

Business – Manifold and Hydraulics

Design, manufacture and retail of fluid power & technology equipment

Event – Accidental Damage

- An employee mistakenly programmed the wrong pallet into place, which caused it to drive into the side of the jig causing damage to the spindle.
- Whilst the damage was extensive, the insured was able to continue to operate the unit.
- However it was necessary to have the unit repaired. The repair operation meant the loss of use of the machine for approximately 4 or 5 weeks and would result in significant lost production and sales.



Response

- IUA determined that the purchase of a replacement spindle resulting in only 24 hours downtime was a preferable option
- The unit was forwarded by air freight from Singapore to Brisbane and installed within 24 hours and no trading losses were incurred.
- The replacement spindle at \$33k cost resulted in business back to full capacity with no future downtime
- Insured suffered no loss of income and spindle cost covered under Additional Increased Costs of Working
- Air freight from Singapore to Brisbane