



Large Claims Lessons Learned



Line of Business: Property Topic: Battery Disconnection

Claim scenario

A dealership Service department was working on a vehicle and did not have a part needed to repair the engine/fuel system. They moved the vehicle outside while the part was on order. When the part arrived a few weeks later, they brought the vehicle back inside.

To perform the service, they took off the engine cover but did not disconnect the battery. When they attempted to start the vehicle, fluids sprayed out and caught fire. The fire and smoke caused significant damage to both the body shop and parts department. Building, BPP and BIC damages were all involved.

Financial Impact:

This claim may have a financial impact of up to **\$3,500,000**.



Lessons learned

It is important that dealerships and their service departments have a process in place when moving vehicles for in-progress engine/fuel repairs that require power to move.



Action needed to prevent this type of loss

- Put in place a formal, consistent process to ensure all vehicles to be serviced are properly monitored and handled.
- As part of the process, implement a control for vehicles that require power to move to allow for an additional level of preparation and precaution.
- Verify that any vehicles that have been sitting/not in use for a period of time obtain an additional level of checks prior to ignition.



Loss prevention / Risk management Resources

Zurich offers risk management insights to help you minimize your exposure and can help you develop policies and procedures for managing vehicle recalls. Talk to a Zurich Risk Management specialist to help you establish a formal recall policy. Visit Zurich's [Automotive Resource Hub](#) to access all of Zurich's loss prevention resources.

Exposures are still present even when strict processes and protocols are in place, however, these actions and a commitment to diligence in driver training and skill assessment can reduce the propensity for losses.

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