INSURANCE Roundup

Winter 2008

Western Agency, Inc. GROUP

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Minot, North Dakota 58701

Things in the Car:

Also, things carried in the car, are most likely not going to be insured under the auto policy. This could include, laptop computer, tools, or guns. In the case of farm truck tools, portable welders, portable fuel tanks, and farm chemicals. Virtually all of these items have to be covered under the home or farm policy. Again, the cost is virtually nil to have this coverage in place, and you may already have it, but why find out after a loss that you didn't have the coverage. Call us before you have a claim, so we can check it for you.

Finally: You have kids driving your cars, you tell them not to drive other people's cars; you tell them not to let anyone drive your car. They do it anyway. You end up with a huge loss where there is inadequate coverage. You are spending thousands to send kids to school. For a mere few hundred dollars you can purchase an umbrella liability policy that will protect you and yours from catastrophic liability loss. It just takes a few minutes for us to get you a quote. We have sold over 150 of these needed policies in the past 12 months. Call us.

Auto Insurance Information You Won't Get From a Telemarketer Agent or a Lizard

PDR Explained: PDR or Paint less Dent Repair has been around for quite some time. What the process does is repair damage to an auto without using the old process of sanding, filling in and repainting the auto. Primarily, PDR is done to repair minor hail damage or a rock strike, or in the case of Linda's car a couple of weeks ago hitting a blackbird. I guess the reason for putting this article in the newsletter is that this relatively new process has been somewhat suspect as to whether or not it can fix damage correctly or is it just 'cheaper.' A month ago, I was coming to town and out of nowhere a hail stone hit my car. I hurried and turned around to head back to the house and really, I think I just drove back into the hail storm. Whatever, I drove home and parked in the machine shed until the hail was over. Problem was I had about 15 nice big hail hits on the Tahoe. I stopped over to Wade's Autobody for an estimate of the damage and he said, "Chuck PDR will take all of these dents out and you won't even have to sand and paint the car." Wow! I was impressed. When Wade tells me something on fixing a car I consider it gospel. So, they fixed my car, (it only took part of one day instead of the 3 or 4 days needed for a paint job) shined it up, and parked it in my driveway the next day. I absolutely could not find where the dents had been. Amazing. Folks, the process works: I think PDR is here to stay.

Small cars anyone? I suppose I am not being Green enough here, but according to the Insurance Research Council, claims are 14.2% higher on lightweight vehicles than on medium or heavier vehicles. Also, there is a provable 12% higher instance of severe injury in the lighter vehicles. Simple physics folks. Nationally, people that are injured in the lighter vehicles affects more of us than those injured in the Iraq war.

Auto Insurance Fine Points: Let's say you purchase a nice new car. Statistics show that the car will most likely depreciate 20% the day you drive it off the lot. Then it will depreciate 7% to 12% a year after that even if you only drive average miles. Now add finance costs, extra wear and tear, and you may find yourself in the situation auto dealer's call "being upside down." In other words, you owe more on the car than what the car is worth. The standard auto policy will only pay the book value of an auto. If you have a situation where you may be 'upside down' on the value of the vehicle there is a replacement policy available from many insurers to cover the problem. It is called Lease Gap or Auto Replacement Coverage. It is a good idea if you even think you may have such a situation to give us a call, and we can add this coverage for you. This coverage is not expensive. This is good advice and not the type you will get from a telemarketer agent or a lizard. Call us.

More Fine Print: You buy a car; you are going to insure it in the morning, but before you call your agent, you go drive the vehicle, and you wreak it. There are many cases such as this; don't ever assume you have automatic coverage. In many instances, there is simply no automatic insurance coverage and as a result you may end up owning and paying for a vehicle that is a total wreck. Buying a car? Call us now!

