

# Your BUSINESS

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## Is your business at risk?

Shall we play a game? Imagine you arrive at work in the morning to find the building locked up just as you left it. Everything appears normal until IT notifies you that your business has been the victim of a cyberattack overnight and all of your company's files have been compromised. What do you do? Your first call would be to the police, but what about that second call? You want to call your insurance agent, but do you have coverage?

It has been said that there are two types of businesses in the world: those that have been the victim of a cyberattack and those that don't know they have been the victims of a cyberattack. Recent studies have shown that more than 40 million cyberattacks took place in 2014. Not surprisingly, cyberattacks occur more frequently in the U.S. than any other country in the world. Of the cyberattacks

that occurred in the U.S., nearly a third were on private businesses.

Simply taking measures to prevent a breach by increasing the security surrounding your computer system is only the first step. You also must have a plan in the event that an attack succeeds. To that end, it would be wise to look into protection in the form of a cyber-liability policy. A cyber-liability policy covers a business's liability for a data breach in which the business customers' personal information, such as Social Security or credit card numbers, is compromised or stolen by a hacker or other criminal who has gained access to the business's computer systems. The policies also cover a variety of expenses associated with data breaches, including: notification costs; credit monitoring; costs to defend claims by state regulators; fines and penalties; and loss resulting from identity theft.

## Index

Business vehicles.....	2
<i>Respondeat superior</i> and your employees' autos.....	2
Heigh-ho!.....	3
Is your HVAC system ready for spring?.....	4
News from our agency.....	4

In addition, cyber-liability policies can cover losses attributed to business interruption, data loss/destruction and cyber extortion just to name a few.

There is no place to play games when it comes to protecting your business from cyberattacks. Not having a cyber-liability policy to protect your business from cyber-crime could mean the death of it.



## Business vehicles

If the flow of income to your business depends on the use of your vehicle, you might need a new type of coverage that recently was standardized in the marketplace. Most likely, you already have coverage for the interruption of your business when your building and personal property are damaged by a covered cause of loss at your business premises (and if you don't, you need to talk to us). Now, new coverage options are available to address business interruption when your commercial autos and mobile equipment are damaged away from the business premises.

Whether you are a small business owner running a mobile pet-grooming business or food truck, a farmer, a trucker, a contractor or a larger business that depends on multimillion-dollar well-drilling or geophysical exploration equipment, this coverage may be just what you need to prevent a business interruption catastrophe. It will replace the income lost while the vehicle is out of operation and provide extra expense coverage for temporary replacements, if available. Some vehicles, due to their nature, are not easily replaced. Our agency is dedicated to helping our clients solve this type of problem.

## *Respondeat superior* and your employees' autos

An employer is vicariously liable for the acts of employees in the service of the employer. This liability is based upon the legal doctrine, *respondeat superior* (Latin for "let the master answer"). When an employee causes injury or damage in the course of employment, the employer is deemed culpable for the act because of the master/servant relationship that exists. Now picture your employee running errands, making deliveries or meeting clients in his or her personal auto. Then think of the damage a driver can do with a car. Are you squirming in your seat yet?

We have the solution to finance this exposure without deep dipping into your checkbook. What you need is

non-ownership commercial auto liability coverage. If you own a commercial auto, it will be insured on a business auto policy, and you likely will have non-ownership coverage, as well (but you should be certain). Sometimes, a business owner who does not own an auto does not perceive the need to get an auto policy to cover non-owned autos. You don't need to own an auto to get non-owned coverage. You may not even need a separate business auto policy to obtain this protection; it often can be added by endorsement to your businessowners policy. So, don't be intimidated by *respondeat superior*, we have the coverage to *contego* (Latin "protect") you.





## Heigh-ho!

Unless you're one of the seven dwarfs who dig, dig, dig, dig, dig, dig, dig in their mine the whole day through, you need to take some important steps before you or anyone starts any construction project on your business's property.

A labyrinth of underground wires, gas lines and pipes can exist below the property—and even the smallest hole (for a fence, mailbox or landscaping) can cause a disruption of service if you don't know where these utility lines are located. That's why you should Call 811 (call811.com), which will send someone to mark the approximate location of your underground lines, pipes and cables that are buried around your business before you start any construction project.

Did you know that a utility company that provides a service is not responsible for all the damage and repair needed

to maintain the electrical lines or pipes that are on your business's property?

**“...Call 811 (call811.com), which will send someone to mark the approximate location of your underground lines, pipes and cables before you start any construction project.”**

Furthermore, there isn't insurance coverage for either your business or any contractor you may call to do the work that will cover the cost of repairing damaged utility lines.

While there isn't insurance coverage for utility lines, there are plenty of insurance

coverages for your business. We are happy to review your business's insurance policies (e.g., commercial liability, business property damage and business owners policy, etc.) to make sure you have the best coverage for your business's needs.

And, don't forget: If you are making improvements to your business, you may need to update your current coverage limits. We also can discuss the types of policies the contractors you hire should have before you start the project.

Before you start a construction project at your business, there are two calls you need to make: The first is to Call 811, and the second is to our agency to make sure you have all the proper insurance coverages in place to protect your business.



## Is your HVAC system ready for spring?



Spring officially has arrived, now is the time to address the health of your HVAC system. The heating and air conditioning apparatus in your building needs regular maintenance almost as much as your customers and employees need fresh, clean air. Plus a well-managed HVAC system is vastly more efficient than a leaky one, which means you can think of the repair costs as a small investment.

Like a company's car, seasonal tune-ups can help keep your HVAC system in tip-top shape, and you'll probably want to find a trusted professional to schedule and perform maintenance. Also, with recent strides in energy efficiency, you shouldn't hesitate to replace cheap, older parts before they break. While professionals do the heavy lifting, there are some simple steps you can take on your own.

A clean system works smarter: make sure whoever is responsible dusts buildup reduces airflow, ultimately increasing the load on your entire system. Take care to have coils cleaned and air filters replaced

regularly, but make sure to use only manufacturer recommended filters. It also pays to look for trouble before trouble finds you. Ensure regular inspections are performed, checking ductwork and piping for visible damage or leaks. You usually can repair a leaky duct with a little sealer, tape and insulation. Following these simple guidelines will keep your system healthy and your energy bill manageable.

Despite your best efforts, HVAC equipment will break. Is your business protected? Equipment breakdown insurance—also known as boiler and machinery insurance—can be purchased to cover mechanical or electrical breakdowns to your HVAC system and the potential business interruption that may result. Give our agency a call. We can review your insurance policy to make sure you have the insurance coverage you need to help should your HVAC and other systems decide to take a spring break.

## News from our agency

### Buying insurance for your business? We can help.

Insurance is complicated. It's our business to understand it and explain it to you so you understand it, too. In most cases, business owners will benefit from having a professional advise them. If there are any hidden surprises, we are the ones equipped to know where they will be found.

If you purchase your coverage from a direct writer, you have no licensed, regulated insured agent acting on your behalf. You are now taking full responsibility for your coverage decisions and for any mistakes that may happen. No more safety net.

Even if you understand insurance, the industry is regulated on a state-by-state basis. Move from one state to another and you'll find that the coverages may look the same at first glance, but on closer examination things could work a bit differently.

See firsthand why choosing an independent agent is the way to go. Stop in or give us a call. We'll be happy to talk with you about all your insurance needs.

And, if you've found this newsletter to be useful, pass it on to someone who also could benefit from the information.

