

Source: <http://www.thetravelinsider.info/travelaccessories/lostbaggage.htm>

Your Rights if Your Bags are Lost



The carry on bags of yesterday were small and light, weighing only a few pounds.

Today's wheeled monsters can sometimes weigh more, empty, than the total carry-on weight allowance of some international airlines!

Part 2 of a 2 part article - see [part 1](#) for what to do when your bag first goes missing.

So you've already transitioned from confidently waiting for your bag at the luggage claim carousel, to anxiously waiting for your missing bag to be found, to now despondently wondering what to do now that your bag has been officially declared lost.

Please read on....

Your bag is finally declared to be irretrievably lost

Eventually, if your bag doesn't arrive, you and the airline will have to face up to an ugly truth - your bag has disappeared. About 2% of all missing bags remain lost, and if you fly enough times, or are sufficiently unlucky, sooner or later, your bag will end up in this category.

When does a missing bag become a lost bag? Different airlines have different rules of thumb for this, and it depends on your itinerary and just how complicatedly the bag might get misrouted. It will almost certainly take more than a week for your bag to be deemed lost, and perhaps as much as a month.

The amount of compensation you can get from the airline for lost luggage varies depending on whether you were on a domestic US flight, an international flight, or a domestic flight somewhere else in the world.

What Can You Claim On When Your Bag is Lost

You can't necessarily claim on everything that was in your bag once it has been decided the bag has been lost.

You'll probably have to make an itemized list of what was in your suitcase. Try and be reasonably accurate here - it would be embarrassing if your suitcase was discovered the day after your claim was filed and, ahem, the six brand new suits you were claiming on were discovered actually to be six well worn pairs of jeans.

Don't forget to claim for the cost of the suitcase itself!

Adjustment for delay reimbursements

If you have already persuaded the airline to pay for things you needed while your bag was missing, they may try and reduce their payout for your lost baggage by the amount they've already paid you to compensate for the delay period.

Certainly, if the airline has paid for a new set of clothes for you, you couldn't then claim the lost set of clothes a second time. But if you received a \$250 payment to cover the cost of your bag being delayed, while the bag was still declared as 'missing' not 'lost', that does not necessarily mean that the total compensation the airline must pay you when your bag is declared as lost should now be reduced by \$250.

Your argument would be that the payment for baggage delay and the payment for lost baggage are for two separate events. If the airline had said to you, when you first reported your bag as missing 'I'm sorry, but your bag is lost' then you could only make one claim, of course. But when they say to you first that the bag is missing, and then subsequently, a week or two or three later, tell you it is now lost, these are two separate events, with two separate sets of circumstances and costs associated.

Excluded items

The airlines have a fairly long list of valuable items which they won't reimburse you for (see below).

It is unclear how binding this list of exclusions may be, particularly on an international flight, but it will, for sure, be much harder to get reimbursement if items are on their excluded list.

Depreciated not replacement value

Airlines will only reimburse you for the depreciated, not replacement value, of your possessions. In other words, if you had a suit that you've owned for two years in your bag, and if it cost you \$300 when you bought it, and would cost \$400 for a suitable replacement, the airline won't give you \$400.

It won't even give you \$300. Instead, the airline might say 'this suit is nearly worn out, it is two years old, we'll only give you \$150'.

Cash or travel vouchers

See our discussion in part 1 about suggesting/accepting a higher value in airline travel vouchers instead of a lower value in cash, when negotiating how much the airline will reimburse you.

Other insurance coverage

The sad reality is that you'll probably end up quite severely out of pocket after the airline's partial reimbursement of the items you've lost.

However, all is not lost (just your luggage!). Simply claim the shortfall between what the airline paid you and the actual replacement cost on your regular home owner's or renter's insurance policy. You might also have free insurance as part of using your credit card to buy the ticket, or included as part of a travel insurance policy that you bought.

Most insurance companies will refuse to pay your claim if someone else has already paid your claim (you can't 'double dip') but you can use your different types of insurance selectively to get best coverage and to avoid impacting on your renewal rate or claims history with your main home owner/renter insurance.

