

Ship agents under increasing pressure from telex releases

International Transport Intermediaries Club (ITIC) says that mistakes in arranging so-called 'telex releases' are a frequent and growing source of claims against ship agents. ITIC points out that this practice – whereby liner agents frequently have to arrange for cargo to be released against bills of lading surrendered at the port of loading - is risky, as no bill of lading is collected at the discharge port, and misdelivery of cargo frequently results.

In the latest issue of its *Claims Review*, ITIC cites a recent incident in which two containers, both consigned to the same company, were shipped to a port in the Netherlands. The shipper gave instructions to the load port agent to release one of the containers. This authority was passed to the discharge port agent, who mistakenly released both containers. The consignee never paid for the second container, and the shipper appointed lawyers to pursue recovery from the shipping line of Euro 76,000, the value of the cargo in the second container. The claim was eventually settled, after negotiation, for Euro 66,000, which was claimed from the discharge port agent.

Elsewhere in its *Claims Review*, ITIC cites a number of other cases involving ship agents, including one where an error on the part of an agent resulted in a fleet operator forfeiting its entitlement to volume discounts from a canal operator totalling approximately \$2.7m. Following intervention by ITIC, the claim was eventually settled for \$1.2m.

Copies of the ITIC Claims Review can be requested from: chris@merlinco.com

● ITIC is managed by Thomas Miller. More details about the club and the services it offers can be found on ITIC's website at www.itic-insure.com.

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