

Stock Throughput – An Alternative Solution for Property Brokers

Billions of dollars of goods and merchandise are shipped around the world each year, resulting in high-risk cargo exposures. These risks can span many industries, including manufacturing, distribution, healthcare, energy, construction and technology. Marine Cargo insurance covers physical loss and/or damage of goods while in transit between the point of origin through the final delivery and is not generally thought of as a solution for property brokers.

Stock Throughput Policies (STP) are designed to safeguard a company's inventory and the flow of goods, from production sources to their final destinations—be it in storage or retail outlets. Comprising three main components—property or stock insurance, ocean cargo insurance and inland transit insurance—STP offers a holistic approach to coverage throughout the supply chain.

CONTACT

To learn more about how Amwins can help you place coverage for your clients, reach out to your local Amwins broker.

LEGAL DISCLAIMER

Views expressed here do not constitute legal advice. The information contained herein is for general guidance of matter only and not for the purpose of providing legal advice. Discussion of insurance policy language is descriptive only. Every policy has different policy language. Coverage afforded under any insurance policy issued is subject to individual policy terms and conditions. Please refer to your policy for the actual language.

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Key Benefits of STP

The flexibility of STP allows it to apply to any inventory stored in a warehouse (owned or third-party) and cater to a diverse range of businesses, including:



Manufacturing operations



Cold storage facilities



Retail storage



Transit-only



**Storage-only
(including excess layers)**

STP can be a more affordable way to insure your inventory with end-to-end coverage. Instead of having multiple policies in place for each step of the supply chain process, STP consolidates your coverage – allowing you to work with just one carrier and eliminating potential gaps in coverage. STP also offers:

- **Lower Pricing:** STP utilizes average inventory values, resulting in fairer representations of exposures. This approach often leads to lower rates and premium savings for the insured.
- **Lower Deductibles:** Inventory in-store typically incurs deductibles ranging from \$10,000 to \$50,000 while transit deductibles range from \$1,000 to \$5,000. The absence of percentage deductibles for CAT perils in the CST market contributes to lower deductibles.
- **One Seamless Policy:** The integration of property, transit and storage coverage into a single policy eliminates coverage gaps throughout the entire process from start to finish, both on a primary and contingent basis.
- **Wider Coverage:** Unlike traditional property coverage that focuses on bricks and mortar, STP extends coverage to various interests stored. It offers all-risk protection against physical loss or damage and includes spoilage coverage for temperature-sensitive goods.
- **Selling Price Basis of Valuation:** In the event of a loss, an STP policy can provide a selling price Basis of Valuation (BOV), ensuring the insured is indemnified as if the product had been sold, including any profit margin.
- **CAT Coverage:** The STP London market offers full coverage for earthquake, windstorm and flood. In addition, the full policy limit will apply to these perils.



Takeaway

The incorporation of STP into the insurance landscape represents a paradigm shift, offering businesses a seamless, comprehensive and cost-effective solution. As the industry evolves, STP emerges as a valuable tool, providing not just coverage but strategic advantages for businesses engaged in various stages of the supply chain. This innovative approach aligns with our commitment to delivering efficient and tailored insurance solutions.

The One-Stop Shop Advantage

At Amwins Global Risks, we handle stock throughput for a wide spectrum of clients, ranging from large corporations to smaller enterprises. Our one-stop-shop philosophy is an inclusive approach that positions us as a comprehensive solution provider, capable of handling a diverse range of accounts, from large enterprises to smaller subsidiaries and everything in between. This differentiates us from other shops that are often overly selective and exclusive with their client engagements.

Our one-stop-shop approach ensures that clients, regardless of size or complexity, find tailored and effective solutions. We offer a broad spectrum of services, from complex undertakings to more straightforward projects and are efficient – often turning quotes around in a matter of days and quickly providing you with quality underwriting.

We Help You Win

Amwins is more than an insurance provider, we aim to be an all-encompassing resource for clients and serve as a direct extension of your team. And as your strategic partner, we are committed to simplifying the insurance journey for businesses of all sizes.

Our unique blend of expertise, comprehensive solutions and client-centric philosophy makes us a trusted partner when it comes to navigating the intricacies of property insurance. As a leader in specialty insurance distribution, we've seen our retail partners through a lot — and continue to deliver the coverage solutions that meet insureds' evolving needs.

Contact your Amwins broker or underwriter today or learn more about our STP Industry specialists [here](#).

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