



Insurance Insight

Insurance Industry News and Views from EBM

January - February 2011

Welcome message

Happy New Year and welcome to the first edition of Insurance Insight for 2012!

I hope you and your families enjoyed a wonderful festive season and now find yourself recharged and looking forward to the year ahead.

In this edition, we're pleased to bring you news of our expansion into one of Australia's fastest growing regions as we prepare to open a new office in the Western Australia's North West.

We tackle the issue of non-insurance in the small to medium enterprise sector and continue our industry in the spotlight series.

If you have a story idea you would like to see covered in Insurance Insight simply email your suggestions to marketing@ebminsurance.com.au.

In the meantime, I hope you enjoy this edition of Insurance Insight and look forward to keeping you up-to-date with EBM and industry news over the coming year.

Jeff Adams
Managing Director
EBM Insurance Brokers



EBM hits home in Karratha

EBM is about to open the only permanent insurance broking office in Karratha, in WA's Pilbara – the leading resources sector region in the State – to help rapidly growing local businesses cope with big increases in liability and risk.

EBM's Regional Manager Owen Connolly said EBM had operated in WA's North-West for many years and recognised that business needs were changing in all sectors of the economy.

“Owners are often so busy growing their businesses that they don’t take time to adequately protect themselves. In the event of a major claim, these people could lose everything they have worked for,” he said.

The Pilbara team will be headed by Mr Connolly, a 12-year veteran with the company, supported by assistant account manager Suzanne Kimpton, a Karratha local resident who has insurance industry experience, both in the UK and Australia.

They will draw on expert advice from other EBM divisions, including the specialist construction and trades area, which provide a full suite of business insurance and risk services to more than 100,000 clients.

The resource, construction and transport industries are a major part of EBM’s portfolio and the company has extensive knowledge and understanding of complex industry risk. More than 50 per cent of EBM’s public company clients are involved in resources.

“Liability issues also become more complicated when companies take on bigger contracts, particularly when the customer is a multi-national, and basic insurance policies may not provide adequate protection,” Mr Connolly said.

“Subcontracting and workers’ compensation are also complex. People often think that subbies have their own insurance cover so they must take all the risk but the principal can still be liable for claims.

“This is where business owners need to be able to sit down with an adviser, talk through the issues and find the best protection for their particular situation.”



Here today, gone tomorrow?

Did you know 99 per cent of Australian businesses are small and medium size enterprises (SMEs)?

Now consider this statistic: nearly a third of them don’t have any form of general insurance.

EBM Managing Director Jeff Adams said non-insurance and even underinsurance is a high-risk game to play that can have devastating outcomes.

“Too many people think ‘it won’t happen to me,’ but the number of natural disasters around the globe last year shows that the unexpected can happen to anyone,” said Mr Adams.

“Interestingly, many small business owners do recognise the importance of having insurance but simply can’t afford the time or money to take out adequate cover. That is where a broker can be invaluable for this segment of the market.”



According to recent market research into the way SMEs buy insurance, the vast majority of insured SMEs purchase all their policies through a broker.

"At EBM we work with our clients to help them find the best cover for their insurance requirements," explained Mr Adams.

"Over many years we have worked with a wide range of SMEs – from real estate agents, to plumbers, painters, builders, retailers and cosmetic manufacturers – and have tailored insurance products that meet their unique needs and challenges."

The first step if you're reconsidering your insurance needs is to conduct a business audit and be realistic about what could happen to your business in the worst-case scenario.

That means reviewing the business' physical assets and inventory, looking at what loss of revenue you might experience and understanding all your outgoings including costs such as loans, bills and wages. Liability exposures should also be strongly considered given the significant impact they can have on SMEs.

If you would like advice or assistance with your insurance needs please don't hesitate to speak with an EBM Account Manager. To find your nearest office simply call 1300 INSURE (1300 467 873) or visit www.ebminsurance.com.au.

Sources:

NIBA website

Insurance Council of Australia – *Non-Insurance in the Small to Medium Enterprise Sector*

Vero – *SME Insurance Index 2012*

News in brief

The **Australian Prudential Regulation Authority (APRA)** has appointed two new Executive General Managers (EGN). The current EGN of the Supervisory Support Division, Keith Chapman, has been appointed to the role of EGN of the Diversified Institutions Division. The new EGN of the Supervisory Support Division is Helen Rowell, APRA's current General Manager of Policy Development.

EBM has become a founding sponsor of '**Heart for the Homeless**' – a not-for-profit organisation developing innovative ways to collect and distribute essential resources to people in need. To find out more, visit www.heartforthehomeless.org.

The **Insurance Council of Australia (ICA)** has appointed Vicki Mullen as GM Consumer Relations and Market Development. She is charged with the task of managing the Financial Ombudsman Service relationship, code of practice issues, consumer relations and various statutory classes of insurance.

