



# Insurance Talk

Winter 2010



Ralph Guarasci

## Dan Guarasci Joins Agency

### *First Assignment: Parking Cars at the Agency Christmas Party*

On December 1, 2009 my son Dan joined the agency. Dan is 26 and a graduate of Bishop Watterson High School and Ohio State University. He spent 3 years working for Cincinnati Insurance at their home office in Cincinnati. He was a commercial lines underwriter helping agencies in North Carolina write and renew business accounts. At Cincinnati Insurance he obtained the CPCU designation, a prestigious accomplishment in our business (and something his dad has yet to obtain).



Since I spent the majority of my first year cold calling door-to-door I thought we should do some field work together. I was a bit rusty but it felt good to get back into the field after 25 years. I was nervous as we approached the first business but fortunately the door was locked. The next business we visited was open and the receptionist spent about 10 minutes making small talk with us. "Gee Dad, this seems pretty easy" Dan said. I told him that was not typical. As we continued to make cold calls he saw what I meant.

Our next step was to make some cold phone calls. I worked from a list of contractors and he listened in as I did the talking. At first my voice was uneven and it reminded me of dragging the phone into a closet to call a girl for a date when I was 16. After a while it got better and on the 12th call I was able to book an appointment to meet with a nice size account. Dan was very excited and gave me a high-five when I hung up the phone.

### I'll bet you didn't know

**That commercial property coverage is significantly reduced when a building is vacant for more than 60 days**

Vacant buildings present special risk to the insurance industry. Business policies automatically reduce coverage for certain types of loss and eliminate coverage for damage caused by water, vandalism, glass breakage and attempted theft.

We can arrange better coverage by adding a "Vacancy Permit" to the policy. The premium is a bit higher due to the increased hazard.

Today there are many vacant buildings caused by the economic conditions.

## Staff (and Spouses) Enjoy Agency Party



Has your spouse ever dragged you to their company Christmas Party? Most people don't like attending their spouses' Christmas party because there's always a lot of shop talk, inside jokes and stories that only the employees can appreciate. Over the years the spouses of our staff have become friends and look forward to the annual holiday get together. In fact, I suggested that we eliminate the party for 2009 since the economy was so sluggish. I was told the spouses would miss the party!



## Coverage Now Available for Downed Overhead Power Lines

*Hurricane Ike from Sept 14, 2008 Gives Birth to New Type of Insurance for Lost Income*



When Hurricane Ike blew up from Texas, central Ohio experienced a Category I storm first hand. It happened on a Sunday and many parts of the city were without power for most of the following week. It was the third major power outage this decade (summer storm of 2003 and Christmas ice storm of 2004).

We received many calls from medical and dental offices wondering if there was coverage for their lost income during the power outage. Since these types of business survive based on seeing patients, a significant amount of revenue was lost during the week after the storm.

Cincinnati Insurance now offers \$50,000 coverage for lost income due to downed overhead power lines. The premium is about \$75/year. Several of our accounts have already added this new coverage.

## Lessons Learned from "Great Recession"

Here are some of the comments I hear from business owners regarding the past few years:

*"I was prepared for a 5-10% pullback but nothing like this"*

*"Next time I'll have more cash in reserve"*

*"When business builds back I'll add overhead more slowly and control growth"*

*"I will never rely on bank financing"*

*"Nothing I've faced in business has been as hard as letting people go"*

*"3 years ago I could have retired, now I'm trying to survive"*

*"I don't think I've had a good night's sleep in over a year"*

## Attention Parents—You're All Driving Instructors First Driving Lessons Come From Watching Mom and Dad



My granddaughters fight over who gets to talk on the phone when they get into this Barbie car.

Our society struggles with how to keep our young drivers safe. Over 26 years of writing car insurance I've become convinced that we can predict with reasonable certainty how children will be when they get behind the wheel. I need only look at the parent's driving record. Often the kids will turn out very similar. Maybe it's something genetic. Maybe it's something learned. All I know is there is a correlation in many cases. If you want your kids to be good drivers set a good example and operate your car the way you want them to operate theirs. That means being careful about how you handle the cell phone, radio, food, drinks and other distractions.



New Mechanical Breakdown Coverage - I just added a new coverage to my homeowner policy that pays if I have a claim for accidental mechanical breakdown to the systems in the house. For \$50,000 coverage the yearly cost was \$42.

Congratulations Katie Berry - Katie Berry recently passed the first exam needed to obtain the Certified Insurance Counselor (CIC) designation. It normally takes 5 years to complete all the parts and pass the tests. A bit apprehensive about the whole process, Kate received her test results by mail but waited 3 weeks to open the envelope!

New Water Backup Coverage - Do you own a rental dwelling? A new coverage that provides \$5,000 to repair damage caused by water and sewer backup is now available. The annual premium is \$55.

