

# Interstate Moving Company

# ARBITRATION



***Summary of Interstate Moving Company  
Neutral Dispute Settlement Program  
49 CFR § 375.211***

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## ***General information regarding Neutral Arbitration – Neutral Dispute Resolution***

As with any industry, disputes can arise between a customer and a company. The moving industry is no different. Disputes between a moving company and a consumer shipper can arise for many reasons. The most common disputes a consumer shipper can have with a moving company will involve issues of alleged overcharges for services, failure to deliver on time, or damages and missing items.

Consumer shippers have several options in trying to resolve the disputes with a moving company. The best method for resolving the dispute is direct discussion with moving company customer service department. A moving company will have a customer service department which can address and help resolve disputes. In most cases, any issues or disputes can be resolved as a matter of customer service. However, when an issue cannot be resolved through the normal customer service methods, a consumer may wish to look to other means to address the issues.

Most moves are picked up and delivered problem free. However, when there is a problem with a shipment a consumer has several options to have the issues resolved. Problems with a shipment can range from delivery delays, or damages and missing items, or unexpected storage needs, to disputes over charges. Whatever the issues, the moving company should work with the consumer to help answer any questions and to resolve any concerns. Consider the following options in attempting to express your concerns to the moving company and having the issues resolved.

**Customer service department.** A moving company has a dedicated customer service department that can answer any questions concerning your move and work with you to resolve any issues. During the transportation of your shipment you should stay in contact with the moving company customer service department. Advise the company if you need to make any changes to your order, have a special request, or have problems with your shipment. If a problem arises during the transportation, delivery, or after delivery call the customer service department and give them an opportunity to answer your questions and resolve your concerns.

**Filing a claim for damages or missing items.** All customers have an absolute right to file a claim for damaged or missing items. If your goods are damaged or missing at delivery ask the moving company to send you a claim form so you can list your damages. Once the claim form is received, the moving company must process your claim and offer you repairs or compensation in accordance with the valuation or insurance option you selected. You must file a written claim with the mover within 9 months of delivery. If you receive the settlement offer from the moving company and are not satisfied you are not required to accept the offer. If you do not agree with the claim settlement offer, you have the option of submitting a claim with the mover's neutral dispute settlement program or to seek other legal remedies.

**Neutral dispute settlement program.** A moving company must offer their customers a neutral dispute settlement program as a means of settling disputes that may arise concerning loss, damage, or overcharges resulting from the transportation of your household goods. A neutral dispute settlement program (or arbitration program) is available at the option of the customer. A moving company may not require that you use the arbitration program. If your claim is \$10,000 or less then the moving company is required to submit to binding arbitration if you choose arbitration. If your claim is \$10,000 or more, then you may request arbitration, but the moving company may decline submitting to arbitration. Arbitration is not free. You and the moving company may be required to split the costs for the arbitration services 50/50. Arbitration is an alternative to courtroom litigation and may be a method to resolve disputes faster, less expensively, and more efficiently than traditional courtroom litigation.

### ***What is arbitration?***

Interstate moving companies must have in place a neutral arbitration program, administered through an independent arbitration service provider. The program must be designed to give neither the moving company nor the consumer shipper any special advantage. Arbitration may provide a faster and more cost-effective method of obtaining a final and binding resolution of a dispute that cannot be resolved through direct or assisted negotiations.

### ***Is arbitration mandatory?***

Federal law governing interstate shipments of household goods under 49 CFR § 375.211 provides that an interstate moving company must have a program in place to provide shippers with an arbitration alternative to litigation. Arbitration is optional and not required under federal law. A moving company cannot require that a consumer shipper proceed through arbitration prior to litigation. Arbitration is available for all claims involving property loss, property damage, and disputes over charges for services.

### ***Moving companies must provide written notice of arbitration to shippers.***

A moving company must provide each potential consumer shipper with a written summary of the arbitration program prior to the order for service being issued. The written summary of the moving company's arbitration program must include (1) a summary of the arbitration process; (2) the associated cost for each party involved in the arbitration; and (3) the legal effects of an arbitration.

The arbitrator selected by the parties must render a decision within 60 days of the receipt of the written notification of the dispute by the parties. In regard to the applicable costs associated with the arbitration, a moving company cannot require that a consumer shipper be responsible for more than 50% of the cost. If the arbitration alternative is chosen, then any decision made by the arbitrator may be binding if the dispute is for an amount less than \$10,000. Additionally, an arbitration decision may not be appealed in a court of law.

