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Container Accident Highlights the Importance of Cargo Risk Management

On Tuesday, September 9, over 60 shipping containers fell from the ZIM vessel *Mississippi* into the water at Pier G in the Port of Long Beach. While the incident resulted in no injuries, the accident caused several containers to fall into the harbor and onto a clean air barge moored alongside the vessel. Salvage teams are conducting recovery operations, and the U.S. Coast Guard has established a 500-yard safety zone around the *Mississippi* to safeguard navigation and facilitate container retrieval. Although the accident prompted a temporary suspension of terminal operations, activity has since resumed. The U.S. Coast Guard and the National Transportation Safety Board have launched an investigation to determine the cause of the incident.

This incident underscores the importance of implementing robust cargo risk management strategies. Under the Carriage of Goods by Sea Act (COGSA), liability for cargo loss is typically limited to \$500 per package unless a higher value is declared in advance. For shipments involving high-value or sensitive goods, such as electronics, pharmaceuticals, or hazardous materials, shippers should strongly consider purchasing supplemental insurance or negotiating higher declared value terms to ensure adequate financial protection. Taking these proactive steps can significantly reduce exposure to loss and facilitate smoother claims processing in the event of unforeseen maritime accidents.

What this means to you

Parties to shipping agreements should also be mindful of protective provisions and liability-shifting clauses within their contracts. These provisions, such as indemnity clauses or limitations of liability, clearly define which party must bear responsibility in the event of a breach or accident. By allocating risk through contracts, parties can recover losses and protect themselves from

excessive exposure when the other side breaches the agreement. This clarity also allows parties to address incidents efficiently and reduces the potential for drawn-out disputes.

Contact us

If you have questions regarding provisions in shipping agreements that address accidents and other mishaps, please contact Julie Maurer, Benjamin Nashed, or your Husch Blackwell attorney.