed items without such damage as apparently not containing cloth. Therefore, we conclude that the evidence of record shows that item number 263, as referred to on the Navy's notice document, was the item that the Navy in fact claimed to be damaged. Since that item was shown to have pre-existing damage at origin--being broken, soiled, and badly worn--the Navy has not shown that it was damaged in shipment.

Accordingly, the Claims Group's denial of Interstate's claim of \$44.10 concerning the waterbed rails is overruled, and that claim is allowed.

Dresser

Interstate reclaims \$15 out of \$60 deducted from it for damage to a dresser, which during shipment admittedly was deeply scratched in many places, gouged in three places, and chipped on the front and side. Interstate does not dispute

the \$60 estimate to repair the damage; it complains ". . . that to resurface the entire top of this item would constitute betterment as there were some scratches noted on the inventory which would be repaired from this process." Under the Interstate Commerce Act, 49 U.S.C. §§ 10101~~X~~ et seq., Interstate is liable as a common carrier for the full actual repair cost of the damage done to the dresser (up to the agreed liability of 60 cents a pound). Since the amount recovered by the Navy is the undisputed amount necessary to repair the damage to the dresser during shipment (and is within the agreed liability), no reduction of that amount is appropriate, even though some pre-existing damage may be repaired in the process at no ascertainable additional cost.

Accordingly, the Claims Group's denial of Interstate's claim for a 25 percent reduction (\$15) of its full liability is sustained.

*for*   
 Comptroller General  
 of the United States

PROCUREMENT

Payment/Discharge

Shipment

Carrier liability

Burden of proof