



Lack of Insurance Coverage Led to Multimillion Dollar Uninsured Loss

EXPOSURE | A private label agreement was in place between the parties in which grocers transferred risk for content of all promotional materials to the manufacturer of organic and natural goods.

WHAT HAPPENED | A class action lawsuit was brought against the grocers involving promotional content on labels and related advertising performed by the manufacturer. The grocers tendered defense and indemnification to the manufacturer.

RESULT | The manufacturer's insurers denied coverage because the insurance had not been properly designed to provide the necessary coverage.

WHAT LEAVITT GROUP WAS ABLE TO DO | Performed a full risk analysis and identified multiple gaps in coverage. Restructured insurance program to fix problems with only a 2.3 percent increase in premiums.