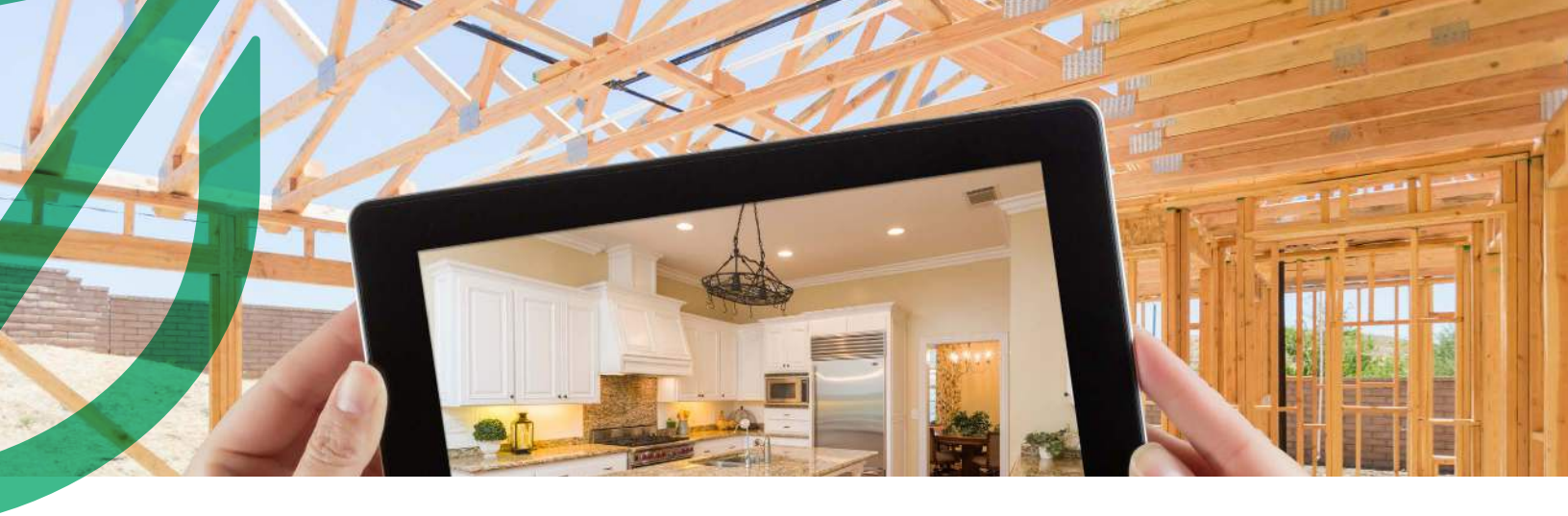


CASE STUDY

Thompson Thrift

Thompson Thrift Builds Value
from Visibility



THE CLIENT

Thompson Thrift

Thompson Thrift operates as a full-service development and construction company headquartered in Terre Haute, Indiana, with regional offices in Indianapolis, Houston, and Phoenix. The company specializes in the design, construction, and management of restaurant, retail, and multi-family properties. During its more than 30 years in operation, the company has become nationally known for its quality work and community impact.

Thompson Thrift now boasts annual revenues of nearly \$200 million, but growth did not come without challenges. The company's expanding book of property owners, development sites and tenants made managing project details increasingly complicated. Tracking insurance coverage and documentation added another layer of complexity. Soon Thompson Thrift faced a new reality: growth generated significant revenue, but also introduced substantial insurance losses.

THE CHALLENGE

“You Don’t Know What You Don’t Know”

As a general contractor, Thompson Thrift relies heavily on subcontractors for the bulk of its construction work. The company might have 1,000 subcontractors and vendors working across 15 projects valued at nearly \$50 million at any given time.

Working with this volume of subcontractors and vendors required an army of risk management staff. The team of 19 tried checking insurance coverage, exclusions, and endorsements for all third parties, but the vast amount of paperwork left details missed. Thompson Thrift soon found itself caught in several litigations, the most painful of which resulted in a \$1 million loss, all because effective insurance coverage and tracking processes were not in place.

Henry Stadler, Thompson Thrift's Senior Vice President and Chief Operations Officer, along with other senior leaders, realized internal process gaps existed that prevented proper risk mitigation. The staff simply could not manually review thousands of third-party insurance policies without causing significant delays to construction and tenant timelines. Leadership also found staff lacked the knowledge needed by the company's property owners and subcontractors to navigate insurance coverage and compliance.

■ **To prevent further losses and litigation, Thompson Thrift wanted a solution for:**

- Identifying underinsured subcontractors
- Verifying additional insured endorsements
- Reviewing contracts for non-compliance

The company started using a basic Certificate of Insurance (COI) tracking tool. While the platform proved helpful for saving important documents, it failed to identify risks, improper coverages, expiration dates, and other compliance gaps. Thompson Thrift needed more than a document repository. The team required a comprehensive risk mitigation tool, because in Henry's words, "You don't know what you don't know." They searched for a partner that specialized in knowing what others do not. They found myCOI.

THE SOLUTION

Leveraging myCOI's Insurance Tracking

Thompson Thrift began using myCOI in 2017. The system immediately helped identify more compliance risks faster across the company's ever-growing list of subcontractors and vendors. However, myCOI did not just find risks, the platform also introduced new processes to eliminate them.

By leveraging myCOI's insurance tracking solution and [Sage integration for financial management](#), Thompson Thrift now packed a one-two punch for fighting non-compliance. Subcontractor insurance coverage was reviewed proactively by myCOI and its team of insurance professionals. The system then passed compliance data to Sage. Payments were held automatically until subcontractors were compliant or a Thompson Thrift administrator performed a manual override.

On the success of the partnership Henry said, *"I could not run my business without myCOI. Not only was I involved in high-risk situations I didn't even know about, but we were spending time tracking a failed process. With myCOI I am confident in our processes and can rest easier knowing that critical insurance-related items aren't slipping through the cracks."*

THE RESULTS

Notable Accomplishments

In just seven months after launching myCOI, Thompson Thrift had several new achievements worth celebrating:

- 82% of subcontractors across all projects had verified coverage compliant with contract requirements
- Information empowered the risk management team to make loss prevention decisions in real time
- Nearly 100% of subcontractors had Thompson Thrift named as an additional insured
- The risk management team had more time for addressing the 18% of non-compliant subcontractors to prevent losses before they occurred



It truly requires a dedicated software and team of professionals to ensure both your business and subcontractors have the coverage needed to mitigate the many risks involved in this business. What is hidden in each Certificate of Insurance is why any company that utilizes subcontractors or vendors needs myCOI's insurance tracking software and services.

-Henry Stadler Senior Vice President and Chief Operations Officer

Exclusions Are Critical!

In one example, myCOI's team of insurance professionals worked with the Thompson Thrift risk management team to adjust risk with a subcontractor. Through removal of specific endorsements and exclusions, Thompson Thrift was able to ensure the transfer of risk back where it belonged, with the subcontractor.

Specifically, potential losses were mitigated by myCOI's discovery and suggested removal of a Subcontractor Work Exclusion (CG 2294) evidenced on a subcontractor's Commercial General Liability policy. This subcontractor was working on several job sites with more than \$15M total value.

82% Compliance in Only 7 Months