



Business, Financial & Insurance Solutions

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How are Your Premiums Determined? The Importance of Marketing

The prior two AlperGrams focused on how your Claims History and your Exposure to Loss impact your insurance premium, based upon our formula:

$$\begin{array}{ccccccccc} \mathbf{C} & \mathbf{x} & \mathbf{E} & \mathbf{x} & \mathbf{M} & \mathbf{=} & \mathbf{P} \\ \mathbf{Claims} & \mathbf{x} & \mathbf{Exposure} & \mathbf{x} & \mathbf{Marketing} & \mathbf{=} & \mathbf{Premium} \end{array}$$

In this issue, we look at the importance of Marketing, the third key factor impacting your insurance premium.

Marketing is the presentation of your company to the insurance marketplace with the goal of obtaining coverage from high caliber insurance carriers at the best price. It is the telling of your company's "story" of coverage needs, loss history, and risk exposures in a way that makes your company an attractive underwriting risk, which secures a cost-effective premium for you.

After completing an analysis of Loss History and Risk Exposure, our experienced insurance brokers begin each new marketing process by formulating an action plan. Their first goal is to close any coverage gaps and to improve required coverages and limits. Specific insurance carriers are then identified to receive our presentation of your company's analysis.

Successful marketing requires positive interaction between the insurance broker and the insurance underwriters. The insurance broker must educate the carriers and demonstrate why your company is a good coverage risk. This may mean actually inviting an underwriter to tour your facility to better understand your business operations. It may involve providing testimonials and referral sources to the underwriter.

Insurance underwriters want to learn that a company is proactive in its loss control and exercises good claims management. During the marketing process, several years of loss control recommendations may be analyzed to demonstrate the company's achievements in that area. The implementation of effective reserve reduction, claim management, and loss control programs also shows carriers that your company is a favorable risk.

continued

Companies Ring In on Employee Cell Phone Use


Cell phones have evolved from a corporate luxury to an essential business tool. With increased usage, however, comes a greater risk of accidents when cell phones are used by employees while driving.

If an employer provides cell phones to its employees, or if cell phones are a necessary part of the job, the employer may be liable if an accident occurs. In some instances, employers have been held responsible because the employee was talking on a company phone, despite the fact that it was after business hours or they were on a personal call.

Banning all cell phone use is often not practical and is difficult to enforce. However, an employer with a cell phone usage policy will be in an improved legal position in the event an accident occurs.

We suggest you prepare a written cell phone policy for your company, including some of the following suggestions implemented by various companies around the country:

- *Require employees to pull off the road before conducting business by phone.*
- *Require each employee who is issued a company cell phone to sign an acknowledgement that phones are not to be used while driving.*
- *Place a warning sticker on company-issued cell phones warning that use while driving is prohibited.*
- *Limit the job descriptions of certain employees so that it is clear their position does not include the use of cell phones while driving.*
- *Hold training session on the safe use of cell phones.*

A policy on cell phone usage will not completely protect your company from liability if your employee is in an accident. But, a strong message about restricting cell phones while driving, implemented consistently through every level of your workforce, will help reduce the accident risks to you and to your employees. 



Employee of the Quarter RUDY NEGRON



Rudy has been an Alper Team Member for over two years. He is an Account Executive/ Producer in the Property and Casualty Division, with 12 years of successful experience in the insurance industry.

Rudy Negron provides brokerage, risk management, and consulting services to diverse middle-market Clients. He uses his expertise to proactively help his Clients reduce their risks, which reduces their premiums.

Rudy resides on the south side of Chicago, and in his spare time, enjoys playing basketball and traveling .

We are very proud to have Rudy on our Team. He is energetic, knowledgeable, enthusiastic, and eager to be of help to our Clients. We look forward to him climbing the ladder of success with Alper Services. 🚩

Reduce Your HR Risks

To help reduce our Clients' risk exposures, we have added a Human Resources Consulting service. In this complex world, reducing HR exposure to risk is the essential umbrella needed to protect a business/enterprise.

We provide an array of Human Resource Services, including Talent Acquisition, Interviewing, Reviewing/Developing Employee Handbooks and Job Descriptions, Employee Records and Documentation, Hiring Practices and Processes, Employee Communications, On-site Visits as HR Advocate, Orientation Programs, Performance Management, Conflict Resolution, Termination Practices and Processes, and Human Resource Strategy & Operations. We also provide a "Hot Line" that will assist you on everyday HR issues, so you can receive near-immediate objective guidance on sensitive issues.

Call Cindi Elstien to learn how to maximize the potential of your greatest asset (your employees) and minimize your risk: 312-867-7352 or e-mail CElstien@AlperServices.com 🚩

The Importance of Marketing *Continued*

A company, which at first glance may appear to be a poor risk, when properly marketed may obtain coverage at an attractive premium. With creative marketing, even notoriously difficult risks such as environmental and products liability, may obtain cost-effective and tailor-made coverages.

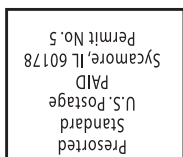
The best carrier for your company may not always be the one with the lowest premium. By marketing your specific requirements to select carriers, a comparison

may be made between risk credits, experience modification savings, loss savings, insurer solvency, claims management savings, and many other factors.

Using our formula and marketing techniques, we are able to present you with broad coverages at the most realistic pricing to meet your needs. These are the tools you need to make an intelligent insurance purchase decision. 🚩

The information in this newsletter is provided for general information only. Specific implementation and action should be undertaken only after individual consultation with Alper Services and/or legal advisor.

**PLEASE NOTE OUR NEW ZIP CODE
(60654) EFFECTIVE JULY 1**



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