



## LOSS BULLETIN

### EQUIPMENT BREAKDOWN LOSS

Operator Error Causes Million-Dollar Loss



#### Risk Solutions

**Loss Bulletin**  
Number 22

**The Boiler Inspection and  
Insurance Company of Canada**

[www.biico.com](http://www.biico.com)

During the third shift of the day, the press operator was involved in maintenance of the cylinder assembly. With the machine shut down, the assembly was dismantled and the cutting blade was repaired. The operator then started to reassemble the unit, and finger-tightened the assembly, but was called away from this task. When the operator returned, he failed to use the appropriate tool to secure the screws. The unit was restarted, production resumed, and the screws came loose, resulting in the assembly coming in contact with the cylinder. The resulting damage caused a complete shutdown of the press.

The cylinder replacement from Japan took approximately six weeks to obtain and reassemble. The insured was able to use a competitor to complete the order.

#### Loss Details

Nature of Business: Printer  
Type of Equipment: Printing press  
Age of Equipment: 9 years

Final Loss Settlement:  
Property damage - \$525,000  
Business interruption - \$550,000  
Total - \$1,075,000



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