



Poorly Designed Property Insurance Led to Uncovered Extra Expense Loss

EXPOSURE | A distributor had property insurance coverage for their manufacturing location but no coverage for supply chain disruption.

WHAT HAPPENED | Their primary source of organic dairy products experienced a severe weather event. They incurred significant extra expense to source product from non-traditional sources to meet customer supply commitments.

RESULT | The distributor's insurance policies did not cover the extra expense because they were only written to protect the distributor from losses at their own location.

WHAT LEAVITT GROUP WAS ABLE TO DO | Conducted full risk analysis which identified 14 weaknesses in the insurance program. Eliminated all gaps with little change in premium.