

Loss Bulletin

Vero Equipment Breakdown Insurance

Spiral freezer breaks down at commercial bakery

Loss details

Nature of business

Commercial Bread Manufacturing

Type of equipment

Spiral freezer

Age of equipment

8 years old

Bread production at a commercial bakery was interrupted when the drive motor on their spiral freezer - a key piece of equipment in their production process - kept tripping out due to overcurrent. Upon investigation it was determined that the gearbox itself had failed.

The gearbox was removed and taken to the manufacturer for investigation. Upon dismantling the gearbox it was found to have suffered damage to the gears and the bearings, and the damage was determined to be too extensive to repair.

The spiral freezer is one of the key items of equipment in the production process, so its failure affected the entire production of the location.

The Insured managed to locate a new replacement gearbox however delivery was expected to take in excess of 30 days. Another gearbox which could be used as a temporary repair was located interstate and was delivered within a few days.

The Insured's engineer had already altered the mounting to facilitate the temporary gearbox so that it could be immediately installed when it arrived on site.

Although there was a small amount of stock lost when the freezer broke down, the expedited installation of the temporary gearbox enabled the Insured to avoid a significant Business Interruption loss.

Final loss

\$76,000

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