

July 2006

The Toolbox by Dave Taylor, C.P.M. , Director - NAPM-CM

Passage of Title-When do you legally own it and the problem?

Continuing from June:

Why do I belong to the ISM community and fellowship of peers starting with NAPM-Central Michigan? Here are just a few this month:

#5 As my Purchasing/Supply Chain Advocate—nationally and locally.

#6 Job Opportunities and Professional Advancement via member networking

#7 Unlimited access to ISM and NAPM-Central Michigan websites and resources..

#8 Educational Opportunities—conferences, Satellite Seminars, Dinner Meetings & Scholarships.

ISM's Inside Supply Management June 2006 page 42 Legal Briefs- **Passage of Title**

Read this article for a refresher.

This is a critical concern in today's market and applies not only at work but also in our personal services and contracts. Personal experiences where this came into play:

1) While a buyer at John Deere Dubuque, a fellow buyer was faced with a shipment of coal for our foundry that was 20 ft under water on a railroad siding in Keokuk during spring flooding. Was the coal company responsible for the filing of insurance claim for loss or was the coal owned by John Deere (under water)?

2) While a retail store manager for a bookstore chain, one of our managers was transferring to a new position with corporate in Western Michigan. The moving van arrived at their new home with all their belongings. The driver opened the back door of the van and the contents burst into flames gutting the whole truck and its entire contents.

Was the manager and his family covered by insurance taken out with the moving company at the point the moving company loaded the goods in PA or did coverage terminate in front of their home?

3) A month ago I contracted a professional mowing service to mow a vacant lot we own in another state. The owner advised they were insured in the event of damage or injury and furnished a certificate of insurance. The lot has a lot of trash—bottles and cans which are thrown onto the ground by passing motorists. A mower could throw the debris resulting in injury.

Yes, you get what you pay for. . . and as the ads for Dr. Chester L. Karass promote his Effective Negotiating Course. . . You do in fact **get only** what you negotiate. If you do not include it in the contract, quote or PO, no amount of assuming or arguing lets you include it after the fact, such as a warranty or installation satisfaction.

Recently—we bought a new dishwasher and the Big Box Retailer had a sub-contractor crew of two that did the installation. My wife & I both work so my oldest son came to the house and let them in & waited till they were done. About a week went by and in bright sunlight we could see a ripple in the white front door panel near the bottom. In dimmer light it was not evident. Calling the big box retailer, I found my right to indicate damage or improper installation only was good for 3 days from time of installation. So, we either live with the small ripple/dent caused by the installer using his foot to position the dishwasher under the counter, or I order a new front panel at our expense and install it myself. They got me!

Remember, get it in writing, know your rights and time limits for claims. You never know when you will have to apply them. -dt