Claim Limits

Domestic maximum liability

In the US, effective 1 March 2007, the Department of Transportation has [specified](#) that airlines are liable for up to \$3000 for losing your luggage.

This limit was previously \$2800 between 22 Oct 2004 and 28 February 2007, and \$2500 prior to then. It is expected to be adjusted every two years, in line with inflation.

This is a limit per passenger. If you were traveling with someone else, and if you had some of your items and some of your companion's items in your lost bag, then conceivably you could possibly be able to claim up to \$6000 for the lost items.

International maximum liability

If you are flying internationally, including on flights connecting to international flights, the airlines are liable for up to 1000 'Special Drawing Rights' for lost luggage. This is also a limit per passenger.

A Special Drawing Right is a sort of international currency equivalent, set by the International Monetary Fund. The value of an SDR changes daily; [this page](#) shows its current conversion to US dollars (on 3 Feb 1 SDR = US\$1.519, so the airlines would pay up to \$1519).

This 1000 SDR limit is expected to be reviewed every five years.

This obligation on the airlines is part of the 1999 Montreal Convention, known more formally as the [Convention for the Unification of Certain Rules for International Carriage by Air](#). It came into effect on 4 November 2003, and replaces an earlier Warsaw Convention of 1929 (albeit one which had been modified several times since then).

This 1000 SDR limit can be exceeded if you can prove the airline and its employees was acting recklessly and had reason to expect that damage would result from its actions (a 'please handle with care' sticker for example might help establish the airline's knowledge and increased duty of care). On the other hand, the airlines won't pay for damage to fragile items that are not adequately packed (whatever that means!).

You might still see references to the earlier international limits, which were US\$9.07 per pound of baggage (US\$20/kg). This new limit is usually slightly more generous and is no longer weight based.

What if You Can't Agree with the Airline on Your Claim

If you can't agree with the airline about how much you should be reimbursed, then your best recourse is to take your claim to your local Small Claims Court.

The Small Claims Court will still be largely influenced by the Department of Transportation or Montreal Convention limits, but it might have a more generous interpretation of how much you can claim, up to these limits. In other words, if you're claiming \$10,000 from the airline for baggage lost on a domestic flight, and the airline is only offering you \$2800, it is unlikely that the Small Claims Court will choose to break the DoT limit.

But if you're asking for \$2000 and the airline is only offering \$1000, the Court will certainly consider why you think you should get \$2000 rather than \$1000 and would be able to award you the full \$2000 if it chose to.

You have no guarantee of winning your action in the Small Claims Court, of course, but if your claim is fair and well documented, then the chances are probably more in your favor than not.

Be careful, if accepting any money from the airline, to ensure that you don't have to sign an indemnity waiver which says that, in accepting the money offered, you agree that this is a full and fair settlement and won't seek to get more money later. Sometimes you might have to refuse to accept an airline payment because it has 'strings attached'.

How to Minimize the Risk of Baggage Loss

Sadly, there's nothing you can do to stop the airlines from losing your baggage. But you can help them find it again if it does get lost, and there are a couple of minor things you can do to help reduce the chance of your bags going astray

Reducing the chance of your bags disappearing

Take anything that might confuse automatic bag scanning machines off the bag. If you have bits of old luggage labels still on your bags anywhere, be sure to remove them.

When checking your bags in, carefully watch to make sure that each bag is properly tagged with its bag tag, and check you get your copies of the tags, and that they correctly show your destination and flight.

Try not to check in late for a flight, and try and make sure you don't have very tight connections if you're changing planes on your journey.

Making it easier for your bag to be found again

Make your bag as distinctive as possible. One more generic black soft sided wheeled bag, in a warehouse full of generic black soft sided wheeled bags, is going to be much harder to find than one with purple and yellow stripes.

Well, you don't have to paint purple and yellow stripes on your bag, but anything you can do to make it more obvious would be a good idea, starting off with, next time you buy a suitcase, perhaps considering a color other than black.

We always put a [MyTag](#) on our bags (which are admittedly generic and black). This large bright yellow tag with our name printed in bold letters makes the bag much easier to see, and the MyTag is unlikely to come off due to its sturdy tie.

