Business Interruption Key Issues

Overcoming hurdles in business interruption

Guide 2016

MARSH

Airmic would like to thank Marsh for its significant contribution to this guide and the ongoing work of the Airmic Business Interruption focus group.

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Marsh's business interruption (BI) centre of excellence is a global network of BI experts, with a core team that collaborates with all stakeholders to reshape the industry's approach to BI risk. The aim is to improve policies and create solutions that are better suited to policyholders' needs and, as a result, go way beyond the boundaries of property damage. For further information, please visit marsh.com

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Introduction

Insurance managers consistently identify business interruption (BI) as a key concern, and business interruption and supply chain risk as the number one risk facing businesses today. (Allianz 2016 Risk barometer). It is therefore unsurprising that each of the top ten risks in terms of likelihood, as identified by the World Economic Forum's Global Risks Report 2016, from interstate conflict and involuntary mass migration to data fraud, all pose the threat of business interruption.

Airmic launched a business interruption focus group in 2015, bringing together insurance managers, insurers, brokers, lawyers and loss adjusters to discuss two key challenges faced when purchasing appropriate cover for their BI risk. Firstly, the growing importance of intangible assets to an organisation and the impact of non-damage events means that traditional property damage business interruption can be unfit for purpose. Secondly, the group highlighted a number of fundamental hurdles in purchasing traditional Property Damage Business Interruption (PD/BI) that can leave the organisation lacking in confidence that its current policy will respond as hoped in the event of a claim. These difficulties can lead to the claims challenges and settlement delays experienced by many Airmic members.

"We are changing the conversation in relation to business interruption. If you mention BI to anyone in the insurance industry, they automatically assume you mean property damage (PD) BI insurance. We take a broader view of BI risk – anything that interrupts business - whether that is a natural catastrophe event or a cyber-attack, within the boundaries of your own organisation or somewhere in the vast value chain. However, as a property damage event remains the worst loss that many businesses face, and it is the policy that most people buy, we are beginning with the improvement of PD/BI policies, focussing on five key issues that have been around for quite some time."

Caroline Woolley, Marsh's Business Interruption Centre of Excellence Global Leader

Airmic and Marsh consider these fundamental hurdles in this paper, addressing the key reasons why purchasing BI cover can be so complex and suggesting practical steps that insurance managers can take to understand their BI risk and increase their confidence in the effectiveness of the cover purchased.

The guidance will look at four areas of difficulty highlighted by Airmic members, and develops the material covered within the Marsh report, 'Business Interruption Efficacy: Five Key Issues':

- Ensuring efficient claims settlement.
- Selecting the maximum indemnity period.
- Purchasing relevant supply chain cover.
- Determining the insured values and avoiding underinsurance.

The paper also reflects on how each of the above issues will be affected by the Insurance Act 2015, which will come into force in August 2016.

The challenges and solutions suggested in this paper are the focus of the ongoing work of the Airmic business interruption focus group. The group will also continue to look at the broader issue of purchasing business interruption that is relevant to the emerging risks facing businesses today.

Section 1 - Issues at the time of claim

Airmic members report that BI claims often result in challenges and delays in settlement, and 18% of Airmic members report having a claim disputed, reduced or delayed in the last five years (Airmic Business Interruption survey, 2015). In this section Airmic considers the reasons behind these disputes. The remainder of this paper will look at the steps members can take at placement to help avoid such difficulties in the future.

Avoiding claims challenges

Figures 1 and 2 display the difficulties faced by Airmic members during the handling of a BI claim, and the reasons for claims challenges respectively (Airmic Business Interruption survey, 2015). It is interesting to note that difficulties in providing insurers with the information they have requested is a significant issue for all BI claims and the primary reason for challenges to the BI claims suffered by Airmic members.

