



Computer-controlled saw fails furniture maker Equipment breakdown loss

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The insulation on an electrical wire to a micro-switch had become stripped by a movable table which feeds 4' x 4' sheets of laminated particle board into the saw. The saw table movement caused the wire to short-circuit against the metal frame of the saw. As a result, circuit boards in the microprocessor were damaged to the extent that the only reliable course of action was to replace the microprocessor with a complete reconditioned unit.

This business was highly automated. The microprocessor accident resulted in a measurable loss of labour efficiency which was covered by business interruption insurance.

Loss details

Nature of Business:
Furniture manufacturer
Type of Equipment:
Microprocessor for bi-directional circular saw
Age of Equipment:
6 years

Final Loss Settlement Amount:
Physical damage - \$14,084.42
Business interruption - \$9,530.00
Total loss - \$23,614.42