

BOOK REVIEW

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Transportation, Logistics and the Law, by William J. Augello, Esq., Published by the Transportation Consumer Protection Council, Inc., Huntington, NY, <http://www.transportlawtexts.com>, or 1-888-798-1530, Hard Bound, 531 pp., \$135

For transportation professionals, one of the most interesting and important developments in recent years has been the consolidation of various functions (including transportation) into the broader category of logistics, coupled with the recognition that logistics itself is part of the even broader concept of supply chain management. This evolution has been driven by demands for cost savings in the face of globalization and increased competition for virtually all types of goods. It has been estimated that, as of the late 1990s, U.S. corporations spent some \$862 billion annually to manage the movement of goods throughout the supply chain, while the total costs related to global supply chain logistics were approximately \$3.4 trillion. Transportation, the most important component in terms of cost, was estimated to account for 58% of U.S. domestic supply chain costs.¹

The result of this evolution has been greater attention by corporate management to logistics in general, and to transportation costs in particular. Ironically, the drive to reduce transportation costs comes at a time when the global transportation industry is more integrated and more efficient than ever before. It also comes at a time when the law of transportation also has changed quickly and substantially, shifting from an emphasis on economic regulation to a heavy reliance on free market competition in the transportation industry. Indeed, legal change and lower costs are intertwined: a trend toward lower transportation costs, resulting in large part from deregulation, often is cited as a key factor underlying the overall globalization of business.

In this cost-driven, multimodal environment, a need exists for a legal text that surveys the current laws governing all of the principal modes freight transportation. William Augello's new book, *Transportation, Logistics and the Law*, fills this need, and will be highly valuable to both lawyers and non-lawyers with transportation responsibilities.

Augello has long been a prominent figure on the transportation scene. He probably is best known as the founder and Executive Director of the Transportation Consumer Protection Council, and as the author of the treatise *Freight Claims in Plain English*. After a 50-year career as a practicing attorney specializing in transportation and administrative law, he now -- in "retirement" -- teaches transportation law the University of Arizona.

Transportation, Logistics and the Law is structured, for the most part, by mode of transportation. The book begins with a brief chapter on federal jurisdiction over transportation, including the distinction between interstate and intrastate commerce. The core of the book consists of separate chapters on railroads, motor carriers, airlines, ocean shipping lines, and the various types of transportation intermediaries. The book provides at least a brief history of the regulation and

¹ "Third-Party Logistics", Piper Jaffray, Inc. (Jan. 1999).

deregulation of each of these industries. As to each industry, the book also provides a highly useful discussion of the current regulatory and common law. Subjects covered include (among others): bills of lading, off-bill discounting, liability for freight charges, transportation contracting, carrier insurance policies, the legal impact of tariffs, and the continuing significance of the freight classification system. Citations to hundreds of court decisions are provided on major transportation subjects.

Mode for mode, the subject receiving the greatest attention probably is carrier liability for loss, damage or delay of a shipment. The various liability regimes are sorted out and explained. If you cannot readily differentiate the Carmack Amendment from the Second Cummins Amendment, the Warsaw Convention from the Montreal Protocol, or the Harter Act from the Hague-Visby Rules -- and even if you can -- this treatise will prove worthwhile for its treatment of cargo liability issues alone. Indeed, a separate chapter discusses the status of proposed international and domestic laws and treaties that may alter various liability regimes in the future.

The driving theme underlying this text is the need in today's deregulated transportation environment for parties -- particularly shippers -- to protect themselves through increased awareness of their rights and obligations. The editing process has tempered, but not altogether erased, what has been referred to good-naturedly as the author's "unbiased shipper viewpoint." The subtle viewpoint that remains does not at all detract from the excellent text. Shippers *do* need to protect themselves, and carriers need to understand both the law and the shipper's point of view.

The over 500 pages of *Transportation, Logistics and the Law* include some 219 pages of text. The balance is an impressive assortment of appendices, including statutes, regulations, tariff provisions, sample bills of lading, cargo insurance policy exclusions, freight classification guidelines, and other miscellaneous material. While these materials could be retrieved (with some effort) from other sources, the compilation is quite useful, and in keeping with the "handbook" character of the book.

A treatise of this breadth could not provide, nor is it intended to provide, an absolutely exhaustive discussion of every subject covered. But for every mode of freight transportation, it does provide considerable insight and guidance on a wide array of issues within the vast subject of transportation and logistics law. Pick virtually any issue of freight transportation law, and this text will point you in the right direction. Every experienced transportation lawyer will find it quite useful, and the book will be especially valuable to corporate counsel who must, on occasion, deal with transportation-related issues.

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