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1. Towage is when one vessel uses her power to pull push or move another vessel. Tugboats are typically used, but any vessel can be the tug for any other vessel. However, for barges, towage is not affreightment. The barge is not a vessel getting help, but the barge is in a way the cargo hold of the tugboat. §10-1.
2. A Maritime Lien may be imposed. A lien prevents the sale of the tow until the creditor is paid, and such a lien can be enforced against the vessel. §10-2.
3. The tug’s liability to the tow falls under tort law not contract law, and so long as reasonable care is exercised by the tug crew and negligence can’t be proved, damage to the tow is not the responsibility of the tug. The Drifter was damaged somehow, but the White City wasn’t negligent. §10-3.
4. They used the hornbook rule. If you agree to do the job for someone, you agree to do it to the best of your ability, diligent and workmanlike. Failing to tie up quickly enough and letting the tanker drift into a dike is not very workmanlike. §10-4.
5. Like how the tug must provide workmanlike service, the tow (towed vessel) must be itself in good working order. It must be seaworthy and safe. You can’t make someone responsible for towing a floating hunk of garbage and then get mad at them if it breaks. Man it properly, make sure it floats and is watertight, make sure the equipment is decent. If it has engines, like a DP capable pipe barge or a vessel being towed by ship assist tugs, avoid using your propulsion in a way that will damage the tugboat. §10-5.
6. Since the tugboat is providing the propulsion and steering to all the barges and such in tow, it is the leader and the responsible party. Unless something unreasonable or negligent happens in the tow that would cause damage to itself or other vessels in the tow, the tug is liable. §10-6.
7. The limitation fund is the concept that the most that a shipowner can be liable for is the value of the whole vessel, can’t get deeper into the hole. When vessels are acting as one, like in a tug, you can add the values of the vessels together, but only the vessels that are offending. A tanker being towed that is passively used as a bludgeon if a tug smashes the tanker into a steamship is not counted as part of the limitation fund total value of vessels, but affreighted barges may be counted as they are one with the dominant mind of the offending tug. The first case resembles the Liverpool case. The rule, as I see it, is this. Count the tug always. Count a towed vessel that through action or negligence causes an accident. Count an affreighted flotilla. Count no one else. §10-7.
8. In the Bisso case, the tug company tried to include in their contract that the tug cannot be held responsible for negligence of the tug’s own actions. The court does not want that, that would let tugs drive as badly as they want without any fear of financial repercussions, so the SCOTUS forbade such exculpatory clauses to be upheld, except for in hazardous conditions like towing in ice.
9. Cross insurance results in lower towing fees according to the book. I don’t understand why, especially when the text goes on to say that policy not requiring mutuality is economically efficient. Naming the other vessel as an insured vessel on your own insurance contract while they name your vessel as an additional insured on their policy seems strange. §10-9
10. The United States permits companies to write their own contracts and recognizes freedom of selection of forum clauses with international partners. The book says that the intent of the parties and the interests involved are analyzed, in which I take interest to mean investors, so if a tug is American owned and Panamanian flagged and a tow is German owned and Liberian flagged, the parties could choose America Panama Germany or Liberia, but not likely Japan or Angola. If they can’t agree on whose court and whose law to use, arbitration ensues. §10-10