



# Lessons Learned From the Fires: A CRDN Case Study

*By Wayne Wudyka*

With every major catastrophe, the restoration industry gains greater insight on what is required to successfully respond and handle the needs of insurance companies and their insureds impacted by the event. While every situation presents its own set of variables due to the type of catastrophe and geographic location, there are certain key components that remain standard.

The wildfires that swept across Southern California in the fall of 2007 are a prime example of how pre-planning coupled with a coordinated response can benefit restoration companies as well as the homeowners they serve. The Witch Creek Wildfire, as it was officially named, damaged nearly 1,700 structures in San Diego County at a cost of \$1 billion, making it the second most devastating wildfire in California's history.

During the wildfires, the Certified Restoration Drycleaning Network was able to serve as a resource to teams sent to the area by restoration and mitigation companies. As a specialty contents vendor, CRDN works on a daily basis with contractors and mitigation companies across the United

States to provide textile restoration for garments and other fabric items affected by smoke, fire, water, mold and other contaminants. Catastrophe situations historically have been a challenge for niche service providers, as adjusters are brought in to close claims quickly, usually through cash-outs. In Southern California, however, CRDN was brought in by restoration companies that understood the value and potential of providing a more comprehensive solution, including how to deal with clothing and textiles.

One key advantage for CRDN was a centralized and coordinated response between the organization's corporate office and its local businesses. With a major facility in San Diego and six other CRDN textile restoration facilities and fully staffed teams nearby, CRDN offered a tremendous capacity and unmatched depth of resources to handle the groundswell of covered losses. CRDN's businesses in the area quickly agreed on a comprehensive service structure that included managing loss assignments through the organization's national call center, as well as increased staffing for customer service representatives in the

field and strategies for pack-outs and treatment of affected textiles. CRDN's facility in San Diego served as the hub for coordinating all on-site inventories and pack-outs, as well as handling all "rush" orders for immediate needs clothing within 48 hours. Remaining components of the textile orders were handled by CRDN's facilities in neighboring areas and stored until the homeowners were ready for the items to be returned. Each CRDN business was well supplied with the necessary resources, from bags and forms to vehicles and administrative support.

As a result, CRDN was able to efficiently handle more than 300 losses in the initial wave of response while maintaining standard service levels for response and service, including "rush" orders.

CRDN's coordinated response and service capabilities were particularly exemplified by results with a national restoration company. Thorough and frequent communication between CRDN and executives with the disaster restoration business enabled CRDN to be brought in to assist with contents losses as part of a comprehensive team.

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The national DR company was able to provide a more systematic, detailed and complete solution to its insurance carrier clients. As with standard losses, CRDN was relied on to be on-site quickly to inventory and remove affected textiles so the restoration businesses could begin their work efficiently.

CRDN's services became part of the restoration company's standard package that enabled carriers to reduce severity while ensuring customer satisfaction among policyholders.

Similarly, local relationships between CRDN and California-based contractors/mitigation companies created a natural business scenario when those companies were tapped to serve homeowners, as there was confidence in CRDN's processes and ability to perform in a standardized, familiar way.

CRDN's advance preparation of necessary business licenses and proper documentation, along with the company's professional appearance, enabled its representatives to gain access to the affected areas that were strictly controlled by authorities concerned about predatory service providers. Quite often when a CRDN van arrived at one house, neighbors were soon inquiring about assistance with their smoke-damaged clothing, as they weren't aware that such a service was available or they had tried unsuccessfully to clean their own items.

As with other components of contents cleaning, garments and fabric items typically require professional restoration, even for bulk laundry. Compared to a homeowner attempting their own cleaning, a textile restoration specialist understands that removal of soot and smoke odor requires a scientific approach. Specifically, specialists utilize multiple cleaning formulas that are custom-designed for restoration, as well as equipment that

creates proper agitation and prevents re-deposition of contaminants. Ozone chambers also are a prerequisite for breaking up smoke molecules and eliminating odor. In some cases, ozone treatment is necessary prior to cleaning to prevent odor from being set in a fabric. When approached in a systematic and scientific way, professional textile cleaning processes lead to better restoration rates.

Going forward, there clearly remains significant potential for specialty contents restorers. A.M. Best, an insurance research firm and rating service, recently reported that catastrophic wildfires are rising on the radar screens as a potential major risk to insurance carriers. The firm also noted that larger and more frequent wildfires could lead to escalating homeowner claims for years to come, joining hurricanes, tornadoes and earthquakes as a recurring threat. During the aftermath of the wildfires, it was apparent that insurance carriers were beginning to focus on reducing severity as well as on closing claims quickly.

This changing insurance landscape creates opportunities for restoration service providers who excel at meeting the distinct needs of adjusters and property owners. The increased specialization among contents restorers, such as with CRDN, provides a valuable solution for losses that involve garments and textiles. CRDN's broad geographic footprint, covering 94 percent of the U.S., and approach to restoration as an emergency response business, enable the organization's local business representatives to arrive on a loss site when clients expect service and when the homeowner needs assistance. By responding in a timely manner, CRDN can inventory and remove damaged textiles from a home so mitigators and contractors can begin work efficiently. This initial service allows CRDN to increase its

ability to successfully restore textiles, preventing further damage from dye migration and mold growth when items are wet. CRDN's contact with a homeowner and early involvement also demonstrates action to the policyholder, a key component of achieving customer satisfaction.

CRDN's on-site procedures mirror those of contractors and contents companies, and this professional alignment enhances the professional image of those involved with servicing the claim. To protect everyone involved with a loss, CRDN conducts a room-by-room inventory of affected textiles. Proper documentation signed by the homeowner ensures that everyone is aware of what textiles are involved and provides an audit trail for tracking items. CRDN even serves as the homeowner's "closet" by storing the restored items until the policyholder is ready for them to be returned. CRDN's specially trained crews are expert when it comes to knowing what can be restored. This expertise enables CRDN to deal effectively with homeowners by empathizing about the loss and setting expectations.

As the restoration industry continues to evolve to meet the changing needs of insurance carriers, the lessons learned from recent catastrophes will need to be implemented with future events. Clearly, what happens before a disaster is as important as what happens in the aftermath.

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