



Ralph Guarasci



Like so many of our customers I was faced with the choice to file a claim or pay for the damage myself. There is already a \$2,029 auto claim from 2017—a hit and run in a parking lot.

Over the past few years I've paid out-of-pocket for several home claims in the \$3,000 to \$5,000 range. I pondered the matter for a few days and then decided to make the claim. After the \$500 deductible the policy paid \$4,712.

### Hard to Explain How Car Hit House

“Promise you’re not going to kill me”. It was my wife on the phone as she explained that she hit the side of the garage with the car. I told her not to worry as I had a special solution that rubbed paint stains off cars. “You won’t be able to rub this out. It’s really bad”. The car damage turned out to be \$5,212—see photo.

Lynn and I were outside shortly after the incident and our neighbor stopped over for a look. Turns out his wife has hit their garage quite a number of times. “Just being careless” he offered. Lynn said she was not being careless. She was not on the phone, distracted, or in a hurry.

After a pause our neighbor offered “then perhaps just an accident”. Lynn said it was not an accident. A car accident is when someone does something wrong.

After another pause he asked how she would explain the damage. “It just happened” Lynn said. “You know some things just happen, that’s all”.

He looked at me. I looked at him. We had the explanation. It just happened.



Many of my readers know that Katie and Kelly are our twin daughters. I often hear good things about them. I know what you’re thinking—just like their mother.

### Special Attention Boosts Claim Payment by \$9,000

Cyber Insurance refers to damage claims arising out of a computer breach or hack. It’s a rapidly growing area of the insurance industry as companies figure out what to do if their system is compromised.

A business account we write filed a claim due to a computer attack. The costs were paid less a \$10,000 deductible. During a department meeting Kelly Johnston (right) remembered a memo about how the insurance company changed the deductible for all policies of that type. A reading of an internal bulletin confirmed that it was changed to \$1,000. We alerted the insurance company who sent a supplemental check for \$9,000.

The customer sent a thank you note to the agency. “Good work by Katie and your team” it said. Katie (left) and Kelly are twins so they are used to this type of mix up.



This past summer I bought a new air conditioner. I asked the contractor about theft protection. "You won't have a problem in this neighborhood" he said. I took no comfort in that because my next door neighbor had an AC unit stolen. A cage ran \$750 so I looked for something different.

It was suggested that I lock the access to the AC electricity. Reason being, it's harder to steal a unit with live electricity. The panel was easy to find and a lock was inexpensive.

The next step is to install some type of security lighting.



There have been several cargo claims in our book of business this year. In one case an item never reached the destination and the claim was \$32,706. In another claim the item was damaged in shipment resulting in a \$56,216 payment.

In each case our customer filed a damage claim with the shipper. Unfortunately the shipper only offered a small payment based on the weight of the damaged goods. Both of these pieces were precision electronic items valued at 10 times what the shipper offered.



My son Dan and I worked together to write a policy for a \$3.5 million home. The insurance company made a loss control visit which I attended. The house easily passed the inspection with one exception—the washer hoses were rubber instead of braided metal.

According to the loss control rep rubber hoses only last 4-5 years. Older than that and a bulge or break becomes a real risk. Water claims in a large home can run as high as \$1 million.

Later that day I looked at the hoses in our house. They were rubber. For less than \$30 I bought braided metal ones at Lowe's. I'm not very mechanical but was able to install them in about 20 minutes. Above photo was taken just before I pushed the washer back into place.

## News From Around the Agency

Insurance Agencies of Ohio is the trade name we've used since the merger of Parrish McTeague Insurance and Dunning Lathrop Insurance over 25 years ago. We've been one agency for so long that our trade name is now Insurance Agency of Ohio.

Donna Osborne, Personal Lines Coordinator and Kathy O'Keeffe, Front Desk are both scheduled to retire in the summer of 2020. Donna has been with us for 17 years, Kathy for 24. 'You will be bored in retirement' I tell them. 'Plus you will miss us and the customers that have become your friends. Why would you leave such a great job?' To date neither has reconsidered.

Paula Hamilton celebrated her 35th year with the agency. She joined the agency six months after me. After starting as a policy rater she advanced to customer service. Now she handles IT, HR, accounting, legal, facilities and administration. Whenever something goes wrong in the agency you can hear a chorus of "somebody find Paula".

