



Federated Insurance's Claim of the Month — Could it happen to you?

A fire in the shop area of an auto dealer destroyed customer vehicles and damaged large portions of the building. Investigators did not conclude on the cause of the fire, but they believe that tools left plugged in overnight were the cause.

CLAIM AMOUNT: \$3.2 Million

It's common in homes to leave appliances plugged in whether or not they are currently in use, but carrying that practice over into the auto shop can be dangerous. Flammable substances, high-voltage machinery, and other hazards that are commonplace in service areas can combine to spell disaster. And, when all the technicians have gone home for the evening, there's no one around who can potentially keep a small spark from turning into a roaring blaze. Here are some risk management practices to help you prevent fires in your shop:

- Keep unused tools unplugged, even in the daytime to help avoid forgetting them overnight.
- Store flammable substances and oil-soaked rags in closed, fire-retardant containers.
- Don't overload electrical outlets.
- Don't chain extension cords and/or power strips together.
- Keep all electrical connection points clear of debris and other objects.

Fire is among the most common — but most preventable — causes of damage at many businesses. So, don't wait until Fire Prevention Week in October to make it a priority. Conduct a daily walkthrough of your facility, emphasize the topic at safety meetings, and always be on the lookout for fire hazards to help minimize your chances of seeing your business go up in flames.

Federated Mutual Insurance Company is recommended by 19 state and national auto dealer associations for customized insurance programs and value-added risk management services, such as Federated's Shield Network®, the Risk Management Resource Center, and the Federated Employment Practices Network®. Visit federatedinsurance.com or contact [your local marketing representative](#) for resources you can use to create or enhance your own risk management program.

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