



Tornado Loss

AGRICULTURAL EQUIPMENT MANUFACTURER

ILC ASSIGNMENT:

After a direct hit from an EF-3 tornado, an agricultural equipment manufacturer faced a significant challenge. In response, ILC was enlisted, and quickly arrived onsite to conduct a comprehensive inspection of the manufacturing equipment and showroom machinery. The affected assets were scattered across various buildings and demonstration/staging areas within a sprawling one-mile industrial campus. The gravity of the situation was evident in the initial insurance loss estimate, surpassing \$100 million. Furthermore, the immediate equipment losses were expected to exceed \$50 million, underscoring the severe impact of the tornado on the company's infrastructure and assets.

ILC INSPECTION DETAILS:

- ILC's site visits revealed an extensive inventory of manufacturing machinery, exceeding 1700 capital assets spread across multiple campus buildings.
- Beyond the structures, additional property featured rows of finished agricultural machinery earmarked for outdoor demonstrations and sales staging, aligning with the tornado's path of impact.
- ILC meticulously assessed damage to vital business equipment, with a focus on relocating useful and repairable components to temporary work cells within less impacted on-site structures.
- Further inspections targeted finished equipment awaiting distribution, identifying unimpacted, saleable machinery. This approach facilitated swift off-site distribution shipments, minimizing business interruption.
- Simultaneously, the strategy supported effective remediation efforts on the campus, highlighting ILC's commitment to comprehensive and efficient damage control.

SUMMARY:

- In close collaboration with the insured, ILC conducted a meticulous effort to swiftly identify recoverable equipment assets from the damaged and collapsed structures, aiming to minimize business interruption.
- These intensive recovery endeavors resulted in substantial loss reductions for the equipment, slashing the initial machinery ROM value by over \$20 million. Remarkably, manufacturing and finished goods shipments were able to resume operation within a mere few days of the loss event.

REQUEST A CONSULTANT:

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