



Insurance Appraisal Reveals Property Values \$870 million Above Current Value

Client Profile

Industry:	Manufacturing
Entity Type:	Corporation
Ownership Structure:	Public
Geographic Footprint:	International
Annual Revenue:	>\$3.4 billion
Number of Employees:	7,200

Appraisal Expertise
and Data to Help
Optimize Your
Insurance Coverage

Issue

A frozen food manufacturer had been updating its Statement of Values (SOV) for its property insurance by using CPI adjustments for more than 10 years. Its property insurance broker wanted to know how far off its SOV was to current values and asked the manufacturer to undergo a partial insurable value appraisal.

Solution

CBIZ's insurable value appraisal team performed a sampling and eventually a complete insurable value appraisal. Site visits, blueprints, interviews with location contacts and engineering personnel revealed that the manufacturer had understated its building square footage by more than 1.4 million square feet. Additionally, our analysis found that the SOV did not split reporting values between real property and business personal property, and the fixed asset ledgers did not accurately represent the original costs for assets that had been incorporated in recent acquisitions.

Outcome

The manufacturer's overall values increased by 47%, roughly \$870 million for its property values. Our appraisal gave the manufacturer accurate and supportive replacement cost new values along with Construction, Occupancy, Protection, Exposure (C.O.P.E.) and underwriting data and business personal property values and data that it used to enhance its position for property coverage and premium allocation in the insurance marketplace.

Premiums are increasing and coverage options are shrinking in the commercial insurance marketplace. To optimize property coverage and premium allocation, manufacturers need reliable insurable value data. Our team has the expertise, technology, and experience to provide you with accurate and supportive replacement cost new values for your property.



For more information
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value appraisal services,
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