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Inland Marine Claims Adjusting: More Than Just Delivering An Estimate Of Damages

Effectively managing inland marine and heavy equipment claims requires a unique combination of mechanical aptitude and insurance knowledge. Often, the damages involved can exceed six figures, amplifying the potential for loss leakage if the appropriate actions aren't taken. In addition, a high level of communication with all of the involved parties is paramount to success.

With the complexity, costs and pressures rising in today's inland marine coverage landscape, can traditional claim service be enough? Not according to Clayton Hartley, Executive General Adjuster and Director of Specialty Marine & Transportation (SMT) at Engle Martin & Associates Inc. (EMA). Hartley, who has more than thirty years of experience in commercial claims, believes achieving optimum results in any marine claim investigation requires a more comprehensive approach.

"I've been at this a long time and had the good fortune to gain experience in oil fields and other industry segments early in my career. Our core team members all have similar experience," he said. "What we try to do is assimilate the technical expertise necessary and combine it with extensive insurance knowledge. Many loss adjusting providers today offer not much more than an estimate. Our process is to take the estimate, turn it into a detailed appraisal and then work through coverage application for the best possible outcome." Hartley goes on to say, "When we launched SMT a little over two years ago, our objective was to provide the same level of quality and service our clients have become accustomed to from EMA and a level of expertise recognized as among the best in the industry."



So far, those added layers of expertise and knowledge have proven to be successful for EMA, an Atlanta-based national independent loss adjusting and claims management provider. In addition to traditional marine claims, Hartley and his team have recently been involved with much of the heavy equipment activity taking place in oil exploration sites across the United States.

More specifically, his group has been very busy with clients operating at the Bakken formation, an area that is mega rich with oil and occupies about 200,000 square miles across Montana, North Dakota and parts of Canada. Hartley noted that emerging rock fracturing technology has caused the recent boom in Bakken production so that by the end of 2010, oil production rates had reached 458,000 barrels per day. In 2011, the Oil and Gas Journal proclaimed Bakken could become the "world's largest discovery in the last 30-40 years," and ultimate recovery is now estimated at 24 billion barrels. In all, there are 150 active oil rigs operating.

"A number of major oil and gas exploration companies have drilling rigs in the Bakken region," Hartley said, noting that several are EMA clients. "Right now one of our key products is "yellow" mechanical equipment, everything from small backhoes to large, articulated trucks, construction cranes and, for the past year, oil field equipment such as the type operating at the Bakken oil field location." EMA has also deployed its team to the Bering Sea on multiple occasions to manage losses in this still booming oil refining area.

Outside of the oil and gas industry, EMA's Specialty Marine & Transportation division offers a network of 85 claims professionals across the country that manage truck and trailer claims, construction equipment and cranes. "As the degree of complexity goes up, the number of people who have the right knowledge goes down substantially," Hartley said. "There are very few companies who can respond nationally when it comes to losses resulting from crane or equipment claim events."

Hartley explained that he joined EMA with a vision of building out an inland marine department which now provides loss handling capability in 49 states. His extensive experience was a perfect fit for EMA's desire to expand into that market. "The EMA executive team wanted to add a new product line, and we saw an opportunity to put this together," he said, noting that the bulk of his group's claim work serves carrier clients, though many of the insureds are in loss-sensitive programs with large deductibles. "Less than five percent of work is for non-insurance company related claims," he said. So when a crane comes tumbling down, an oil field catches on fire (and mining equipment is damaged or destroyed), equipment is damaged in transit, or vandalism rears its ugly head, Hartley's team is on the case, providing the type of in-depth claims adjusting work that clients have come to expect.

Hartley said the group started out with modest growth plans, but business has exceeded initial projections. "Based on an overwhelming response from our clients, we believe our approach will continue to raise the level of expectations throughout this segment of the industry."