

trict has recently held the ship exempted by reason of sea perils. If I were satisfied of the reasonably fit condition of the schooner to encounter the ordinary perils of a winter voyage, I should have held her excused, as I did in the case of *The Sintram*, 64 Fed. 884, for some water damage arising through strains in the waterways. But the evidence shows not only the bad condition of the schooner's deck, but leaks also through the deck, besides what water might have been taken in around the coamings and the waterways compatibly with a seaworthy ship, under the circumstances of the voyage.

I must, therefore, hold the ship answerable in this case for insufficiency for the voyage and cargo (*The Edwin I. Morrison*, 153 U. S. 199, 14 Sup. Ct. 823; *The M. R. Bohannon*, 64 Fed. 883; *Hubert v. Recknagel*, 13 Fed. 912; *The Giles Loring*, 48 Fed. 463); and there is no such evidence of "due diligence" on the part of the owner, or of those who represented him in the inspection and repair of the ship before sailing, as to exempt the ship under the Harter act (Act Feb. 13, 1893).

Decree for libelant, with costs.

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HINE et al. v. NEW YORK & BERMUDEZ CO.

(District Court, S. D. New York. April 9, 1895.)

CHARTER PARTY—ASPHALT—FITTINGS INSUFFICIENT—PORT OF REFUGE—NO GENERAL AVERAGE—HARTER ACT—EXPRESS CONTRACT.

A charter of the S. D. to bring asphalt to New York provided that the ship should be "fitted with shifting boards and bulkheads suitable for carrying asphalt cargo safely, to be done by owner's agents, but at charterer's expense"; after loading at Guanaco, the ship on the first day out took a list, and she then put in at Port of Spain where the list increased, and on the third day the forward bulkhead and fittings gave way, which necessitated unloading, stowage, and refitting and reloading before the vessel could proceed. On the evidence, it being found that this expense and the delay thereby caused arose from the insufficiency of the bulkhead and fittings: *Held* (1) that the providing of a suitable bulkhead and fittings was under the charter one of the owner's duties and risks, though at charterer's expense; (2) that the owners could not recover charter hire or a general average expense for the delay and costs at Port of Spain; (3) that though the owner's agents used "due diligence" in directing the master to shipwrights of high repute, who made the bulkhead, the Harter act was inapplicable; because that act does not interfere with the liberty of contract, as respects matters not within its prohibition.

This was a libel by Wilfrid Hine and others against the New York & Bermudez Company to recover charter hire of the steamship *San Domingo*, together with certain port of refuge expenses, and for detention during the voyage.

Convers & Kirlin, for libelants.

George A. Black, for respondents.

BROWN, District Judge. The above libel was filed by the owners of the steamship *San Domingo* against the charterers of the vessel to recover \$3,912.37 charter hire, and \$11,803.24 for port of refuge

expenses, and for detention of the vessel at Port of Spain, Trinidad, upon a voyage with a cargo of asphalt from Guanaco to New York in September and October, 1892.

The charter was for a period of two months, and provided that the vessel should be tight, staunch, and in every way fitted for the service; that the owners should maintain the vessel in a thoroughly efficient state in hull and machinery for the service, and that the steamer should be "fitted with shifting boards and bulkheads suitable for carrying asphalt cargo safely, to be done by the owners' agents, but at charterers' expense; that the captain should be under the orders and direction of the charterers, as regards employment; that in the event of loss of time \* \* \* or damage preventing the working of the vessel for more than 24 running hours, the payment of hire shall cease until she be again in an efficient state to resume her service; and should the vessel be driven into port \* \* \* from any accident to cargo, such detention or loss of time shall be at the charterers' risk and expense."

The cargo of asphalt was loaded at Guanaco, where the weather was warm; and on the first day out, probably through the melting of the asphalt and some overflow towards the starboard side, the vessel took a list to starboard, which increased on the second day, while she lay in the harbor of Port of Spain. On the morning of the third day it was found that the fittings had been carried away, and the forward bulkhead burst through, from the pressure of cargo against them, so that it became necessary to beach the vessel, discharge and store her cargo, and put up new fittings, in order to complete the voyage. The expenses thus incurred, and the hire of the vessel during her detention in Port of Spain, form the subject of this controversy.

The libelants contend that the fittings were at the charterers' risk; and that the extra charges occasioned by their giving way should, therefore, be borne by the charterers, or else placed to account of general average, as caused by an unexpected sea peril. The respondent contends that all these expenses, as well as the detention, were caused through the insufficiency of the fittings of the vessel for the service; and that under the express provisions of the charter, the owners were legally responsible for the sufficiency of the fittings; and that the latter have no claim, therefore, either for the detention of the vessel or even for any contribution in general average, as against the respondent, for the expenses of discharging, reloading, etc., at Port of Spain.

