



State of the Art Claim Management

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What is a product liability claim?

A financial loss, caused by a product that does not fulfill the assured or granted specifications under the agreed conditions of use

Main reasons for product liability claims

- Difference between expectation and reality
- Unexpected / unpredictable influences
- “Believe to know”

Difference between expectation and reality

Case study

Unexpected / unpredictable influences

- Conditions of storage and transport
- Conditions of use
- Lifecycle of the finished product

“Believe to know”

- A producer’s wide and varied experience does not substitute **full knowledge** of the customer’s **intended use** of the product.
- Improvements are usually based on in-house knowledge.
Do these “improvements” really improve?

Roadmap for proper claim management

- “Who did it?”
Accept that nothing was done on purpose
- “What is damaged?”
Save samples
- “What is the extent of the damage?”
Estimate charges; document from the very beginning of related costs
- “Who must be informed?”
Involve your insurance if reasonable (cost factor)
- “How could this happen?”
Start root cause investigation
- “How can we avoid future claims?”
Check your own processes

What is your benefit?

- Rise of reputation
- Mitigation of damages
- Faster identification of root causes
- Shorter claim handling time, from years to months

⇒ Cost benefits

But the most important value is.....

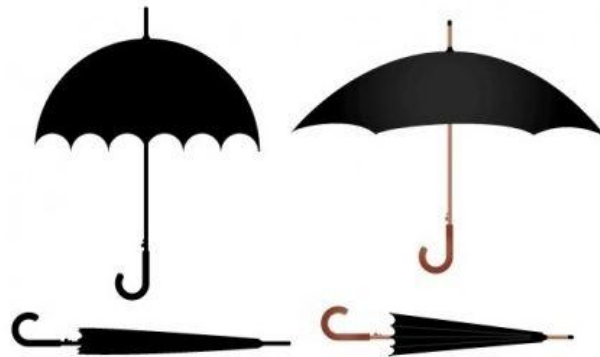
Improvement of customer relationship

Once it is accepted that not every detail was known before the claim, the way is cleared for a definition of specifications that reflect real life.

Mission statement

A well-managed claim results into a stronger supplier/customer relation based on new learnings of all parties involved.

The past / the future



Source: www.multimedia-stock.com
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