

National Hotel Insurance Program Informant

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THOUGHTS OF SUCCESS

Do not follow where the path may lead. Go instead where there is no path and leave a trail.

What chance gathers she easily scatters. A great person attracts great people and knows how to hold them together.

If your actions inspire others to dream more, learn more, do more and become more, you are a leader.

He who has never earned to obey cannot be a good commander.

Never tell people how to do things. Tell them what to do and they will surprise you with their ingenuity.

A ruler should be slow to punish and swift to reward.

Where there is no vision, the people perish.



FROM THE OFFICE OF MICK COTTOM:

Will Insurance Rates Continue to Increase?

Rising insurance costs have been a topic of discussion since around the first of the year. Although some hoteliers have not had an increase, over 85% of our clients have faced increases in their overall insurance costs. Certainly after the May and June storms in Oklahoma and throughout the Midwest, I think we'll see even greater increases this coming year.

The most recent estimates of the May / June storms in the OKC Metro area top over \$2 Billion dollars. You saw correct, \$2,000,000,000. That is property damage only from storms. Liability claims, theft losses, auto losses and other unforeseen types of loss. It will be almost impossible for any of the major insurers to make a profit this year with these losses. The only way to ever recover is to increase everyone's rates and hope we don't have another year like this year for five years or so.

We will continue to work on your behalf to find you the proper coverage at a fair price, but don't be surprised to see an increase. Yes, you can expect an increase, even if you didn't have a claim.

How Important is EPLI Coverage?

Employment Practice Liability Insurance, commonly referred to as ***EPLI***, comes in many different policy forms. The many different policies respond to claim situations in many different ways. Most of the policies cover employment related practices: hiring, firing, sexual harassment and ADA situations involving employees.

Most policies have provisions that allow you to talk with qualified labor attorneys at no cost if you have questions regarding hiring, termination or general employment related questions. This provision alone can be worth the investment in the policy.

It's also important that your policy covers third party (guests and vendors) discrimination as well. An innocent error can cost thousands of dollars to defend, even if it's a frivolous and unfounded complaint. Once a complaint is filed with the authorities, you must respond. Should it go to court or to administrative hearings, you will incur defense costs. The average defense costs today for an EPLI / ADA suit is just over \$60K. Certainly the costs can run in the hundreds of thousands of dollars just for attorney fees if a serious charge or allegation.

The bottom line is this. In today's legal environment and with the ever expanding ADA regulations, I believe EPLI should be a part of every responsible hotelier's insurance program.

For more information on EPLI coverage or other insurance questions, check out our website: www.rci-ins.com. Or give us a call at 800-753-5797.

Regards,

Mick Cottam

RCI Insurance Group is the Exclusive Agent for the National Hotel Insurance Program. We have been serving hoteliers insurance needs since 1982. We serve hoteliers in Oklahoma, Texas, Arkansas, Kansas, Missouri and throughout the United States.

What's Most Important?

By: Tommy Harvey

Life insurance is important to everyone. Most people don't like discussing it with me because most people don't want to talk about their death. YOU WILL DIE! Now that we got that out of the way let's focus on the importance of life insurance. If you are married and something happens can your spouse make it on their own? If you pass away right now will your children be able to go to school, or will they be forced to work to pay bills?

There are several types of life insurance. One inexpensive way is to purchase term insurance. This allows you to pick the amount of coverage that would be needed and the amount of time it would be needed. For example a young couple buys a house with a 30 yr loan. They should purchase a 30 year term on each one of them for the amount of the house. Once you are considered insurable you will have the option to convert your policy to another type at a later time. It is important to get life insurance when you are young and healthy. It is easier and cheaper to get. Most of the time I do a quote on life insurance it is a lot less than the client had thought it would be. Life insurance is a very inexpensive way of protecting what matters most, your family.

Interesting Hotel Facts

By: Rhonda Bennett

Here are some interesting hotel facts. Hotels played important role during wartimes.

◆.....◆ **Employee Tips on How to Hold Your Temper**

By: Tammy Ridgway

~When facing a messy situation or an irritated individual, keep the issues in perspective so that you do not say or do something you will later regret.

~Keep your voice calm.

~Choose words that convey respect and sincerity, and avoid using words others could easily misunderstand.

~Do not act irritably, and avoid petty arguments.

~Demonstrate patience by taking time to listen.

~Avoid conveying an attitude that cuts off communication with others.

~Refrain from glaring, clenching your teeth, or fidgeting.

~Evaluate your thoughts, and respond reasonably.

