



# COVERAGE INSIGHTS

Provided by Winters-Oliver Insurance Agency

## The Value of Inland Marine Insurance

Contrary to its name, inland marine insurance does not relate to the ocean or waterways; rather, it can help reimburse losses stemming from an organization's products, materials and equipment getting damaged or lost due to covered perils that occur while these items are being transported over land (e.g., via van, truck or train). Such coverage may also offer financial protection for losses that take place while these items are being warehoused by a third party or stored at a location other than an organization's primary facility.

Inland marine insurance plays a significant role in helping organizations preserve their finances amid incidents involving the transportation or storage of valuable goods and business property. With this in mind, it's best for organizations to understand this coverage and its main protections, as well as key types of policies.

### Inland Marine Insurance Explained

As previously mentioned, inland marine insurance can provide compensation for transportation- and storage-related losses, namely those that impact an organization's products, materials and equipment. Specifically, such coverage may apply to incidents involving business property being transported over land, inside a commercial vehicle or while in the temporary care of another party; items stored at a customer's premises (e.g., vending machines); high-value (e.g., artwork) or movable (e.g., tools) items stored at a fixed location; and business property that contributes to community infrastructure (e.g., communication towers and bridges).

This coverage is particularly important for organizations that ship expensive products and

materials, move key assets between locations, or travel with essential equipment to conduct work projects and assignments off-site. Examples of such items may include the following:

- Computers, servers, laptops, electronics and other communication and networking tools
- Construction and contracting equipment
- Medical and scientific devices
- Fine art pieces and collectible items
- Trade show exhibits and sales samples
- Professional cameras, lenses, tripods and other photography equipment
- Additional cargo and items for delivery

In the event that covered perils (e.g., collisions, fire, theft, wind, hail and water-related incidents) damage such property or result in its loss, inland marine insurance can help pay for the associated repair or replacement costs. In some cases, this coverage may also help reimburse losses stemming from perils such as the mysterious disappearance of an item or the accidental drop and damage of property during the transportation process.

### Types of Inland Marine Insurance

Although specific coverage offerings may vary between insurers, here are some common types of inland marine policies:

- **Motor truck cargo coverage**—This coverage can offer financial protection for goods and other business property being transported in an organization's commercial vehicles. For instance, if an accident on the road damages an



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organization's cargo in transit, such coverage may pay the related replacement expenses.

- **Builder's risk coverage**—Also known as course of construction insurance, this coverage can provide compensation for losses affecting the equipment and materials an organization uses during a construction project and any structures being built. Such coverage is mainly for construction companies and typically lasts for the duration of a project, starting when materials arrive at the job site and concluding when work is completed.
- **Bailee coverage**—This coverage can help reimburse losses impacting another party's property while it's temporarily in an organization's care. For example, if a fire damages a customer's dress shirts while they are being stored at a dry cleaning business, bailee coverage could pay for the cost of replacing this clothing.
- **Contractor's tools and equipment coverage**— Sometimes referred to as equipment floater insurance, this coverage can offer financial protection for movable equipment and tools while an organization transports these items to and from different job sites. Such coverage is primarily for construction, maintenance and repair professionals and applies to a variety of items, including bulldozers, forklifts, mowers and portable tools.
- **Exhibition and fine art coverage**—This coverage can help pay for losses affecting an organization's high-value items, namely works of art, while they are in transit, on loan or on display in an exhibit. For instance, if a painting owned by a fine art dealer gets stolen while being transported to a new exhibit, this coverage could reimburse the associated replacement expenses.
- **Installation floater coverage**—This coverage can provide compensation for losses impacting materials that an organization plans to install at a job site, both during transportation and in storage. For example, if a hailstorm damages a pipe being stored in a plumbing company's warehouse before the organization is able to install it at a customer's residence, installation

floater coverage may help pay for the cost of replacing the pipe.

### Conclusion

Inland marine insurance can make all the difference in helping organizations reduce the financial fallout stemming from transportation- and storage-related losses, thus allowing them to foster ongoing operational success. By reviewing the main protections and policy types available through such coverage, organizations can tailor their inland marine insurance to their particular needs.

Contact us today for more insurance solutions.