### ***How does the arbitration process begin?***

To initiate the arbitration process a consumer shipper simply has to inform the moving company of their intent to arbitrate. It is suggested, but not required, that a demand for arbitration be sent via certified mail to the moving company. Once the moving company has received the written demand for arbitration, they are required to send the proper forms and information from the neutral arbitration service they use. Below is a sample demand for Arbitration information letter.

*Sample Demand for Arbitration Letter:*

May 6, 2023

XYZ Moving Company  
1234 Anywhere Street  
Any City, USA 55555

Re: Demand for Neutral Arbitration  
Job Order No: XXXXXX

Gentlemen,

Please accept this letter in compliance with United States federal law under 49 USC Section 14708 as a demand for neutral arbitration. As a licensed interstate moving company of household goods, you are required to submit to neutral arbitration for any claims up to \$10,000.00. Claims may be made to resolve disputes involving overcharges, damage or loss to goods, and/or failure to make delivery.

This letter will serve as formal demand for neutral arbitration. You are required to send to me written documentation regarding your neutral arbitration service provider and a summary of the arbitration process. You must also send me all the forms necessary to initiate the arbitration process as explained in 49 CFR Section 375.211.

Please send the requested documentation to the following address:

Customer name  
Mailing address  
City/State/Zip

Your failure to comply with this demand may result in a regulatory action against you by the FMCSA which can result in the revocation of your license.

Respectfully,  
Mr./Ms. Customer

## ***Summary of Your Motor Carrier's Neutral Arbitration Program:***

The neutral arbitration program has been designed to give neither party any special advantage. If a dispute arises between the motor carrier and the consumer shipper, arbitration may be a mutually beneficial alternative to help resolve the dispute. Section 49 CFR Section 375.211 provides that an interstate moving company must have a program in place to provide consumer shippers with an Arbitration alternative. Use of arbitration is optional for the consumer shipper and not required under federal law; for claims of \$10,000.00 or less, it is the consumer shipper's choice to use binding arbitration or not. For claims of \$10,000.00 or more, the interstate moving company may decline participation in neutral arbitration.

Arbitration is an alternative to courtroom litigation. It provides each party to the dispute the opportunity to present their cases and allows a neutral third party arbitrator to make decision as to the merits of each side's case. Arbitration subject to the neutral arbitration program shall be conducted via written submission and, subject to the arbitrator's discretion, through telephonic appearance. After the initial filing fees have been paid by each party, the initiating party or "Claimant" must submit a written summary of their legal position and factual claims. All supporting documentation must be included with the initial written arbitration summary. Upon receipt of the Claimant's written arbitration summary and supporting documents, the responding party or "Respondent" will have 30 days to file their responsive arbitration brief and supporting documentation. Further deadlines and timetables are subject to the neutral arbitrator's discretion. We utilize the Neutral Arbitration services of [www.FairClaims.com](http://www.FairClaims.com)

## ***Legal Effects:***

If the arbitration alternative is chosen, then any decision made by the neutral arbitrator may be binding. Additionally, an arbitration decision may not be appealed in a court of law. If the consumer shipper's claim is for \$10,000 or less, then the moving company will be compelled to submit to neutral arbitration. If the consumer's shipper's claim is \$10,000 or more, then the moving company has the option to consent to the arbitration process or not. Under the terms and conditions of arbitration, the Arbitrator's decision will be based exclusively on the United States federal law governing interstate transportation of household goods without regard to conflicting State laws or regulations.

## ***Applicable Costs:***

- (1) Each party is responsible for their own costs associated with arbitration. A benefit to the arbitration alternative may be that it is less expensive than traditional courtroom litigation.
  
- (2) Each party is responsible for 50% of the costs associated with securing the arbitrator and arbitration administration fees and 100% of their own expenses, including but not limited to attorney fees.

## ***Disclosures and Contact Information:***

All arbitrations are required to be conducted by a neutral third party arbitrator. The Motor Carrier uses Fairclaims.com who has no direct affiliation with the motor carrier or the motor carrier's representative. To submit a matter to arbitration please go to **[www.FairClaims.com](http://www.FairClaims.com)** for processing. This informational brochure was provided to you by the Motor Carrier.

### ***Initiating Arbitration:***

**TO SUBMIT YOUR MATTER TO ARBITRATION,  
PLEASE GO DIRECTLY TO WWW.FAIRCLAIMS.COM**  
or  
**help@fairclaims.com**