



WaterColor Management
PO BOX 1132
Decatur, AL 35602
Ph 256-260-0412 • Fx 256-355-3070
WaterColorManagement.com

March 19, 2018

OH, THOSE NASTY LEAKS!

A customer calls you after a three-day weekend and says when they returned to their home or office that the place was all flooded, and it was your sloppy job that caused the leak. They want an immediate cleanup and payment for all of their losses.

These claims are not uncommon for WaterColor Management. While our insureds are sometimes baffled at first, they sometimes come to the conclusion, that it was indeed a problem with their work or installation.

These claims can be relatively small in nature; \$5000 or really large; \$400,000 depending on where the water went and how long the flooding existed before discovery. If it's a leak in a home installation you might get by with paying for cleanup and replacement of some flooring and cabinets, but if it happened in print shop with lots of electronics and shelves stored with paper sensitive to humidity the bill is much larger and could include loss of revenue in addition to property damage to equipment and paper stock. The worst example we've experienced was a leak in a very high end residential condominium where the discovery was a month after the leak started. Not only the kitchen, but the living room and dining room were covered in mold! As a very important aside, the WaterColor Management policies would cover the mold remediation, but most other policies won't, because mold and fungus are excluded.

A number of the leak claims paid by our insurance company, rated A++ XV, were caused by defective connections including elbows. They were made out of plastic and split allowing water to drip or flow freely onto the premises. You can help eliminate or reduce installation problems by taking a few easy steps.

1. Exercise a high level of quality control on all piping and connectors you use, including a good physical inspection before installation.
2. Stop using plastic connectors. Just use good brass. It may cost one or two dollars more, but it will be worth it.
3. Call the day after installation. Ask the customer to confirm that the system is working correctly and has no leak.
4. Require that all new installations include a leak detector. Small installation battery powered leak detectors or ones powered by connecting to a computer run between \$10 to \$25. Larger permanently wired detectors for larger jobs are priced around \$165.

Contact us at 256-260-0412 or at info@watercolormanagement for more information.