

Fundamental Aspects of Maritime Law



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Historical Background

- Maritime Law:
 - The body of law governing contracts, torts, and workplace injuries occurring in the course of maritime commerce, and other maritime activities.
 - It originated in the lands bordering the Mediterranean Sea.



Historical Background

- Special courts were created in coastal towns in order to deal with maritime controversies.
- In England, these special courts were replaced by courts under the jurisdiction of “Lord of Admiralty” (admiralty courts).
- The British Crown established vice-admiralty courts in its American colonies in order to dispose of maritime controversies.



Constitutional and Statutory Bases

- Article III, Section 2 of The US Constitution is the original legal source of the admiralty jurisdiction of courts.
- The US Congress in the First Judiciary Act of 1789:
 - Elaborated the admiralty jurisdiction of federal courts



Constitutional and Statutory Bases

- General Rule:
 - State and federal courts have concurrent jurisdiction over maritime matters.
- Exceptions:
 - *In Rem* claims



Jurisdiction over Torts And Contracts

- How is the jurisdiction of courts determined in relation to torts?
 - Based on a given statute.
 - Based on whether the tort has a substantial relation to maritime activities and the events that give rise to the claim must have occurred in navigable waters.



Jurisdiction over Torts And Contracts

- How is the jurisdiction of courts determined in relation to contracts?
 - By analyzing the nature of the contract and if it makes reference to maritime transactions
 - *Exxon Corp. v. Central Gulf Lines Inc.* 500 US 603 (1991)
 - Mixed contracts



Harter Act & Carriage of Goods by Sea Act (COGSA)

- Harter Act (46 U.S.C. Sec. 190, *et seq.*)
 - Covers the portions of the carriage that take place prior to loading or after discharge of the merchandise.
- Carriage of Goods by Sea Act (COGSA, 46 U.S.C. Sec. 1300, *et seq.*)
 - Covers the period from the time when the goods are loaded unto the time they are discharged from the ship.



Harter Act & Carriage of Goods by Sea Act (COGSA)

- In general under these two statutes:
 - The carrier is obligated to use due diligence to send out a seaworthy vessel.
 - The carrier is liable for negligence in the stowage and handling of the cargo during the voyage.



Harter Act & Carriage of Goods by Sea Act (COGSA)

- Sec. 1303(1) COGSA
 - Establishes the responsibilities and liabilities of the carrier.
 - The carrier shall be bound at the beginning of the voyage, to exercise due diligence to:
 - Make the ship seaworthy;
 - Properly man, equip, and supply the ship;
 - Make the holds, refrigerating, and cooling chambers, and all other parts of the ship in which goods are carried, fit and safe...



Harter Act & Carriage of Goods by Sea Act (COGSA)

- Sec. 1303(2) COGSA
 - The carrier shall properly and carefully load, handle, stow, carry, keep care for, and discharge the goods carried.
- Sec. 1304(1) COGSA
 - Establishes the rights and immunities of the carrier and ship.
 - Neither the carrier nor the ship shall be liable for loss or damage arising or resulting from unseaworthiness unless caused by want of due diligence on the part of the carrier to fulfill its obligations under Section 1303(1).



Harter Act & Carriage of Goods by Sea Act (COGSA)

- Sec. 1304(2) COGSA
 - Enumerates causes that exonerate the carrier from liability due to damage to the goods being carried:
 - Fire unless caused by the fault or privity of the carrier
 - Act of God
 - Act of war
 - Act of public enemies
 - Quarantine restrictions
 - Riots and civil commotions



Harter Act & Carriage of Goods by Sea Act (COGSA)

- The bill of lading issued by the carrier to the shipper represents *prima facie* evidence that the goods were received by the carrier in good conditions.
 - *Quaker Oats Co. v M/V Torvanger* 734 F 2d. 238 (1984)
- Once the shipper (plaintiff) has presented a *prima facie* case, “the carrier then has the burden of proving that it exercise due diligence to prevent the damage or that the harm was occasioned by one of the excepted causes delineated in Section 1304(2)



Harter Act & Carriage of Goods by Sea Act (COGSA)

- If the carrier rebuts the shipper's *prima facie* case with proof of an excepted cause under COGSA, the burden returns to the shipper to establish that the carrier's negligence contributed to the damage or loss.



Harter Act & Carriage of Goods by Sea Act (COGSA)

- If the shipper is able to establish that the carrier's negligence was a contributory cause of the damage, the burden shifts to the carrier to "segregate the portion of the damage due to the excepted cause from that portion resulting from the carrier's own negligence."



Harter Act & Carriage of Goods by Sea Act (COGSA)

- Sec. 1304(5) COGSA
 - Establishes a monetary limit of \$500 per package in favor of the carrier if there is liability for any loss or damage to or in connection with the transportation of goods.
 - Exception:
 - Unless the nature and value of the goods have been declared by the shipper before shipment, inserted in the bill of lading and paid additional freight.

