

# Arbitration Decisions

November 22, 1966

## ARBITRATION CASE NO. 1502

Plaintiff: Hood Warehouse Co., San Antonio, Texas  
Defendant: The Sexauer Co., Brookings, South Dakota

The Hood Warehouse Co., San Antonio, Texas, a non-member, filed a complaint against The Sexauer Co., Brookings, South Dakota, and requested the dispute to be arbitrated under the rules of the National Association. The dispute was over the starting date for storage charges on six cars of oats sold to the Hood Warehouse Co. by The Sexauer Co. The plaintiff claimed a refund of \$473.96 was due him on storage charges of \$824.38 collected by the defendant. Both parties signed a Contract for Arbitration and agreed to abide by the Arbitration Rules. The required \$50.00 fee was deposited by both parties.

President F. T. Heffelfinger appointed an Arbitration Committee and the decision of the committee is reproduced below and distributed to all National members as provided by the Arbitration Rules, Sec. 8(1).

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## DECISION OF ARBITRATION COMMITTEE

After a thorough examination of all exhibits, the Arbitration Committee concludes as follows:

1. Both plaintiff and defendant agreed to the terms of Sexauer Contract No. 333.
2. The critical question is when should storage charges start and end on the six cars of oats.
3. The committee determined by 2-1 vote that storage charges should start on 9/15/65 and end as per schedule. The minority opinion was that storage charges should begin on all six cars on 11-15,65 rather than 9-15-65, thus resulting in  $1\frac{1}{2}$ ¢ per bushel less charges, with an ending date at the same time.

	CARRYING CHARGES				
	<u>START</u>	<u>END</u>	<u>DAYS</u>	<u>BUSHEL</u> S	<u>AMOUNT</u>
Car NYC 41160	9-15-65	2-15-66	153	3,477	\$131.17
Car DLW 54330	9-15-65	2-18-66	156	3,100	119.24
Car SP 128148	9-15-65	2-21-66	159	2,964	116.20
Car DLW 54678	9-15-65	3- 3-66	169	2,744	114.35
Car ACY 841	9-15-65	2- 9-66	147	3,040	110.19
Car UP 58017	9-15-65	1-22-66	129	<u>3,453</u>	<u>109.83</u>
			TOTAL	18,778	\$700.98

The total cost then would be 18,778 bushels @  $85\frac{1}{2}\text{¢}$  per bushel or \$16,055.19 - plus storage charges of \$700.98 or \$16,756.17.

4. The committee feels that the cost of the arbitration should be assessed 75 percent to Hood and 25 percent to Sexauer. The feeling is that all papers involved in the deal, particularly Sexauer No. 333 were not as definite as they should be; particularly, of course, the statement as to storage charges.

It is felt by the minority that even though it might be a custom of the trade, there is no reference within the rules for customs of the trade; and hence that to collect storage charges immediately was out of place. The only time of shipment in the contract is October, November, December; hence, November 15 was considered the date of shipment.

Arbitration Committee of the  
Grain and Feed Dealers National Association

/S/ D. E. McKee

D. E. McKee  
Chairman

/S/ Charles D. Reimer  
Charles D. Reimer

/S/ Floyd Lewis  
Floyd Lewis

The plaintiff was awarded \$123.40 refund on storage charges by the Arbitration Committee and the defendant paid this amount to the plaintiff. The plaintiff acknowledged receipt of the check for \$123.40 and stated that the Hood Warehouse Co. would not appeal the decision of the Arbitration Committee. As directed by the Arbitration Committee the cost of the arbitration was assessed 75 percent to Hood and 25 percent to Sexauer.