Figure 1: Difficulties faced by Airmic members during the handling of BI claims

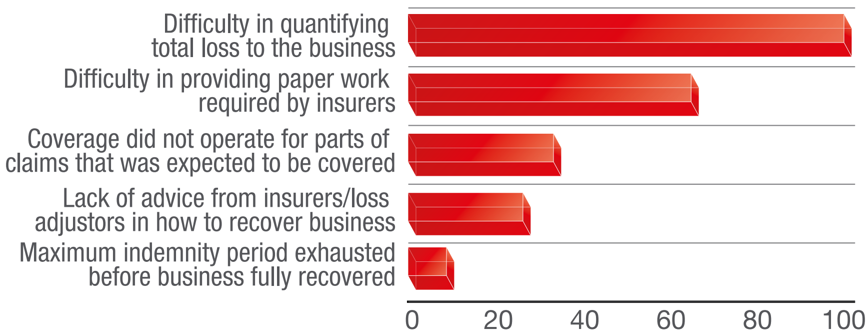
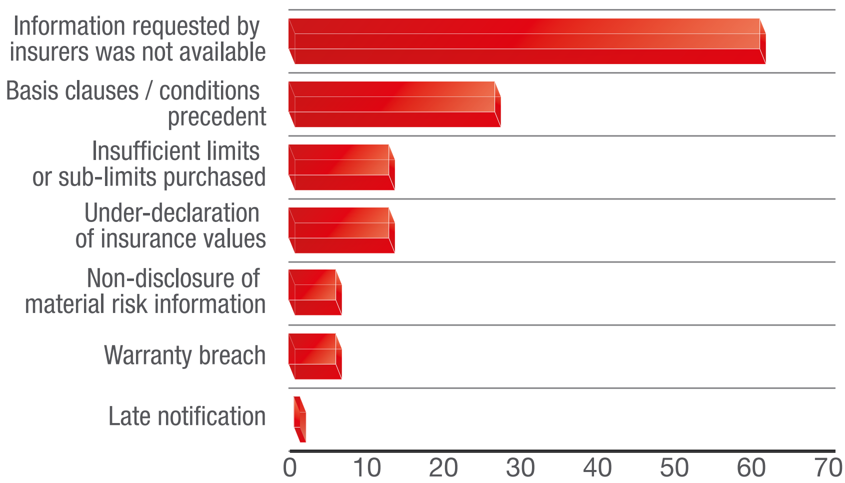


Figure 2: Reasons for challenge and reduction of Airmic member BI claims



Airmic members report that a significant challenge is educating the finance team and operations on the type of information that insurers request and why. This can cause unnecessary delays in claims settlement in the event of a loss. Policyholders should be proactive and undertake as much pre-loss preparation as possible. This should include establishing clear protocols, loss quantification methodology and communication lines with insurers, brokers and loss adjusters. Insurance managers can then take steps to educate the relevant parties internally.

> *"We were careful to learn from one claim that was slower than we would have liked. We educated the operations on how such a claim is calculated, and educated the insurers on the complexity of how we can lose revenue. We were then able to amend the contract wording on how loss of sales claims are adjusted."*
>
> **Head of Group Insurance, Manufacturing**

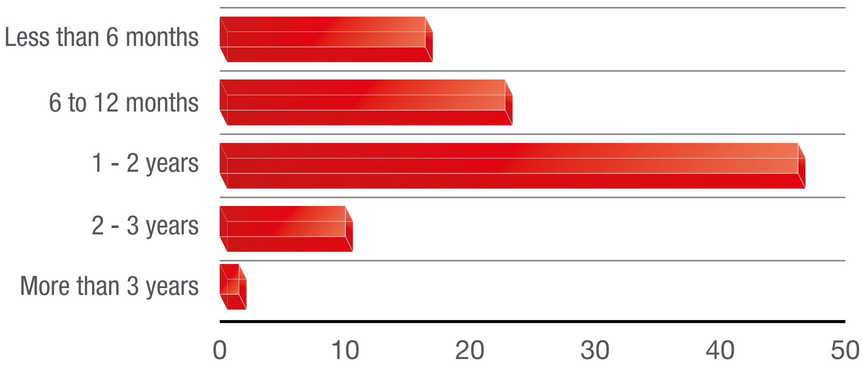
The role of forensic accountants

82% of Airmic members face difficulties in quantifying the total loss to the business when handling a BI claim (Airmic Business Interruption survey, 2015). As a result, several Airmic members reported the benefit of using a forensic accountant to prepare the BI claim. The costs of such can be covered by an appropriate claims preparation clause.

> *"Although there are often challenges in today's trading and regulatory climate that can influence the time it takes for a business to recover following an incident, the process of resolving the claim itself should not be further delayed. In fact at a very early stage a mechanism should be put in place to identify the key drivers for the business recovery including reinstatement of critical property and essential increased costs.*
>
> *Most businesses now have a wealth of accounting and performance data available to support their day to day operations and this can be invaluable for the professional team involved in reviewing a business interruption claim. However, accounting data is only one aspect of the process. It remains crucial for the professional team at a very early stage in the claim process to understand how a particular business operates and the commercial arena in which it trades so that during the recovery phase the relevant and key data identified can be requested and interpreted. By doing so key issues can be addressed thereby assisting resolution of the claim."*
>
> **Sarah L Baker, Head of Forensic Accounting, UK at Crawford and Company**

Despite the above challenges business interruption claims are lengthy and complex by their very nature. Figure 3 shows that over 60% of BI claims made by Airmic members have taken more than one year to settle, and 14% take over two years. However, whilst it is worth noting that Airmic members fully appreciate many BI claims cover the full indemnity period and therefore cannot be settled in full until the expiry of the indemnity period, managing the claims process can be a significant challenge.

