

# Risk A/T<sup>®</sup> Work



*Risk A/T<sup>®</sup> Work* is a forum dedicated to sharing safety and loss control tips with our brokers and insureds. **Risk A/T<sup>®</sup>** is our proprietary risk management approach promoting informed risk analysis based on two behavioral factors — **A**ptitude and **T**olerance.

## Developing an Effective Warehouse Fire Safety Program

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With businesses looking for storage space to meet online shopping and shipping demand, warehouse fire safety is an increasing concern. According to National Fire Protection Association (NFPA) records, an estimated 1,410 warehouse structure fires per year are reported to US fire departments, with an annual average of two civilian deaths, 20 civilian injuries, and \$159 million in direct property damage.<sup>1</sup> Several recent large-scale warehouse fire losses further highlight the crucial awareness of warehouse fire safety.

### Compliance Codes and Standards

The hazards and loss exposures associated with storage warehouse occupancies, and other occupancies having warehouse storage-use areas, are very high—second only to the storage of hazardous materials such as flammable or

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Managing storage risks requires ensuring the **fire safety systems** are in working order in the event of a fire.

combustible liquids. It is the responsibility of the building owner and their designated representatives to be vigilant in maintaining compliance with codes and standards, including change management; inspection, testing, and maintenance; and fire prevention. Despite this, many owners and staff are unaware of the protection strategies and safeguards required to manage the risks.

### Change Management

Storage occupancies house a number of commodities in a variety of storage arrangements, and each combination requires specific and robust sprinkler protection. Changes in any variable can significantly impact the sprinkler's effectiveness in controlling a fire. It is paramount that building owners and users understand exactly what commodities and arrangements are allowed, based on the level of sprinkler protection, in order to manage changes and risk exposure. One example is the introduction of higher hazard materials such as plastics that were not previously considered in the sprinkler design. Another is a degradation in the available water supply and its capability to support the sprinkler system demands. Both of these changes may require a reconsideration of the sprinkler protection system.

### Inspection, Testing, and Maintenance

Managing storage risks requires ensuring the fire safety systems are in working order in the event of a fire. Performing proper system inspections, testing, and maintenance is essential for sprinklers to function properly and be effective and for ensuring that the water supply will be available to reach the fire when needed.

### Fire Prevention

Developing and enforcing good housekeeping policies and practices is required to limit the potential for fires, such as avoiding potential ignition sources and maintaining clear aiseways. This is critical in storage occupancies where loss

<sup>1</sup> National Fire Protection Association (NFPA), Warehouse Fire Safety Fact Sheet, November 2020.



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exposures and loss severity are very high. It is essential that building owners and users implement thoughtful and strategic storage protocols specific to their occupancy.

### Conclusion

By implementing a formal warehouse safety program into your organization's overall safety plan, you are taking an important step to not only protect your property from unforeseen risks, but also protecting your most valuable asset – your employees. Please reach out to your Sompo International Risk Control Specialist or contact us at +1 877 667 5733 or [RiskControlQuestions@sompo-intl.com](mailto:RiskControlQuestions@sompo-intl.com) for more information.

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