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THE SHOCK OF THE NEW

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IT RISKY FOR THIEVES

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WHO'S RESPONSIBLE?

SAVING FACES

PR MAX CLIFFORD SAYS LOOKING AFTER REPUTATIONS IS ALL ABOUT ANTICIPATING RISK

The magazine that puts risk management, insurance and claims issues in the spotlight

UNDER INVESTIGATION

Picture the scenario: an electrical appliance warehouse on the edge of town has burnt down and countless items of stock have been destroyed in the main stockroom. The fire also spread to the office, destroying files and computer equipment that may have verified the current inventory and value of damaged stock.

Such an event presents countless questions. What caused the fire? Why did it spread so quickly? What was the real value of insured losses? Sometimes the causes are unclear or questionable. Finding the answers requires a forensic examination of all the elements that might have caused the event.

Travelers' 40,000-square foot, state-of-the-art engineering laboratory in Windsor, Connecticut, in the US is unique to Travelers and is an invaluable resource in identifying the cause of such events for both the insurer and its customers. The facility houses both Travelers' forensics laboratory and its industrial hygiene laboratory and is staffed by more than 40 chemists, engineers, technicians and certified industrial hygienists.

The origins of the engineering laboratory date back to the early 1900s, when Travelers started a chemical lab within the Engineering and Inspection Division. Since then, the claims investigation process has become increasingly technical. In the 1990s, the Travelers



Travelers Engineering Laboratory is a unique resource, that helps ensure that the best science is applied to the claims process

engineering laboratory focused its efforts on forensic investigations by applying science to the claims process. The laboratory investigates a wide spectrum of insurance losses. Jim O'Neill, Managing Forensic Engineer at Travelers, says: "Due to the diverse education and experience of its staff, the laboratory has the ability to investigate many different claims. The lab routinely investigates property damage caused by fires and explosions. In those cases, a rigorous investigation is performed to identify the origin and cause of the fire."

EXPERTS IN THE FIELD

The facility can analyse fire debris for the presence of flammable liquids. This analysis is used to identify a potential arson fire. In many instances, the cause of a fire is related to a malfunction or misuse of a product. The laboratory conducts research on how products can ignite materials and cause a fire. The facility is equipped with a specially instrumented room that is used to test a variety of product ignition scenarios. O'Neill adds: "Fire research improves our ability to understand how fires ignite, grow and spread." Laboratory tests are documented using computerised instrumentation, video and thermal imaging cameras.

Among other areas of expertise, the facility has a team of industrial hygienists that provides consultation services to investigate the circumstances of employees' possible exposure to harmful substances. The team conducts on-site workplace investigations using monitoring equipment such as air sampling apparatus. This work is supported by the laboratory, which maintains a supply of high-tech industrial hygiene equipment. The equipment is loaned out to insured companies to collect samples that are sent back to the lab for analysis.

Another speciality of the laboratory is document analysis in cases of potential fraud. One technique that the laboratory uses is Video Spectral Comparison, which can differentiate separate inks that appear similar to the unaided eye.

REASSURING THE CUSTOMER

The laboratory's tools and expertise are available to investigate the same type of claims in the UK, Ireland and Canada.

Kevan Brown, Technical Claims Manager at Travelers in the UK, says: "On the claims side, Travelers' engineering lab has provided us with support on a number of large property losses involving fires, and the lab's team has liaised with our appointed forensic experts in the UK.

"The level of forensic work is a unique in-house function. The lab provides a range of specialist advice that is not available from other insurers in the UK and helps

ensure that our customers' claims receive a world-class service," he adds.

Most insurers are totally reliant on third-party forensics specialists, but as O'Neill points out, there are numerous advantages to retaining an in-house team. "By having a staff of forensic engineers, Travelers is able to manage the investigation and better use the information learned during the investigation process," he says. "The laboratory identifies and tracks product failure trends."

The laboratory also acts like a clearing house for all the knowledge gathered over the years from loss investigations. "If we have one product that is causing fires, and we understand the failure mode, there may be a cause for concern if there is a potential for additional losses," O'Neill explains. "By identifying failure trends, we are in a better position to understand and manage our risks."

Furthermore, Travelers can provide information to its customers, to help them better control their own risks.

O'Neill concludes: "When we deal with customers who have no knowledge of the lab, they are quite surprised that Travelers has invested in this capability. It gives customers a level of comfort that Travelers is managing the investigation process and trying to understand what caused their loss." ◻

◻ The lab provides a range of specialist advice not available from other insurers in the UK ◻



FORENSIC CAPABILITIES

The Travelers Lab is equipped with the expertise and high-tech instrumentation that allow the team to investigate and perform analyses in the following areas:



- ↘ Industrial hygiene air samples for hazardous chemicals
- ↘ Flammable and combustible liquids in fire debris
- ↘ Document analysis
- ↘ Material identification
- ↘ Flash point
- ↘ Metallurgical analysis
- ↘ Forensic video and audio analysis
- ↘ Wear indicators of engine oil
- ↘ Construction defect investigations
- ↘ Vehicle accident reconstruction



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