



Insurance Observer Winter 2024



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Reflections on 40 Years

I joined Parrish McTeague Insurance Agency on January 16, 1984. With a young wife, three small children, and a rudderless career, I was a 27 year old in need of something permanent. My father-in-law was named Max. Maybe he saw that I needed a new path. Although Max was in his 50s, he too was looking for a new direction. A career switch led him to the insurance business. In need of a selling agent, he offered me a position.

Due to ill health, Max left the business just 18 months after I started. With our small staff, we somehow kept the business going. Its hard to ruin an insurance business. Short of complete neglect, they will pretty much survive. Come to work every day with a clear head and reasonable intellect, and an agent will find success.

I spend 7 years in that agency. An opportunity came along to buy one closer to home. The agency was Dunning and Lathrop. It had a nice book of business with a good reputation. I couldn't pass it up, nobody in my position would. I ended up buying Parrish McTeague too. I put them together in 1994. I borrowed a lot of money and it took me 12 1/2 years to pay off the loan. By then I was 50 and finally had a little room to breathe.

Max and I were quite a bit different. I'm not sure how things would have turned out had he stayed healthy. As time has gone by, I have more appreciation for the opportunity he gave me. He also got me playing golf again after I almost quit the game. I turned 67 last August and I find myself looking back a lot. Mostly I find good breaks that somehow found their way to me.

When I see a talent in someone, I encourage them in a career direction. Our children are in the agency and they've encouraged a number of their friends to make insurance their career. Besides our three, Max has another grandchild in the industry. I recently played golf with an outstanding young man. I asked if he had considered professional golf and encouraged him in that direction. He wasn't so sure but I hope he gives it a try. Coincidentally, his name is Max.



Grandpa Commits to Yellow Light Challenge

Our oldest granddaughter Cameron has been a licensed driver for about a year. She and I were recently in the car headed to the golf course. (You can imagine how much grandpa likes playing golf with his granddaughter). I was driving. She and I both noticed how many cars sped up through yellow lights or even ran red ones. It gave us an opportunity to talk about traffic light safety.

I decided to conduct a bit of a trial. I would stop at every yellow light, even when I could easily "make it". No more trying to time the light or scoot through before the light changed to red. My conclusion? Its harder than you think. Once I started to be more aware, I was surprised at my loose driving habits. I knew trailing motorists wanted me to proceed so they could too. When they saw my brake lights, some veered over to run the light in another lane.



Small Sensor Prevents Large Problem

Pictured is the water heater that serviced our home for many years. The small white sensor (about \$30 at the hardware store) alerted me of the problem. A crack was allowing 75 gallons of water to flood the basement.

It happened this way. I returned home from work and heard the sensor beeping. I hoped it was a smoke alarm in need of a new battery. Thinking the worst I ran down the basement stairs as the beep got louder. Before I opened the door to the mechanical room, I knew it was water.

I turned off the main water valve. It took all night for the tank to drain. It would have been ok if the water went to the floor drain. It didn't. I spent a good part of the night dealing with the mess. However, at least I became aware of the problem before it became something major.



Water Shutoff Sensor Preserves Homeowner Policy

Our customer owns a classic house in an older section of Columbus. During winter storm Elliott last Dec 24/25 a pipe froze causing significant water damage to the house. The claim was closed with payments totaling \$185,457.

It was not the first water damage claim for this customer. There were previous water related claims in 2006 and 2009. The insurance company let us know the homeowner policy would not be renewed. This customer, with the help of our agent, would be searching for a new home policy at the worst possible time.

We suggested the homeowner consider a water monitor and shutoff. It monitors the temperature and pressure of the water. It also tracks usage allowing it to detect leaks as small as a drop per minute. Plus, it can automatically shut off the water before a catastrophic event happens. Our rep at the insurance company agreed to renew the homeowner policy if the customer would install the shutoff sensor.

Our customer needed no convincing. Recognizing the value of the sensor, and his homeowner policy, he authorized his contractor to install a Moen Flo Smart Water monitor during the home restoration.

New Daily Task—Inspect the Basement



As a kid I remember the scary and creepy basement at my grandmothers house. There was even a bathroom my grandfather installed that none of us kids would think of using. We only went down there for the annual Christmas Eve party.

We have a surprising number of claims, mostly mold and water, submitted by people that haven't been in their basement in ages. I go down the basement at our house in the morning to exercise. I check the pipes and sump pump. Then another quick check before locking up the house for the night. Recently I found several pinhole leaks in the plumbing lines. A small leak, if undiscovered, can lead to a big problem—see photo.



