Chapter 77

Warehouse Receipts,
Bills of Lading and
Other Documents of Title

77.1020


ATTY. GEN. OPINIONS: When a corporation is considered a "warehouseman," 1940-42, p 269.

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NOTES OF DECISIONS
1. Under former similar statute
A receipt requiring return of wheat upon demand to the order of a named person was negotiable. State v. Am. Sur. Co., (1934) 148 Or 1, 35 P2d 487.

Warehouse receipts were negotiable that contained all of the statutory requirements with the exception that they were not consecutively numbered, and were payable to order. Bank of Calif., Nat. Assn. v. Schmaltz, (1932) 139 Or 163, 9 P2d 112.

A straight bill of lading was not negotiable. Weyerhaeuser Timber Co. v. First Nat. Bank, (1935) 150 Or 172, 217, 38 P2d 48, 43 P2d 1078.

FURTHER CITATIONS: Gill & Co. v. Frank & Koshland, (1885) 12 Or 507; Anderson v. Portland Flouring Mills Co., (1900) 37 Or 483, 60 P 839, 50 LRA 235; Finn v. Erickson, (1928) 127 Or 107, 269 P 232, 270 P 767.

LAW REVIEW CITATIONS: 1 OLR 116; 8 OLR 99.

77.2010

NOTES OF DECISIONS
Under a former similar statute, the owner of the grain stored had to be given a receipt therefore. Wyatt v. Henderson, (1897) 31 Or 48, 48 P 790; Milliron v. Clow, (1902) 42 Or 169, 70 P 398; Diamond Roller Mills v. Moody, (1912) 63 Or 90, 125 P 284, 126 P 984.


ATTY. GEN. OPINIONS: Duty of warehouseman to issue and deliver receipt, 1924-26, p 634.

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NOTES OF DECISIONS
1. Under former similar statute
Warehousemen were not prevented from recovering reasonable compensation for storage because the receipt did not conform in all particulars with requirements of the statute. Finn v. Erickson, (1928) 127 Or 107, 269 P 232, 270 P 767.

Where a receipt was not executed upon delivery of goods to warehouse, a contract arose embracing the various terms required by law. Voyt v. Bekins Moving & Storage Co., (1942) 169 Or 30, 119 P2d 586, 127 P2d 360.

A document could be a warehouse receipt without expressly complying with all of the requirements of the statute. Investment Serv. Co. v. O'Brien, (1950) 190 Or 394, 223 P2d 163.

FURTHER CITATIONS: State v. Humphreys, (1902) 43 Or 44, 70 P 824; Savage v. Salem Mills Co., (1906) 48 Or 1, 85 P 69, 10 Ann Cas 1065.

ATTY. GEN. OPINIONS: Liability of warehouseman who delivers the grade and quantity of grain named in warehouse receipt, 1924-26, p 327; insurance provision in warehouse receipt, 1928-30, p 156; legality of blank negotiable warehouse receipt, 1932-34, p 276.

LAW REVIEW CITATIONS: 8 OLR 220.

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NOTES OF DECISIONS
1. Under former similar statute
(1) In general. A warehouseman was liable for defects in his warehouse unless such defects were unknown to him and could not have been discovered by the use of ordinary care. Hansen-Rynning v. Ore.-Wash. R.R. & Nav. Co., (1922) 105 Or 67, 209 P 462.

Where a warehouseman negligently exposed goods to the hazard of freezing, he was liable for damages resulting therefrom. Hubbard v. Olsen-Roe Transfer Co., (1924) 110 Or 618, 224 P 636.

A bailor was presumed to know the contents of a receipt containing only the provisions required by law. Voyt v. Bekins Moving & Storage Co., (1942) 169 Or 30, 119 P2d 586, 127 P2d 360.

The warehouseman's duty at common law was that of ordinary reasonable care and the same duty was expressed in the warehouse receipt. Id.

The burden was on the warehouseman to show his freedom from fault. Scott v. Lawrence Whse. Co., (1961) 227 Or 78, 360 P2d 810.


Where a warehouse was leased and the lease exempted the lessor from liability due to its negligence, holders of warehouse receipts waiving recovery from the lessor or lessee were nevertheless allowed to recover from the lessor for damages caused by its negligence. Reeder v. No. Pac. R.R., (1922) 283 Fed 786.

(4) Acceptance necessary. The right to insert additional terms does not give such terms the force of contract unless the parties' minds can be said to have met thereon. Voyt v. Bekins Moving & Storage Co., (1942) 169 Or 30, 119 P2d 586, 127 P2d 360.

Retention of the warehouse receipt did not manifest acceptance of its provisions. Id.


ATTY. GEN. OPINIONS: Provision in warehouse receipt issued by an elevator company expeeming a railway company from liability to third persons, 1928-28, p 560; provision relative to insurance, 1928-30, p 156; provision relative to liability, 1932-34, p.276.

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NOTES OF DECISIONS
1. Under former similar statute

The implication from the statutes that was a lien existed for warehouseman's charges when the receipt was nonnegotiable. Finn v. Erickson, (1925) 127 Or 107, 269 P 232, 270 P 767.

In claim and delivery against a warehouse, it could set up an equitable defense and secure foreclosure of its lien, notwithstanding the statute. Fischer Bros. Milling Co. v. Lawrence Whse. Co., (1932) 138 Or 439, 4 P2d 1117.


ATTY. GEN. OPINIONS: Warehouseman's lien for insurance on goods stored, 1928-30, p 156.

