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FEATURES:

Lecturing About Salvage Invoices

By John K. Fulweiler, Esq.



Old man Winter had nearly throttled the life out of me when suddenly it was time to fly to Long Beach for C-Port's annual conference. A warm breeze, some sun and the conviviality of the C-Port attendees was the elixir I needed. That and C-Port gave me an hour or so to speak about strategies for invoicing salvage claims which unfolded a lot better than I'd expected.

You see, C-Port assigned me the topic and it wasn't one which I would have delivered if left to my own. The topic was tough because it required taking the audience on a stroll of sorts to the other side of their invoice and pointing out the flaws and missteps in certain common invoicing approaches. Typically when guest lecturing, the goal is to keep the industry audience cheery and smiling all of which promises some post-lecture

back slapping and a free beer or two. Here, however, I laid bare some issues in the hope of providing some meaningful value.

One of my major themes was underscoring the oddity of what this industry requires of the salvor. Specifically, I noted how the salvor and the insurer are compelled to work with each other to reach a resolution and yet each of them often bring very unique characteristics to the bargaining table. Painting with a broad brush, I noted that salvors are often small businesses perhaps noted for their ingenuity and off-grid approaches to getting things done. While on the other hand, using the same broad brush, you might characterize an insurance adjuster as wearing a more corporate view and being more risk adverse and traditional in thinking. Whatever the case, these two disparate parties are thrown together and expected to reach an amicable resolution which can be tough. What I described as a "Fulweiler Observation" was that if both parties stepped away from treating invoice negotiations personally, invoice negotiations would almost have to proceed more smoothly.

Similarly, I talked about another "Fulweiler Observation" which was that I believed the most successful salvors were those that could negotiate in a competitive and aggressive way and yet hang-up the phone, or get up from the table with a smile and amiable quip. That is, successful salvors appreciate that any business runs on personal relationships and an ill word can undermine not only the current negotiation, but those that you can expect to have in the future.

And recognizing that it might cost me a beer, I also took aim at the "aim high, settle low" approach to invoicing for salvage services which I believe sometimes occurs. Nothing sticks in my craw more than this short-sighted tactic which not only hurts a salvor's reputation, but devalues the salvage claim. A better approach, I argued, was to invoice for the full value of the salvage claim as is supported by the general maritime law. I urged the salvor to reach out to his or her admiralty attorney and really explore where the value range for the services lay. Like anything, being on sure footing out of the gate gives you a lot more confidence to finish the race on your terms.

Oh, there was more, but without my in-person delivery, I'm probably already losing some readership! At any rate, it was a real pleasure to have been invited to speak at C-Port and I hope that opportunity will be there in the future. In the meantime, you can reach me at my new law firm "Fulweiler Ilc" which I started on my return from Long Beach and which fill focus exclusively on admiralty, aviation and transportation issues. With offices in Rhode Island, New York and Florida, we look forward to assisting the maritime industry in the years to come. My best to all for the Summer season.

■ John K. Fulweiler, Esq. (John is an admiralty attorney and licensed mariner. He can be reached via e-mail at john@fulweilerlaw.com or at 401-667-0977.)