



Steve Shoultz's



# "PRIORITY NEWS"

OCT. 2008

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Thank You!

Thank You!

Thank You!

Thanks to all our clients who graciously referred their family, friends and associates to our agency. We build our agency on your positive comments. We couldn't do it without your help!

### This Month's Winners

Karey Bredemeyer, Ellen Decker, Jennifer Anderson, and Rhonda Klopfenstein



The GRAND PRIZE WINNER will get a 3 day Caribbean Cruise including \$600 air fare.

## Is the Hard Market Coming...OR... Is it already HERE?

In the May issue of the Priority News, I warned that insurance companies would probably start raising their premiums in 2009. I'm sorry to say I was wrong...it is happening right now! On Monday, September 29<sup>th</sup> I received a fax from one of the nation's largest insurance companies, Travelers, stating that they were increasing their auto insurance rates in Indiana by an average of 9.5%. But, here is the real kicker; the increase was effective September 30<sup>th</sup>!! In nearly 30 years as an insurance agent, I have NEVER been given one days notice before a rate increase is to take effect! I'm sure Travelers is just the first of many insurance companies that will announce a substantial rate increase.

*"It is my opinion, insurance companies are reactionary rather than proactive, and they usually react late. Due to the current state of the economy and the price reductions the industry has given you the past couple of years, I believe the hard market will be upon us quicker than most industry prognosticators." May issue of the Priority News.*

It appears that the industry has once again waited too long to react. The U.S. property casualty insurance industry experienced an underwriting loss for the first time since 2002. Net income in the first half of 2008 is down a whopping 57.4% compared to 2007. While the mortgage and financial markets have certainly had a negative impact on the insurance industry, the real culprits are declines in written premium and increases in insured losses.

Written premiums dropped \$1.3 billion while losses nearly tripled from \$3.6 billion to \$10.3 billion in the first half of 2008. This led to the first underwriting loss since 2002. This by itself is not alarming, but I am waiting for the other shoe to drop. How much will the collapse of the mortgage/finance industry affect industry profits?

Mortgage backed securities were deemed "safe" investments that nearly all, if not all, insurance companies have invested. Certainly, some companies' investments were more diversified than others. How the financial bailout will affect the insurance, as well as all other industries is yet to be seen. I believe one thing is certain, we are in for a rocky ride. The hard market may not be here yet, but insurance premiums for businesses and consumers alike are sure to rise in 2009.

## We Have a Winner!!

This is what a recent winner has to say about my "Just Keep Talking" Referral Program...

"Steve, not only did you help my referral increase their coverage, but you saved them money too! Now I open my mail to find 3 lottery tickets and I WON \$101. It pays to go with you, Steve. I'm going to tell all my friends to call you!"

Brad Deck, Indianapolis

### You too can be a winner!

My best new clients call me because you recommend me, so...I LOVE it when you "Just Keep Talking" about the special treatment and low prices you receive from me!

### 3 Chances for YOU to Win!

CHANCE  
#1

- 3 free lottery tickets, AND
- 1 chance to win a \$25 Gas Card, AND
- 1 chance to win

The first week of each month I'll randomly draw from all of last month's Chance #1 qualifiers.

CHANCE  
#2

- ◆ THE WINNER will receive a \$25 GAS CARD

On January 7, 2009 we'll conduct a random drawing from all chances at the Grand Prize.

CHANCE  
#3

**THE GRAND PRIZE WINNER will receive two tickets for a 3 day CRUISE anywhere Carnival Lines goes, plus up to \$600 in air fare.**

*You are the best advertising I can get!*

## What would you do if this happened to you? Are you covered? Are you Sure?



On Sunday, September 14<sup>th</sup>, Roderick was enjoying a late afternoon nap when a tree came crashing down on him. That's right; he was asleep in the bedroom on the front left in this picture. His wife Judy was busy in the kitchen. Thankfully, they both walked out of the house without a scratch! However, they were suddenly homeless. What should they do? What would you do?

One of the first things Judy did was to call me. I have to be honest. At first I did not think it was a big deal after all, how much damage can a tree do? I was about to find out! Judy explained that the fire department had roped off the area until the power and gas could be turned off. Then she said, "I think the house is a total loss. What are we supposed to do now?" Surely not, I thought to myself. I explained their homeowner's insurance policy would cover the expenses of a hotel and meals for the night. I would call the insurance company to report the claim and a contractor to secure the property if possible. I tried to reassure her, that Westfield would rise to the occasion and she would be satisfied once it was all said and done.

I arrived at the property at about 6:30 pm totally unprepared for what I was about to witness. I had contacted Mel Robbins of M J Robbins Construction and he was already at the site talking to the firemen. The oak tree was approximately 200 years old and about 8 FEET in diameter! While we surveyed the damage, the gas company arrived to turn off the gas and the Westfield adjustor returned my call. He and Mel quickly conferred and started making plans to clear the tree.

