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Comptroller General
of the United States

Washington, D.C. 20548

Decision

Matter of: American Van Services, Inc.--Claim for Reimbursement of Amounts Collected by Setoff for Damage to Household Goods

File: B-259198

Date: May 5, 1995

DIGEST

The General Accounting Office will not question an agency's calculation of the value of damages to items in a shipment of household goods unless the carrier presents clear and convincing evidence that the agency's calculation was unreasonable.

DECISION

This is in response to an appeal of a Claims Group settlement which denied the claim of American Van Services, Inc., (American) for reimbursement of amounts collected by setoff for damage to a shipment of household goods. We affirm the Claims Group settlement.

The household goods of Oren T. Haney, a former member of the Army, were picked up at Moreno Valley, California, on November 25, 1992, under Government Bill of Lading No. UP 962,965 and were delivered to Middleton, Idaho, on December 19, 1992. The Army paid Mr. Haney $1,330 for loss of or damage to items in his household goods and claimed $1,295.25 from American, which it collected from American by setoff. American ultimately submitted a claim for reimbursement of $685 of the setoff, and the Army offered a refund of $87.47. The Claims Group's settlement upheld the Army's offer of resolution, and the carrier now appeals, asking for the balance of the amount claimed. In its appeal, the carrier objects to the Army's calculation of the amount of damages assessed on 14 individual items. The carrier also argues that the Army did not inspect the shipment.

A prima facie case of carrier liability is established by a showing of tender of goods to the carrier, delivery in a more damaged condition, and the amount of damages. The burden then shifts to the carrier to rebut its liability. See Missouri Pacific Railroad Co., 377 U.S. 134 (1964). In the present situation prima facie liability has been established.

and the carrier has not rebutted its liability. Here, the carrier disputes the amount of its liability.

The carrier argues that the damaged furniture had extensive preexisting damage and objects to the Army's calculation of damage to items in the shipment of household goods. However, the Army's report shows that because of preexisting damage it allowed substantially less in repair costs on the items in dispute than the shipper claimed. For example, the repair estimate for a dining room table and chairs was $1,250; noting documentation of preexisting damage, the Army allowed only $170 on these items.

We find here that the Army's calculations were not unreasonable. This Office will not question an agency's calculation of the value of damages to items in a shipment of household goods without clear and convincing evidence from the carrier that the agency's calculation was unreasonable. See American Van Services, Inc., B-250188, Mar. 4, 1993.

The carrier also contends that because the Army did not inspect the shipment after delivery, its calculation of damages is subject to question. We have previously stated that an agency is not required to perform an inspection as a basis for calculating damages, and that the lack of an agency inspection does not preclude the agency from presenting a claim against a carrier. See American Van Services, Inc., B-249834.2, Sept. 3, 1993. We note that American did not perform its own inspection, and based its claim on the inventory prepared by its agent. Thus American is not in a position, in our view, to attack the Army's calculations on this basis.

Accordingly, we affirm the Claims Group's settlement. With the exception of the refund offer of $87.47 made by the Army, the claim is denied.

Robert P. Murphy
General Counsel