



## Advertising Is a Changing Medium

The traditional model of business advertising—e.g., hiring an outside firm—is changing. Even businesses that continue to farm out such services are taking a more hands-on approach to the message and the channels through which it is delivered (e-mail marketing, social media, etc.).

As more businesses keep greater control of advertising in-house, the ability to transfer liability resulting from advertising-related exposures dwindles. Such exposures may include copyright or trademark infringement, false advertising, or even libel or slander.

Most businesses have a general liability

insurance policy that covers such exposures to a point. However, as the media for delivering advertising evolve, so do the

limitations of standard insurance policies.

For example, if your business is planning to launch an aggressive campaign to steer prospects to your Facebook page and something on that page causes a claim of liability against your business (e.g., copyright infringement), the claim may not be covered by your general

liability policy. Often, a special policy can be obtained to cover such claims and should be discussed with your insurance agent.



## Insuring Against Acts of Terror

Many businesses don't feel vulnerable to terrorism and may choose not to purchase this coverage. But not having this insurance could prove devastating in the event of an attack at or near your place of business.

Insurance coverage for acts of terrorism is available as an amendment to a commercial property insurance policy and is sold through private insurance companies.

Typically, if such an act were to cause more than a specific dollar amount of overall property damage (in 2016, this amount is

\$120 million), resulting property damage losses would be paid through a combination of funds from insurance companies and the federal government. Businesses could use these funds to repair damaged buildings, equipment, furnishings and inventory. The insurance may also help to cover losses to your business's income resulting from an attack.

To learn more about this important insurance and why it may prove essential to your business, call your agent today.

## Outsourcing for High-Tech Help



The dearth of qualified candidates in some technical fields has made hiring top talent impossible for some businesses, but the tasks still need to get done. In lieu of a full-time hire, small businesses often contract for such services. While that solution may provide quality services at affordable prices, it does carry with it some risk.

For example, an un- or under-insured software programmer who commits a programming error while building or repairing your office network could cost your firm thousands of dollars in direct damages, lost clients, embarrassment and frustration. Remember to protect your business by demanding that contractors produce a certificate of liability insurance; then, review it with your insurance agent before you sign on with that contractor.

Your agent can help you understand the insurance carried and its adequacy based on the work you need performed. If the contractor is unable or unwilling to produce a certificate of insurance, hire someone else; the risks are simply too great.

## Fleet Purchase? Consider Safety First

When buying a new vehicle for your business, what factors are essential? Of course, there are the usual considerations: price, functionality, fuel efficiency and cost to insure. But how many businesses also factor a vehicle's safety rating and analysis into the purchase decision?

It goes without saying that employers must take every precaution to protect the well-being of workers. Thus, vehicle safety should always be a top priority in deciding which vehicle make and model to purchase. The Insurance Institute for Highway Safety (IIHS) offers safety ratings and analysis for all major makes and models of cars, pickups and vans.

On its website, [www.carsafety.org](http://www.carsafety.org), business owners can review an abundance of information that may prove helpful in deciding what to purchase. Crash test data, videos, recall information and other important news are all available. The detail that goes into the research—everything from impact resistance to the strength of headlights—is evaluated in order to provide the most helpful data for your buying decision.

Diligence in fleet or company car purchases is an important component in your risk management program and could reduce your projected losses. Talk to your agent about your quality safety management.

## What VW Teaches Us About D&O

As executives at Volkswagen scramble to save the once-beloved automaker's image, directors and officers of firms from all types of businesses should take heed: the road to recovering a profit-producing reputation is a long, painful and expensive one.

While extreme, the Volkswagen crisis reminds those at the top of firms—even those who are not negligent—that they can still be brought into claims of wrongdoing from stakeholders, customers and employees. If you are an owner, executive or director of a business, consider that such claims, even if ultimately proven erroneous, can be expensive to refute. For this reason, it's wise to review your firm's directors and officers (D&O) liability insurance policy annually.

Such policies vary and may cover only those claims brought against the firm itself. Others may include coverage for claims brought against individuals, often including claims alleging violations of employment practices. While there is a wide arrangement of options, one thing is clear: a business operating without D&O liability insurance is exposed to expensive claims that could lead to irreparable financial damage to the business and/or individual executives.



