

# Fruit Producer's Season Nearly Lost

DiMare is a major grower and packer of fruits and vegetables with facilities throughout the United States. When a transformer explosion occurred at DiMare's Coachella Valley plant in California four weeks before the start of the fall citrus packing season, the season's production was in jeopardy.



## DESCRIPTION

The explosion led to a fire that engulfed and destroyed one packing line and several refrigeration and warehouse buildings. A second packing line was severely damaged. Coverages, exclusions, limitations and mitigation strategies within DiMare's insurance policy were scrutinized and tested as the recovery process began, with the goal of recovering in time to complete the pending packing season.

## ISSUES

How would DiMare be able to put the damaged line back into operation in time for the start of the fall season?

What were the feasible mitigation efforts aimed at reducing anticipated income loss?

Were all the losses sustained covered under the insurance policy?

How would the losses incurred be quantified?

## SOLUTIONS APPLIED

Adjusters International quickly assembled a team of experts to work on site to evaluate DiMare's insurance policy and quantify the loss. The team included Adjusters International's public adjusters, lawyers, forensic accountants, and inventory specialists. This team met with their counterparts from DiMare's insurance carrier to discuss the disaster.

Adjusters International and DiMare saw as a prudent goal the execution of a plan that would recover

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the costs of mitigation efforts — especially the expediting of repairs in time for the fall season and to reduce potential remnant losses for the spring packing season. Adjusters International's discussions with the insurance carrier's executive general adjuster saw such a plan come to fruition. The complicated high-level negotiations included tests of what qualified as temporary and permanent repairs; as recoverable time element losses; and as extra, expediting and mitigation expenses.

Meanwhile, Adjusters International's inventory personnel met with DiMare's outside suppliers and the carrier's consultants for the purpose of identifying, quantifying and costing the damaged equipment as well as determining the replacement value of destroyed inventories.

Additionally, Adjusters International's experts assessed damage to the building and worked with the insurance carrier's consulting contractor to agree upon the scope of damage and repair, and the resulting costs.

### OUTCOME

DiMare's business was severely impacted for over a year, with income and expense losses running into several millions of dollars. Adjusters International fully quantified, documented and qualified these losses and overcame substantial differences with DiMare's insurance carrier to resolve the claim to the full satisfaction of DiMare.

*“... Having gone through this experience, I am confident that no company should ever attempt to handle their own claim without the expertise of the Adjusters International team. I would recommend Adjusters International, without any hesitation or reservation, to anyone faced with the task of filing, and attempting to collect on, an insurance claim. We could have paid far in excess of their fee and would still consider them to be one of the best business investments we have made.”*



Daniel Medeiros  
Chief Financial Officer  
The DiMare Company