

April 3, 1993

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(short intro of Theme Music):

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(voice of John Hughes Cooper):

Good morning to Captain and crew alike and welcome to the Admiralty Docket. This is John Hughes Cooper with a glimpse into your rights and responsibilities at sea and upon the navigable waters. / Today our subject is **an introduction to salvage.**

On land, the person who rushes in to save another's property from danger is considered a nosey intermeddler with no right of reward under the law and with liability for any damage to the property.

At sea, the person who voluntarily saves property from a maritime peril is, in the eyes of the admiralty courts, a salvor entitled to a liberal compensation based, in large part, upon the value of the property saved.

Salvage may involve towing a vessel, fighting a fire, freeing a vessel which has run aground, supplying engine parts or fuel to a vessel in need, beaching a vessel to keep her from sinking, or raising a sunken vessel. Salvage awards have been based upon as little as giving information on the proper channel to follow, or carrying a message which summoned help. If a vessel is in peril, any voluntary act which contributes to her safety may rank as an act of salvage.

As long as an owner remains in possession of the distressed vessel, he is entitled to contract for salvage or to refuse unwelcome offers.

An interesting problem arises in determining an appropriate salvage award when the vessel or property has been abandoned or has

become derelict.

The "moiety rule" which used to be applied by some admiralty courts provided that salvors were entitled to half the value of the salvaged property. For a moment, just imagine a pleasant outing in your boat which quickly turns to stormy weather. While returning, you see a yacht in distress near the jetties and you successfully tow her back into Charleston harbor. Imagine the words of the judge as he applies the moiety rule to your salvage efforts, "It is hereby ordered that the salvage award in this case shall be one half of the \$3.2 million value of the salvaged yacht." Wow! Further, imagine your 1.6 million dollar check from the clerk of Court.

Fun while it lasted wasn't it? Well, easy come, easy go. . . the moiety rule is history.

Today Courts of admiralty usually consider the following circumstances as the main ingredients in determining the amount of a salvage award: (1) The labor expended by the salvors (2) The promptitude, skill and energy displayed in saving the property (3) The value of and danger to the salvors' property (4) The risk incurred by the salvors (5) The value of the property saved, and (6) The degree of danger from which the property was rescued."

Of these six factors, the most important remains the value of the property saved. Although the Moiety Rule has been abandoned, salvage awards remain generous to encourage swift salvage efforts which are often risky and dangerous. Public policy recognizes that owners of vessels or property at sea are better served by a rule

that encourages return of part of the value of their property in the face of a possible total loss.

More next week on The Admiralty Docket. Until then, remember your rights and responsibilities may change as you approach the shore and may God Almighty grant you pleasant sailing.

(second voice with muted theme music):

The Admiralty Docket is written and narrated by John Hughes Cooper who specializes in admiralty law litigation with the law firm of Cooper & Raley. The legal principles discussed are general in nature. Laws change and even similar circumstances may call for application of different laws. If you have a question for a future edition of The Admiralty Docket please write to John Hughes Cooper at P. O. Box 1248, Charleston 29402.