Figure 3: Time taken for settlement of BI claims of Airmic members



> *"Insurers have always wanted a reasonable view of the loss over the period in advance of settlement. The increasing complexity and interdependency of companies, coupled with the increasing length of indemnity periods, is therefore frequently increasing the time needed to agree the final loss. Importantly, that does not necessarily mean payment needs to be delayed."*
>
> **Christian Knutson, International Practice Leader, Financial Advisory Services, Marsh Risk Consulting**

The importance of an effective business continuity plan (BCP)

Airmic spoke to those policyholders where claims had been settled within 12 months. A common theme was prioritising an effective BCP over the purchase of insurance. A robust BCP, which covers more than the initial disaster recovery, can aid efficient reinstatement and claim settlement.

Airmic members also reported taking care to manage the claim closely as part of the business continuity plan, to ensure that all relevant information is documented and accounted for. This provides the additional benefit of keeping all stakeholders regularly updated on progress of the claim. This can help in arranging interim payments and managing the expectations of the business.

Avoiding challenges at claim – policy amendments

Insurers will request significant volumes of documentation to audit the claims submitted in order to satisfy both themselves and those that will audit their files that the agreed quantum is correct, which can lead to frustrating delays and dispute over claims.

The challenge of efficiently managing and settling significant BI claims can be partially addressed through the adoption and rehearsal of appropriate BCPs, together with in-depth pre-loss scenario planning.

There are, however, three critical policy additions that Marsh recommend policyholders discuss with their brokers to further help avoid delays

1. *A pre-loss contractual commitment ("Claims promise") to early and substantial interim payments ideally in respect of assets, agreed increased costs and ongoing fixed costs.*

To gain these benefits policyholders should ensure they undertake a comprehensive BI review and establish the loss methodology with their brokers, insurers and appointed loss adjusters.

2. *The adoption of production (output) based settlement mechanisms where appropriate*

This is likely to be of most applicable for manufacturing or extractive organisations that can demonstrate that they habitually operate at, or close to full capacity.

3. *Universal inclusion of claims preparation costs cover, at meaningful levels*

This will ensure policyholders have access to qualified specialists who can prepare and present their claim, while freeing up management time to focus on recovering the business.

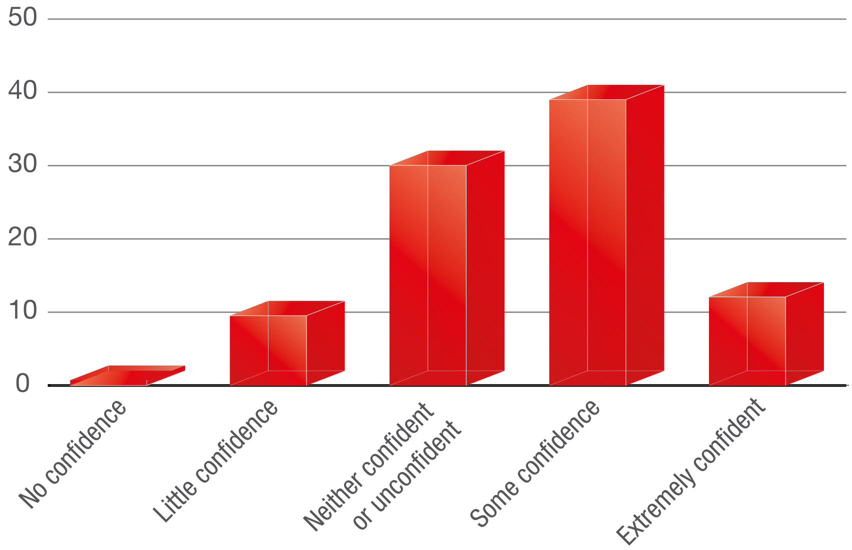
Neil Greaves, UK Practice Leader, Forensic Accounting and Claims Services, Marsh Risk Consulting

The risk of underinsurance is a serious concern of Airmic members in the event of a BI claim. Airmic members are aware that the gross profit (or gross earnings) calculation underpins the underwriting of business interruption cover, and therefore, that it is critical to get this value right.

