

# INSURANCE Roundup

Summer 2008



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## Global Cooling

In a time when the media hype simply will not let up about "Global Warming," here are some statistics and information from some very respected folks who inject a little sanity back into the discussion. First of all, four of the world's most respected climate temperature tracking outlets, including NASA, have just released updated data that shows not a warming, but a cooling trend of 65 hundredths to 75 hundredths of a degree centigrade. This rules out any global temperature increases for the past 100 years. It is the single fastest temperature increase or decrease ever recorded according to these agencies. A few other notes: North American snow cover is the highest recorded in 50 years with Wisconsin reporting the highest snow fall since records were being kept. One of the main climate recording agencies HadCRUT (Hadley Climate Research Unit Temp) had this to say about the cooling trend. "We are in an extended solar minimum; we have a shift in the Pacific Decadal Oscillation to a cold state and we are seeing arctic ice extends setting new records and rebounding from the summer melt." I really don't know who to recommend we all listen to when hearing these discussions, but I do think these scientists are probably a bit more knowledgeable on these matters than the current crop of 'green' movie stars and political wannabes? Just a thought.

Along that same line, the ever-on-top-of-things news media is starting to report on the price of grain going up. Again, they are trying to portray this as a terrible thing, yet the cost of a loaf of bread has not even gone up twenty cents. The cost of a box of corn flakes less than a dime. I heard on the news the other day that a 50 pound sack of rice is up quite a bit, and I was thinking how many people use that much rice in a year around our state. I'm thinking that our ability to produce food and fiber is one of the great strengths of our nation. If the farm sector is finally able to make some head way. Great! In this state if the farmers are doing ok, we are all doing ok.

## New Business Announced

Oakes, North Dakota has a new business in town. Tara's Thrifty White Pharmacy, owned and operated by Tara Schmitz. Medical prescriptions may be ordered online at tarasthriftywhite@yahoo.com called in at 866-236-0224 or faxed at 701-742-4564. I understand Tara is also giving an additional 5% off on all prescriptions, and she is getting orders from as far away as Wyoming. We are happy to have been able to bring Bill and Tara back to Oakes, and we wish Tara success in this new venture. I know Bill and Tara are happy to be back in Oakes, and we as a company could not be more pleased with our choice of Bill as our agent. I know many of our staff are going to use Tara's pharmacy for their medical supplies and we hope you will also.

## Employee News

Michyle Stern started work April 1, 2008 at our offices in Hebron, ND. Michyle attended Montana State University before her and her husband Chad moved to Hebron. They also have four children: Mariah, Cassidy, Wyatt, and Cayne. Michyle has several years experience in the software field and will be assisting Jim Heinert and Jamie Zeller in our southwest North Dakota territory.

Angie Thompson has taken over secretarial duties in our Oakes office, and she will be assisting Bill Schmitz. Angie, a 2007 graduate of NDSU with a degree in Ag Econ and Business Admin, has a great ability to move paper. Since Bill hates to move paper, she has been a magic addition to our Oakes office. We are happy to be able to bring Angie back to Oakes as a valued member of our staff.

Matt Schilling has gone to work in our Minot home office and will be in charge of our IT operations. He graduated from NDSU in 2004 with a degree in business and has over four years of insurance experience. Matt's hometown is Harvey, and we are happy to be able to get him back in the area.

## Another E-mail and Phone Scam

In yet another attempt to get your financial information, a new group of thieves has come up with a scam where they contact people by e-mail and say your tax return will be audited. You are instructed to click on links to complete forms with personal information, and then this information is used by scam artists to commit identity theft. Also, another scam is a phone call from a supposed IRS employee telling a person they can get a sizable tax refund by filing early. The victim is directed to links to download the 'supposed' new tax law. However, the link only downloads 'malware' onto the victim's computer. I honestly don't know how a person can stay clear of all these scams, so many of these scams are perpetrated from overseas and once you give out valuable information it is extremely hard to find the criminals responsible.

I would think one good way to protect yourself would be to only give your information to people in person, or to organizations you actually know. If someone not employed from our office calls you wanting information about your insurance programs, be sure and call us then we can be sure the request is a valid one. I guess this would be one more time for us to state our privacy policy and how we handle your information. Other than to work on your insurance contracts, we simply do not let your information out to anyone, anytime, for any reason. Unlike many banks and credit unions, we do not use your information in an attempt to 'cross sell' you or 'push' you to one of our other departments. Your information is used to work on your insurance contracts: Period.

