

NEWS RELEASES

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Husch Blackwell Secures Summary Judgment in International Transportation Dispute

Husch Blackwell secured summary judgment in the Central District of California on behalf of Best Bay Logistics in an international transportation dispute over stolen cargo during the domestic leg of the shipment.

In February 2023, a Chinese manufacturer shipped several pallets of microinverters from Shanghai, China, to its distributor in Texas. After clearing customs in Los Angeles, the cargo was temporarily warehoused in California with a U.S. freight forwarder while Best Bay Logistics—a freight broker—arranged the domestic leg of the transport from California to Texas a third-party motor carrier.

Unbeknownst to all parties, the truck driver who arrived at B612 Freight Forwarder's warehouse was not an employee of the motor carrier, but rather an imposter who had successfully obtained the motor carrier's credentials. After picking up the cargo, the truck driver disappeared, having stolen \$500,000 of microinverters.

Subsequently, Fast Post Shanghai Logistics, the Chinese freight forwarder hired by the shipper, filed a complaint against Best Bay Logistics, B612 Freight Forwarder and Rail Dog Trucking in California state court alleging various state law claims. Based on the pleadings alleging that all defendants acted in concert to move the cargo, the Husch Blackwell team, led by partner Julie Maurer and attorneys Andy Kleiner and Joseph Baratta, removed the matter to the Central District of California and moved to dismiss all claims based on the Carmack Amendment and Federal Aviation Administration Authorization Act preemption. After fending off Fast Post's attempts to remand the matter back to state court, Husch Blackwell successfully argued that preemption

applied, forcing Fast Post to amend its complaint to allege a single cause of action for violation of the Carmack Amendment.

Husch Blackwell moved for summary judgment, arguing that Fast Post not only lacked standing to bring its Carmack claim because it was not the shipper, but also that Fast Post failed to sustain its Carmack Amendment claim against Best Bay Logistics.

The Central District of California granted summary judgment for Best Bay Logistics, finding that Fast Post could not succeed on its Carmack claim against the Best Bay Logistics and dismissed the matter with prejudice. The Court further denied Fast Post's request to amend its complaint.