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NOTES OF DECISIONS
1. Under former similar statute

Warehousemen by shipping potatoes without demanding warehouse receipts as required by the statute were liable to pledge of said receipts. Farmers' Bank of Weston v. Ellis, (1927) 122 Or 266, 258 P 186; Farmers' Bank of Weston v. Ellis, (1928) 126 Or 602, 268 P 1009.

Where by mistake a greater quantity of grain was surrendered by the warehouseman to the depositor than he was entitled to, trover would lie to recover the excess or its value. Miller v. Hirschberg, (1895) 27 Or 522, 40 P 506.

Where warehousemen delivered goods to a pledgor of negotiable warehouse receipts and failed to take up and cancel the receipts as required by this section, it was no defense in an action for conversion by the pledgor of the receipts to show the pledgor had assigned the proceeds of the goods to the pledger. Farmers' Bank v. Ellis, (1928) 126 Or 602, 268 P 1009.

Where warehouseman delivered portion of hops covered by warehouse receipts to person not entitled thereto, such act amounted to conversion of all bales represented by receipts. Bank of Calif., Nat. Assn. v. Schmaltz, (1932) 139 Or 163, 9 P2d 112.

Upon presentation of negotiable warehouse receipts, owner was entitled to identical property stored, and warehouseman could not fulfill obligation by partial performance.


The statute was not applicable unless a warehouse receipt was involved in the litigation. Investment Serv. Co. v. O'Brien, (1950) 190 Or 394, 223 P2d 163.

An "Order for Warehouse Release" was not such a release as would terminate liability. Scott v. Lawrence Whse. Co., (1961) 227 Or 78, 360 P2d 610.

An "Order for Warehouse Release" was (1) a formal demand imposing the duty on the warehouseman to deliver the goods, and (2) evidence of redelivery when filed in the regular course of business. Id.

The burden was on the warehouseman to show his freedom from fault. Id.


ATTY. GEN. OPINIONS: Duty of warehouseman to deliver grain in case of adverse claim, 1924-26, p 834.

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NOTES OF DECISIONS

Under former similar statute, where warehousemen delivered goods to a pledgor of negotiable warehouse receipts, they acted at their peril in relying on the pledgor's verbal statement that he was acting for the pledger. Farmers' Bank of Weston v. Ellis, (1927) 122 Or 266, 258 P 186; Farmers' Bank of Weston v. Ellis, (1928) 126 Or 602, 268 P 1009.

Under former similar statute, where warehousemen delivered goods to a pledgor of negotiable warehouse receipts and failed to take up and cancel the receipts as required by the statute, it was no defense in an action for conversion by the pledger of the receipts to show the pledger had assigned the proceeds of the goods to the pledger. Farmers' Bank v. Ellis, (1928) 126 Or 602, 268 P 1009.

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NOTES OF DECISIONS

1. Under former similar statute

The former statute applied the law of negotiable instruments to warehouse receipts with respect to what was a "reasonable time" in which a warehouse receipt had to be negotiated. State v. Am. Sur. Co., (1934) 148 Or 1, 35 P2d 487.

The assignee of a nonnegotiable document was put on notice that there might be outstanding equities against the goods represented thereby or the proceeds thereof. Weyerhaeuser Timber Co. v. First Nat. Bank of Portland, (1935) 150 Or 172, 38 P2d 48, 43 P2d 1078.

Delivery of an undorsed warehouse receipt to a buyer of hops was substantial evidence of acceptance of the hops and transfer of title. Pokorny v. Williams, (1953) 199 Or 17, 260 P2d 490.


LAW REVIEW CITATIONS: 1 OLR 116; 14 OLR 213.
NOTES OF DECISIONS
1. Under former similar statute
   A valid transfer of the property was effected by negotiation of the warehouse receipt. Adamson v. Frazier, (1901) 40 Or 273, 66 P 810, 67 P 300; Lewis v. First Nat. Bank, (1904) 46 Or 182, 78 P 990; Diamond Roller Mills v. Moody, (1912) 63 Or 90, 125 P 284, 126 P 984.

   A warehouse receipt three years old had passed the period in which its negotiation could make its recipient a holder in due course. State v. Am. Sur. Co., (1934) 148 Or 1, 35 P2d 487.

   Right of stoppage in transitu could be asserted against the insolvent buyer's purchasers or transferees to whom bill of lading had not been properly transferred. Weyerhaeuser Timber Co. v. First Nat. Bank of Portland, (1935) 150 Or 172, 38 P2d 48, 43 P2d 1078.

   Transfer of straight bill of lading would not cut off seller's right of stoppage in transitu. Id.

LAW REVIEW CITATIONS: 1 OLR 116.

NOTES OF DECISIONS
1. Under former similar statute
   The assignment of a nonnegotiable document was good as against the transferor but was subject to equities of prior parties. Weyerhaeuser Tbr. Co. v. First Nat. Bank, (1935) 150 Or 172, 38 P2d 48, 43 P2d 1078.

   Delivery of an unendorsed warehouse receipt to a buyer of hops was substantial evidence of acceptance of the hops and transfer of title. Pokorny v. Williams, (1953) 199 Or 17, 260 P2d 490.


LAW REVIEW CITATIONS: 1 OLR 116.

NOTES OF DECISIONS
1. Under former similar statute
   Interpleader was proper where several parties claimed wheat, notwithstanding a pending partition suit as to the ownership of same. Milton Whse. Co. v. Basche-Sage Hdw. Co., (1934) 147 Or 563, 34 P2d 338, 978.

   Under former similar statute, warehousemen bringing interpleader were entitled to reasonable charges for storage from date of demand for warehouse receipts and refusal to deliver same. Id.

ATTY. GEN. OPINIONS: Duty to deliver grain in case of adverse claim, 1924-26, p 634.