

Product Liability & Recall

Major and complex loss



sedgwick®

Whether you're an insurer providing an international claims service, a broker looking to achieve protection for your valued clients, or a company director wishing to protect your enterprise; product quality, business continuity and brand reputation are a priority.

No matter what the size, sector or location, an issue with product quality can seriously damage a company's brand, reduce or eliminate profitability and even threaten its very existence. Of course, resolving product related disputes is often a delicate balancing act involving managing customer's wants and needs against business objectives, and ensuring an acceptable claims response, whilst protecting the insurer's or your businesses' bottom line. All of this must be achieved without compromising a thorough investigation and a well thought out – but swift resolution.

Saving your money

Speed of response is crucial in any product related dispute. Our award-winning product liability and recall service is set-up to respond quickly across all five continents, with a dedicated global team of sector-led loss adjusting experts and specialists.

We immediately investigate all of the circumstances to determine if there's a credible risk, before recommending the best strategy for a prompt, nonadversarial solution. Resolution of disputes without litigation – and avoiding or mitigating claims – can save you money and allow you to get back to business faster.

Saving your reputation

You'll benefit from our proven ability to minimise injury and damage, understand and comply with local rules and regulations, and reduce costs and inconvenience.

We can also advise on risk management and improvement to help prevent future product issues that have the potential to damage your brand and reputation. Safer products and effective procedures means prosecution and the risk of fines and damaging publicity can be averted.

Saving your time

You'll have access to all our experts via a single contact point. We will communicate with you effectively and frequently, providing you with management information and loss data to allow you to make fact-based decisions when you need to.

Our comprehensive range of pre-loss activities to test and enhance any potential incident response will help make sure all parties are prepared should a product issue arise.



Andrew Robinson

Global Product Liability & Recall SPG Leader



M +44.7880.780701
E andrew.robinson@uk.sedgwick.com

Product Liability & Recall

Major and complex loss



Case Study

Evidencing our capabilities – Looking into the horse's mouth

Historically, businesses within the food industry have not tested for cross contamination of meat species as part of their routine goods inwards or finished goods quality control. The 2013 horsemeat scandal in the UK wasn't a food safety issue, but it did reveal weaknesses in the traceability of the food supply chain, which has prompted far more intrusive analysis. A claim we handled involved the supply of beef meatballs to a retail customer, which allegedly contained pork DNA. In many examples the level of non-conforming meat species was very low, as low as trace levels. This suggested a possibility of poor housekeeping rather than deliberate misrepresentation.

Getting to the root of the problem

Perhaps the greatest challenge facing businesses from any industry is avoiding the compromise of quality in favour of cost saving. Traceability is a key feature in claims of this nature and the lack of cross-contamination testing was the failure point. Potentially this could've led to both parties in the dispute becoming entrenched and the outcome is invariably legal action or, at best, a strained trading relationship. The most difficult issue arising from product liability claims is the balancing act between liability and commerciality.

Co-operation not litigation

Working closely with the broker and the policyholder, we made a clear case for co-operation rather than litigation. Through open and direct discussions, we managed to get both parties to agree to a compromise compensation arrangement. The retailer had a lucrative new, long-term contract that they were prepared to award to the policyholder, which the policyholder would then discount at a workable level.

The insurance claim could then be withdrawn, which made insurers happy, the retailer received the compensation they were expecting and the policyholder had a new, large contract, albeit discounted.

The outcome was a win/win for all parties. Sometimes, industry partners have to appreciate that, even allowing for commercial pressures, business continuity is paramount and it's often our duty to provide the catalyst to achieve this.



Andrew Robinson

Global Product Liability & Recall SPG Leader



M +44.7880.780701

E andrew.robinson@uk.sedgwick.com