



## Five Ways To Keep From Getting Clobbered In The Current Insurance Marketplace

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The current insurance market puts business insurance buyers on the receiving end of huge premium increases. Workers' compensation, property and liability insurance renewal rates are, in many cases, doubling. Here are some tips to help you control your premiums.

### **Start The Process Early**

You need at least 90 days to "work" the renewal of your business insurance. Starting four months in advance is not out of line. It takes time to develop bid specs, gather the information and data that underwriters will need.

Talk with your insurance agent. Find out what they expect from your insurer. Ask about premiums and coverage. Many carriers are adding exclusions and restrictions to renewal policies.

### **Let Insurers Compete For Your Business**

One agent quoting your business with three insurers is not competition. Competition is making sure your agent sharpens his or her pencil to keep your business. Let two or more agents fight for your business. It is only natural that an agent will work harder when there is the threat of losing your business.

### **Present Your Best Face To Insurers**

Getting good rates, in part, depends on you. Put your best face forward to your current and potential insurance companies. Show them you are a quality risk by having policies and procedures in place to control losses and manage claims.

Housekeeping is important when inspectors are coming to evaluate your operation. Do a pre-inspection walk through looking at your operation as an insurance company would. Make sure fire extinguishers are up to date and properly located. Electric panels and appliances should be properly installed. Extension cords should be removed or replaced by hard wire outlets. Pick up trash and clean-up storage rooms, shop areas and warehouses.

### **Review Coverages For Value**

Over the past ten years insurers and insurance buyers have added coverages and protection to insurance programs. Review all of your coverages to determine true value in the light of current premium levels. Many business owners added earthquake, flood and machinery coverage at no additional premium in the days of lower prices. Those coverages may no longer be "free". Is the coverage worth the current premium? Are your premium dollars better spent in other areas?

### **Get Help**

There are three players in the insurance transaction: insurance company, insurance agent and insurance buyer. Few insurance buyers really understand insurance or the insurance marketplace. Most spend relatively few hours each year on insurance. The complexity of the insurance world puts insurance buyers at a tremendous disadvantage. An insurance consultant can level the playing field.

Quality cannot exist without equality of knowledge and information. A consultant brings such to the insurance buyer without the "entanglements" of an agent who works for the insurance company. Insurance Consultants of Maine sells no insurance. We never accept a commission, fee, or other remuneration from an insurance company or agency. Our work always pays for itself.

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