The insurance definition of 'gross profit' is not however the same as that used within an organisation's accounts and all the values that contribute to it are not normally collected by the business. Insurance managers who can therefore face a huge challenge in collecting data and calculating 'gross profit'. Once collected, building in a provision for expected growth from sales forecasts and business plans means that policyholders are frequently concerned that the value ultimately declared is not a true representation of the future business. This clearly has implications for purchasing the relevant and necessary business interruption cover and avoiding underinsurance.

Figure 4, shows that only 14% of members are extremely confident in the value declared to their insurers, but confidence does vary widely (Airmic business interruption survey 2015). Airmic investigated this spread and identified a number of common features where the insurance manager is confident in the values ultimately declared.

Figure 4: Airmic member confidence in declared values for BI insurance



> *"In our recent experience in advising on major catastrophic losses around the world, underinsurance has been the biggest single issue for business interruption claims. In some cases, insured values have been deliberately set low in a (misconceived) attempt to reduce premiums whereas in other cases there has been a fundamental misunderstanding by policyholders of the basis upon which insured values are calculated for the purpose of BI cover. Not only can this leave policyholders seriously underinsured in the event of a major BI loss but it can also result in a proportionate reduction in their claims through the application of an average clause in the policy. At worst, insurers may have grounds to avoid the policy if a false declaration of insured values has deliberately been made. Getting the insured values right is therefore of critical importance to policyholders purchasing BI cover"*
>
> **Tony Dempster, Partner, Herbert Smith Freehills LLP**

Calculating gross profit

Some policyholders advised that the sum insured value for BI cover is a historical figure and there is little certainty in how figures are calculated. This practice results in little confidence in the value and presents a risk of underinsurance and the application of average in the event of a claim. Annually reviewing the gross profit declaration must be an absolute priority for policyholders. Of those members who had the greatest confidence in their declared values, a top-down calculation of gross profit is used.

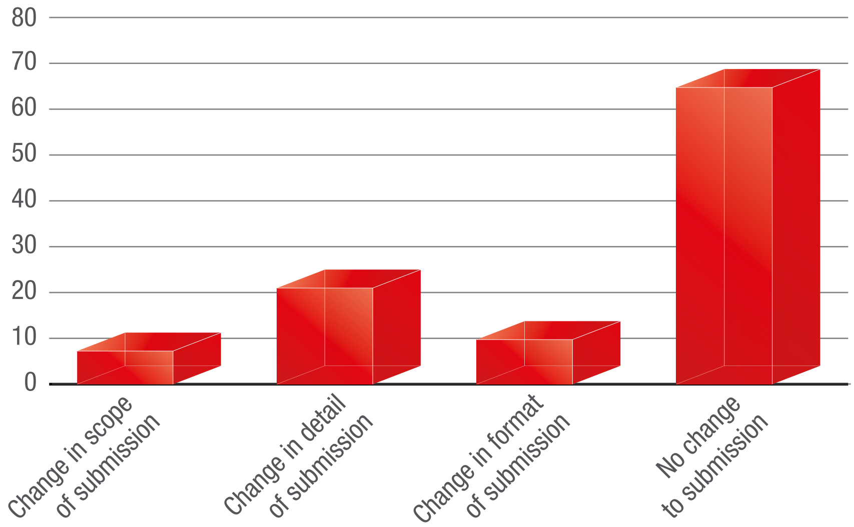
> *"We determine two sets of values. Firstly, we work with the business units and finance to calculate the declared insured value as per the insurer formula of gross profit. We initially calculate using declared bottom up values based on net profit plus fixed costs and sense check this by comparing against top down values based on the turnover less variable costs. We believe the latter is closer to reality as we build in a time element to variable costs - with time more and more becomes variable. Finally, we also have a 33% uplift for changes in turnover due to growth and inflation.'*
>
> *As well as calculating the declared insured value we also determine our 'actual exposure value'. Here we look at the interruption month by month, considering the fixed and variable costs at each stage and adding in interdependencies. We develop our Business continuity planning and disaster recovery around this, to ensure that reinstatement time can be kept at a minimum. We use this value to determine an appropriate insured limit and deductible which more accurately reflects the business."*
>
> **Operational Risk Manager, Engineering Company**

The implications of the Insurance Act

The new Insurance Act 2015, which comes into force in August 2016, brings in a new duty of disclosure, the duty to provide a 'fair presentation of the risk'. This duty is intended to improve the insurer's understanding of the business and its risks and could have an impact on the information that policyholders are required to disclose to insurers when purchasing their BI cover.

Figure 5 shows that over 60% of members do not intend to change their BI submissions in response to the new requirement of fair presentation (Airmic Business Interruption survey, 2015).