## Editorial

It seems these days that rather than competing with fellow local insurance agents; I am constantly fighting against either the gigantic TV insurance conglomerates or some Financial Institution who wants to be a 'one stop shop' and sell insurance, as well as financial services. The big problem with both of these is, by and large, they seldom are able to give you, the customer, the best service and coverage.

On TV the power of the agent who actually sold you the policy, is virtually never mentioned. Why? Because in one of the rare cases where TV land is actually telling the truth, the TV agent has no power. How can this be? Well, the TV agent is usually only a licensed person who is what? Giving you a quote. He usually does not have any deep knowledge of this great industry at all other than how to punch a few numbers into a computer to come up with what? A quote. Actually, several of the TV telemarketers are even thinking this person can be eliminated and are telling you to 'do your own quote.' "Even a caveman could do it," or better yet a cartoon character. Sure, some of the TV ads say they will 'take good care of you' in the event of a loss. But will they? Really? How would you know? Even if your car is fixed instantly like implied on TV, did someone remember to tell you the car would most likely be fixed with aftermarket non-certified parts? Did someone tell you the body shop used would not be the best one in town, but most certainly...just like the quote: the cheapest? Did they promise to pay the difference when you find out when you trade-in your car that it was fixed poorly and you will thus receive less trade-in value? I suppose not.

I had a great journalism teacher in high school. His name was Jim Francis. One of the basic rules he taught us when we were in his class was to beware of people who offer simple solutions for complex problems.

Let's get real here. A good insurance

program is not simple, there is no way a "cave man" is going to protect and take care of you when you get involved in a complicated claim. Neither is a cartoon character, a lizard, or a slick professional TV actor. I have been in this wonderful insurance business now for over 34 years. I and my staff have handled thousands of claims. I have seen how upside down and how complicated a big claim can be, and I can tell you with stone cold certainty that when you are involved in one, you will have one friend and one friend only—your Independent Insurance Agent. Why an Independent Insurance Agent? Because he lives in your town and represents *many* companies. If he sees that one of his companies is not taking proper care of his clients, he can move business to a carrier who is not treating his clients poorly. Furthermore, in the case of an auto claim this same agent knows the best places to have a car fixed in his/her town. Finally, if a claim problem develops, he can contact the contractor, the body shop, the adjustor, or the company claims manager directly to help get your claim back on track.

We here at Western Agency, Inc., are certainly not TV actors when we talk to you about your thousands of insurance needs and questions and help you see to it your losses are taken care of it is usually in person over a good cup of coffee. Furthermore, we are not in the banking business. We find our clients do not necessarily want their bank or credit union to know about every financial move they make. Our clients tell us they don't like to be pressured to buy their insurance at their financial institution. At Western Agency, Inc, we are in the *insurance* business. We are in this business, early in the morning, late at night, 25 hours per day. Many times we have talked to you in the middle of the night, long after the bank is closed, or the TV is shut off. When you or your loved ones have disaster strike, usually after the authorities are called we are next. Whenever you are talking to

someone who is trying to sell you an insurance policy, one question you always want to ask is, "If I have a claim and have problems getting it taken care of, do you *personally* have the power to get it back on track?" At Western Agency, Inc., the answer is yes and we will.

Finally, a *giant* Thank You! to all of our clients who stayed with us in Minot office after a competing insurance agency hired four of our employees, stole our customer information, and used it to contact many of you and try to solicit your insurance away from us. In the past few months we have received literally hundreds of calls of support from our clients in the Minot area who couldn't believe this had happened, and incidentally many of them have stopped doing business with the Credit Union who owns this new insurance agency. We know it was hard on you folks when you were being pressured in this way and again, from Linda, myself and the rest of the staff...thanks for keeping your insurance business with Western Agency, Inc.! I have to tell you some good things have come of this event since it happened. In the process of going out to talk to all of you, we have written over 117 new Umbrella excess liability policies, added millions of dollars of coverage to underinsured homes and buildings that desperately needed to be covered for more than they were, and picked up some unbelievably talented new employees. At the end of the day, it appears this Credit Union agency was able to take less than 2% of our farm business away from us.

To our thousands of clients, a heartfelt ...THANKS FOR YOUR BUSINESS!



