

FullCover



WELCOME TO FULLCOVER WHERE ROTHBURY HIGHLIGHTS THE KEY ISSUES INVOLVED IN PROTECTING YOU AND YOUR BUSINESS.

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A mighty big share

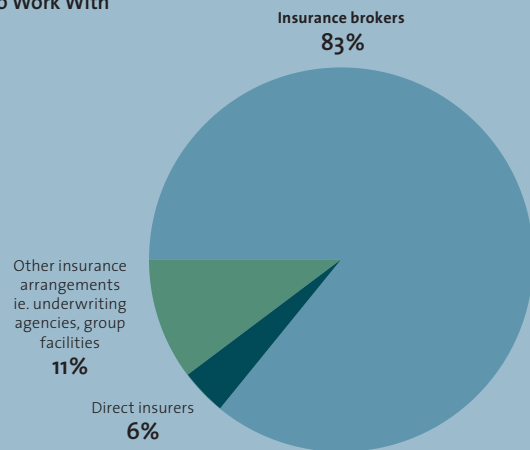
The results of a recently concluded survey show just how significant brokers are in the business market. Insurance brokers are still by far the most popular when it comes to getting insured in the commercial insurance market with a share of 83%, according to the latest JP Morgan Deloitte General Insurance Industry Survey in Australia.

Though the results are from across the Tasman, the situation here would be similar.

Direct insurers have just 6% of the commercial insurance market, despite a prediction at the turn of the century they would generate up to 30% of total direct sales by 2004.

In personal insurance, brokers take an 8% share while direct insurers dominate with 67%. Predictions that the Internet would revolutionise the way insurance products are distributed have also failed to come true. Brokers surveyed for the report say the Internet has failed to gain popularity within the commercial sector as a transactional tool mainly because customers prefer to talk to someone face to face.

The Business Insurance Market – Who Businesses Are Choosing to Work With



Out with the old and in with the older

ROTHBURY HAS BEEN IN BUSINESS FOR NEARLY 60 YEARS – WE HAVE STRONG TRADITIONS, A GREAT HISTORY, BUT WE’RE STILL SPRIGHTLY AND FULLY EQUIPPED WITH WHAT IT TAKES TO HELP OUR CLIENTS IN THE 21ST CENTURY.

Some may know that our roots go back to two separate businesses, Commercial & General on the one hand and Rothbury on the other. When we merged and became C&G Rothbury in 2005 it was the start of our journey to be a truly great New Zealand company. One driven by passionate people committed to the future financial security and success of our clients.

The name we adopted, C&G Rothbury, was a statement of these combined entities and cultures and signified the partnership that had been formed.

Much as we liked our C&G Rothbury name we’ve been listening to our clients who told us that our name was causing some frustration. They told us it was a bit of a mouthful, that it lent itself to some confusion and could be simplified.

We had to agree and responded by going back to the ‘basics’ of simply being Rothbury.

Rather than just nixing the C&G element we developed a fresh look for this ‘new/old’ name. It is building on our past identity but with some attractive ‘sprucing up’. You’ll notice

that we’ve introduced a stronger mix of blues and greys and a new brand device that represents our partnership with our clients and business partners.

We’ve started refreshing all of our material, so keep an eye out for our new name.

Could this be your worst nightmare?

IMAGINE, AS AN EMPLOYER, YOU THOUGHT YOU HAD FOLLOWED DUE PROCESS AND YOUR AFFAIRS WERE IN ORDER ONLY TO FIND YOURSELF LIABLE IN AN EMPLOYMENT CLAIM. BEFORE ENTERING INTO 'THIS COULD NEVER HAPPEN TO ME' THOUGHT MODE, READ ON.

They say lightning never strikes twice, let alone thrice, but that is not the case when it comes to crime. In fact, and understandably, three armed robberies left an innocent employee suffering from post traumatic stress disorder (PTSD). As an employer your pity and compassion might be all you think you'd have to part with, but that would be a wrong call. In fact, in an Employment Court decision, an employer's breach of duties was as much a contributor to the on-set of the mental malady as were the robberies.

Here's what happened and what led to that finding.

Late in 1998, the unsuspecting employee started work as a barman/cook at a tavern owned by a particular Trust. Early on in his tenure he was involved in three violent armed robberies in a row. To make matters worse, and contribute to the trauma, no one was apprehended in any of the robberies letting the mind wonder if the perpetrators might return at any time.

After the first robbery the staff involved recommended security measures, but only a few preventions were instigated. More importantly, the staff were still left to their own devices on how to manage a robbery versus being given some formal training... and even counselling.

