

Products From The Past Can Cloud The Future

CHUBB®

Successful companies are focused on the future, implementing innovative ideas and introducing new products. Discontinued products – whether due to sale of the product line or a strategic decision – disappear quickly from management’s radar screen but, in many cases, not from their customers’ homes or businesses. Products with a long shelf life can remain in service for many years after they were manufactured or sold.

Consider these cases:

A Home Appliance Manufacturer Sells

one of its subsidiaries because it is not generating sufficient profit to continue operations. Some years later, a consumer pulls the manufacturer into a million-dollar lawsuit seeking damages for a severe injury arising out of its discontinued product line. The manufacturer is found liable.

An Equipment Manufacturer

Discontinues a product when it falls behind in the technology race. As time goes on, senior managers put this product’s potential liability out of their minds. Then, the company begins to experience significant claim activity from the discontinued item. At renewal time, the potential for future liability from this product plays havoc with its insurance program.

The Owner of a Metal Stamping

Machine Company Sells his business after realizing that life is passing him by, and the golf course is calling. Now, his retirement assets are being depleted by litigation arising out of bodily injury caused by his products, which, unfortunately for him, have a long life span.

Fortunately, there is a solution to these dilemmas.

Chubb’s Discontinued Products Liability insurance, included in *Continuum from Chubb*SM, offers insurance protection for companies whose current insurance programs may be inadequate to handle past exposures. Some highlights:

- Protection for bodily injury and property damage occurring up to 10 years in the future
- Primary and follow-form Excess liability
- Worldwide protection available
- Significant capacity

Discontinued Products Liability insurance is just one of the many insurance products available to address the exposures arising out of mergers, acquisitions and business discontinuations.

Don’t let the past disrupt the future— isolate the exposures to discontinued products. And count on Chubb to help design an insurance program that reaches into the past while anticipating the future.

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