

# *National Hotel Insurance Program Informant*

*A Publication of RCI Insurance Group*

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## **Thoughts of Success:**

Build upon strengths, and weaknesses will gradually take care of themselves.

People become really quite remarkable when they start thinking that they can do things. When they believe in themselves they have the first secret of success.

The abundant life does not come to those who have had a lot of obstacles removed from their path by others. It develops from within and is rooted in strong mental and moral fiber.

Take the first step in faith. You don't have to see the whole staircase, just take the first step.

One of the most courageous things you can do is identify yourself, know who you are, what you believe in and where you want to go.

If you have the courage to begin, you have the courage to succeed.

Courage is about doing what you're afraid to do. There can be no courage unless you're scared.



## **FROM THE OFFICE OF MICK COTTOM:**

### **Storms Take Their Toll on Rates**

Over the past year and a half, we've been alerting you to the inevitable rate increases as a result of weather and other factors. The hail storms in the spring of 2010, the bitter cold temperatures in the early part of this year and most recently the wide spread damage from severe weather, have all contributed to companies suffering huge losses.

As you are aware, companies pass along their losses to you in the form of rate increases and/or coverage changes. One example of coverage change we're seeing is more and more increased wind and hail deductibles. We see proposal offerings ranging from \$10,000 on wind/hail to 5% wind/hail deductibles. On a \$5,000,000 building a 5% wind/hail deductible would be \$250,000. For most of our hoteliers, that is not a good option.

Not only are we seeing rate increases, we are seeing companies putting moratoriums on new business, especially in Oklahoma. A number of Lloyd's of London Syndicates have quit writing in Oklahoma and Texas. When we see Lloyd's Syndicates curtailing writing, we know there could be a capacity problem. Obviously, part of the solution is to raise rates to try to become profitable again.

Of course, you want to know how much your insurance is decreasing, not increasing. The past few years we've been in what we in the industry call a "soft market". That's when companies are willing to write business below an actuarially sufficient rate to make a profit. The weather patterns and losses of the past few years are rapidly bringing the soft market to a halt.

The rate increases are not limited to your hotels. For the most part, any risk that has substantial property exposures is being affected. We're seeing homeowner rates increasing anywhere from 15% to 35%. We've seen increases as much as 300%, although that is not common.

As always, here at RCI Insurance Group, we will work to keep your premiums as low as possible. We will continue to obtain multiple proposals and offer you various options to provide you with the most cost effective program available.

I want to thank you for working with us during these trying times. All of us here at RCI appreciate your loyalty. As always, if you have any questions, feel free to give me or any member of our team a call to discuss your concerns.

Regards,

*Mick Cottom*

## Successful Management Tips for the Workplace

### Smile Early & Often

*“Take a minute in the morning to stand at the entrance of your place of work and greet employees and staff as they enter the building or department. Thank them for being there. Smile. It’s easy, fun and will go a long way towards boosting morale and making others feel valued.”*

Betty Shotton, CEO, [Liftoff Leadership](#)

### Be Old School

*“In our world of disposable tweets and emails, I have found that a hand-written and thoughtful thank you note, on stationery, goes a long way in rewarding employees who go above and beyond. These notes seem to always find their way to bulletin boards or are framed in offices and cubicles. People like the reminder of when they’ve made a difference.”*

–Richard O’Malley, President, [The O’Malley Project](#)

### Fire People Up With a Friday Email

*“Send a regular Friday email. Make it personal by telling a story about what’s happening in the company. This sends a message that you want to stay in touch and let people know what’s happening, whether the news is good or not. In the age of social media, people want a leader who is candid and accessible.”*

– [Suzanne Bates](#), Author, *Speak Like a CEO*, *Motivate Like a CEO*, and *Discover Your CEO Brand*

## GROWING PAINS

By: Rhonda Bennett

Remember the popular TV show that began in 1985, *Growing Pains*. Alan Thicke played the dad, Dr. Jason Seaver; mom, Maggie Seaver, was played by Joanna Kerns. The children included Kirk Cameron as Mike Seaver, Tracey Gold as Carol Seaver, Jeremy Miller as Ben Seaver and Ashley Johnson as Chrissy Seaver; friends or relatives included Leonardo DeCaprio as Luke Brower and Chelsea Noble as Kate McDonald. The show was about the growing pains of a family. Not unlike any family today; however, different things affect our growth today than back in 1985. The show ran for 7 successful seasons and I do not think I missed an episode.

