



Case Study

Global Response to Decontamination Transit Claim



Incident

A large shipment of more than 4,000 fast food drive-thru signs shipped from China to Chicago. The signs traveled first to California, and then to a warehouse in Texas, by rail, before arriving in Chicago. When the enclosures reached Texas, the packaging wooden pallets, upon which the signs shipped, displayed visible signs of mold growth. The insured made the multi-million dollar decision that decontamination of the signs was necessary, and rented a warehouse where decontamination took place.

In response to the claim, the carrier hired Envista to help determine the cause of the mold, and the time at which the mold occurred. Envista utilized a New Zealand expert who specializes in deterioration of wood, as well as mold generation, so he was quickly able to identify the means of contamination.

Challenges

While Envista was assessing the information involved in the claim, the client's lawyer wanted us to perform an inspection of the warehouse where the cargo was unloaded. One of our engineers went to the warehouse and met with the insured. Some of the documentation provided was in Chinese, so we enlisted the help of another engineer on staff in Singapore to provide translation of these crucial documents.

Outcome

After our analysis was completed, we found that the mold generation was not from the shipment, but rather from the signs being in contact with the wooden pallets. Envista's engineers proved the pallets were pre-infected lumber, and the type of mold actually began in China when the pallets were not properly heat treated at the time of manufacture. Since the generation of mold originated before the shipment, it was not part of the policy coverage period.

In this case, Envista utilized resources to assist this carrier in a myriad of ways, and on a global scale, with experts from Australia, New Zealand, Singapore and Texas, to come to a valid and quick conclusion.