

POINTS OF INTEREST

- Help us save some trees—Sign up to receive the BDI Newsletter via email on our website.

Office Hours

Monday to Thursday

9 am—5 pm

Fridays

9am—2 pm

You can always send us an email or look for info on www.bretdixonins.com

QUOTES FOR MANAGING CUSTOMERS:

“Handle each and every interaction with each and every Customer, no matter who that Customer is, as if you have to live with that person in a very small room for the rest of your life.”

“Customers don’t care how valuable they are to you, they only care how valuable you are to them.”

“If you were accused of being outstanding, would there be enough evidence to convict you?”

BDI Quarterly Newsletter

BRET DIXON INSURANCE

WINTER 2007

Understanding Workers Comp

Every state has special laws that mandate immediate medical care for workers injured on the job. Those laws also provide for financial compensation for the worker’s loss of earnings due to those injuries, as well as recovery from occupational injuries sustained in the workplace. If the injury is fatal, death benefits are provided for surviving spouse and children. Occupational disease is also part of these laws, and workers are entitled to compensation for disability due to those diseases.

All workers compensation legislation has five specific objectives:

- Prompt payment of adequate benefits to injured workers or their dependents according to fixed and predetermined schedules of benefits
- Elimination of the costs of litigation to the employee, the employer and society as a whole
- Establishing a guaranteed benefits payment arrangement secured by “insurance”
- Promoting safety and health activities where the employer can easily observe the relationship between those activities and the costs of workers compensation benefits
- Providing medical and rehabilitation services to injured workers

If you own, operate or manage a business that has employees, you need to be familiar with the workers comp laws of the states where you operate.

The National Council on Compensation Insurance, Inc (NCCI), developed the Workers Compensation and Employers Liability Insurance Policy used in most states. It covers your statutory liability under the various state workers compensation laws, statutes and acts. It provides defined benefits to employees for injuries sustained or diseases contracted arising out of an in the course of their employment. Every state has laws requiring such protection for workers, and those laws prescribe the amount and duration of the benefits provided. Employers liability insurance covers the common law or tort liability of an employer for employee injuries that fall outside the scope of the state law or act that are separate and distinguished from the liability imposed by workers compensation laws.

Workers compensation insurance provides the mandatory benefits prescribed and required by the various state laws for accidental work-related injuries, diseases or death that occur in the course of employment, subject to its terms and conditions. If the injured worker alleges the injuries or disease were due to alleged negligence on the part of the employer, employers liability insurance responds, subject to its terms, conditions, limitations and exclusions.

The policy can be amended and customized by a number of available endorsements that change or modify coverage, terms and conditions, in addition to exclusions. Some of the endorsements are required in certain states because of the differences in the workers compensation laws and statutes of those individual states.

Please note that this only a brief overview of the coverage available in this program. If you wish to find out more or want to discuss your coverage, call us toll free at 1-888-249-0035.

Bret Dixon Insurance

P.O. Box 159

East Alton, IL 62024

**Niche Writers of the
Restaurant & Tavern Industry**



Spoilage Coverage

Over the summer, high winds and tornadoes left parts of the Midwest without power for days, even weeks in some places. More recently, blizzards and freezing rains toppled the power grid in places to the same effect.

Both of these storms produced a multitude of claims. Property damage was a constant. So was Business Income. But one type of coverage that can be overlooked is spoilage.

Spoilage covers your perishable stock, both food and drinks. It's usually an "optional" coverage on most property policies. Every hospitality business, whether restaurant or tavern, has at least a few thousand dollars worth of stock, so we rarely sell a policy without it. But if your business is up or down, you may want to pull out your policies and double check that your spoilage limit is adequate.

We recommend this: don't figure your average value of stock on hand, use the maximum you have at

any one time. If your stock delivery is on Tuesday mornings, and your coolers are packed to the ceiling with \$30,000 in stock, use that as a limit. If your coolers broke down or you lost power Tuesday night after you had only just begun to dip into the stock, you would be in an awfully foul mood if you only had a \$10k or \$15k limit because, on average, that's the amount you have on hand.

Space prevents us from going into a full explanation of the nuances of spoilage coverage here; there are many factors that alter or restrict the coverage such as Covered Cause of Loss, Independent Verification, and Mitigation. But you can view the specifics of spoilage coverage on our website. Type the following address into your browser: www.bretdixonins.com/spoilage.htm. If you've reviewed your inventory and think your spoilage limit needs adjusted, feel free to contact us toll-free at 1-888-249-0035 or shoot us an email at mail@bretdixonins.com.