EBM General Manager, Ward Dedman, was an invited industry leader at the **Australian and New Zealand Institute of Insurance and Finance's (ANZIIF) Generation i 'Leaders of Our Pack'** luncheon in Perth.



Sources:

Media release: *APRA appoints new Executive General Managers* (9 December 2011)

Media release: *The Insurance Council appoints Vicki Mullen as a General Manager Consumer Relations and Market Development* (9 December 2011)

ANZIIF website

Face time still rates for industry veteran

After 45 years in the insurance industry, Wayne Lewis says he still looks forward to going to work each day.

“I’m a lucky man in many ways,” says Wayne, who has been an Executive Account Manager in the Perth office for the past 14 years. “It’s honestly a pleasure to come to work and being part of a very positive culture at EBM plays a big role in that.”

Wayne’s previous employer – Goddard Insurance Brokers– were acquired by EBM 14 years ago and, according to Wayne, it’s been smooth sailing since then.



“It was a very friendly takeover; a seamless sort of transition. I finished one job on Friday and started the next Monday – the only thing that changed was where I drove to work.

“The important thing was to recognise the benefits of being part of EBM, from my clients’ perspective. I moved to a far bigger company with a national reach, we have access to excellent facilities, a broader range of products and sophisticated technical backup.

“At the end of the day, it meant I could offer more to my clients.

In his time at EBM Wayne has worked with clients across a range of industries including consulting engineers, security companies, commercial property owners and manufacturers. There’s been highs and lows; successes and challenges.

Yet looking back, Wayne highlights the humble email as one of the biggest tests of his career.

“Moving to email was challenging for someone of my generation,” he explains, “but I can equally say it has been a great assistance and I couldn’t do business without it now.”

Having given technology its due, Wayne is quick to implore the importance of face to face communication.

“Face-to-face contact remains the most critical aspect of our job – and we’re one of the few industries where that level of service is still offered,” he says, highlighting the example of the banking industry, which has seemingly gone in the opposite direction in terms of service.

“There’s been many occasions where, if I hadn’t have been talking directly to my client, I wouldn’t have picked up on certain aspects of their business. It’s my job to understand a company and use my judgment to make recommendations on their insurance – and one of the best ways to do that is to get in front of the client and talk.”

When he is not tending to the needs of his clients, Wayne's time is divided between his family – his children and grandchildren – and whatever he and his wife can fit in besides.

Some of those things include swimming at the beach close to his home in Scarborough, watching St Kilda play AFL, walking, and finding time to holiday when they can.

It seems those activities will have to fit in around work and family, since Wayne has no plan to leave his career of 45 years any time soon.

“I'm enjoying it too much to think about giving it away.”

Tools of the trade ... covered by EBM

In the latest installment of our industry in the spotlight series we look at the special insurance requirements trades people have and what EBM is doing to help keep them 'on the job'.

Any one of the thousands of trades people around Australia will tell you that the tools of their trade are their livelihood!

EBM Insurance Brokers National Manager - BuildCover Chris Lane said EBM's TradesPlusCover policies provided a high level of protection for tradespeople.



“It's not always at the top of their list but insurance should be an essential part of any tradie's toolbox,” said Mr Lane.

“We understand tradies face some unique risks,” explained Mr Lane. “They need to be protected for instances where property being worked on is damaged or their tools are broken or stolen.

“In the event that something does go wrong in the middle of a job, they need to be up and running as quickly as possible.”

The TradesCoverPlus policy includes broadform liability insurance, which also covers contractors or sub-contractors while they are working for the insured business. The policy also includes cover for general property such as tools and equipment whilst away from the business premises.

EBM also offers a number of trade-specific policies that have been tailored specifically for cleaners, painters, decorators, plumbers and gasfitters.

To find out more about TradesPlusCover, or to obtain a quote, simply call 1300 755 112 to speak with an EBM Account Manager or visit www.tradespluscover.com.au.

Contact us

EBM Insurance Brokers, with offices in New South Wales, Victoria, Queensland and Western Australia, delivers local expertise combined with the national resources of one of Australia's largest insurance broking companies.

Email us at ebm@ebminsurance.com.au or contact a local broker who can help you determine your insurance needs. Call 1300 INSURE (1300 467 873) for your nearest office:

Sydney

Level 9/333 George Street, Sydney New South Wales 2000

Melbourne

Suite 4/651 Victoria Street, Abbotsford Victoria 3067

Perth

105 Outram Street, West Perth Western Australia 6005

Gold Coast

Level 8/64 Marine Parade, Southport Queensland 4215

Bunbury

4 Victoria Street, Bunbury Western Australia 6230

Kalgoorlie

47-49 Boulder Road, Kalgoorlie Western Australia 6430

Geraldton

65A Forrest Street, Geraldton Western Australia 6530

Karratha

Locked Bag 5000, Karratha Western Australia 6714

Important note: Our advice is provided for your general information and does not take into account your individual needs, you should read the respective insurers product disclosure statement which we can provide upon request before taking out cover.



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