

This article has been written for your customers.

More than truck insurance

A large, 12-tonne truck was travelling along on a narrow road in a remote part of the Coromandel forest. A car was eager to pass, and to make room the truck driver moved over to the far side of the left lane. The road edge suddenly subsided, crumbling under the wheels of the truck and tipping the vehicle and its large hydraulic crane down a steep bank.

While it was lucky that no one was seriously hurt in this accident in March 2009, it was still a business disruption for one of our customers, Northpower.

Typically in the event of an accident like this the fleet manager or owner would be called by an understandably shaken driver, and after a number of phone calls the truck would be towed to the closest repair yard. It would then take time to make repairs and advise the insurance company – all the while leaving the business owner without a truck on the road and a means to keep their business moving.

However in the case of the Northpower accident there was one significant difference. By having their truck insured with Lumley, they were able to utilise its Crash Scene Assistance (CSA) service.

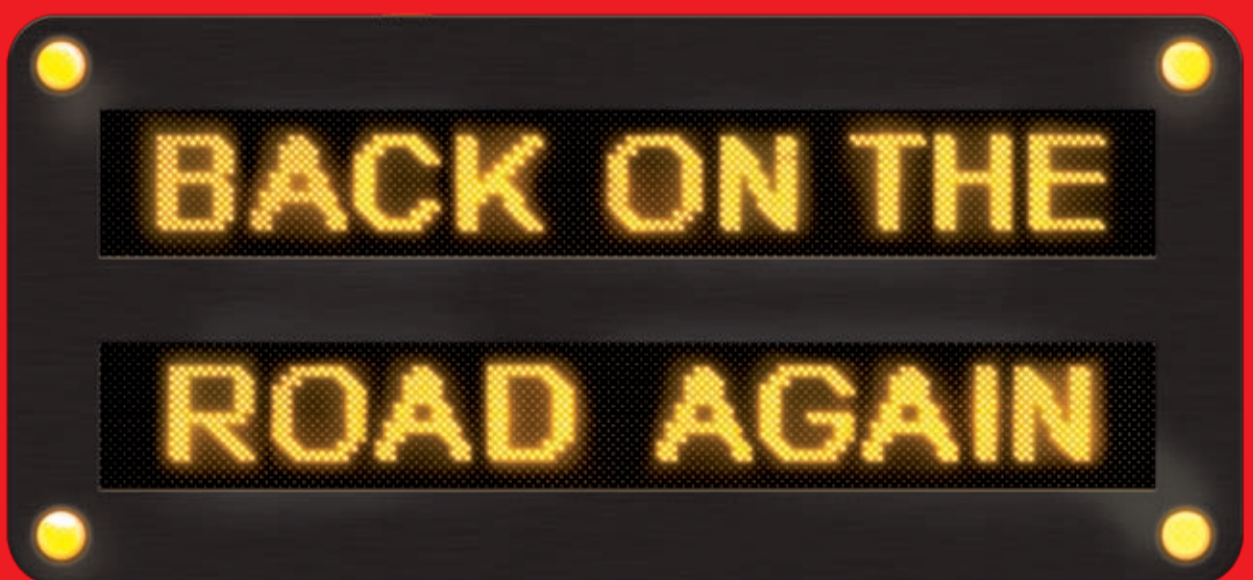
As part of Lumley's network of towing services, Southern Districts Towing sent the Lumley Mack MH truck to recover the Northpower truck, and a CSA car went to the scene to assist with the recovery and to meet the Northpower team. The environment was checked for hazards and pollution, and the truck successfully towed to a recommended repair shop where the job could be done quickly and to a high standard.

Because Lumley were involved from the beginning, the parts needed to repair the truck were arranged quickly. And as a result of the end-to-end service the truck was back on the road much earlier than expected.

"The service was absolutely brilliant," says Dave Hayden, National Fleet and Facilities Manager for Northpower. **"Our guys out in the field were really appreciative of the service, especially in such a remote location, and said it was quick and painless. All it took was one or two phone calls and it was sorted. They were impressed by the professionalism of those involved, and the speed at which they got the job done."**

Because the Lumley CSA service includes a network of service providers, Dave believes it made a real difference to the speed at which he got his truck back. "Lumley had already called the panel beaters to the shop before I'd arrived, and we all met to assess the damage. They'd also managed to locate a new cab, and the repairs were underway before I'd even filed the claim."

Access to the Lumley CSA service is all part of the package when you have a heavy haulage policy with Lumley. It's all about getting your truck back on the road again – faster. Now, that's a whole lot more than just an insurance policy.



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News comment

This is a regular piece that looks at a recent media article about the insurance industry.

“As insurance companies see a rise in burglary claims they believe is linked to the recession, more of their customers are discovering the limits of their contents insurance.”

Sunday Star Times (SST), 22 February 2009

Recognising a link between the recession and an increase in insurance claims isn't a stretch for most. People get desperate to make a quick buck by stealing easy-to-move, high-value items, or take liberties with business assets to ease their personal financial strain.

While there isn't a lot you can do if your business is targeted by theft, you can make sure you have all your risks covered.

For many people theft and damages can be just the beginning of more significant issues that often have serious financial effects on a business. When it comes to claiming on insurance, businesses can experience real trouble if they have kept high levels of risk on their own books, or haven't checked their policies as to what is actually covered. It's not uncommon for these situations to compromise a business' cash flow, their ability to continue trading, and create a serious distraction for management in very demanding times.

And it's not just in the event of theft that these issues emerge. Property, Liability, Construction and Engineering are all areas that see a measurable spike in claims during an economic downturn – and the implication of under-insurance to 'save' a few dollars almost always carries severe legal and monetary consequences.

In the last month alone we have experienced a number of claims where underinsurance will have serious implications on the ongoing viability of a business.

Real example: The Insured was a tenant in a commercial building where a fire broke out in another part of the building, and the Insured's premises was affected by smoke and water. Their contents were insured for \$20,000 and their stock for \$15,000. However, the loss adjustor advised that the client was significantly underinsured, as the estimated value for the contents is \$75,000 and stock at least \$25,000. While the Insured fortunately also had Business Interruption insurance, again this was also underinsured with a Sum Insured of \$75,000, whereas it would have been more accurately set at \$150,000.

In these times, this sort of underinsured loss can have devastating effects on the ability to rebuild a business and ultimately a livelihood. It's important that anyone operating in the current business market ensures their insurance policies are **correct, current and comprehensive**.

Those that utilise the skills and expertise of a knowledgeable Broker are in safer hands, as the information a Broker brings to the table and their access to underwriters, cannot be underestimated. The SST article stated that customers' discovering unexpected limits to their insurance cover **“was less of an issue for policies sold through Brokers, who took the time to explain policies”**. A seasoned Broker ensures that any issues are discussed in depth, that the right cover is provided, and there are no surprises when a claim is made.

There are enough pressures out there affecting your business without adding to it with underinsurance. Make the most of your Broker's knowledge and expertise to ensure you have the right level of cover for the right risk.

Can you really afford to be without it?

