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Mitigating Seasonal Lumber Industry Claims Risks

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Even by New England standards, 2026 has been an unusually cold and cruel winter. For lumber and building materials businesses that entered the season unprepared, persistent freezing temperatures and historic snow totals have caused disruption and, in some cases, disastrous losses.

As claims professionals serving the wood products industry, we are seeing an increase in pipe-freeze losses and structural collapses, which are common during harsh winter seasons. As winter transitions into spring, we expect a rise in wind-and-hail claims, with fluctuating temperatures creating severe thunderstorms that can damage property.

The best time to prepare for weather-related claims is before each season starts. The next best time is right now. Here's a look at the top risks, tips to prevent them and best practices for reporting and handling losses.

Preventing Burst Pipes

The threat of a burst pipe can send shivers down the spine of a lumber business owner, and for good reason. Water dam-

age in a key area, such as the showroom or the manufacturing floor, can cause six- and seven-figure losses. In their rush to reduce the odds of a major loss, owners and operators sometimes trade one risk exposure for another.

Using electric space heaters to warm the pipes is a recipe for disaster. We've seen situations where heaters run all night long and overload a building's electrical system, tripping the breaker. When employees reset the breaker without unplugging the heaters, it sparks a fire.

Unattended kerosene heaters pose an even greater fire hazard, especially in basements and attics, and setting so-called "controlled" fires can spiral out of control quickly.

Companies in the wood niche can reduce their exposure by being proactive. Hiring a plumber to drain excess water from the pipes before a forecasted prolonged cold snap can lessen the risk of a pipe burst. Then, during extreme cold, owners and operators should let hot and cold water trickle through the pipes overnight. This movement of warmer water can prevent

freezing. Turning up the heat to at least 60 degrees Fahrenheit, or 70 degrees in extreme cold weather, is another smart strategy. While this will raise your heating bill, that cost will pale in comparison to a potential five-, six- or seven-figure claim from a burst pipe or fire loss.

Easing High Snow Loads

The two-foot-plus snow totals that some parts of the region experienced during the Blizzard of 2026 put roofs under intense stress, increasing the risk of structural collapses. Clearing snow from roofs can help ease the pressure and prevent unbalanced loading.

As a best practice, business owners and operators should find ways to remove snow without the added risk of having workers climb onto the roof when and where possible. Hiring a third-party snow removal contractor can establish adequate risk transfer. Set up those contractors for success by knowing the roof's maximum load limits, identifying any hidden hazards such as skylights, roof drains or vents, and asking that they shovel or rake the roof using proper procedures to prevent damage.

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Prepping for Spring

As spring approaches, lumber and building materials business owners should understand how weather-related threats will change and develop plans to mitigate them now.

Wind and hail represent the two most significant springtime risks. Straight-line winds in a severe thunderstorm can reach up to 100 mph and occur over a large area, resulting in widespread damage. Hail can wreck roofs, damage property and disrupt operations. A proactive wind and hail loss control strategy should include:

- **Routine inspections and maintenance** of roof structures and drains. Perform the first inspection prior to spring, conduct repeat inspections after each storm, and repair any damage promptly using a certified roofing professional. Keep gutters clean from leaves and debris and document all inspections, repairs and maintenance.
- **Tree trimming** on trees that overhang or sit near the property to prevent limbs from falling onto the building or roof during storms. Remove dead or weakened trees that could pose a risk during high winds.
- **Emergency preparedness protocols** including evacuation procedures. Train employees to close windows and doors before the storm arrives to maintain building integrity during high winds.
- **Continuous weather monitoring** to stay alert of upcoming storms and

take necessary precautions, such as securing loose items to prevent them from becoming projectiles.

- **Insurance policy review** to ensure the policy provides adequate coverage for wind-related damage. Consider additional coverage options such as business interruption insurance.

Handling Major Losses

While many weather-related large losses are preventable, they can still happen. Business owners who suffer a loss should act quickly so they can begin the rebuilding process with minimal delay.

After a fire loss, business owners and operators should get their insurer's cause-and-origin investigator and independent adjuster on site as soon as possible. They will accurately identify the cause of loss and determine the potential for subrogation before spoliation occurs. When subrogation is possible, insurers should promptly notify all involved parties and coordinate joint inspections before the demolition or reconstruction begins.

Catastrophic losses from high snow loads, wind, tornadoes or hurricanes present added challenges. These events often affect multiple properties across a large area, which can slow down the process of securing partially collapsed structures or removing compromised roofs. Even when the insured hires the appropriate contractors immediately, they may face long wait times before the building can be safely accessed and fully assessed. The full extent of damage may not be understood until the scene is fully stabilized.

Lumber business owners should also understand the dynamic nature of rebuilding costs. Fluctuating material prices, inflation, depreciation, supply and demand, technological improvements and tariffs all impact post-loss reconstruction expenses. For these reasons, companies should have their insurer conduct annual reviews to ensure their equipment and property are insured to the most accurate value.

Looking Ahead

The good news for lumber industry businesses in New England is that winter is coming to an end; however, that doesn't necessarily reduce the risks for weather-related claims. Companies that start preparing for wind-and-hail-related risks now will give their businesses the maximum level of protection. ■



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