Dream Team of Claim Adjusters

Cincinnati Insurance aligns specific claim adjusters to specific agencies. The adjusters assigned to our agency are pictured above. They are (L-R) Jenn Hayes, Jeff Shown, Greg Baney and Joe Braner (manager). I lobbied for each one. Before this "Dream Team" was assembled I said I wanted, and our customers deserved, the best. Five years ago I was told that getting Jenn, Jeff, and Greg assigned to the same agency wasn't possible. But it happened.

You may wonder what this Dream Team talks about when they gather around a table. Here is my guess. "I sure like dealing with the Insurance Agency of Ohio. They're cooperative and easy to work with". Or maybe "Their customers are fair and reasonable. Never after more than they are owed". Or "Wouldn't it be great if all customers were like the people insured by this agency".

Homeowners Suspicious of Engineers

Wind and hail storms have battered central Ohio properties for close to 20 years. The insurance industry has been inundated with claims for damaged roofs. Claim adjusters do what they can to inspect the roof and make a determination of damage. Some roofs are too steep to be navigated. Or maybe the extent of the damage isn't clear. In many cases, at a significant expense, our companies hired independent engineers to assist.

It seemed to me that hiring an engineer was positive. However, many of my customers didn't feel that way. They thought the engineer would be biased toward the insurance company that paid their fee. Even though many of the engineering reports confirmed damage, and cleared the way to pay the claim, customers were still suspicious.

Our main company has largely discontinued the use of engineers. They are now using a new third party company at about 1/4 of the price. These new reports just show the condition of the roof. In other words, not as detailed as a full engineering report. Plus, the new reports leave the decision in the hands of the desk adjuster, not the engineer. So far, this new approach seems to be working.



Ring Safety

My wife Lynn left her rings on the window sill above the sink in the kitchen. I cautioned her about the situation and reminded her of the jewelry claims we pay each month.

"I have a ring holder around here somewhere" she said. I delicately asked that she start using it. Then I quietly snapped this newsletter photo. She thinks I only include her in the newsletter when it's something negative. "How come you never write anything positive about me?"

Agent Turns Investigator

In October of 2020 one of our customers pulled away from a stop sign into the path of a motorcycle. The two occupants of the bike were injured, one rather badly.

I asked the insurance company about an accident reconstruction. I was told it was a clear case of negligence on the part of our driver. There was no need.

I decided to do my own investigation. I mounted my phone on the dash of my car and recreated the path of both the car and the motorcycle. I did my test at the same time as the accident to see the traffic pattern. I also wanted to see the position of the sun in case it shielded the vision of either driver. The claim department said they appreciated my effort. However they politely, but firmly, asked that I let them handle the matter.

Should This Roof Claim be Filed?



Katie Watson is our daughter and a partner in our agency. She and her husband live in this house. It was built in 2008 making it 15 years old.

This past summer one roofing company after another knocked on the door. Katie didn't want them walking on the roof. Her industry knowledge told her that was not a good idea. Instead, she contacted a roofer she knew and trusted. If there was damage, he would tell her.

It turns out the shingles on her roof were discontinued by the manufacturer. Roofers could tell that from the street. If the roof was damaged, that meant repairs were not an option. The only solution was full replacement. Hence, the offers for a free inspection. Kate's roofing contractor saw modest damaged in several areas. Was the damage enough to compromise the life of the roof? The roofer could not say.

Insurance people don't like to file claims. Kate didn't want to either. On one hand she paid a premium for coverage and would be eligible to collect for the damage under her homeowner policy. On the other hand, she didn't want to be the type of person that turns a minor area of damage into a full replacement. Plus she didn't want to put an incident on her claim record for no payment. She asked my opinion.

I suggested she turn it in to her insurance company. That was more fatherly advice than business. After a meeting at her home with the claim adjuster and roofer, a claim check was in her account within hours. Once the shingles were selected, the work started. The cost for her new roof was \$2,500, the amount of her deductible.

A few years ago I was faced with a similar situation. I replaced the roof on my house at my expense. My neighbors thought I was foolish as they got their insurance companies to pay for theirs. The roofer that did my work said the shingles were worn but not damaged. That made me feel better.



Family Vacations Few and Far Between

It seems like there was always a reason not to take a family vacation. When the kids were little, money was tight. Then they got involved in sports and summers were busy. And of course I didn't want to leave the business.

Our daughter Kelly organized a trip to Disneyworld in 2017. Her sister Katie organized a trip to Traverse City MI this past summer. The contrasting photos show how much things changed between the two vacations.



Having just turned 67, I find myself looking backward as much as looking forward. Do I have regrets about not getting the family away more often? Yes, a little. Funny thing, I seemed to find time for my golf getaways.

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