Chuck Tompkins

## More Identity Theft Prevention Information

In a world where people are constantly trying to steal your personal information, here are a few more tips to minimize the damage it can cause. We all know thieves can steal our personal and business information but here are some ways to help prevent it and minimize the damage when they do.

1. Never sign the back of your credit cards. Instead put 'photo ID required.'

2. When you write checks to pay for your credit card account do not put the complete account number on the "for"

line. Just use the last four digits. The credit card company knows the rest of the number.

3. Put your work number on the checks instead of your home phone number. Also, use P.O. Box number and not your home address.

4. Of course, never put your social security number on your checks.

5. Place the contents of your wallet, driver's license, credit cards, etc. on a photo copy machine and keep copies in a safe place.

6. Finally, if your wallet is lost or stolen, call the following numbers of the major credit reporting companies and report it immediately. They can put a fraud alert on your cards and prevent thieves from using them.

- Equifax: 800-525-6285
- Experian: 888-397-3742
- Trans-Union: 800-680-7289
- Social Security Administration (fraud line) 800-269-0271



## Farm Shorts

**Crop overspray:** If you hire an aerial applicator, see if they carry overspray liability coverage. There is no company out there that will provide coverage under your own farm liability if an aerial applicator hired by you accidentally causes an overspray claim.

**Fire Coverage of Standing Grain:** In a time when the value of the standing grain crop has never been higher, it is worth noting that the Multi-Peril Crop Policy doesn't cover you for fire if the fire was not a 'natural' one. In other words, if it is caused by machinery, a tossed cigarette, or vandalism, it would be an uncovered cause of loss. Of course the Hail insurance policy would cover you for fire, but even then it would only cover for the amount per acre of coverage. If you insure for \$100 per acre, you still have hundreds of dollars of unprotected crop. One of our main farm companies covers you for standing grain fires if you insure your grain. The problem is that for years few people insured their grain because of the low price per bushel. Now with grain prices up, its time to reconsider this line of reasoning. The cost to insure your grain is very low, in fact, it is the lowest insurance premium of any insurance we sell. If a fire loss to your standing grain is a worry to you, give us a call so we can get you a quote on how to have it properly insured.

**Farm Costs:** I hardly have to remind our



farm clients about the raising prices of things, but with fertilizer over \$1000 per ton, up from \$200 a short time ago, diesel fuel prices of over \$4/gallon, and building costs up dramatically, we have been out seeing to it you have adequate insurance coverage. We have raised the coverage on literally every policy we have looked at.

The good news is there are many ways to do this and keep the premium virtually the same. If you think you may be underinsured on anything, give us a call and we can tell you where you stand.

**Crop Corner:** Seeding is underway and acreage reporting is underway. Let us

know as soon as you are ready to record seeded acres so that we can get out and finish your paperwork. Also, if you even think you may have a claim situation call us and let us get it recorded for you.

**Hail:** We have five hail insurance companies available to sell hail insurance this year. Furthermore, we find in many cases we have rates that are up to \$2 per hundred dollars of coverage cheaper than our competitors. If you are seeding several thousand acres, this can be a significant savings. In addition we do have the new Yield Plan Hail Policy for sale. The premium on this plan is literally half what a comparable hail policy costs. It bolts right into your MPC policy and is really worth looking into.

## Retiring Employees

**Don Sylling:** after running Oakes Insurance for many years Don Sylling retired from the Insurance Business May 15, 2008. Don had been in the insurance business for over 50 years, and in his honor, we held an open house and supper at the Angry Beaver Super Club in Oakes May 20, 2008, which was attended by over 100 people. I know Don says he is now retired, but we are still keeping his desk ready for him in case the retirement doesn't work out. **Don, thanks** for all the years of service to the Oakes area, and I know you are happy to be able to leave the agency in the capable hands of Bill Schmitz and Angie Thompson.

**JoAnn Schantz:** After working at Hebron Insurance for over 19 years, JoAnn Schantz has retired April 1, 2008. JoAnn will be assuming full time duties helping husband, Ron, on their rural Hebron farm.

Even with JoAnn and Don retiring, Western Agency, Inc. is now back up to a full staff of 24 employees. **Also, we are happy to say that in the past few years, we've** hired nine employees that had moved out-of-state, and we were able to bring them back to North Dakota to work and raise their families. Our company and our state are the better for it. We continue to ask you, our clients, to let us know if they have children working out of **state that are trying** to find a good job at home. Let us know and we will give them a call and try to get your grandkids closer to home for you!