Check that whatever address information you have on the outside of your bag is current and correct. This might sound trivial, but it is surprising how many people have out of date information on their bag labels.

Include your contact information inside your bag, too, in case the label on the outside of the bag gets torn off.

We suggest you have both your contact information and also a trip itinerary inside your bag. Put both these things in a large (eg 9x12) envelope on the top of everything else, and prominently label the envelope 'Contact Details if Luggage Lost'. The reason for trip itinerary information is that if your bag is lost on the early part of your trip, it will be easier for it to be sent to you while you're still traveling.

When to Expect Payment

Once you've finally agreed on everything with the airline, don't expect your payment immediately. It can take the airlines several months to then actually send you the agreed payment.

Is this fair? No. But it is, sadly, typical practice for the airlines, and there's very little you can do to try and encourage them to be more responsive.

How to Minimize the Inconvenience of Luggage Loss

You've probably read this before, but it is worth repeating. Never put anything in checked luggage that you can't survive without or replace.

This means making sure you have an adequate supply of medications in your carry-on, plus things like trip vouchers, ID and credit cards, maybe even camera and used film. In my case, I never check my computer, and similarly, I never check my computer's power supply or modem cable either. I also make sure I have both my cell phone and its charger (or a [Clipper Emergency Recharger](#)) with me.

Because the airlines limit their liability if they lose your bags, make sure you also carry with you anything small and expensive, and anything which the airlines might exclude from reimbursing you if lost (this includes many electronic items as well as jewelry).

Things the Airlines usually Refuse to be Liable For

Different airlines may have slightly different lists, but in general, they will usually refuse liability for the loss, delay, or damage to the following :

- Antiques
- Computer Equipment and related items
- Documents (personal or business, negotiable papers)
- Electronic Equipment
- Film
- Fragile Items
- Irreplaceable Items
- Jewelry
- Keys
- Manuscripts
- Medication
- Money
- Paintings or one of a kind works of art
- Perishable Items
- Pets/Animals
- Photographs
- Photographic Equipment
- Samples
- Securities
- Silverware
- Watches

Don't Buy Airline Insurance

Most airlines will offer to sell you insurance to extend their liability to a higher value than would otherwise be the case. This insurance typically will cost you \$1 - \$2 per each extra \$100 of cover, and is still subject to the same exclusions (see above).

This is a very poor value for insurance cover. Fewer than one in ten thousand bags end up being totally lost, which means the cost to the airline of selling you this premium is actually 1¢ per \$100, but they sell it to you for \$1+ per \$100!

Wouldn't you like to be able to sell things for one hundred times (or more) their cost price?

What's more, you probably don't need this, at any price! If you're worried about your possible risk, check with your regular insurer and see if your householder's insurance policy will cover you for items lost by the airline. Chances are, in just about every case, you already have this cover (although subject to whatever deductible that might apply).

What Happens if the Airline Finds Your Bag After Reimbursing You for its Loss

Most likely, when accepting payment from the airline for your lost luggage, you are also signing over ownership to your lost property to the airline, in case they subsequently find it.

In such a case, it is very unlikely the airline would even tell you if they subsequently found your bag. Instead, they'll probably sell it, at a very low price, to the [Unclaimed Baggage Center in Scottsboro, AL](#). And, no, there's no way you can ask the UBC to look out for your bag. They have thousands of items come in every day, and no system for trying to match bags to their lost owners.

Summary

Never pack anything irreplaceable in your checked luggage, because there is always a small chance it might be lost or broken or stolen.

If something does go wrong, you can negotiate with the airline to get the fairest resolution to your inconvenience. Don't necessarily believe their first offer is their best offer.

Don't expect to profit on the deal, but any unreimbursed loss can probably be claimed from your regular householder's insurance policy.

Read more in Part 1

In [Part 1](#) we explain the process to follow when your bag is first delayed, and what to do to ensure the airline best compensates you for any clothing or other items you might need to purchase prior to your bag's return.

You need to know these things, because just about every bag that is permanently lost starts off as missing.

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