Figure 5: Planned actions by Airmic members for their BI submissions as a result of the Insurance Act 2015



Airmic strongly advises that Airmic members consider the information disclosed to insurers in light of the new Act. It is possible that simply submitting a sum insured and BCP details will be insufficient to meet the required of 'fair presentation'. Airmic members should read Airmic's guide; 'Insurance Act 2015: A guide to fair presentation' and speak to their brokers when considering how their submission can or should be amended. As a specific example most public companies list supplier failure within their key risks in the Annual report and accounts, signed off by senior management. This can subsequently place the supply chain within the 'reasonable search' element of fair presentation and therefore must be included within the disclosure submission.

"For business insureds, one of the most significant aspects of the Insurance Act 2015 relates to their new duty to make a "fair presentation of the risk". Essentially, this means that business policyholders will be legally required not only to disclose information that they actually know, but also actively to search, potentially from a wide range of sources, including outside their organisation, for information that they ought to know. They will also have a new duty to present the information in a reasonably clear and accessible manner. Insureds will need to think about how they will search for and store relevant data, and ensure that all material circumstances are disclosed to underwriters in a clear and accessible manner. Insurers will need to be willing to discuss these issues with buyers and brokers in a constructive way, to agree what information the insured needs to search for and disclose, so that all parties have a clear understanding of their responsibilities."

Charles Beresford-Davies, UK & Ireland Risk Management Practice Leader, Marsh Ltd

Determining values – Policy amendments

It is not surprising, given the complexity of modern businesses, global footprints and perpetual change that errors occur in submissions. It can appear inequitable that companies are penalised, through the application of average, for inadvertent error in their calculations. Below Marsh outlines some policy amendments that may also be considered in addition to scenario modelling

"Whilst an accurate declaration of insurance gross profit is the critical first step in ensuring that full recovery occurs in the event of a claim, only by undertaking detailed loss scenario modelling can appropriate inner limits be calculated for major international companies. Modelling ensures that companies, brokers and insurers have a clear understanding of both the financial impact of a worst-case event and the provisional recovery plans allowing for tailored cover and efficient pricing'.

1. *The removal of average clauses through the use of declaration-linked wordings or even simply a move towards limits set at 133.33%.*

2. *Removing pre-specified variable expenses within the policy wording such that businesses are able to be more flexible in how they calculate their values taking into account large losses as well as smaller events.*

Finally, it is also perhaps time to consider an underwriting approach based on existing accounting data or annually published accounts. This is an area that Marsh will continue to explore with the Airmic Business Interruption focus group."

David Lanfranchi, Marsh's Business Interruption Centre of Excellence

Section 3 - Selecting the right maximum indemnity period

Determining the correct maximum indemnity period (MIP), the period for which insurers will indemnify the insured for financial loss whilst the business results are affected due to an insured event, is a significant challenge for Airmic members. Choosing the correct period requires a full understanding of the business and its interconnectivities, and Airmic members must liaise with all relevant business units.

Figure 6, demonstrates the huge variety in the length of MIP chosen by Airmic members (Airmic Business interruption survey, 2015). Over 40% of members chose an MIP of 24 months or more. This compares to just 15% of middle market insureds, and highlights the complexity of Airmic member organisations.

Figure 6: Comparison of the length of maximum indemnity periods for Airmic members and middle-market insureds

