

The 'grate' cheese robbery: Implications for insurance professionals

25 November 2024

What happened?

In October 2024, £300,000 worth of cheese was stolen from Neals Yard Dairy in a sophisticated scam. The fraudsters posed as an agent of a French supermarket to receive the cheese to a warehouse in or around London, from which it disappeared. It is believed that the cheese could have been taken to Russia or the Middle East, as questions are likely to have been asked if the thieves attempted to sell it elsewhere in Europe, America, or Australia. Celebrity chef Jamie Oliver has called for people to keep an eye out for "lorryloads of posh cheese" being sold "for cheap".

Neals Yard Dairy has honoured its payment to suppliers despite the theft.

A supplier to Neals Yard Dairy has said:

"I was really concerned about what it was and the implications of it. Neal's Yard have been fantastic... We are just trying to support them as much as possible by encouraging people to shop with them. It is a huge, very difficult loss."

[The Guardian.com](https://www.theguardian.com)

What does this mean for insurance professionals?

Policyholders may be wondering if they would be covered if they were to face a similar significant loss.

Insurance for wholesalers of goods tends to cover stock against conventional perils such as fire, flood, escape of water and physical theft. However, policies commonly contain exclusions for theft involving the voluntary parting with goods (even under mistaken pretences) or where theft does not involve forcible and violent entry to or exit from the premises. Such clauses could prevent coverage in this case.

Crime or fidelity insurance may provide cover for thefts such as this, although coverage under such policies can vary significantly. Over recent years, there has been a steady increase in theft of stock by deception, very often using social engineering techniques. Insurers should consider whether their policy wordings give the cover they intend to give and which their customers require.

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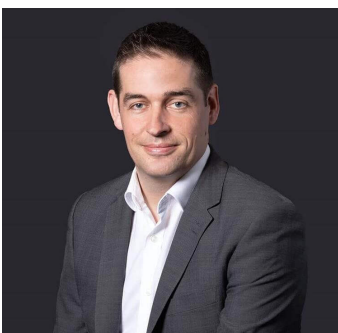
Key contact



Joanna Wallens
Associate

joanna.wallens@brownejacobson.com

+44 (0)330 045 2272



Tim Johnson
Partner

tim.johnson@brownejacobson.com

+44 (0)115 976 6557

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