Low Auto Limits: Here is some more information you won't get from a lizard, or a cute TV telemarketer. There are many cars, trucks, and semi tractors worth more than $100,000 on the road today. For that matter, there are many more worth over $250,000. An example of a high end car would be a new 500 series Mercedes. They are usually worth in excess of $150,000. Let's say you get careless and rear end one and total it. If you have only $100,000 of property damage on your auto insurance policy, you are $50,000 short of coverage and you will have to pay this out of your own pocket. In many cases, we are finding people with these low limits of only $100,000 on property damage. The cost to raise this coverage is very minimal. If you want to know where your policy stands, we will talk to you about it anytime, anywhere, call us: Before the claim.

Editorial

I was listening to another TV Telemarketer Insurance Ad on television the other day and thinking, "Gee, GEICO supposedly spent $539,000,000 on TV advertising last year." Wow! How can I compete with that? Then I got to thinking well... my staff and I do speak excellent English. We hire local people, who are full time, and over the past several years we have brought 10 young people back to good old North Dakota from all over the US to go to work for us. We are highly involved in the dozens of communities where we sell insurance and especially the 11 towns where we maintain offices. But more than that, we are known as an agency that sells excellent coverage and is able to put a highly trained staff to work on any given insurance problem at a moment's notice. And furthermore, we are HERE. If you need us, we can be at work on your problem immediately. When you have a claim or problem we simply will not rest until that claim or problem is taken care of.

Also, we are an independent insurance agency. We can and do check with our many insurance carriers to be sure we are offering you a competitive rate. To hear some of the TV Telemarketer insurance companies tell it, this is a new idea. Not so, we have shopped the available insurance markets for our clients to be sure we had them competitively insured for over 34 years. Along this same line of reasoning, we are not always cheaper on insurance than everyone else. Are we most of the time? Yes. Are we competitive all the time? Yes. Western Agency, Inc. is one of the top five agencies in North Dakota. We will grow over 30% in net premium volume this year, and we sure didn't get this size and have this growth because we are too expensive. We grew this way because we are very competitive and we simply work harder for our clients than most other agents. The other day we lost a policy to a competitor of ours. The client told us the other agent was cheaper. Really? Funny, the company who supposedly was *cheaper* has far less comprehensive coverage than the policy we had written for this client. Not only that, but this particular company has a terrible reputation for not doing a good job on losses. Oh, by the way, the agent who sold the policy was a brand new agent. Think maybe they got the quote wrong? When the losses come how are they going to handle them without proper coverage in place? Oh, bummer, this company also is one who does not let their agents get involved in any way in helping get a loss settled. Still think they are *cheaper*? I guess at loss time we will find out. By the way we got the client back. Notice, we are now talking about *better service* and *better coverage*; not simply *being cheaper*. Over the years; we have found that if you get your client's insurance problems solved, and clearly explained: protect your clients assets, get the claim paid, quickly, promptly and correctly, your clients will virtually never leave you. We as an agency and the companies we represent, have always operated this way. Our retention ratio of clients is over 95%, and we tend to keep them for years and years. We have many people insured who we wrote over 30 years ago, and they are still with us. The perception of the TV Telemarketer - slick, paid, professional actor is that the insurance company loves you and will provide this mythical wonderful service when you need them. The reality is if you don't have a knowledgeable, committed agent, who has written you an excellent policy with a solid company, you are in most cases going to be stuck in a dangerous la la land of double talk, automated phones, delays, and poorly settled losses. The end result can be that many times your assets are not correctly covered, and lack of adequate coverage will cost you. Sometimes greatly.

At Western Agency, Inc.,

We hire no lizards, professional TV actors, or Telemarketers. We do not have a multi-million dollar advertising budget, nor are we part time bankers. Western Agency is an insurance organization of full time, highly trained insurance agents. We have no automated phones and have absolutely no intention of getting any. We can and do get involved in your insurance questions and problems, personally. We can help, we do help, we do it every day, and we have for the over 34 years we have been in business.

From all of us at the Western Agency Group...Thanks for your business! We are well aware you have many choices of where to purchase your insurance. We are grateful and humbled by the fact you continue to choose us.