Upon consideration of the evidence as regards the shifting boards and bulkhead, I feel constrained to find that the cause of the loss was the insufficiency of the fittings and bulkhead for the asphalt cargo designed to be taken on board and subsequently taken; and that no such difference is established between the asphalt loaded, and the kind of asphalt which the owners were entitled to expect would be taken on board at Guanaco, as to absolve the owners from responsibility for this insufficiency.

In behalf of the libelants, it is earnestly contended that the clause in the charter providing that the fittings were "to be done by own-

ers' agents at charterers' expense," was designed only to enable the charterers to avail themselves of the superior knowledge of the owners' agents in preparing the vessel for the service; that the provision that the work was to be at the charterers' expense, shows that this was not for the owners' benefit, and was not expected to be done by the owners at all; and that the reference to the owners' agents indicates that these agents were to act in the matter personally, as the agents of the charterers, and not as the representatives of the owners, or so as to bind the owners by their acts, or omissions in this regard.

Notwithstanding the ingenious arguments of the libelants' counsel, I do not feel justified in adopting this construction. The clause in question was a substantial and necessary part of the charter. The nature of the cargo, a peculiar one, is not elsewhere referred to. Special fittings for such a cargo were necessary to be made by some one; and as the clause in question is made a part of the charter itself, I feel bound to construe it in connection with the previous clause, providing that the ship shall be "in every way fitted for the service" and as an amplification, and further specification of what the service was expected to be, and what was necessary to make the ship fit. The provision that the expense of the fittings should be borne by the charterers, was but a mode of fixing the terms and consideration to be paid by the charterers for the use of the vessel; and I must hold, therefore, that the requirement that fittings "suitable for carrying asphalt cargo safely" should be done by the owners' agents, was a part of the owners' engagement under the charter, and placed upon them the responsibility for the sufficiency of the fittings.

I do not think there was any such acceptance of the fittings as sufficient by the respondents' representative, Capt. Cann, in Guanaco, as to absolve the libelants. Capt. Cann objected to the sufficiency of the fittings on the arrival of the vessel, and suggested additional supports, which were accordingly put in by the captain. But I judge that the principal cause of the subsequent trouble was the bursting of the bulkhead, which may have been due either to insufficient supports, or to weak and brittle material, some of which, consisting of hemlock, the evidence shows was undoubtedly used in the construction. Of the latter fact neither the respondents nor their representatives were aware.

Inasmuch as the damage in question was the immediate result of the failure of the ship to perform her own charter obligations, the clauses in the charter imposing on the charterer the cost of detention are inapplicable; and for the same reason no claim for a general average contribution can be sustained; since it was the fault of the ship that brought about the situation in which the alleged general average expenses were incurred. The Ontario, 37 Fed. 222, and cases there cited; The Energia, 61 Fed. 222, 224.

I do not think that the provisions of the Harter act (Feb. 13, 1893) apply on facts such as I have found. Neither the owners nor indeed the owners' agents in this port were chargeable with any personal negligence, the vessel having been accepted in Philadel-

phia, and the duty of the owners' agents personally having been fully performed by directing the master of the ship to persons in Philadelphia in good repute there and with large experience in building bulkheads.

It is immaterial, however, how it happened that the fittings were insufficient, so long as the respondents did not relieve the libelants of their contractual obligation under the charter, as I find that they did not. The Harter act does not interfere with the liberty of contract in regard to the proper fitting of the vessel for the voyage, or with any contract the parties may make as respects the responsibility for the sufficiency of special fittings, or as regards other matters not within the prohibition of that act; nor was the melting of the asphalt in the warm climate of the port of shipment, any "inherent defect, quality, or vice of the thing carried"; but, on the contrary, it was one of its natural qualities, against which the provisions of the charter stipulation must be deemed intended to provide.

The libel must, therefore, be dismissed, with costs.

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WESTERN ASSUR. CO. v. SOUTHWESTERN TRANSP. CO.

(Circuit Court of Appeals, Fifth Circuit. June 4, 1895.)

No. 377.

1. MARINE INSURANCE—PARTIAL LOSS—AMOUNT RECOVERABLE.

Where the vessel insured is valued in the policy at a specified amount, and a partial loss is incurred, the insurer pays only such proportion of the actual loss as the sum insured bears to the value of the vessel.

