K&P Risk Strategies

RISK MANAGEMENT & CLAIMS RESOLUTION SPECIALISTS

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Kibble & Prentice
A USI Company

CLAIMS RESOLUTION SERVICES ALERT

Successful resolution of our clients' property and casualty claims requires the resources of a team of technical professionals with a wide array of talents. These experts all contribute to investigating, valuing, and resolving each claim we undertake. Our team includes experts in business valuation, forensics accounting, engineering, risk management, economics and property appraisal.

We recently assisted a client with the resolution of a complex property claim arising from a catastrophic fire. While we focused on assessing, valuing, documenting and resolving their claim with their insurers, our client was able to stay focused on receovering their complex business operations.

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Another Win for our Clients

LOSS DESCRIPTION

A well-established lumber manufacturer suffered a loss of their kiln-control room in a fire. Drying lumber in the kiln is a necessary process in order to sell certified kiln-dried lumber. Management took extraordinary steps to mitigate the impact of the fire and ensure minimal disruption to their customer base. Through these mitigation efforts the company incurred unusual extra expenses in addition to their other business interruption losses.

KEY CHALLENGES

The original insurance company analysis valued the claim at about $260,000, which was far below the actual loss amount. This was primarily due to the adjuster's lack of experience in the forest products industry and their misunderstanding of the interplay between the manufacturer's geography and their claim mitigation strategies.

CLAIM RESOLUTION HIGHLIGHTS

The manufacturer engaged our specialists to calculate a complete analysis of both the business income and extra expense elements of their loss. Due to our team members' significant understanding of the manufacturer's industry and digging into and documenting the extraordinary lengths the company took to mitigate their loss, a detailed and compelling claim calculation was created. We valued the claim significantly in excess of the insurer's original estimate and ultimately it settled for roughly $650,000 more than the original claim.

This example is typical of the many coverage and valuation issues that can come up in a large property claim. Having the ability to match resources with the insurer is critically important to the successful recovery of the client's claim. Please feel free to call us if your client has a challenging claim to resolve.

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