



CASE STUDY



"Our loss was quite large and the claim was complex ... the team at Adjusters International treated us as if we were their sole client. They invested an immeasurable amount of time and effort and at all times conducted themselves with extreme diligence and absolute integrity and professionalism. They took the time to learn and understand every aspect of our business. They then proceeded, as our advocate, to secure the settlement that we were entitled to under the terms of our policy. Without the assistance and guidance of these professionals, I am sure we would have never received a fair settlement."

*Daniel Medeiros, Chief Financial Officer
The DiMare Company*

FRUIT PRODUCER'S SEASON NEARLY LOST

DiMare is a major grower and packer of fruits and vegetables with facilities throughout the United States. In the summer of 2000, four weeks before the start of the Fall citrus packing season, a transformer explosion occurred at DiMare's Coachella Valley plant in California.

The ensuing fire fully engulfed and destroyed one packing line and several cooling and warehouse buildings. In addition, a second line was severely damaged. Physical damage was in the several millions of dollars.

Issues:

- How would DiMare be able to put the damaged line back into operation in time for the start of the Fall season?
- What were feasible mitigation efforts so as to reduce anticipated income losses?
- Were all the losses sustained covered under the policy of insurance?
- How to quantify the losses incurred.



Strategies for Resolution:

The first step taken was to immediately assemble our team members on-site who would be working on this loss. These included: Gary W. Johnson, SPPA, Jim Warren and Paul M. Migdal, J.D. In addition, our inventory specialists and forensic accountant were brought to the meeting. Representatives from the insurance company were also in attendance. Separate groups were formed.



Messrs. Johnson and Warren were in charge of the building claim and they met with the carrier's consulting contractor to discuss and agree upon a scope of repair. Over the course of time, agreements were reached as to both the extent of the building damages and the costs to repair and replace.

Our inventory personnel met with DiMare's outside suppliers and the carrier's consultant for the purpose of identifying, quantifying and costing the damaged equipment as well as replacing destroyed inventories. Agreements were reached on these aspects of the claim.



Mr. Migdal met with the carrier's executive general adjuster to discuss policy coverages, exclusions and limitations as well as DiMare's right to recover the cost of mitigation efforts. As a result of this discourse, plans for expediting repairs in time for the Fall season and for reducing potential losses in Spring 2001 were created, agreed upon and implemented. In addition, agreements were reached as to how to interpret and apply various policy provisions such as: 1) What are temporary as opposed to permanent repairs? 2) What are recoverable extra, expediting and mitigation expenses?