Mel assured me he could repair the home. As an experienced restoration contractor, he was concerned about the debris removal limit on the insurance policy. He knew from experience that some policies have limited coverage. Most insurance policies will cover a

# ???????

## "ASK STEVE"

Ask me any question about insurance or how to prevent claims and I'll give you the answer. Simply call, write, fax or email me your questions. You will receive a personal reply immediately, plus if I feature your question in the newsletter you will receive a free gift as a token of my appreciation. After all, your question may help many others too.

**In light of my feature article I thought it appropriate to expand on the debris removal feature of home policies. This policy limit illustrates the need to insure your home to replacement value not the market value.**

Typically in Indiana when a person has a large loss on the home policy the damage is the result of a fire or tornado. Although, as you can see from my article in today's newsletter, trees can do a significant amount of damage too!

Most people are familiar with the dwelling limit on their home. Few understand how important this limit is when a major claim occurs. Your policy states you must insure the home for at LEAST 80% of the replacement cost.

**There are huge penalties for underinsuring your home! The Insurance industry estimates 67% of all homes are underinsured. View my Free Consumer Report, "Is Your Home Underinsured?" on my web page or call me and I'll send it right to you.**

It is your responsibility to determine the replacement cost. Replacement cost includes the cost to clear away the debris. **WARNING!! If your home is insured for the market value of the home, then YOU ARE UNDERINSURED!**

downed tree for up to \$500 and debris removal up to 25% of the insurance value of the home. He estimated it would take \$6,000 - \$8,000 to remove the tree and \$150,000-\$180,000 to clear the debris and repair the home.

**I was happy to inform him that the Westfield policy limit for debris removal is included in the dwelling limit and pays an additional 5% when necessary. Their limit is probably the best in the industry. This one little coverage illustrates an important point that few consumers understand.**

Most of the commercials on TV today try to portray that all insurance policies are equal and the only difference is price. When prospective customers call me, they think as long as the dwelling limit and deductibles are the same, then the policies are the same. Nothing could be farther from the truth!

*This is the first article in a series. I will follow this claim from beginning to end so that you, my clients will have a better understanding of the claims process. I welcome your questions regarding this or any other claim.*



## The Art of Gratitude

By: Teresa Downham

I can't remember when I wrote my first thank-you note, probably when I could barely print. I learned from my mother at a very early age that expressing gratitude was important and good manners. At the time, the thank-you notes and personal phone calls seemed like a punishment. Honestly, how thankful is a six year old for new pajamas? Nevertheless, to this day I continue to express gratitude for gifts, interviews, appointments, referrals, and small acts of kindness I receive. For me it has become a discipline of grateful living; a discipline which is sadly disappearing in an age of entitlement that puts less value on the importance of the written word and a sincere "thank you."

In the era of e-mail, texting and voicemail, the art of a heartfelt thank-you has gotten lost somewhere with our record players and banana-seat bicycles. I know what you are probably thinking: (1) you are obviously younger than I and have no idea what a record player or banana-seat bicycle is or (2) giving should be unconditional; if someone expects to be thanked then what they did was not really a gift. Yet, a sincere expression of gratitude is important because it builds relationships; it demonstrates warmth and paying attention to the kindness of others. It establishes a more personal connection.

(Cont.)



*Teresa Downham is the founder and owner of Everything Indiana LLC. Everything Indiana is an Fishers-based company that specializes in creative, hand-made gift baskets composed entirely from an array of products from Indiana Companies and Specialty Shops.*

*These items include chocolates, bath & body products, candies, nuts, salsa, cookies and much more -- all featuring that Indiana 'touch' respected nationwide. The baskets might also include such diverse gift items as CD's and DVD's with a strong Indiana connection. Everything Indiana gift items are suitable for any gift-giving occasion and favored by corporations, Indiana residents, and Hoosier expatriates! Teresa Downham tailors each basket to its ultimate receiver and is always updating her offerings.*

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Visit her website:  
[www.EverythingIndiana.com](http://www.EverythingIndiana.com)

So, in this age of hectic lifestyles and 60 hour work weeks, how and where does one find time to show heartfelt gratitude?

Remember what your mother told you, "Manners aren't ever out of fashion." Even when we are living life on the fast track, we need to take time each day to slow down and be people of grace and gratitude. One way to do this is with a handwritten note or card. Keep a stack of blank note cards on hand. When a friend, client or acquaintance does something you appreciate – let them know! Forget the e-mail message; people will recognize and appreciate the time and effort you took to personally handwrite the note. I know a woman who sends out a handwritten note to every new person she meets at business events. It not only makes the recipient feel that she truly enjoyed meeting them but also lends a lot of credibility to the woman's business.

