



Keeping Mold at Bay

A proliferation of mold claims is sweeping the country, fueled by news-hungry TV shows and newspaper articles.

Added to this are the potential for large verdicts and a source of income for the ever vigilant plaintiffs bar. Two prominent cases that highlight this involve a \$32 million verdict in Texas, and the suit filed by TV personality, the late Ed McMahan.

Since a large portion of our insureds produce products that wind up being used in the home or are part of the home, we think common sense approaches to potential claims should be established.

Studies have shown that mold needs basic elements to exist. The most important of these is moisture. Constant exposure to moisture may be sufficient on its own, but when it is combined with the right temperatures and a lack of light and circulation, it is almost certain.

Most forms of mold are not dangerous. However, certain more rare forms can cause some allergic reactions in people. These reactions vary greatly, but they form the basis for claims and lawsuits.

Although it is difficult to avoid all possible situations, there are certain steps a supplier can take to lesson and/or avoid the involvement in litigation.

One measure is to inspect your product before it is shipped from your premises. If you supply wood products, make sure they are kept in a well-ventilated location. Inspect your product before it leaves your location. Also, keep records of this inspection, as this will reinforce your defense should it become necessary.

These inspections should hold true for any product. If you manufacture windows or doors, for example, a quality control system is essential. Especially significant is the ability of the product to avoid seepage of water and moisture and be free from defects.

A further step would be to have the purchaser sign-off and acknowledge that the product you shipped was free from any mold or other visible defect.

Finally, if a claim for mold (or any other defect) is made, prompt action is a key to avoiding many future problems. If mold is present, an immediate search for the source of moisture should be undertaken. Cleaning with proper chemicals, such as bleach, may be appropriate in certain minor situations. Removal and replacement, however, are the preferred remedies. Whatever the action is, it is better than letting the problem go unchecked. Remember, modest expenses up-front can save time and exposure to larger problems in the future.



Although we cannot control all situations, we can help to mitigate them. Mold has been around for thousands of years, and mold problems will continue into the future. Common sense actions can help you control some of these difficult scenarios.