

## Lack of cell phone policy can be costly

According to a report in the New England Journal of Medicine, talking on a cell phone while driving quadruples the risk of an accident---equal to the risk associated with DUI.

This is a sobering statistic for businesses as well as individuals. More and more frequently, those injured in auto crashes where the driver was on a cell phone discussing business matters are suing the driver's company.

One example of this trend: In March 2000, an LLP firm associate struck and killed a 15-year old girl in Virginia. The associate was conducting business on her cell phone, and even kept a log of her calls. The attorney and firm faced the outcome of a \$30 million dollar suit.\*

Under the doctrine of vicarious responsibility, employers may be held



legally accountable for negligent acts of employees committed in the course of employment.

Employers can be found negligent if they fail to adopt and communicate a policy for the safe use of cell phones. Some policies state that cell phones can only be used when the employee pulls over to the side of the road or into a parking lot or into roadside rest areas. Others ban the use of all wireless devices in cars, period.

\* Source: *Hot Topics & Insurance Issues, Insurance Information Institute web site, www.iii.org*

## The Briefcase

By Jim Traver, CIC  
Vice President



### • Page Advisory on Identity Theft protection available.

This is the first in our special James Page advisory series. It offers valuable tips for business and individuals about what to do and how to insure against financial loss. Upon request, we will make copies available for your employees if you feel the advisory would be a benefit for your company to offer. For your copy, email [jtraver@jamespageins.com](mailto:jtraver@jamespageins.com).

• **Poor tire inflation is a serious winter hazard.** Tires tend to lose pressure in the cold weather. Underinflated tires can cause loss of steering control. Vehicle handling can be affected, too, so there is a driving safety factor as well. Tires tend to lose pressure in the cold weather. It's a good idea to regularly check business vehicles during the winter.

• **Does your business have an escape plan?** Our local fire department strongly encourages periodic employee practice drills, and suggests that new employee orientations include information about your fire emergency plan.

• **Special insurance considerations for LLC's.** Insurance carriers look at a Limited Liability Company differently when evaluating its risk of loss and other underwriting factors. It's worth checking out before setting one up.

## F.A.Q. Corner



**Q.** *Jim, we have employees who use their own cars for sales and for running errands. Does my businessowners policy (BOP) cover us?*

**A.** You may be best protected by a Hired Auto and Non-owned Auto Liability endorsement to your policy. It insures vehicles that your business leases, hires or borrows. For a review and more information, call us.

If you have a business or personal insurance question you'd like answered, call us. Often we can respond right on the phone.

## There's a business risk making headlines every day.



In a flash, "Cyber Theft" can result in the loss of critical business information, severe revenue losses caused by a business interruption, and the compromise of customer privacy (and future business from those customers). The risk exists even if you only use email. While retailers are a prime target, the fact is that every business is vulnerable. One report we read recently, indicated that medical office and equipment firms are among the most vulnerable.

Now is a good time to review your business cyber-risk. You may need to consider special standalone coverage to supplement whatever protection you currently have for your business and for your customers.

For more information or a review appointment, contact us at **978-373-3893** or **info@jamespageins.com**.

## Is your organization sales-minded or production-minded?



*Production-minded organizations tend to promote PRODUCT FEATURES.*

*Sales-minded organizations tend to promote CUSTOMER BENEFITS.*

Here's a simple test. Hold a meeting with some of your people. Ask them to help you list the advantages of your product. You may hear about advantages like: "We have spiral bevel gears" or "three coats of baked enamel." Now ask what these things mean to customers. If your people are production-minded, you may get dead silence. Let the silence continue.

Finally, someone may offer, "It runs with a whisper" or "Its outdoor protection is good for 20 years." Ah, you say. "Good. These are marketing and sales points."

## *Yes, Contact Us ASAP!*

*We are interested in info about the items we have checked off.*

- Cyber-Risk Insurance
- Hired and Unowned Auto Liability Protection
- Business Interruption Coverage
- General Review of current coverages
- Other: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Business name: \_\_\_\_\_

Web site: \_\_\_\_\_

Phone: \_\_\_\_\_

Email: \_\_\_\_\_

**FAX your request to 978-373-9321, attention Jim Traver. Thank you.**

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