

Are You Haunted by Freight Claims?



Freight claims can be a bit scary at times. Admit it, it's a nightmare! Who damaged it? How did it get damaged? Was it the carrier's fault? Concealed damage? How do I get it replaced? Will I be compensated for it?

Hi, I'm Matt Sysko, Audit Logistics Freight Claims and Research Manager. I'm here to explain the claims process and some exciting new updates within ALOT®, our online tracking inventory tool.

As you already know there is potential for damage in any shipment. Despite everyone's best efforts to avoid accidents, they do happen. The contents of a package can become damaged for a variety of reasons, such as inadequate packaging, weather, a traffic accident, or improper handling by the carrier.

Freight Claim Processing in ALOT®

Processing claims involves several steps, including, gathering documentation, and entering the claim in a tracking environment, submitting the claim, generating follow-up to the carrier's letters, generating claim forms and entering claim updates throughout the "life" of the claim. There are numerous features within ALOT® that assist me with freight claim processing.

Freight Claim Reporting in ALOT®

ALOT® provides a number of management reports that assist me with tracking claims and determining the efficiency of our carriers. It also includes reports based on claim status, reason for closure, and amount recovered. There are also accounting reports, including specific details and performance charting. These reports will be sent out quarterly or when a close out is requested by the purchasing agent. The reports have several different delivery formats: Adobe Acrobat PDF (*.pdf), Microsoft Excel (*.xls), Internet HTML (*.htm), and Rich Text Format (*.rtf).

Life of a Claim

As you can tell, a very specific claims process has to be followed with the carrier to ensure that full compensation is received for the damaged items under the terms of the carrier's insurance. Each claim process will be specific to the item(s) damaged and whether or not it can be repaired.

Contacting your Audit Logistics Project Manager immediately to notify them of the damage is the first thing that must be done. To be safe, it is important to call as soon as possible, preferably within 15 days. You then will be informed of the next steps in the claims process. Missing a deadline can cause the claim to be delayed or immediately dismissed without further consideration.

Claim Filing Checklist

Prior to submitting your claim, please ensure it includes the following information:

- Description of the damage and an explanation of how it happened
- Complete original invoice, showing all discounts
- Repair invoice (if applicable)
- Inspection report (if applicable)
- Pictures clearly showing the damage

Important Terms

Cargo Claim

"A "Cargo Claim" is a demand made upon a transportation company for payment, due to freight loss or damage alleged to have occurred while shipment was in the possession of carrier. Pursuant to the National Motor Freight Classification (NMFC) Uniform Bill of Lading, all cargo claims must be filed within 9 months."

Concealed Damage Freight Claim

"Internal damage not apparent until the package has been opened, you only have 15 days after delivery of the shipment to report any concealed damage. If you do not report within this **15-day period**, the carrier may decline the claim."

Contact Information

Please contact your specific Audit Logistics Project Manager first to have your claim filed. I will be your contact after the claim is filed. Feel free to contact me with any questions or concerns you have in regards to the claims process at Audit Logistics, LLC. My direct line is 303-951-0419 and email is msysko@auditlogistics.com