~Determine how you contributed to the conflict, and discern how you can avoid offending others.

- The U.S. Army converted the Ojai Valley Inn and Spa in Ojai, CA, into a training camp in 1941 and constructed Quonset huts along the resort's golf course. After the war, the links were repaired but altered, destroying two of its signature holes for more than 50 years. In December 1999, the "lost" holes were restored as #7 and #8.
- The original hotel on the current location of the Sheraton Read House Hotel in Chattanooga, Tenn., was occupied by Union troops and later served as a military hospital during the Civil War.
- In 1942, the U.S. Army purchased the luxurious Don CeSar Resort in St. Petersburg, Fla., for its assessed value of \$450,000. The hotel was transformed into a convalescent center for battle-fatigued World War II airmen. The velvet-draped and Spanish-tiled King Charles II ballroom was converted to a barracks-style mess hall. Local St. Petersburg girls also formed a group called the Bomb-a-Dears to aide in the re-socialization of recovering airmen. The center's chaplain performed an average of two weddings a week.
- The Morrison-Clark Inn in Washington, D.C., originally built as two private townhouses, was renovated in 1923 by the Soldiers, Sailors, Marines and Airmen's Club. For the next 57 years, the mansion houses servicemen staying in Washington, with rates as low as 50 cents per night. During World War II, the club houses more than 40,000 servicemen per year.

Frequently Asked Questions: Hotel Addition

By Jerri Wood

Does my insurance policy cover my sign?

Some policies have automatic coverage for signs anywhere from \$10,000 to \$25,000. However, other companies have no coverage for signs unless you request it. Each insurance company is different. Always remember to let your agent know what the current value of your sign is so the agent can make sure it is covered on your policy. Also be sure to let your agent know anytime during the year if you purchase a new or additional sign.

What does my credit rating have to do with purchasing insurance?

Credit scores are based on an analysis of an individual's credit history. Insurers often generate a numerical ranking based on a person's credit history, known as an "insurance score", when underwriting and setting the rates for insurance policies. Actuarial studies show that how scores are used to help insurers differentiate between lower and higher insurance risks and thus charge a premium equals to the risk they are assuming. Statistically, people who have a poor insurance score are more likely to file a claim.

Fire Safety Training For Hotels

By: Karen Phillips

Fire safety training for hotel and resort staff members is important to protect the life of all who stay at the establishment. If a fire were to break out, it is important that everyone including the guest knows exactly what to do and when. You need to understand the workings of all equipment that may be included in any employee-training program you participate in for fire safety in the hotels and resorts. The rooms should also include safety regulations on the door of every room for every guest to read and understand in case of a fire. A smoke alarm needs to be placed in every room and the hallways as well.

A hotel with restaurant facilities or smoking rooms must have proper guidelines in place in the event a fire would occur. If you have a flame and no fire extinguisher around for the employee to use, they need to know what could result if not properly equipped. The building could continue to burn and the blaze will become uncontrollable, which can burn down an entire building. Proper education with a lesson plan or a video course through a computer based program will ready an employer and employee for an emergency. Teachers are providers for all the necessary coaching needed to aid in the protection of the guest and employees of the establishment.

In high rise hotels, different safety guidelines are needed because of the many floors filled with people, who will need to exit the burning building without ending up in a hospital or even worse. If one is trapped on upper floor and takes refuge in an area filled with industrial cleaners, they could experience serious results if the heat causes fumes to fill the area. Proper exit plans and designation of safety areas in the event of a fire is vital so firefighters can reach those trapped without searching the entire burning building.

Character word of the Month: MEEKNESS

Meekness vs. anger

The word *meek* comes from the Old Norse term *mjukr*, which means "gentle." It is also akin to the Welsh word *mwyth*, meaning "soft."

A meek person demonstrates gentleness, delicacy, and restraint toward others rather than harshness or dominance.

meek•ness *n* 1: manifesting patience and long-suffering 2: enduring injury without resentment 3: not violent

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Tell Others About Us and Win a Prize

Congratulations to this month's winner, Rakesh Gandhi with Executive Inn & Suites in Anadarko, OK!!

Rakesh 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 another week's Get Away 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!

				We are delighted to recommend Mick Cottom and his team of experts at RCI. Mick and his team have done				
				an excellent job of taking care of all our insurance needs and requirements for the last several years. We are				
				particularly impressed with the professional attitude and the courteous service for our hospitality insurance.				
				Mick and his team of experts have done a fine job in getting us competitive pricing along with great service.				
				Mickey Patel – Frontier Hotels, Tulsa, OK				