Two more robberies took place where the employee was on the receiving end of the terror. End result? He was left distraught and terrified and did not return to work again. The Trust provided counselling and financial support, but when his period of paid sick leave expired that assistance stopped.

He attempted to start work again – this time for a different employer – but he was unable to hold down his employment. He decided to take the matter to the Employment Court.

The employee argued that his employers bore some responsibility for the loss of his health and his ability to work. This was especially the case, he argued, given the request for some form of protection and safeguards post the first robbery.

The employer argued otherwise and claimed all had been done to help the man – and in fact made the suggestion that the onset of PTSD could have happened from some other life event rather than the spate of robberies.

The judge ruled otherwise. He found that the Trust – given the nature of their premises – should have known there was a real and substantial risk of an armed robbery at the tavern. This being the case the onus was on them to provide a large number of reasonable security measures before the first robbery. Furthermore, the Trust



failed to take all reasonably practicable steps to try and prevent harm to their staff immediately after the first robbery and, again, after the second one.

As a result, the judge found the employer liable, awarded costs in favour of the employee plus legal costs. The claim on the employer's Liability Policy was expected to reach the limit of their indemnity of \$500,000.

It can truly be a jungle out there if employers don't recognise, accept, and do something about their duty of care to employees and making sure the workplace is safe. Even when an employer believes they have done everything necessary, there is always the possibility of legal proceedings. An Employers Liability insurance package can help to protect what matters in the business. This sort of protection provides cover for claims made by employees for injuries or illness occurring in the workplace that falls outside the scope of cover provided by ACC.

Talk to your Rothbury broker to make sure you are well and truly protected from what could be your worst nightmare just waiting to happen.

More of the words that make up our world

HERE ARE SOME MORE CONCEPTS THAT MIGHT HELP YOU IN MAKING SURE YOU HAVE ALL THE COVER YOU NEED.

Employers Liability Insurance provides cover for claims made by employees against employers for injuries or illness occurring in the workplace that fall outside the scope of cover provided by ACC.

Indemnity – The process or undertaking where the insurer provides financial compensation for loss insured under the policy. The principle

of indemnity is based on the insured being returned to a position no better or no worse than they were in prior to the loss.

Limit of Indemnity – The maximum amount that an insurer will provide indemnity for in respect of any one claim, and /or in any one policy year.

We have some claims to make

IN OUR BUSINESS, THE REAL TEST COMES WHEN IT'S TIME FOR YOU TO MAKE A CLAIM. OUR SUCCESS IN THIS AREA IS A TRUE MEASURE OF HOW GOOD WE ARE AT WHAT WE DO.

Here are some facts – and figures – that should continue to give Rothbury clients a decent chunk of peace of mind.

- **\$30m** the value of our clients' claims over the last 12 months
- **9,500** the number of claim situations managed by Rothbury Claims Specialists in the last 12 months
- **13** the number of Rothbury Claims Specialists spread throughout our national network of branches
- **10** the minimum number of times a Rothbury Claims Specialist follows up behind the scenes with the insurer, assessor or other third party when managing a client's claim
- **6** the number of times, on average, a Rothbury Claims Specialist will give a client an update on how their claim is progressing

Underpinning these statistics is a number of standard practices we employ to make sure we truly do our best at what we do.

Service Level Agreements – What they mean to you

Over the last few years our National Claims Manager, Liz Laird, has been putting in place agreements with insurers that mean a better claims service can be given to you.



The agreements are called Service Level Agreements and they guarantee a level of service and timeframes that the insurer will work to. Liz has truly covered the market as we have Agreements in place with all of the main insurers such as AMP, Vero, NZI, QBE, Lumley, AIG and China Insurance.

Guaranteed Claim Acceptance in 5 days

One of the main clauses we've fought to have as part of these Agreements is the timeframe in which an insurer will accept a claim. We negotiated hard on this clause with a good result. All of our Service Level Agreements guarantee notification on whether a claim is accepted or what further information is required within 5 days*.

For the majority of claims this means no long waits before undertaking repairs, or before starting negotiations on settlements.

*Two Service Level Agreements are 7 days.

Fairer Claims Settlement

Assessors are often involved in claims and one of the clauses we have in our Service Level Agreements with the insurers is that we have access to the Assessor's report.

Again, this is important for us to help you as the information provided by an Assessor helps to evaluate whether an insurer's decision is of fair value. If the assessor and the insurance company aren't in synch or agreement, being privy to the Assessor's report gives us the ability to then step in and negotiate a settlement we think is fairer.