## **From the Claim Department**

\$67,000	A plumbing contractor was hired to move a drain line in. A pipe fitting was left in the line causing a back up. Extensive damage to the residence. Insurance company for the plumbing company paid the loss as a general liability claim.
\$8,372	Front loader operated by paving contractor collided with a car. Equipment operator told the police officer the vehicle operator was speeding. Officer didn't buy the story and cited the equipment operator. Liability claim paid by the insurance company for the contractor.
\$181,250	Attendee at a public gathering was injured in a hospitality tent. Medical cost and lost wage claim was significant. In discovery the injured person was found to have contributed to the fall. Multiple insurance companies involved and the claim against our insured was settled during mediation.
\$7,594	This claim arose from an apartment. A handrail broke causing a visitor to fall and suffer injury.
\$ 0	Construction defect claim against contractor. After the initial claim was filed, there was no contact, cooperation or follow up by the contractor. Insurance company tried many times to investigate. A lawsuit was filed that led to a default judgment against the contractor. Insurance company denied the claim because there was no cooperation by the contractor and no notification of the suit.
\$22,156	Commercial truck sitting at a traffic light. Light changed and truck was put into motion. It caught fire and was destroyed.
\$34,006	This is a homeowner claim. Hail and high winds damaged the porch and roof. Also some interior water damage.
\$63,001	Total loss to late model luxury car. Mattress flew off pickup truck coming to rest on the highway. Several cars swerved because of the object on the road. A collision resulted in which the insured car was destroyed. Insurance company plans to pursue recovery (subrogation) against the truck owner.

## **Undercover Roofing Contractor**

I'm a second generation roofing contractor. My father started the business nearly 40 years ago. I worked summers until I was old enough to go full time. Now I have my own company.

My father didn't do hail damage jobs. He's never seen a roof in Ohio damaged by hail. He says it takes a golf ball size hailstone to damage a roof and Ohio doesn't have that type of hail. Maybe Texas, Kansas or Oklahoma but not here. Because I learned from him I don't do hail damage roof replacements either.

Wind is a different story. When shingles are blown into the yard there is no question that damage has occurred. My father would deal with insurance companies for wind losses. I do too.

After a hailstorm I get plenty of calls. I try to decline but callers often insist that I take a look. They've already been told by another roofer that damage has occurred. They prefer to use me because of my reputation. When I look at the roof guess what I find? Nothing. The customer gets upset because I won't help them file a damage claim with their insurance company.

Sometimes I get called back because the homeowner got a check from their insurance company. I don't know how that happens. For a good customer I will accept the job but it doesn't seem right to replace a roof unnecessarily.

## Key Man Life Insurance—5 Years Later

Mark Larkin passed away unexpectedly in late 2014. Mark was a principal in our agency and serviced a large book of accounts. He developed a lot of new business and worked tirelessly to meet new people and promote our company. Personally and professionally he is missed.

The agency had a “key-man” life insurance policy on Mark. The agency owned the policy, paid the premium, and received the proceeds. Shortly after Mark passed, one of his key accounts left the agency. The owner told me it was nothing personal. They had promised the business to a family friend if anything should change with Mark. The majority of Mark’s accounts have remained with the agency, but not all. Having the proceeds of the life insurance policy helped cover the lost commissions.

After his passing Mark’s accounts were reassigned to other agents in the office. Servicing them took time away from selling new accounts. The policy proceeds helped cover the reduced production of the agents working with Mark’s clients. Lastly, the policy payment helped cover the loss of Mark’s new business production.



A newspaper reporter once compared my junior golf game to the young Jack Nicklaus. I never played professionally. Like many golfers my path led to the insurance industry.

### Golf Champion Going Strong at Age 79

Jack Nicklaus Delivers 90 Minute Speech to Agent Group

Insurance agents attend conventions in great places. This past summer my wife and I attended a conference in San Diego. Imagine my excitement at hearing that Jack Nicklaus would be a featured speaker.

Several weeks before the conference I got a phone call from the conference organizers. I was asked to introduce Mr. Nicklaus to an audience of nearly 1,000 people. Gulp.

My family has a long history with golf and Scioto Country Club. Charlie Nicklaus, Jack’s father, joined Scioto Country Club in 1950. My father and uncles caddied and worked there during the 1940s and 1950’s. It gave them a front row seat as young Jack developed from a 10-year old beginner to a national champion before age 20.

I was handed an introduction to read at the conference. About an hour before Mr. Nicklaus was to take the stage I asked him if I could tell the family history instead of reading the prepared introduction. “However you want to do it is fine with me” he said. “By the way how is your dad? Haven’t seen him in a long time. And your uncle Teddy? Say hi to both of them for me”.

### From the Mailroom

Dear Ralph,

I sent your Summer 2019 newsletter to some of my best friends. Vladimir Putin loved the article titled “Undercover Claim Adjuster”. It reminded him of his days in the KGB. The article about your wife and the dishwasher leak was a big hit with Kim Jong-un. I had to tell him how a dishwasher worked. I’m not sure what Prince Bin Salman thought as your newsletter didn’t translate well to Arabic.

President Donald J Trump

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