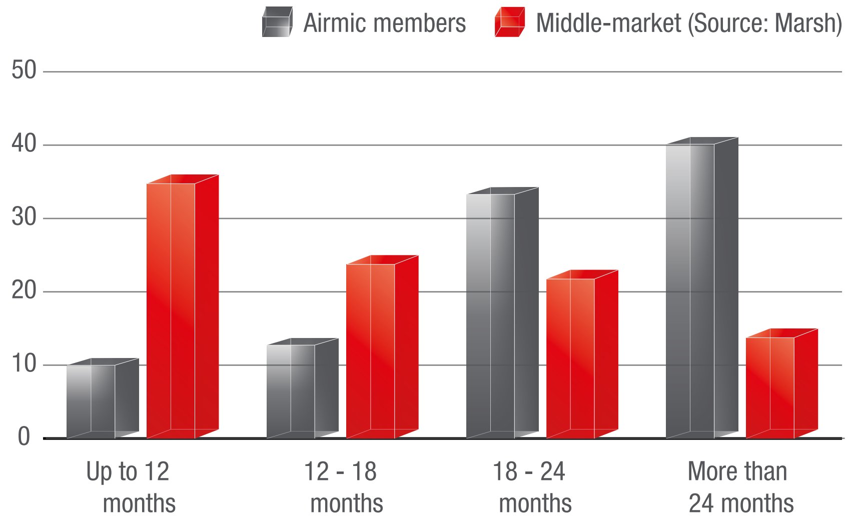
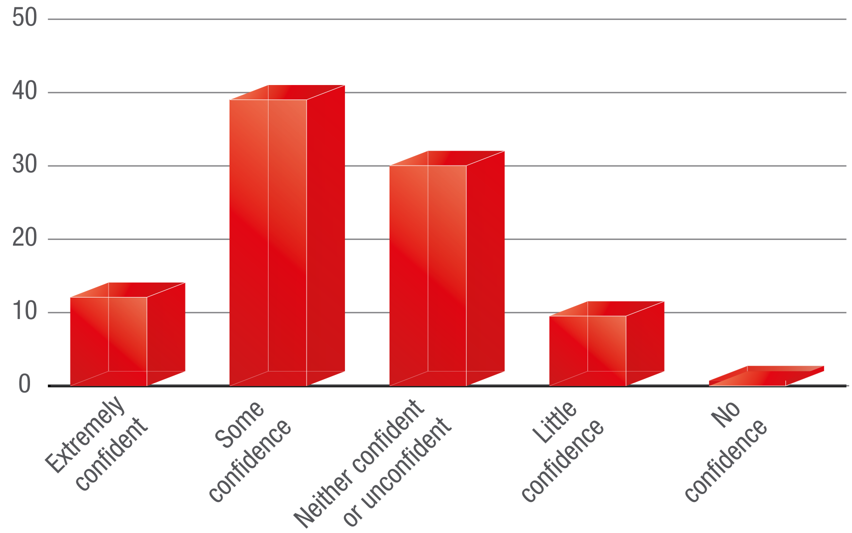


Figure 7, shows that only 22% of Airmic members (Airmic Business interruption survey, 2015) are extremely confident that the MIP chosen is adequate for the business to repair any property damage and recover trading and profit levels to those anticipated had the loss not occurred. Airmic identified the following practices carried out by its members, which can improve confidence.

Figure 7: Airmic member confidence in chosen maximum indemnity period



Undertake loss scenario and impact analysis

Some policyholders advise that a particular MIP has been in place for several years and is rarely reviewed, or is based upon the consequences of previous loss events. Other basic practices include applying a ‘blanket rule’ where one set number of months is allocated to key assets and another number to remaining assets. However, Airmic strongly recommends that policyholders consider the benefit of in-depth pre-loss scenario planning when establishing their MIP. The process might begin with mapping natural catastrophe hazards and high level profitability to determine key sites. Using external consultants to inject expertise in business continuity, as well as real loss experience, and insurance claims can assist.

A pre-loss analysis exercise: Four key elements

Brokers, insurers and loss adjusters can help by designing business-specific scenarios that can assist in the assessment. In establishing realistic scenarios, policyholders should establish the following;

1. *Consider not only the event itself, but also existing business continuity plans.*

2. *Quantifying the losses within the scenarios to establish both maximum and mitigated exposures – an important distinction and one that should be highlighted to insurers.*

3. *When setting MIP Consideration needs to be given to lead time involved in replacing critical damaged assets and time involved in recovery of business to pre loss levels (i.e. recovery of market share).*

4. *The scenario and claim is overlaid onto the policy to test for gaps and help identify improvements. It is important to recognise that the MIP is for lost gross profit and/or increased costs and to ensure that the period selected is adequate for both.*

Josephine Suppiah, Forensic Accounting and Claims Services, Marsh Risk Consulting

We worked with our broker to produce a full loss scenario report as part of their risk engineering work. The output helped the business enormously by giving us a better understanding of our risks both for preparing risk matrixes and setting an appropriate indemnity period and time deductible.'

'The size of our business means that we would be unable to obtain sufficient BI cover in terms of the MIP. We have worked across the entire business to determine exactly what our core business service is. We subsequently selected a MIP that absolutely covers the additional costs of working to reinstate that element of the business, and have chosen a business continuity programme that is geared around this. Although the MIP is not sufficient to restore all areas of the business, it does reduce the risk to an acceptable level.

