

INSURANCE Roundup

August 2006



Hebron Insurance Joins Western Agency Group

As of August first, Hebron Insurance became the newest member of the Western Agency Group. Agent, Jim Heinert and CSR JoAnn Schantz are currently training into our Applied Systems software and both report that the speed with which they can now get things done is unbelievable. In addition, by being a member of the group they are able to have access to the policies and rates of the best companies represented in North Dakota and if necessary, with the push of a button, they are able to access an expert on any type of insurance they encounter. What this affiliation will mean to the insurance consumers in the Hebron area is that through Hebron Insurance, they will have a local agent, with access to insurance rates, policies and expertise that simply were not available in their area before.

Back to School Notes

Back to School Notes I: Check with us to see if you have proper coverage in force for those going off to school. In many cases we can extend coverage from your home or farm policy to cover children's contents while they are away at college. However, in the case of renting houses or apartments, and especially if they are renting with a couple of friends, extra coverage may be needed and the situation should be talked about.

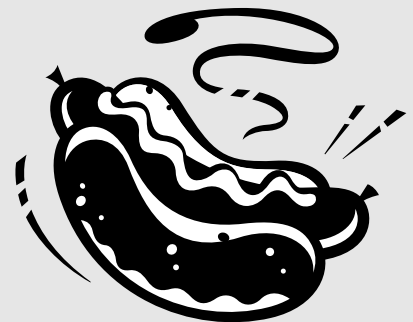
Back to School Notes II: Students, note: if possible do not let others drive your car. If the person borrowing the vehicle has a claim it will go against your policy. Not only that but many companies will only extend state minimum liability limits to drivers who are not listed drivers. Furthermore, do not drive someone else's car either. What if they have no insurance in force? Then if you have a claim in certain cases it may not be possible for us to extend your coverage to pay for the wreck. And of course even if we do, it will go as an accident against your own policy. Again: Only safe thing? Only drive your own car and don't loan it out. No matter how good the "sob" story is from the "buddy" who wants to "borrow" your wheels. Hey, just blame it on your "insurance agent" for not being able to loan out your car.

Back to School Notes III: Same thing applies for snowmobiles, motorcycles, boats, mopeds, or virtually any other of the many motorized ways for people to travel and have fun. All toys are fun, we all like to use them. However, just use your own. If you have any questions please give us a call and we will sure check a given situation out for you.

Back to School Notes IV: Health insurance. Call your health insurance provider and be sure your health coverage is ok with the age of the student and their insured status. This is especially true if the student is going to attend college out of state. This is usually no big deal but the time to check it out is before a loss occurs.

Best Sausage Makers

It just happens that here at Western Agency, Inc. we have two of the best sausage makers in the business insured. One is B&D Market here in Minot, where owners Brenda and Darren Beck with the assistance of Randy Mehring put out simply excellent sausage. The other is The Meat Shop in Berthold where owners Craig and Beth Grabow, also have excellent products. We have featured the sausage from both of these markets at our various functions and highly recommend either of them. They also both make deer sausage and it too is some of the very best around. Try them, you won't be disappointed. Neither one of these stores are huge grocery conglomerates, but they would appreciate your business, and the food is superb: everyone wins, right?



Editorial

Ever wonder why you see certain insurance companies advertising at literally all times of the day on virtually any TV channel you may try to watch? Ever stop to think about the incredible amount of money they must be spending to try and convince you that buying insurance from the TV is so great? Gee, maybe if you get a minute or two it would be fun to look up consumer reports and see how satisfied the average customer is with these “great” companies. It’s kind of interesting to note that several of them are listed at the absolute top of one list. However, that list is the consumer dissatisfaction list. Stated another way, most of them are far from the top of the list of insurance companies that consumers feel are doing the best job. Gosh, isn’t it funny that the professional actors pitching these company’s products on national TV don’t mention that?

With all of this advertising and the numbers of people you hear them talk about insuring, by doing a little math in your head it would seem there are virtually no people out there who are not insured by these TV / Telemarketer, insurance “expert” pitchmen. However, in actual fact these companies only insure a small portion of the insuring buying public. If you listen closely to the ads on TV for these folks you will constantly hear about all of the “new” clients. What you will not hear much about is how long these people “stay” insured with the TV companies.

What I am talking about here is RETENTION. In other words how long does a given client stay insured with their insurance agent. I don’t mean how long they stay with a given company, but how long have they stayed with their agent. How happy are they with the service they are being given, how happy were they when a claim was properly settled, how easy is it for them to get in touch with a local person, who will take the time to

explain in perfect English, the many sometimes confusing and complicated things about their insurance programs. How confident they are in knowing their local agent is making double sure they are correctly and adequately insured.

Well, here at Western Agency, Inc. our RETENTION ratio is over 95%. In other words, out of every 100 people we insure we lose five per year. Last year we lost 257 clients. I thought I would list below the ones we lost and why.

