

# Arbitration Decisions

October 24, 1973

ARBITRATION CASE NO. 1511

PLAINTIFF: J. M. Schultz Seed Company, Dieterich, Illinois

DEFENDANT: Continental Grain Company, St. Louis, Missouri

This dispute involved the Foreign Material grade on seven truckloads of soybeans delivered to Continental Grain Company, East St. Louis, Illinois.

By unanimous agreement, the Arbitration Committee has decided in favor of the Defendant, Continental Grain Company.

The J. M. Schultz Seed Company sold Continental Grain Company a number of truckloads of soybeans based on destination weights and grades. Under such conditions the seller has no recourse, because contractually there is no basis for arbitration.

However, the Arbitration Committee does not wish to completely absolve Continental Grain Company. Based on evidence, a sampling and/or inspection problem might exist because a specific truckload graded 6.5 Foreign Material at another company's terminal elevator after Continental Grain Company graded it 25%FM.

The Arbitration Committee finds it difficult to understand such a grade variance regardless of the sampling method. There must be vigilance against any careless procedure which would unduly penalize shippers. There is merit in maintaining conciliatory business practices as all interests are served only when there is mutual trust and respect.

Arbitration Committee of the  
National Grain and Feed Association

/S/ Robert W. Bolton, Chairman  
Atwood-Larson Co., Minneapolis, MN  
Clayton W. Johnson  
Mid-States Terminals, Inc., Toledo, OH  
Donald G. Brault  
Dunn Grain Elevator, Inc., Fowler, IN