CINF Raises Dividend Again - Cincinnati Insurance Company raised its dividend for the 49th consecutive year. That's quite a feat particularly since many companies lowered or suspended their dividends during this financial mess.

Shopping Health Insurance - Our agency recently shopped for a new group health insurance carrier and saved 1/3 on the cost of our premium. We can shop for you too.

Insuring Expensive Generator No Problem - We recently insured a \$750,000 generator that was being transported to Columbus. It was a 3 day trip and took place during a period when winds were gusting to 60 MPH. Who says insurance is boring?

Insure Today, On Fire Tomorrow - We recently took on a new customer and the property sustained a serious fire the first month of the policy. Not to worry, we've had claims on accounts so new the policy had yet to be issued.

#### Agency Anniversaries



Mary Ellen Mathews 13 Yrs  
*Dream Job: Horticulturist*



Lynn Wear 8 Years  
*Dream Job: Stage Set Designer*



Cathy Cook 11 Years  
*Dream Job: Cruise Director*



Kathy O'Keeffe 14 Years  
*Dream Job: Grandparent*



Donna Johnson 1 Year  
*Dream Job: Bartender in Yacht Club*



Ernie Dancer 13 Years  
*Dream Job: University Professor*

#### ***Five Secrets You Won't Hear from the Claim Adjuster***

When you file a claim an adjuster will be assigned by the insurance company. That person is responsible for making sure the claim is covered and making a fair settlement. A few tips:

1. Be Nice - Adjusters are people too. They respond to people that treat them nicely and with respect.
2. Be Fair - Some people think the insurance company has so much money that it's ok to pad the claim. Adjusters deal with this all the time and appreciate someone that's fair.
3. Be Patient - Adjusters are often very busy. Plus when a storm comes through town, the influx of claims can be over whelming. The adjuster knows who you are and wants to get your claim settled.
4. Be Thorough - The adjuster needs paperwork, appraisals and other documents from you. The better your information the easier it will be to close the claim.
5. Be Prompt - Adjusters love to close files. The faster you respond to their phone calls, requests to visit, etc, the sooner you will have your check.

## Caring for Grass is in the Genes

*First Ralph Guarasci Cared for Ohio Stadium Turf*

In the Fall 2009 edition of Insurance Talk I wrote about my immigrant grandparents and how they encouraged their children to caddy. It was the start of several generations of golfers in my family.



**SOD SCRUTINY**—Ralph Guarasci, OSU stadium maintenance supervisor, is only kidding about using a magnifying glass to inspect the post-game damage to the gridiron grass. But it's his job to replace all divots and pamper the playing field back into green glory for next week's game.—(Dispatch Photo)

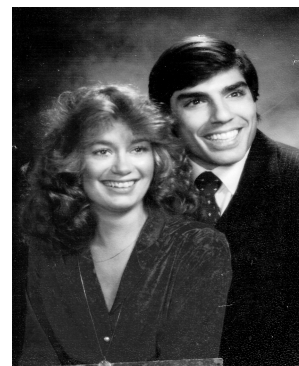
**STADIUM SUPERINTENDENT**

Some of the readers wanted to know a little more about my grandparents and pictured here is an article from the Columbus Dispatch published in the 1962. My grandfather was hired by LW St. John (as in St. John Arena) to work at the university and rose to be head superintendent for the football field and related facilities.

Friends and family wonder why I enjoy cutting grass.

## 30 Years Ago —Preparing for Marriage

My wife and I were married April 12, 1980. The church where we were married required that we attend a marriage preparation workshop with experts in the field.



I remember two things from the weekend in February of 1980.

#1 The USA upset of the Russian Hockey team in the 1980 Winter Olympics occurred during that weekend. I was in a marriage preparation class and didn't get to see the "Miracle on Ice". The class topic: "Putting Your Marriage First".

#2 My wife and I took a written personality test. The test revealed that I am a "head" person and Lynn is a "heart" person. The experts explained that communication is hard in all marriages and that ours would require extra effort.

---

## From the Mailroom

*Enclosed is a Change of Address Card for future newsletters. Everything has happened so fast I can't believe I'm going to Washington DC. You may recognize the address as Ted Kennedy's old office.*

*Scott Brown (R—Mass)*

*Your last newsletter had a column titled "What 25 Years in Insurance Has Taught Me". It was interesting and I wish I could find a place to land for that length of time.*

*Conan O'Brien*

*Now that you've brought in the next generation I suppose everybody wants to know when you're going to retire. Wouldn't you like to have a dime for every joke about all the time you'll have to play more golf? It gets annoying.*

*Brett Favre*

<p><b>Insurance Agencies of Ohio 7100 N High St Ste 300 Worthington Ohio 43085</b> <b>(ph) 614-848-3000 or rguarasci@insagenciesoh.com</b></p>
--