Westy Hat

The secret, all seeing, but never known Westy Hat Judge was of course busy these past few months. First to come to his attention was super golfer, Tim Thomas wearing his traditional black and green Westy hat. Next for the Minot area were Mike and Brock Axness in their well worn white and green Westy hats. Traveling to Oakes it was John Quandt in Westy camo, Paul Roney out spraying crops in his yellow and green NDSU model, Jason Thompson in the NDSU model, and Mitch Roney in his orange and blue Westy topper. In addition, a mystery Westy Hat wearer was spotted in Sammy's Pizza here in Minot. This man had on one of the older cream colored Westy hat models. Although he left before the Judge could get his name, it was around 6/6/08 and he ordered the famous Sammy's ½ house special and ½ crowd pleaser. If you know his name be sure and let the Westy office know, so they can attempt to get in touch with the judge. $50 gift certificates for Sammy's go out to Mike and Brock Axness, $50 Perkins certificates to Thomas, and $50 gift to Cline's Rest in Oakes for the Roney's and $50 gift certificates to The Angry Beaver Restaurant for Quandt and Thompson. And, the mystery judge has asked me to say...Thanks for wearing your Westy Hats!

Lu's Claims Corner:

Lu Hanson, Western Agency's Claims Manager has over 24 years of commercial adjusting experience. When it comes to getting a loss settled, Lu is intimately knowledgeable as to whether or not your claim is being correctly settled. We feel having Lu on our staff gives us a tremendous advantage over other agencies. When I asked him to explain a particular issue in this newsletter, he said we should talk about Holdbacks. What "holdback" means is: there is sometimes a portion of your loss settlement check that will not be paid until the damage is repaired. This amount of money that is not paid out right away is called a holdback. There is a time allowed for the shingles to be replaced, the siding fixed, the car repaired, or whatever damage was done to be repaired, and then this extra money (holdback) will be paid to the client. Problem: first of all many times adjustors do not fully explain this to the client, secondly, sometimes the client forgets about it and never lets the agent know when the damage has been fixed, so they never do get all of their claim money. We had a client the other day that had forgotten he had $3,200 coming after the repairs were made. Needless to say, he was very happy when we pointed this out to him. Do companies intentionally not remind people to get the damage fixed? I don't know, but I will guarantee you one thing. There is not a TV Lizard alive who will remind you. At Western Agency, we will discuss your claims with you anytime, don't ever be shy about asking us any questions; give us a call. We will be happy to go over your claim with you, in English, in a dialect you can understand.

Wester Agency, Inc. Group

Would like to wish you a warm and safe Holiday Season!

Westy Shorts

Automated Phones: The other day I had to get in contact with a supplier of building supplies. I was literally on the phone for over 5 minutes just waiting to talk to a real person. I had to go through several screens and got kicked out of the system 3 times trying to figure out what department I needed, but eventually I got to talk to a nice lady, Carla. The problem was I could barely understand her version of the English language, outsourced probably to Bangladesh if I recognize the dialect correctly. I never could get to a point where we were able to communicate. My point? At Western Agency, Inc., you will always get your call answered in person, by someone who speaks excellent English, in a dialect you can understand. Furthermore, we will get your insurance questions and problems taken care of.

Problem:

ATVs, UTVs, PWCs, Mopeds, Scooters, Golf Carts, Snowmobiles, boats, motorcycles, or basically any recreational vehicle and/or conveyance. These are not always covered automatically, anytime, by any company. Furthermore in many cases, we have our most inexperienced drivers operating them and who is riding along with the most inexperienced operator? The very friends who you told your inexperienced operator to… "never give rides to." Yes mom.

Solution: Call us immediately, the second you borrow, rent, buy, or put your hand on one. We can tell you where your individual policy stands as to properly covering them. These recreational vehicles are tons of fun; we all love them, but be SURE to call us so we can be sure we have your assets covered.