Another way to show good manners is to go out of your way to thank them in person. Look them in the eye and say "thank you". All of us have been subjected to the store clerk that never says "thank you" or mumbles something undecipherable as you pay your bill. You wonder if they really appreciate that you are patronizing their store - which in turn keeps them employed. I often wonder if the store owner knows how poorly the clerk comes across. Whether you own a business or are just thanking a teacher, coach, or co-worker for their extra effort, look them in the eye and give a heartfelt "thank you". If you are a business person, this personal touch could lead to additional business. If you are a parent, this could lead to additional personal attention that is given to your child. It might even lead to that crabby co-worker helping you out more!

If it is impossible to thank them in person, take five minutes and call them on the phone. You might be surprised by the results. Time and time again, we see that "what goes around comes around". Gratitude, when expressed, almost always boomerangs back.

Finally, for those people who really go out of their way for you, remember them with a small token of your appreciation. Whether it is for their birthday, a holiday, or for no occasion at all, let them know that you appreciate them. Steve does a great job in this area with his "Just Keep Talking" program. He doesn't need to give these gifts, but it builds his relationships with his clients...most of whom become trusted friends. Several clients of mine send out small thank-you gifts at Thanksgiving. The gifts are nothing large (most under \$20)... just small tokens of their gratitude for people's business, referrals, or help on special projects throughout the year. My clients tell me that this strengthens their personal and professional relationships as the recipients feel genuinely appreciated and are touched that someone went out of their way to remember them.

In closing I will leave you to ponder two quotes on gratitude that spoke to my heart when I decided to start my gift-basket business years ago. "Gratitude is not only the greatest of virtues, but the parent of all others," Cicero, and "No duty is more urgent than that of returning thanks," Saint Ambrose.

## Tell Others About Us And Win a Prize

Referrals are the lifeblood of any business, and there's no better source than you, our clients. This month, we honor

**Rhonda Klopfenstein**

who spread the word of our agency to his clients and brought us new clients. For this referral, we present **Rhonda Klopfenstein with a \$25 Gas Card**. Thank you, **Rhonda!**

Next month's referral business prize winner could be you. Just mention **Priority Risk Management** to a friend, relative, colleague, whomever. Thank you in advance.

*"Of all ghosts, the ghosts of our old loves are the worst."  
Sir Arthur Conan Doyle, The Memoirs of Sherlock Holmes*

"Steve is customer service oriented and money conscious for our company. He has become a one-stop shop for all our insurance needs – personally and professionally. We have found him to be consistently one of the best in his field!"

Daryl & Sue Petry, Noblesville

"WOW! Super Service AND saved us bundles of money! Thanks, Steve."

Brenda Zeis, Fishers,

"Steve was outstanding to work with. He took us through the entire process start to finish, putting logic behind the text. Thanks again Steve!"

Blake Bartling, Indianapolis

"Steve,  
Thanks for the prompt, professional service."

Mike Davis, Noblesville

# Win a Cruise for Two!

In the Insure With Steve

## “Just Keep Talking!” Program



My best new clients call me because you recommend me, so... I LOVE it when you “Just Keep Talking” about the special treatment and low prices you receive from me!

*You are the best advertising I can get!*

2007 “Just Keep Talking” Winners  
Mr. and Mrs. James Britt

### 3 chances for YOU to WIN!

#### Chance #1

Tell a friend, a colleague, a relative, an acquaintance ... whoever ... about me.  
When they contact me and tell me you sent them (don't worry, I'll ask why they called.)

- YOU WIN:
- ◆ 3 free lottery tickets, AND
  - ◆ 1 chance to win a \$25 Gas Card, AND
  - ◆ 1 chance to win the Grand Prize

#### Chance #2

The first week of each month I'll randomly draw from all of last month's Chance #1 qualifiers.

- ◆ THE WINNER will receive a \$25 GAS CARD

#### Grand Prize!

On January 7, 2009 we'll conduct a random drawing from all chances at the Grand Prize qualified through December 31, 2008.

- ◆ **THE GRAND PRIZE WINNER will receive two tickets for a 3 day CRUISE anywhere Carnival Lines goes, plus up to \$600 in air fare.**

## Tell-A-Friend Certificate

Your Name: \_\_\_\_\_ \*Email Address: \_\_\_\_\_

\*Please Note: Your email address is necessary for prize notification. All contestants will receive prize notification via email!

Referral's Name: \_\_\_\_\_ Date: \_\_\_\_\_

Address: \_\_\_\_\_ City: \_\_\_\_\_ State: \_\_\_\_\_ Zip \_\_\_\_\_

Phone: \_\_\_\_\_ Fax: \_\_\_\_\_ Email: \_\_\_\_\_

Please Fax this certificate to 317-536-3933 or Email to [Steve@PriorityRisk.com](mailto:Steve@PriorityRisk.com)  
or mail to:

**Steve Shultz**  
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**Fishers, IN 46038**