

LOSS LESSONS

VOLUME 10

ALLIANZ GLOBAL CORPORATE & SPECIALTY®

FIRE IN A FINISHED PRODUCTS WAREHOUSE

REPORT PUBLISHED BY
ALLIANZ RISK CONSULTING



Occupancy:

Manufacturing of glass products

Property Damages:

€ 13,720,000

Business Interruption:

€ 2,970,000 (including additional costs)

CIRCUMSTANCES

A major fire broke in the finished product warehouse area, at around half-past midnight.

Employees working in a building adjacent to the one where the fire seems to have started saw smoke and sounded the alarm. Emergency measures were immediately taken.

EXTENT OF THE DAMAGE

- Total destruction of the warehouse and spreading to part of the production area
- Interruption of production for less than 1 week

CAUSE OF THE LOSS

Given the extent of the damage, it was hard to determine the cause of the fire. Several theories have been proposed: Arson, a careless smoker, a short-circuit, a self-propelled truck, etc.

WHAT HAS WORSENERED THE LOSS

- The design of the metal frame building: major deformations due to the high temperatures reached
- The corrosive nature of the smoke, which caused additional damage to the machines (no production down-time, but additional cost of decontamination)
- The spread of the fire, which was facilitated by the types of products stored : some "separator/film" type products made of polypropylene and polypropylene seem to have been partially stored in the area dedicated to finished products, which substantially increased the combustible load present
- The lack of a water-based sprinkler system
- The absence of smoke-extraction vents, which favored the spread of hot gases within the production area
- The fire brigade being prevented from going into the building on fire: the fire was initially attacked from the outside due to the risk of the building collapsing

WHAT HAS LIMITED THE LOSS

- The presence of an effective fire-wall, which served to keep the fire from spreading and saved the other storage compartments
- Several fuse-operated fire-doors that closed automatically when the temperature rose
- Quick response by the fire brigade as soon as they were alerted. They were familiar with the company and the effective safety measures in place made their operation easier
- The dedication and availability of the employees
- Measures were quickly taken to restart business operations based on excellent cooperation between the insured party and loss adjusters
- The intervention by a company specialized in rapid decontamination after fires to treat the production equipment subjected to corrosion by the chlorinated vapors



After the fire, on one side of a fire door ...



... and on the other side

COMMENTS AND LEARNINGS

This incident is another reminder of how hard it is to intervene in smoke-filled spaces, regardless of professional fire brigades' experience with this type of situation.

It was not possible to determine the exact causes of the fire, which resulted in total destruction of the warehouse area and part of the production zone.

Experience with this type of incident shows that, in order to limit a fire's impact, the separation of risks is a fundamental aspect of fire prevention. It is essential that any fire that starts and is poorly controlled not be allowed to easily spread to all of the premises. Using fire-walls to compartmentalize warehouse zones constitutes a safe and effective means of limiting damage from a fire. The installation of a sprinkler system would have contained the fire and helped prevent its development and spreading.

The consequences of this incident could have been much worse if emergency actions had not been undertaken quickly due to the excellent responsiveness of site management.

Implementation of previously recommended safety and protective measures could have avoided or limited the fire.

QUESTIONS OR COMMENTS?

Nicolas LOCHET

Regional Technical Manager

Allianz Risk Consulting

+ 33 607 798 412

nicolas.lochet@allianz.com

www.agcs.allianz.com

Reference LL 10/18/12

Design: AGCS Graphic Design Centre