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Double Brokering

When booking a load or shipment, the freight broker knows they are responsible for paying the motor carrier who delivered the load or shipment to the consignee. What freight brokers hope to avoid is the obligation of paying the freight charges twice.

For six years the VLRM team managed the COI vetting process for a large trailer rental company. During that time, experience taught us what **red flags** and **subtle clues** to look for when vetting motor carrier COI's that were often consistent with "Double Brokering".

- ➔ In addition to the obligation of paying the freight charges twice. If the load is double brokered and the motor carrier or owner operator who is hauling the load, does not have physical damage coverage on the tractor and trailer. And in the event of a vehicle accident resulting in the tractor and trailer being towed to a wrecking yard. Chances are, you as the freight broker won't know what happened or where the load is for a minimum of thirty to forty-five days.
- ➔ And the worst part is, your notification came from the Shipper.
- ➔ The shipper was notified by the wrecking yard.
- ➔ At the thirty-day mark, the storage charges could easily reach \$20,000.00.
- ➔ Furthermore, it is not uncommon for a wrecking yard to hold the Cargo until all fees are paid on the tractor and trailer.
- ➔ There are some great advantages to utilizing safety compliance companies and load boards that utilize software to streamline the safety vetting and motor carrier selection process. However, vetting motor carrier insurance coverage isn't one of them.