



b ``` (PARED!) ```

[the business interruption e-source]

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BUSINESS INTERRUPTION CONSULTANTS, INC.

"Though no one can go back and make a brand new start, anyone can start from now and make a brand new ending."

—Anonymous

To Be Prepared is Half the Victory.

According to *Risk Management Magazine*, September, 2010 issue:

Eight steps to take after a disaster –

1. **Monitor** conditions for further catastrophe.
2. **Communicate** emergency plans to employees.
3. **Implement** information, communications, and IT plans to avoid disruption.
4. **Contact** your insurance carrier/broker.
5. **Separate** and salvage equipment and stock that is damaged.
6. **Document** and photograph damaged property.
7. **Contact** vendors and clients.
8. **Execute** a media relations plan if necessary.



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Business Interruption Appraisal

Why Do You Need One?

The intent of the Business Interruption Appraisal (BIA) is to determine the disaster preparedness status of your company or business. Sound important? Definitely—but you ask, **“What is it and how will it help me?”**

Disaster preparedness is an area that is often neglected because the day-to-day routine of doing business takes precedence. You have worked hard to make your company a success and have established your brand reputation and market share which is the heart of your business. If you suffer a disaster, do you know how long you can afford to be disabled before everything you have worked for is lost? The bottom line is that your customers will be sympathetic for a short time, but if you do not recover quickly, they will move on to other sources that are able to meet their needs and you are out of the picture—**out of business.**

By now you are wondering how to get started. It seems so overwhelming because your business is complicated.

Business Interruption Consultants to the rescue!

Notice the words, “Business Interruption” is in our name.

Disaster preparedness is our specialty. Depending on the complexity of your operations, a BIA takes three to four days, is not intrusive, and produces a comprehensive disaster preparedness status report unique to your business.

The first stage of the appraisal is to tour the facilities, review the current disaster recovery plans, complete a risk assessment analysis, and prepare an executive overview of the business interruption exposure. This includes establishing the organizational recovery strategy, return time objective (how long you can afford to be closed), return point objective (how much data can you lose), and ways to reduce the risk. We also look at contingent business income exposures, regulatory and corporate governance guidelines, and suggest ways to reduce these risks. Our comprehensive BIA report reveals exactly how prepared you are for the next disaster and includes important suggestions for improvement in the areas that could be troublesome. Peace of mind for a minimal amount of your time.



The key components of a BIA are identifying the impact from a major disaster on business income and any contingent business income exposures.

WARNING!

75% of businesses close their doors after a catastrophe. DON'T BE ONE OF THEM.

Contact us today to schedule your Business Interruption Appraisal. 307.433.8180 or INFO@BISIMPLIFIED.COM.

GET THE FACTS!

Want Not? Waste Not!

According to *Fortune Magazine*, Sept. 27, 2010 issue:

Our toys and devices are amazing – until they're obsolete. That's bad news for the planet, but good news for electronic recyclers. 206 million computer products and phones are discarded in the US every year. Worldwide, annual electronic waste is more than 50 million tons. 70% of heavy metals in US landfills come from our outdated electronics and include toxins like lead and mercury. Only 15-20% of gadgets are recycled. Twenty-three states now have an electronics recycling law on the books, but regulations are inconsistent. Other states have funded some voluntary recycling projects.

Are you doing your part?



2010 Natural Catastrophe Year in Review

Insurance Daily Digest, 1/10/2011. From the *Insurance Information Institute 1*, Ernst Rauch, Carl Hedde, and Robert Hartwig; *Munich Re and the Insurance Information Institute*; 70 slides | January 10, 2011.

On January 10th, Munich Re and The Insurance Information Institute hosted a webinar that provided an overview of 2010 natural catastrophes. The webinar notes that in 2010, insured catastrophe losses in the United States totaled \$13.6 billion, **much lower than** the 2000 to 2009 average loss of \$25.8 billion (in 2010 dollars); multiple severe winter storms across the country created the highest losses from this peril since 2003; and for the third consecutive year thunderstorms caused over \$9 billion in insured losses. Globally, 2010 is referred to as the year of earthquake. In January 2010, an earthquake in Haiti killed some 220,000 people and a February 2010 quake in Chile was the costliest disaster of the year, causing about \$8 billion in insured losses. Overall global economic losses in 2010 reached \$130 billion; with insured global losses at \$37 billion. The webinar can be accessed on the I.I.I. website at:

www.iii.org/presentations/MunichRe-011011/.

Thanks to: Thomas A. Gray, PE, FSFPE, CIRT (Level 3), ABCP Consulting Director, Property Risk Control, CNA Insurance.

b (FUNNY!)

[a little insurance humor]

SAD BUT TRUE: One day an insurance agent received a phone call from a lady saying that unfortunately she had to cancel her husband's life insurance policy.

"We always paid it on time," she said, "but since my dear husband's sudden death last year, I have had some financial hardship; therefore, I cannot pay it anymore."

He had the claim processed.

Send us your insurance jokes for a chance to be in our next newsletter at info@bisimplified.com.

Yogi Berra said, "The future ain't what it used to be." or, Nostalgia isn't what it used to be.

Last year my wife had to get a biopsy to see if she had cancer. After the procedure, my younger daughter called and asked how her autopsy went.

One woman was heard saying, "My idea of home security is a cheap handyman who paints all the windows shut."

b (INFORMED!)

From *Risk Management Magazine*, September, 2010 issue:

ROCKY RELATIONSHIP

Historically, the relationship between corporate risk managers and their insurance brokers is one of trust, dependence, and confidence but, currently that is not the case. According to the 2010 *Large Corporate Insurance Study* by Greenwich Associates, the survey found that there is a growing disconnect between corporate risk managers and their insurance brokers, a situation with potentially alarming circumstances.

The risk managers that were surveyed expressed low satisfaction with the service they are receiving from virtually all US insurance providers. Only two firms out of the ten largest US corporate insurance brokers received an "excellent" rating from more than 30% of their corporate clients.

Those two firms (Beecher Carlson Insurance and BB&T) are relatively small, spelling bad news for the major insurance brokers. "The fact that companies see little distinction between major brokers and carriers will come as unwelcome news to insurance providers, many of which make large investments of time, effort, and money in trying to develop strong brands." It seems that recent declines in revenue, stemming from a sluggish economy, have forced brokers to put their focus on their bottom lines instead of their crucial client relationships.

The DRI Spring World convention is March 27th-30th in Orlando, Florida! This is the premier business continuity conference, and if you have never attended one, you owe it to yourself and your company to attend! For more information, go to: www.drii.com.



Don't let this happen to you!

Get a jump on your competition.
Team up with Business Interruption Consultants and provide value-added services for outstanding market differentiation. For great ideas, see last month's issue of *Be Prepared!* or "Services" at www.BISimplified.com.

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PLEASE CONTINUE TO GIVE US YOUR COMMENTS AND ASSOCIATED ARTICLES ON TOPICS OF INTEREST.

WE WELCOME YOUR INPUT!

Send us your comments, questions and jokes to be published in upcoming issues.

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