2. COSTS ON APPEAL—APPARENT ERROR NOT EXCEPTED TO BELOW.

Where the amount of a decree is reduced on appeal for an apparent error in the commissioner's report, which was not excepted to below, such reduction should not affect the costs.

Appeal from the District Court of the United States for the Eastern District of Louisiana.

This was a libel by the Southwestern Transportation Company against the Western Assurance Company, to recover upon a policy of marine insurance insuring the model barge Charlie Pierce in the sum of \$1,250. The damage for which recovery was sought was occasioned by the springing of a leak in the barge while she was lying at New Orleans moored on the outside of another barge; and the cause thereof, as alleged in the libel, was the surging and straining of the Charlie Pierce against the barge to which she was fastened, by reason of heavy winds and the waves caused thereby and by passing steamers. The defense was that the barge was not seaworthy, and that the loss was not caused by any peril insured against. The issues raised were wholly of fact, and the court determined them in favor of libelant, and referred the cause to a commissioner to ascertain the damages suffered by libelant. The commissioner reported the damage to be \$1,275.83, and his report was confirmed by the court, and a decree entered against defendant for \$1,250, being the full amount of the policy, with interest. From this decree the defendant appealed.

Howe, Spencer & Cocke, for appellant.  
 Guy Hornor, for appellee.

Before PARDEE and McCORMICK, Circuit Judges, and BRUCE,  
 District Judge.

PARDEE, Circuit Judge. This is a suit in admiralty to recover for a partial loss under a marine policy of insurance. As the issues are presented by the libel and answer, the burden of showing that the model barge insured was seaworthy, and that the loss happened through perils of the river, is on the libelant. The issues are wholly of fact; and, the district court having found them in favor of the libelant in the court below (appellee in this court), we might affirm, on the general rule declared by this court in *The City of Macon*, 2 U. S. App. 396, 2 C. C. A. 564, 51 Fed. 949: "On an appeal in admiralty a circuit court of appeals will not reverse the decision of a district court on a question of fact depending on conflicting evidence, unless it clearly appear to be against the weight of evidence." It is not necessary, however, to put our decision on such narrow ground, for from our examination of the evidence we find that it is decidedly in favor of the libelant on both propositions. A review is unnecessary, and we only remark that to find that the barge was not seaworthy or was lost through other than perils of the river requires the rejection of facts, to wander into the domain of conjecture. In our opinion, the libelant proved its case. Our attention is, however, called to an error on the face of the record which requires a reduction of the amount awarded in the court below. In the policy of insurance, the model barge insured was valued at \$2,000, and the amount of insurance was \$1,250, or five-eighths of the value. The rule in cases of marine insurance where a partial loss is incurred is that the insurer pays only such a proportion of the actual loss as the sum insured bears to the value of the property at risk. See *Ang. Ins.* (2d Ed.) § 249. The amount of loss proved in the case was \$1,275.83. Five-eighths of the same amounts to \$797.40. In the district court no exceptions were taken to the report of the commissioner as to the amount of damages libelant was entitled to recover. As the point is first made in this court, the reduction here allowed ought not to affect the costs. The decree appealed from is amended by reducing the amount of recovery from the sum of \$1,250 to the sum of \$797.40, and, as thus amended, it is affirmed; the appellant to pay the costs of this appeal.

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WESTERN ASSUR. CO. v. SOUTHERN COTTON OIL CO.

(Circuit Court of Appeals, Fifth Circuit. June 4, 1895.)

No. 378.

MARINE INSURANCE—ESTOPPEL AGAINST INSURER—CERTIFICATE OF SEAWORTHINESS BY BOARD OF UNDERWRITERS.

It seems that a certificate by the inspector of a local board of underwriters that a certain vessel is in good condition, privileged to carry cotton seed and cotton to a certain amount, and that cotton and other merchandise shipped on her would be insured at the usual rates by the companies com-

posing the board of underwriters, estops a company which is a member of that board to question the seaworthiness of the vessel, as against a shipper of cotton seed thereon whom it insured shortly after the issuance of the certificate.

Appeal from the District Court of the United States for the Eastern District of Louisiana.

This was a libel by the Southern Cotton Oil Company against the Western Assurance Company to recover upon a policy upon a cargo of cotton seed shipped on board the model barge Charlie Pierce and damaged by the filing of that barge while moored at New Orleans. See *Western Assur. Co. v. Southwestern Transp. Co.*, 68 Fed. 923. There was a decree below, based upon the report of a commissioner, in favor of libelant for \$6,354.99. Defendant appealed.

