

Product Recall

McLarens adjusters include a number of former product recall underwriting and broking professionals; as such they have the in depth expertise and resources to adjust product recall losses and evaluate policy language.

Our adjusters, specializing in product recall, are industry recognized leaders in handling product recall claims and are regularly requested by insurance companies, brokers and educational organizations to present on the topic.

Specialty Product Recall coverages are purchased to mitigate the financial impact of a product being withheld and/or recalled from the marketplace.



OUR EXPERTISE

Our team has extensive product recall knowledge with many of the most potentially costly risks facing manufacturers, distributors and brand owners of products such as:

Topical & Consumable Goods

- Food & Beverage
- Cosmetics
- Pharmaceuticals
- Medical Devices
- Nutraceuticals and Nutritional Supplements

Consumer Goods & Component Parts

- Automotive
- Appliances
- Electronics
- Clothing
- Toys
- Furniture
- Hardware

PROCESSES

When handling a product recall loss, consideration needs to be given to:

- Initial customer contact and immediate needs
- Setting expectations
 - Investigation needs and key focus issues
 - Coverage
 - Evidence preservation
 - Other vendors needed, e.g. forensic accountants
- Identification of potential policies triggered
- Scope of damages
 - Inventory Loss and Logistical Costs
 - Replacement, Repair & Refund Costs
 - Extra Expenses
 - Loss of Gross Profits & Sales Rehabilitation
 - Customer Economic Loss

OUR SOLUTIONS IN ACTION *Product Recall Case Study*

Situation

A food manufacturing facility suffers an identical contamination of product 10 years apart with an exact DNA match of the same Salmonella strain

Scenario

The insured disposed of equipment from two complete production lines and sealed off that side of the production plant. The resulting USD 20 Million claim included that extra expense, asset loss costs, cost of the recalled inventory, recall expenses, and loss of gross profits.

Outcome

Avoiding inevitable costly litigation and overcoming initial differing expectations in terms of damages, a settlement was quickly reached on a compromise basis with both insurer and insured. They left satisfied and with a stronger relationship, which ultimately led to successive policy renewals.

Our Quality Promise & Premium Service

Quality is the cornerstone of McLarens, demonstrated by our 2016 AM Best Client Recommended Insurance Adjuster Award. McLarens' range of entertainment solutions offers comprehensive programs that deliver tangible business outcomes for our clients. When partnering with McLarens, you will not only receive a customized program and high-quality deliverables designed to meet your specific needs, you will also enjoy a premium level of service that sets the standard in the industry.