Ostrom's Valley Insurance joins Western Agency Group

When Brenda Vollmer told us her sister Judy Schmidt was going to relocate her dental practice to Wahpeton and had opened her new Clinic for Oral Health there, I jokingly told Brenda we had better put an agency in Wahpeton, so we could keep being Judy's agent. I guess a person has to be careful what they say because at this same time, Amy Ostrom Ahlfs was looking to partner her agency, Valley Insurance, with a larger store. Since this is a market in which Western Agency really excels, we ended up bringing Valley Insurance into the Western Agency Group as of September 1, 2008. In the immediate future, Amy will not be taking as active a role for medical reasons, but longtime CSR Denise Steffens will continue her duties, and Amy will be back when her health improves. In the meantime, Denise and insured of Valley Insurance will be able to access all of the companies and expertise of Western Agency, Inc. Since we are the largest farm and small town agency in the state, this will be a wonderful fit for both stores.

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Remodel Job:

If you haven't stopped in to our Minot home office be sure and stop by for a tour and a cup of Kona coffee. The office remodel that has been promised for over 30 years is largely done and everyone really likes it. Architect Kristin Boen, who many times had to override my attempts to "not do it that way," in the end came up with a simply award winning office. From the front of the building to the new conference room in the back, to the new energy efficient heat pumps, windows, and doors, we are in a literally new facility. Not only that but the old bulletin board, which we had up for years, has been totally redone into electronic format and is a running picture show of you, our clients. There are aerial photos of hundreds of farms and businesses, claims we have been on, pictures of dozens of you wearing your Westy Hats all over the world, and copies of the dozens of thank you cards we receive from kids who have gotten our scholarships or from fund raisers in the many towns we represent. Since the bulletin board is in electronic format if you want a copy of any of our pictures, we can e-mail you any picture we have. Neat!

More Global Cooling Info:

This past August was the coolest on record for the Phoenix area. What happened to Global Warming? I think the problem is *News Media Time* does not match up with *Geologic Time*. I wonder if I will ever get the Nobel Prize for bringing this up?

Grain Prices:

Hey, I see grain prices are down. Funny, I went to the grocery store the other day and the price of Wheaties hasn't dropped any. Odd the news never reports that.

Save the Inc. Contest:

Wow! The Save the Inc. Contest generated letters from all over the state and country. Dozens of our clients took the time to send us letter after letter expressing their various opinions of whether or not to dump the venerable Inc. from our company name. In the final analysis, I think we were all winners. It was simply tons of fun to read the letters, some excerpts...from Arizona… "Keep Westy in the pink, save the Inc" from Norwich "maybe it's time to modernize" "dropping the Inc. seems to be wise" I didn't' know I had so many poets insured. Believe it or not after tallying up the many votes we thought it was going to be a tie. Then on the final day of the contest we got one more vote from Cheri Kirchner one of our insureds from Minneapolis who wanted to keep the Inc. In the interests of modernization, we decided to drop the Inc. from some of our company material also note the lack of *INC* on the new Western Agency sign above the door of the newly remodeled office Me? My business cards still say: Chuck Tompkins CEO WESTERN AGENCY, INC. Oh, well change is hard. Thanks and a $50 gift certificates from Perkins to Mike Smith for suggesting the contest also a gift certificates to Dave Olson for farthest away response (Arizona), and another gift certificates to Cheri Kirchner for being the tie breaker.

Crop Corner:

The fall prices are now in on the RA Crop Insurance products. Since the fall prices are lower than the spring prices, this has the effect of moving your trigger yields up. For example, if you have a proven yield of 40 bushels on a field and have a 70% coverage contract, you would have a trigger of 28 bushels. With the lower fall price on wheat this trigger yield has moved up to 34.6 bushels. So if you had a yield of less than that on this particular unit you would have a loss. Losses need to be filed timely or you may not get paid. We have charts printed up that will give you the new trigger yields for your various crops. My point is if you even think you may have a loss give us a call, and we will get your loss filed. The advantage of this is if you have a loss, you will get paid sooner and if it turns out you don't have a claim, no big deal at the very least you will have your proven yields done.