

# File #168

## The Case of the Command Performance

*Some say familiarity breeds contempt, but experience suggests that the opposite may be true. In this difficult business situation, knowledge played an important part in resolving a complex claim.*

We call it *The Case of the Command Performance*. Fire destroyed a major manufacturing facility that also housed all administrative, accounting, sales and executive offices for the multi-location manufacturer. Our client, the manufacturing company's insurance carrier, commanded our performance so swiftly that the building was literally still smoldering when we arrived onsite. The insurer immediately challenged our firm to assist the insured in managing the environment even before loss calculations started, in order to minimize extra work involved in recovering from the fire.

Cremers, Holtzbauer & Nearmyer was a wise choice to provide such assistance. We were intimately familiar with the insured company, its operations and even the building that was destroyed as a result of our association with them eight months prior, at which time we worked with them on a claim from a previous fire. This time, since an early damage estimate exceeded \$1 million for the second fire in less than a year, the insurance company requested our assessment of whether this incident could be a "for profit" loss.

Our *modus operandi* was to examine key financial areas within the insured manufacturing company, as well as the financial status of its owners. We helped the insured's staff coordinate what needed to be done, explaining how to do the work in a manner that assured timely, appropriate handling of the resultant claim. Because we had recent experience with the insured, we were familiar with their accounting system and where everything was located. We even had a working knowledge of what was in the building. So in addition to helping provide situation management and coordination, we were actually able to help the office staff do some of the work.

We reported to the insurer that our investigation and analysis revealed nothing to suggest the fire was intentionally set. In this case, our familiarity with the insured and early involvement allowed us to help the insured file and settle a fair claim, and also assisted the insurance company in providing high quality service to its very important policy holder.



6200 Aurora Avenue, Suite 600W  
Urbandale, IA 50322-2871  
phone 515-274-4804  
email info@chncpa.com

### SUMMARY

#### Background

Fire destroyed a major manufacturing facility that also housed all administrative, accounting, sales and executive offices for the multi-location manufacturer. It was the second fire for this company in less than a year.

#### Objective

- ◆ Assist the insured, a very important customer of the insurer, our client, in managing the environment even before loss calculations started, minimizing the extra work involved in recovering from the fire.
- ◆ Investigate the possibility that the second fire was "for profit."

#### Our Determinations

- ◆ With our help the insured was able to document the loss.
- ◆ There was no evidence to suspect the fire was other than an unfortunate accident.

#### Results

- ◆ The manufacturing firm was able to expedite recovery and develop credible information necessary to file the claim.
- ◆ The insurer, our client, was able to maintain a very positive relationship with its important customer during an adverse event.

#### Bottom Line

**We would like to be part of your team, too. Please call Dale Cremers, Robert Holtzbauer, or Roger Nearmyer for a free consultation.**