Insurance manager, Power company

Allianz is prepared to offer an MIP of 52 months. However, we do so only after meeting with the insured. We are conscious that some may considered us as 'asking awkward questions', but we gain a better understanding of the business activities and risks and therefore are confident that we are providing the appropriate cover for the insured based on the adequate sum insured

Volker Munch, Global Practice Group Utilities & Services, IT Communication, Allianz Global Corporate & Specialty SE

It is perhaps worth considering whether, if detailed scenario modelling is undertaken, the requirement for a MIP could be removed. Businesses are obliged to mitigate their losses and with detailed exposure data, underwriters should be in a position to price risk without setting an arbitrary time limit or at least to provide a minimum significantly in excess of the default 12 months. This is currently not an option available to global policyholders. However, the Airmic Business Interruption focus group will continue our discussions on the topic.

Consider gross earnings cover where appropriate

Gross earnings cover is a US approach to business interruption cover. Here, the MIP chosen is not a set time period but covers the time to reinstate the business, plus a fixed period to recover trading and profit levels. This can be beneficial in the event of unanticipated delays or wide area damage, although the limited post-reinstatement recovery period can prove limiting. Only 6% of Airmic members purchase business interruption cover on a gross earnings basis (Airmic Business Interruption survey, 2015) but some insureds can benefit by being able to calculate their loss using both calculations. A number of insurers are beginning to offer policies that support this approach.

We recognise that the most favourable BI cover depends on the individual loss scenario. A Gross Profits basis covers loss of business income up to the maximum period of indemnity. In situations where losses extend well beyond completion of physical repairs (e.g. long timelines to recover lost sales) a Gross Profits basis of cover may be more beneficial to the client. A Gross Earnings basis covers loss of business income up to when the property is repaired and the business can resume operation. In situations where repair times may be greatly extended (e.g. after a local catastrophe) a Gross Earnings basis of cover may be more beneficial to the client.

Aaron Barden, UK Large Limits Manager, Property AIG

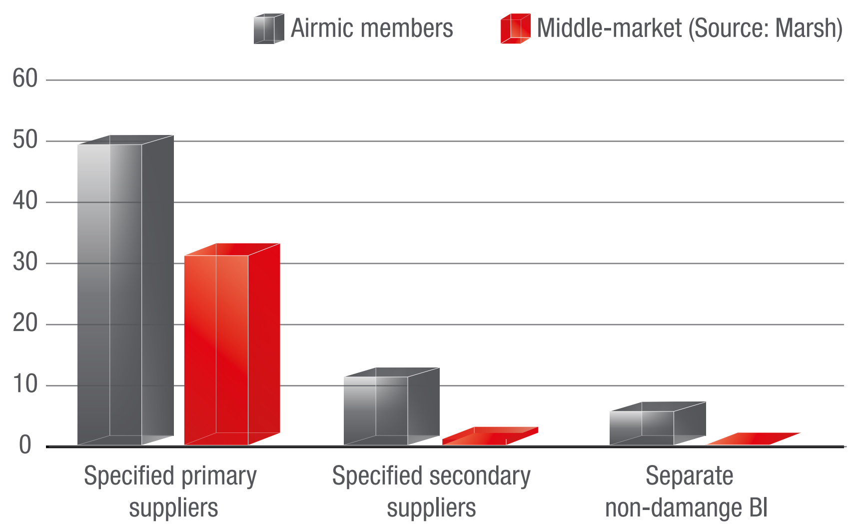
Section 4 - Supply chain concerns

Supply chain risk is frequently cited as a 'keep awake at night' concern for Airmic members. The supply chains of Airmic member companies can be complicated, change frequently and span the globe. The 2015 Allianz Global Claims Review identified that the growth of complex supply chains involving 'just-in-time' / 'lean manufacturing' practices as the primary drivers for increasing BI losses. However, despite 71% of members identifying supply chain within their top three risks, less than half of members purchase any relevant cover (Airmic pre-conference survey, 2015).

Globalisation and the growing complexity and interconnectivity of organisations and their supply chains mean that the probability of non-damage risk is increasing. Although 59% of BI losses continue to arise from fire and explosion (AGCS Global Claims Review 2015) cause of BI loss varies widely across the different territories in which Airmic members operate e.g. strike and vandalism is the highest cause of loss in Asia (AGCS Global Claims Review 2015).

Figure 8 shows that over 50% of members purchase business interruption for losses at their suppliers (contingent business interruption cover) for specified primary suppliers, compared to 32% of middle-market insureds (Airmic Business Interruption survey, 2015). Such cover is often provided as a standard extension by the insurer, albeit subject to a sub-limit. For both market segments, the number of insureds purchasing specified secondary supplier and separate non-damage cover for suppliers is extremely low.

Figure 8: Comparison of Airmic members and the middle-market purchasing supply chain cover



Developments in supply chain cover

The provision of supplier extensions within policies, whether in respect of specified partners or for unspecified suppliers, is often first-tier only , and is for perils solely in respect of physical loss or damage (of a type insured by the core policy) at the suppliers' premises at best. This approach, while beneficial, does not address the consequences of losses elsewhere in the supply chain nor of non-damage events.