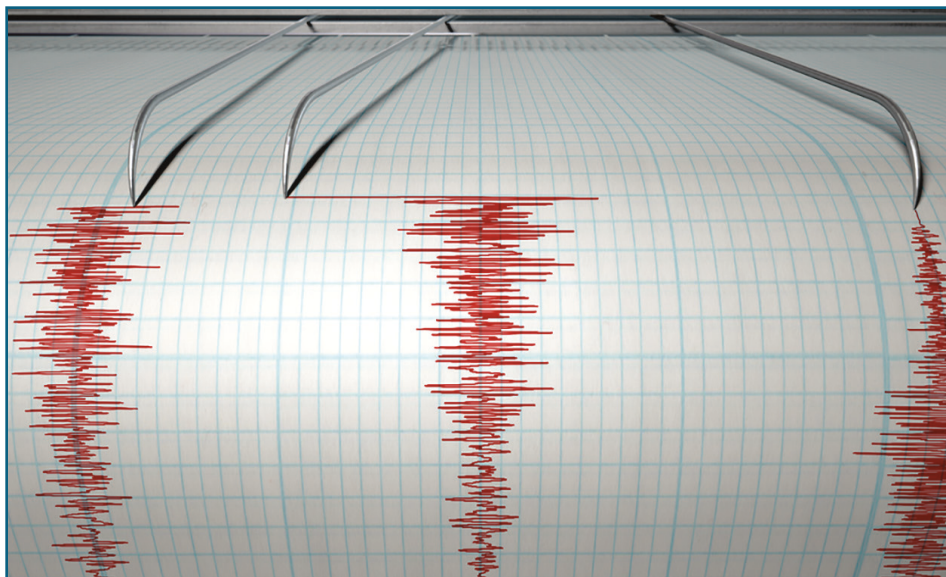
## Earthquake: Direct and Indirect Damage

Recent earthquakes in Japan provide an unwelcome but important reminder: Earthquakes occur with very little or no warning and can strike anywhere at any time.

Such events can cause widespread property damage, from minimal breakage to foundational damage. Even if your business is outside of a high-probability zone, you should consider the impact such an event could have on your business. Those considerations include insurance for your building's structural components as well as its contents.

Beyond an earthquake's direct impact are its effects on your business operations caused by damage to your supply chain. For example, do you know where your major suppliers and buyers are located? If those suppliers or buyers were to cease operations due to earthquake damage, what would the economic impact be on your business?

Even if your business is insured



for supply chain losses, such insurance likely does not cover loss resulting from an earthquake unless the insurance policy has been specifically

amended to do so. Let's get together and look at your exposures to earthquakes and make sure your coverage doesn't leave you on shaky ground.

### Top Business Concerns for 2016

Cyber incidents, loss of reputation, and new technologies: these three risks, according to a recent study by Allianz, are among the most significant business risks for 2016.

Cyber incidents, such as cyber crime and data breaches, are of the greatest concern, according to the study. And loss of reputation, such as damage to brand value, is followed closely by new technologies, such as the increased reliance on interconnectivity, as factors that keep business leaders awake at night.

While some elements of each risk category may be insurable through standard insurance policies, the

unique nature of many such losses will require special coverage. For example, many businesses have a general liability insurance policy

**Standard property insurance policies will not cover economic losses caused by perils such as lack of Internet connectivity or network access.**

intended to cover losses stemming from bodily injury or damage to tangible property. However, such policies often do not cover losses

related to cyber exposures such as data breach. Similarly, costs associated with public relations needed to repair a damaged reputation are typically not covered by standard insurance.

While standard property insurance policies will cover losses caused by events like fire, wind and hail, they will not cover economic losses stemming from risks such as lack of connectivity or network access.

Your insurance agent can help you look past traditional insurance products with the purpose of designing an insurance portfolio around your primary concerns.

## Insuring the 'Smart' Office

Thank you for  
your referral.

If you're pleased with  
us, spread the word! We'll  
be happy to give the same  
great service to all of  
your friends and business  
associates

Kitchen appliances that connect to your smartphone. Irrigation systems that are controlled from your computer. HVAC and security systems that supply endless data to your tablet. Welcome to the office of today.

As more business owners replace old building systems and appliances with newer, "connected" models, the sentiment in those workplaces is quickly shifting from "wow, that's cool" to second nature. After all, why shouldn't someone's smartphone receive an alert when the thermostat needs to be adjusted?

However, "smart" devices, though prevalent, remain expensive. That means building owners making investments in such devices should be sure to review their commercial property insurance policy. While some insurance policies cover the cost to replace such devices with similar models, others might not automatically do so. Be sure your betterments are insured for their true value by reviewing your upgrades with your agent.