



DPI Investigator

September 2011

Successful Subrogation Stories

As mentioned in past articles of the DPI Investigator, we do not receive many detailed accounts of subrogation results. However, occasionally an interesting story gets reported that encourages the DPI team.

This report comes from a case that started in 2006. The situation was a fire loss due to a pair of water heaters. The initial investigation involved another engineer who had charged about \$15,000 but was not able to reach a clear conclusion. DPI hosted a joint destructive inspection that included the DPI resident engineer, two DPI inspectors, and six guest engineers and attorneys representing the other parties.

During the course of the inspection, the DPI team believed that the critical components were functional and could be used to demonstrate the cause of failure. This opinion was considered implausible by the guest engineers in attendance. The test was assembled, the damaged components fired up, and proof of failure was confirmed. At this point there was a flurry of activity on cell phones and Blackberries.

In the end successful subrogation settlements were reached from three parties, including the installers for improper modification of the heaters, as well as builders for other structural issues.

In the end, \$700,000 was recovered in subrogation.

Tips For Adjusters

Like they say in real estate sales, **“location, location, location!”** Knowing where things were leaking from, or where burning occurred, is vital in failure analysis. Please include on the DPI claim form the circumstances of property loss regarding the details of the **location** of the leak, or the fire, or the broken “thing-a-ma-jig.”

For example: the toilet was overflowing *from the tank*, the faucet was leaking *around the stem*, flames were shooting *from the right side* of the television, the bolt broke *near the hitch* of the boat trailer, etc., etc.



Joint Inspections

One of the services offered at DPI is hosting third parties for inspections. These inspections can take any form that is required for the situation, such as allowing a manufacturer to inspect an item that you do not want to be shipped from our secured facility. The inspection can be monitored by a DPI inspector and/or video recorded as necessary per your requirements.

The most common situation for this service is for multi-party inspections. This may be the initial inspection or a follow-up inspection. Disassembly of evidence and destructive techniques may be used as you permit. With many items, such as sump pumps, the evidence needs to be disassembled more than a basic inspection allows to fully describe the failure. Phil Weis, Resident Engineer at DPI, recently commented that he could only recall two or three occasions where the original conclusion by DPI was not verified or more fully confirmed due to the findings from a joint destructive inspection. If you have not taken advantage of this service, DPI’s Customer Service Department can assist in working out the details for you.

Meet The Inspector



Jimmy Sapp has been a DPI inspector for three and one half years.

Jimmy has experience as a millwright with the Tennessee Valley Authority, has been a Senior Supervisor with a utilities engineering firm, and was Project Manager for a residential contracting company.

Jimmy’s formal training includes numerous courses in business, mechanical engineering, and metallurgy. Jimmy held DOE “Q” security clearance while with TVA. Since coming to DPI, Jimmy has obtained his Tennessee Private Investigator license.

At DPI, Jimmy conducts various water-related failure inspections, and as a Team Leader, often assists other inspectors and management. Jimmy is a highly skilled product inspector and writer. He is always willing to assist DPI clients and his coworkers on the DPI team.

NEWS from CPSC

U.S. Consumer Product Safety Commission

FOR IMMEDIATE RELEASE

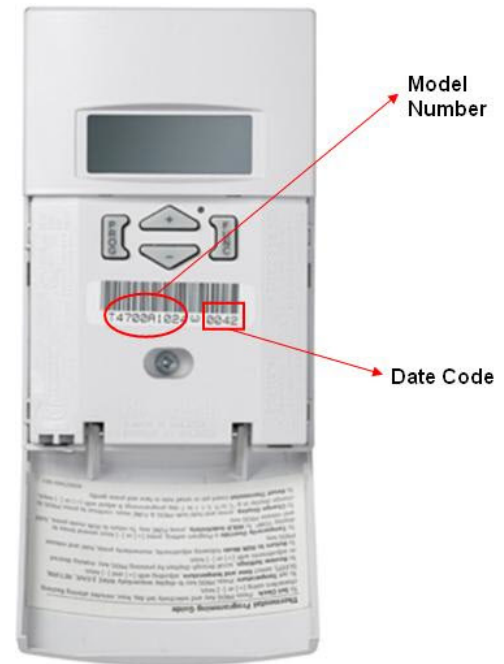
July 28, 2011

Release #11-289

Honeywell Recalls Electric Baseboard and Fan Heater Thermostats Due to Burn Hazard

WASHINGTON, D.C. - The U.S. Consumer Product Safety Commission, in cooperation with the firm named below, today announced a voluntary recall of the following consumer product. Consumers should stop using recalled products immediately unless otherwise instructed. It is illegal to resell or attempt to resell a recalled consumer product. **Name of Product:** Electric Baseboard and Fan Heater Thermostats **Units:** About 77,000 **Importer:** Honeywell International Inc., of Morris Township, N.J. **Hazard:** The thermostats can overheat, causing them to melt and smoke. This poses a burn hazard to the consumer. **Incidents/Injuries:** Honeywell has received 16 reports of thermostats melting. There have been no reports of injuries. **Description:** The recalled thermostats are rectangular, white, programmable thermostats used to control electric baseboard and fan heaters. "Honeywell" or "Cadet" is printed on the front of the thermostats that come in various sizes. The model number and four-digit date code are printed on a label inside the front cover of the thermostat. The model numbers listed below are included in this recall. Only models with date codes beginning with 00, 01, 02, 03, 04, 05 or 06 are included.

Brand Name	Model Number
Honeywell	CT1950A1003
Honeywell	CT1950B1002
Honeywell	CT1957A1008
CADET	T4700B1030
CADET	T4700A1040
Honeywell	T4700B1014
Honeywell	T4700A1016



Sold at: Home improvement stores, HVAC and electrical stores, and contractors from January 2000 to December 2007 for between \$80 and \$300. **Manufactured in:** Singapore **Remedy:** Consumers should immediately stop using the recalled thermostats by setting the thermostats to 45 degrees or turning them off. Only models with a "B" in the model number have an off switch. Consumers should contact Honeywell for a free replacement installed by Honeywell.

Consumer Contact: For additional information, contact Honeywell toll-free at (888) 235-7363 between 9 a.m. and 5 p.m. CT. Monday through Friday or visit the firm's website at <http://www.yourhome.honeywell.com/T4700>