Today growing pains of families and business’ include technology, computers and cell phones. You know what can cause pain with technology growth – loss of data by virus, worms, hackers, and human error. Examples of data breach include but are not limited to the following:

- Unauthorized Access
- Theft of Digital Assets
- Privacy Breach
- Cyber Extortion
- Malicious Code

“The average cost of a data breach is \$204 per lost record, with more than half of such costs attributable to lost customers and the associated public relations expenses to rebuild an organization’s reputation.”  
([www.phly.com](http://www.phly.com))

The great news is that there is an insurance policy to help with crisis management and the cost of recouping lost data; a product which provides First and Third Party protection – *Cyber Security Liability*. First Party protection includes: Loss of Digital Assets Coverage; Non-Physical Business Interruption and Extra Expense; Cyber Extortion; Cyber Terrorism; and Security Event Costs. Third Party Protection includes: Network Security and Privacy Liability; Employee Privacy Liability; and Electronic Media Liability. ([www.phly.com](http://www.phly.com))

Think about it – thieves do not necessarily need to rob us at gunpoint anymore; all they have to do is hack into the computer systems and steal everything about anyone and everyone. Ease the growing pain of technology with Cyber Security Liability coverage. Contact RCI Insurance for an application – the phone call is *painless*.

***Thriftiness*** — *Allowing myself and others to spend only what is necessary*

- *Save & spend wisely*
- *Meet needs*
- *Plan your spending*
- *Building working relationships*

## 10 Labor Day Facts

Labor Day was first observed on September 5th, 1882.

President Grover Cleveland declared Labor Day to be the first Monday of September.

Labor Day is celebrated in Canada as well as the United States.

There are 2 different traditions concerning who founded Labor Day: Some state Peter McGuire, the general secretary of the Brotherhood of Carpenters and Joiners, while others contend that it was in fact Matthew McGuire, a machinist, who founded Labor Day in the United States.

The first Labor Day was celebrated in New York City.

Oregon was the first state to declare Labor Day as law.

10,000 workers took an unpaid holiday to march in the first Labor Day parade.

Labor Day was founded when many in America worked 16 hour days in harsh work environments.

Labor Day is unofficially celebrated as the end of summer in America.

Thank Walter Reuther for paid vacation and paid sick leave. He campaigned hard for these rights in the 30's.

## Pool Drain Cover Recall

On May 26th, the U.S. Consumer Products Safety Commission issued a news release stating there is a voluntary recall of several retrofit or replacement drain covers that were installed new or as a result of the "Virginia Graeme Baker Pool & Safety Act" which was effective on December 19, 2008.

Per the recall "The drain covers were incorrectly rated to handle the flow of water through the cover, which could pose a possible entrapment hazard to swimmers and bathers."

Please verify that your pool is not subject to this recall, or if your pool has a recalled drain cover, take immediate steps to have the drain cover(s) replaced.

Company	Model Information (websites)	Dates Sold	Remedy
A&A	<a href="http://www.aamfg.com">www.aamfg.com</a>	12/2008 - 4/2011	Replacement Or Retrofit
AquaStar	<a href="http://www.aquastarpoolproducts.com">www.aquastarpoolproducts.com</a>	12/2008-4/2011	Replacement Or Retrofit
Color Match	<a href="http://www.poolfittings.com">www.poolfittings.com</a>	12/2008-4/2011	Replacement Or Retrofit
Custom Molded Products	<a href="http://www.c-m-p.com">www.c-m-p.com</a>	12/2008-4/2011	Replacement Or Retrofit
Hayward Pool Products	<a href="http://www.hayward-pool.com">www.hayward-pool.com</a>	12/2008-4/2011	Replacement Or Retrofit
Pentair Water Pool & Spa	<a href="http://www.pentairpool.com">www.pentairpool.com</a>	6/2009-4/2011	Replacement Or Retrofit
Rising Dragon	<a href="http://www.risingdragonplastics.com">www.risingdragonplastics.com</a>	12/2008-4/2011	Replacement Or Retrofit
Waterway	<a href="http://www.waterwayplastics.com">www.waterwayplastics.com</a>	12/2008-4/2011	Replacement Or Retrofit

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### ***Policy Audit Information***

Your workers compensation policy is issued with an *estimated premium* based upon information provided through your agent.

This premium is subject to adjustment at the end of the policy period. At that time, you may receive a request for information in the mail or a premium auditor may contact you to review the necessary records.

In order to facilitate audit service, it is necessary to maintain proper records and have them available at the proper time.

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## Tell Others About Us And Win a Prize

Congratulations to this month's winner, Sunny Patel with America's Best Value Inn in Great Bend, KS! Sunny has won a \$25 VISA Gift Card for sending us referrals. Keep telling others about RCI and **YOU** could be our next monthly winner or our next yearly winner. This year, our annual drawing will be a week's getaway vacation to Branson, Missouri, and \$500 spending cash!! Every time you send us a referral and they give us your name, you will be entered into our grand prize drawing. Plus, you'll be entered in the monthly drawing as well!!

So keep sending us your referrals. We really do appreciate it!

**Important Reminder!!** Don't forget we are a **NATION WIDE** agency. So if you have friends looking for insurance in the continental US, tell them about RCI!

**Thank you!** THANK YOU! **THANK YOU!** Thank you!

*RCI has been helping us since 2007. They have been there for us every step of the way. They are very professional and prompt with their service. RCI has always given us good advice and opinion whenever I need some help with the claims. On top of that, they find the best available quotes for your insurance.*

*Thanks RCI for everything!!!! Keep up the great work!!!!*

*-Prashant Patel, Super 8 New York.*