Greater Wilmington Business

Protecting Your Business After a Hurricane-Related Loss

Wilmington is often hit hard during hurricane season. In 1954, Hazel destroyed more than 15,000 structures and caused $156 million worth of damage in pre-inflation dollars. Hugo caused $70 million in damage in 1989 before moving farther inland than any hurricane before or since and ravaging the Greater Charlotte Area. Frances and Floyd combined in 1996 and 1999 to cause nearly $7 billion in damages, and left 73 people dead. This is not to mention the damage that can be done to homes and businesses by tropical storms and the residual wind and weather that anticipate or are triggered by a hurricane.

Wes Baldwin, President
The Baldwin Company

Storm-related damage costs money to repair, and while your place of business is being repaired the fact that it is closed costs you money. It is in your best interest as a business owner or proprietor to get your business up and running again on at least a limited basis, in order to get some sort of revenue flow going. But how do you do that after the storm has had its way?

As soon as a claim is filed, insurance companies begin formulating their opinions of your claim. They also begin setting aside their approximation of how much money they are willing to pay for your claim – an amount not necessarily in line with your estimate of the true cost of recovery. Many times this is done without accounting thoroughly and accurately for exactly everything you've lost, and that initial claim may abbreviate or omit lost items or property that you later discover to be missing or destroyed. But that initial claim is what your insurance company will base its payout upon, and losses discovered after it is filed may never be recovered.

Last year was the worst hurricane season in recorded history. After posting record losses, many insurance companies hope to recoup – or at least to protect themselves – by reducing or eliminating certain types of hurricane coverage. According to recent reports, AIG reduced coverage in storm-ravaged New Orleans by twenty to twenty-five percent this year. Allstate is cutting its homeowners' insurance as far north as New York City out of fear of another superstorm, and one new insurer is proposing a 92 percent rate hike in the state of Florida.

These obstacles may seem insurmountable when you view them this way, but take heart. You are not helpless unless you allow circumstances to accumulate and are unprepared to deal with them. Many commercial property owners and small business owners are turning to public adjusters to help them maneuver the labyrinthine insurance negotiation process and the red tape that adorns it. Public adjusters represent the claimant, not the insurance company. They usually work for a percentage of the final settlement offered by the insurer, and receive their payment only when you receive yours. But what does a public adjuster do? What are the advantages of hiring your own adjuster over using the insurance company's adjuster, or an "independent" adjuster, who is actually also retained by the insurance company?

A public adjuster inspects the loss site immediately, analyzes the damages, assembles claim support data, reviews the insured's coverage, determines current replacement costs, and exclusively serves the client, not the insurance company. Because their fee depends on your settlement or claim payment, you are assured that public adjusters will do everything in their power to attain for you the maximum amount to which you are entitled.

You don't have to wait until you are in the midst of a hurricane claim to select a Public Adjuster to assist you. Now is a good time to research various firms, interview their representatives, and pre-select a Public Adjuster who can come to your aid immediately after a hurricane hits.

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