Howe, Spencer & Cocke, for appellant.

Guy M. Hornor, for appellee.

Before PARDEE and McCORMICK, Circuit Judges, and BRUCE, District Judge.

PARDEE, Circuit Judge. This is an appeal from a decree in admiralty condemning the appellant, as insurer of the cargo of the model barge Charlie Pierce, to pay the loss occasioned by the sinking of said barge on November 12, 1891. The whole contention is whether the barge was seaworthy. The evidence thereon is the same as in *Western Assur. Co. v. Southwestern Transp. Co.*, (No. 377 of the docket of this court, just decided) 68 Fed. 923, and, on the issue of unseaworthiness of the barge, must be ruled the same way. At the same time, we notice that the case in favor of the Southern Cotton Oil Company, libelant in the court below, is much stronger than in favor of the libelant in No. 377. While the contract of insurance sued on assumes risks only "on all cotton seed in bulk or in bags owned by the assured, or consigned to them and shipped to their address in New Orleans on board good and seaworthy steamboats and barges," there is no contract, express or implied, on the part of the assured, that after shipment the steamboat or barge should continue in a seaworthy condition. Now, as we read the evidence, it is all in favor of the seaworthiness of the barge at the time the cargo was shipped, except the presumption which arises from the fact that November 12th, some 16 days thereafter, the barge sunk while tied up to a wharf in the port of New Orleans, and in the absence of known extraordinary perils of the river at the time. Shortly prior to the attaching of the risk under the policy in suit, and on the 28th of September, 1891, the inspector of the board of underwriters, to which board the respondent insurance company belonged, issued and delivered to the manager of the Southern Cotton Oil Company the following certificate:

"Office Board of Underwriters.

"No. 306.

"New Orleans, September 28, 1891.

"The undersigned having this day made a thorough examination of the model barge 'Charlie Pierce,' captain, Southern Transportation Company, and found

her in good order and well conditioned, privileged to carry 650 tons of cotton seed for Mississippi river and its tributaries, or 1,500 bales of cotton for Mississippi river only, and not on tributaries, does hereby certify that cotton or other produce or merchandise shipped on board of her will be insured at the usual rates of premium by the insurance companies composing the board of underwriters of this city, for one year from the above date, subject, however, to reinspection at any time. The above boat shall not tow any flatboat, barge, or other craft, except in case of distress.

"[Signed]

P. C. Montgomery,  
"Inspector of Hulls, Board of Underwriters."

As no fraud or concealment is alleged or suggested, there is strong reason for holding that the respondent insurance company is estopped by the said certificate of the board of underwriters, as against a shipper who relied thereon in making shipments and in taking insurance. It is true that Mr. Landry, president of the corporation which owned the barge, was also president of the corporation shipping the cargo; but, as it is not pretended that Mr. Landry, the common agent of the two corporations, knew or had any reason to know that the barge was even suspected of unseaworthiness, this common agency cannot affect the estoppel which ought to exist in the case. The decree appealed from is affirmed.

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THE GEORGE DUMOIS.

GULF CITY COAL & WOOD CO. v. BRU.

(Circuit Court of Appeals, Fifth Circuit. May 21, 1895.)

No. 361.

**1. MARITIME LIEN—SUPPLIES—BURDEN OF PROOF.**

Where necessary supplies are furnished to a ship in a foreign port, and are received by the master and used in the service of the ship, a maritime lien results, unless it is shown that the furnisher of the supplies relied on the credit of the owner, not of the ship; and the burden of showing such fact, to defeat the lien, rests on the ship and her claimants.

**2. SAME—EVIDENCE.**

Coal was furnished by libellant, at Mobile, Ala., to the ship G., upon the personal order of one D., the president of the C. Co., the charterer of the ship. The C. Co. was a Louisiana corporation, and D. a resident of New Orleans, neither appearing to have had any property at Mobile. The ship was not in a port of distress, but was running regularly between Mobile and foreign ports. No reference was made to the vessel as a source of credit when the coal was ordered, but it was received by the master, and used in prosecuting a voyage, which could not have been made without it, and it was charged on libellant's books to the ship. *Held*, that libellant had a lien on the ship for the price of the coal.

Appeal from the District Court of the United States for the Southern District of Alabama.

This was a libel by the Gulf City Coal & Wood Company against the steamship George Dumois, Johan Bru, claimant, for supplies. The district court dismissed the libel. 66 Fed. 353. Libellant appeals. Reversed.

L. H. Faith, for appellant.

Gregory L. Smith and H. T. Smith, for appellee.