The market is now providing wider options, including supply chain extensions (beyond tier one) to traditional policies, simple and defined non-damage options for traditional policies, plus non-damage supply chain cover which can be a standalone policy or incorporated into a captive. Exploration of these options is to be encouraged, as much has changed in the last couple of years and these can form part of the armoury available to Airmic members.

Robert Kemp, Head of Placement, Marsh's Risk Management Practice

The challenges of purchasing supply chain cover

Airmic members report that purchasing cover remains a challenge. Supply chain cover has traditionally thought to be both overly expensive and involve onerous information requirements. Recent products such as Zurich's supply chain essentials cover look to overcome these issues. However, members report that the initial hurdle of understanding the supply chain 'maze' remains.

'The further you delve down a supply chain, the murkier it becomes, and the less notice you are likely to get for each incident. We are never going to have full visibility of our supply chain, and we are therefore reliant on all the tiers of the supply chain in-between us and the supplier with an issue keeping us up to speed, rather than keeping us in the dark whilst they try to resolve the issue before any buffer stock runs out.'

Mike Jacobs, Business Continuity Manager at Dyson

Insurance managers must understand the supply chain

Where Airmic members purchase additional cover (beyond standard supplier extensions) for the supply chain, they report an efficient cross departmental risk management network across the business operations, managed by the insurance manager. This network encompasses external and internal supply chains, with key relationships including procurement, finance and logistics.

The Involvement of the CFO can also overcome the hurdle of the cost of supply chain cover. Policyholders and their brokers can take the time to map out recent supply chain interruptions within the organisation against the supply chain cover available. This can increase understanding of the cost-benefit of taking up cover, rather than holding cash in a self-insured fund.

A thorough review of an organisation's supply chain allows clearer identification of the risks faced particularly if combined with specific scenario analysis and consideration of natural catastrophe exposures. This is of increasing importance as the Insurance Act 2015 requires a fair presentation of risk and given the importance ascribed by many firms to supply chain risk, it appears likely that a more detailed explanation of exposures will be required.

Caroline Woolley, Marsh's Business Interruption Centre of Excellence, Global Leader

Making use of the captive

Nick Wildgoose Global Supply Chain Product Leader at Zurich Global Corporate *suggests an alternative method for the Insured to gain control. "We're starting to see some policyholders in the mining and food sectors place non-damage supply chain cover into the captive. The insurance manager then acts as a facilitator of the management of the organisation's supply chain, and can get the attention of the Board"*

Conclusion– Overcoming hurdles when purchasing BI

Business interruption is a difficult area for Airmic members and challenges and delays at claim continue to be a problem. This paper highlights the key difficulties faced by members, and suggests a number of immediate steps members can take to improve their confidence in the policy behaving (summarised below).

Beyond these actions there is plenty of scope for BI cover to become more relevant and easier to understand. Airmic's business interruption focus group will continue to look at these areas, including lobbying markets for more relevant non-damage BI cover and considering new approaches to underwriting traditional BI.

ISSUES AT CLAIM

- ✓ Through pre-loss work, introduce the team, establish calculation methodologies and confirm the interpretation of cover.
- ✓ Arrange a pre-loss commitment for early and substantial interim payments with insurers.
- ✓ Ensure the policy includes an appropriate claims preparation costs clause.
- ✓ Consider nominating a pre-agreed loss adjuster.

DETERMINING VALUES

- ✓ Undertake a top-down calculation when determining annual insurance gross profit, to help avoid the potential for error and the consequent application of average.
- ✓ Undertake forensic scenario modelling to determine appropriate inner limits.

SELECTING THE RIGHT MAXIMUM INDEMNITY PERIOD

- ✓ Establish business-specific scenarios that consider both the event and business continuity plans, to establish MIPs for lost gross profit and increased costs.
- ✓ Consider taking up claims adjustment on both a gross profit and a gross earnings basis.

SUPPLY CHAIN CONCERNS

- ✓ Be aware that supplier's extensions provide cover only for interruption following physical loss or damage and often for first-tier suppliers' locations only.
- ✓ Undertake a thorough review of the supply chain, layering natural catastrophe exposures and scenario analysis on top.
- ✓ Be aware that a more detailed explanation of supply chain exposures may be required as a consequence of the Insurance Act 2015.
- ✓ Consider both stand-alone supply chain policies and extensions, or take the risk within a captive to capture data and build knowledge.

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