- 41 sold the business or asset we insured.
- 24 moved away
- 5 got married and took insurance with the new spouse
- 8 died or moved to a nursing home
- 65 cancelled for non-payment of premium
- 26 were cancelled for claims and not rewritten by our agencies
- 88 were lost to competition

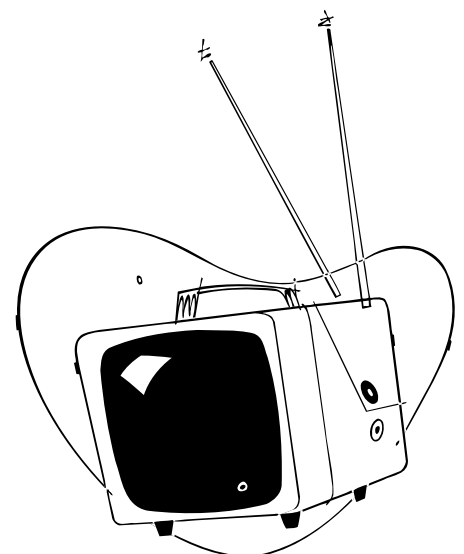
I suppose the folks who have passed away don’t need coverage anymore, the ones who sold the business or asset will hopefully try other ventures we can insure, I would like to think the folks who moved away will come back someday to good old North Dakota. The newlyweds are on our prospect list and maybe we can eventually insure the new spouses. Maybe the clients who cancelled for non pay and claims will eventually be clients of ours again, and the ones who we lost to competition?? Maybe they went to a slick TV Telemarketer. If so, who knows, maybe after a professional TV actor or a lizard settles their claim, we will do business again.

I don’t know what the TV Telemarketers RETENTION ratio is. I would bet lots of money its not 95%. These folks spend more in advertising in a few seconds than we here at Western Agency, Inc. will spend in our entire insurance career. We spend our

advertising money doing scholarships in 11 towns and have done this for many years. To my knowledge we have never said no to any local fundraiser we have been asked to support. We’re here 24/7/365. We have been for over 30 years. We are in your community, where we pay taxes, keep our kids in school, and are involved in the daily business of keeping your assets correctly insured. If you have any questions or problems with your insurance programs, we will be there in person, anytime, to get the problems taken care of and explained, in perfectly clear English.

Oh, by the way, we do not, will not and have no intention of representing Progressive any longer than we have to. The few policies we have with them will be moved to other carriers within the next few months. If you would like to do business with them, the phone number is on the TV virtually 24 hours per day. Most likely we will see you again after the claim.

As always: Thanks for your business!!!!



Crop Corner

Crop Claims: If you even think you may have a loss, give us a call and we will get it filed. These claims are time sensitive and need to be reported right away. The old days when the Feds would let us file a late Multi-Peril Crop Insurance claim are long, long, gone. If it turns out you don't have a loss no big deal, we can just file a withdrawal. But if it turns out you do have a claim you will be able to collect. Call us, with any questions and we can talk about it.

Crop Reporting: We are already seeing some folks done with harvest. Let us know when you want us to sit down with you and do your proven yields. I know, maybe I'm in too big of a hurry, but let us know as soon as possible and we are glad to help you do this. That way we can get your updated 2007 proven yields done and when the snow is deep and you are planning next year's crop it will help you to have your proven yield data already done.

Crop Policies: There is a new pilot program for covering pasture against rain loss. We are attending a couple of seminars on it so we will be able to tell you what coverage is available, what it costs, and how it will pay. We will get you this information as soon as something solid is available.

Westy Hat Contest

The secret, unknown, but all seeing judge for the Westy Hat contest has been working over time in the past few months, turning in no less than ten winners for this newsletter! While in the Dickinson area he spotted Howard Newton wearing his new black and green Westy hat. While in the Oakes, North Dakota area he noticed both Mike Brademeyer, who was at a softball game watching his daughter Kelly, and Tim Gibson proudly wearing their Westy hats. While at the North Dakota State Fair in Minot he was almost run over by Arlo Borud, who was sporting his Classic white Westy hat, in Towner it was Gordon Haman, wearing one of the new style Westy hats. In Velva, proving once again, that retired farmers are simply not properly attired without their Westy hats, he observed Alvin Lesteberg wearing his classic Westy hat around town. A few days later, the judge was in for a surprise, when

he was told by a friend, that Carpio area farmer, Jeff Moen and his wife Tammi had stopped by the Westy office in Minot with their children, Etan, Austin, and Erica. Wouldn't you know it? All three kids were proudly wearing their Westy hats. Finally, rounding out his travels in Bottineau the judge was made aware by one of his spotters that Bottineau area contractor Monte Mikkelson, was seen wearing his new Westy hat before the agent even got his new policy delivered.

Newton, will receive a \$50 gift certificate to Jack's restaurant in Dickinson, Brademeyer and Gibson will both be getting \$50 gift certificates to Cline's Restaurant in Oakes, where I understand the judge highly recommends the excellent Broasted Chicken Dinner! Borud receives a \$50 gift certificate for

Top ten cars stolen in U.S. announced in recent survey

They are:

- 1995 Honda
- 1989 Toyota Camry
- 1991 Honda Accord
- 1994 Dodge Caravan
- 1994 Chevrolet full size pickup
- 1997 Ford F-150
- 2003 Dodge Ram
- 1990 Acura Integra
- 1988 Toyota pickup
- 1991 Nissan Sentra

Actually, after seeing this list I was wondering, doesn't anyone steal new cars anymore? However, remember that many of the above cars were stolen but not insured.

the best pizza in the world at Sammy's Pizza in Minot, Haman will be sent a \$50 gift certificate to Perkins Restaurant in Minot, where the judge recommends the grilled Tillapia. Lesteberg will be getting a \$50 gift certificate to the Homesteaders Restaurant here in Minot. Mikkelson, a \$50 gift certificate to the Norway House in Bottineau, and since there are three of them and we all feel they should be the grand prize winners, the Moen kids will be getting a \$150 Universal gift certificate from our friends Franklin and Grant to be used anywhere they see fit. Of course all winners have our thanks for proudly wearing their Westy hats and they will each be receiving a brand new Westy hat of their choice and a new Westy jackknife. (some parental restrictions may apply).