The King of Fencing



CLIENT NICK LIEFTING (NICK LIEFTING CONTRACTORS LTD),
WORLD FENCING CHAMPION 2008

ROTHBURY CONGRATULATES A NEW ZEALAND WORLD CHAMPION... AND VALUED CLIENT!

South Auckland-based Nick Liefing is a fairly typical Rothbury client. His is a family business and he has been our client since the early 1990s. Nick runs the family fencing business, carrying out fencing contracts and related work building dams and culverts, retaining walls and foot bridges. It's mostly commercial and farming work and Nick is an expert at what he does.

Nick has competed in the New Zealand National Fencing Championships for over 30 years. Last year, Nick was invited to compete at the bi-annual World Championships held in Germany.

The opportunity required some minor adjustments which Nick took in his stride.

He explains: "Though the electric fence we were supposed to build is not a common type that we would usually do here in New Zealand, it was not a big deal. Having worked in the industry for such a long time, the only preparation I did was fitness training."

"We were judged on three aspects – tension, time and quality. So, the first person to finish is not necessarily the winner. I didn't finish first, but still won because of better overall performance."

At the age of 53, he was the oldest competitor at the World Champs. But age seems to be just a number for this competitive fencer.

"Initially I looked at participation as a business profiling exercise as qualifying for the national final does generate good publicity. As time went on I changed my view and now participate purely from a sporting point of view, even though the commercial spin-offs are still there."

Nick said he's already planning on defending his title in another two years.

"I can only say how proud you feel seeing your country's flag go up, with the national anthem playing in the background."

Hesitation could bring loss

AN OUT OF DATE BUSINESS INSURANCE POLICY MAY NOT BE WORTH THE PAPER IT'S WRITTEN ON.

So, how often should you review your insurance cover? There is no universal answer as it can vary from business to business. The important thing is to make review a regular part of your business practice and let your Rothbury broker be part of the process. Most insurance accounts and policies are annually renewed so a once-a-year review could be sensible to see if any changes are needed.

You should also think about assessing your protection whenever your business:

- Gets larger or smaller
- Changes it's nature, for example when it diversifies into new business, markets or products
- Relocates
- Evolves in such a way that the risk changes
- Purchases new plant or equipment
- Vacates a building or a building becomes untenanted

With the current economic downturn it seems likely that there will be an increase in the amount of vacant property around. Be aware that whenever buildings are left vacant, or only occasionally used, they pose a higher risk of damage due to vandalism, arson, undetected weather damage and so on. Many insurance policies will impose special terms and conditions with regards to vacant buildings.

Again, a call to your Rothbury adviser could be time well spent.

Personal Insurance

ANY MAJOR CHANGES AT HOME THAT WE SHOULD KNOW ABOUT?

If you've made any major purchases, or changes at home, make sure that you have the proper coverage. And, don't forget about gifts. If you have received expensive jewellery or a member of your family has bought you expensive artwork or electronics talk to your broker about increasing the amount of insurance you have. If something is really special it may be a good idea to specify this item in your policy.

If you've made major improvements to your home – such as expanding a kitchen or bathroom, or adding a new room – you run the risk of possibly being underinsured. A starting point is to check the square meter-age on your policy to ensure it's up to date. Another good practice when doing any work on your home is to check with your broker to see if you need to take out Contract Works insurance. The current policies for your home and contents may not provide cover for your existing home during alterations, unless the insurance company agrees to extend cover during the period of work.

Comings and goings

Marriage, divorce or adult children who move back into the family home can all affect your insurance. You may need to add additional coverage if there is a sizable increase in the value of belongings in your home. Similarly, with less to protect it may be smart to have protection that reflects your current circumstances.

Home work

Starting a home-based business can also trigger changes in your coverage or you may need a business specific policy to get the full benefits you'll need to protect your business.

Again, a call to Rothbury can only help.

Our locations



Rothbury Northland
T: 09 438 5457
Dave Webb
Branch Manager



Rothbury Tauranga
T: 07 579 0755
Mathew Gibbard
Broker



Rothbury Ashburton
T: 03 308 9612
Kevin Holmes
Branch Manager



Rothbury North Shore
T: 09 488 1319
Mark Kreling
Branch Manager



Rothbury Hawke's Bay
T: 06 835 2770
Kim Matthews
Branch Manager



Rothbury Otago
T: 03 477 8217
Peter McAuliffe
Branch Manager



Rothbury Auckland
T: 09 579 9551
Jeff Briggs
Branch Manager



Rothbury Wellington
T: 04 472 9373
Chris Hughes
Branch Manager



Rothbury Central Otago
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Queenstown T: 03 442 6705
Phil Thompson
Branch Manager



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Liz Laird
National Claims Manager



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