

# THE ADVISOR

The official newsletter for Deland, Gibson customers and friends

SPRING 2011

## Recognizing those who have been instrumental to our agency while preparing for the future



Charles W. Gibson  
President

At Deland, Gibson, we are proud of the tremendous relationships we have formed over the past 111 years. Protecting the homes, businesses and investments of our friends and neighbors has been a pleasure, and we look forward to continuing that tradition for many years to come.

As we reflect on our past, we also must remember those who have been instrumental in the success of this agency.

Earlier this year, Karen Cora, our Executive Vice President, retired from Deland, Gibson. Having been with the company for over 22 years, Karen built an impressive resume, including serving on the board of the Massachusetts Association of Insurance Agents (MAIA), and rising to the title of MAIA Board President. Karen has always been a true leader in her field and served as an essential part of the Deland, Gibson management team. On behalf of our staff and clients, we thank Karen for her years of dedicated service and wish her a happy and healthy retirement.

This year also marked the beginning of a new venture for Deland, Gibson. Tom Skelly and the Skelly Insurance Agency have joined Deland, Gibson. Tom has been in the insurance industry for 29 years and has successfully owned and operated Skelly Insurance Agency, a Five Star award winner, for 20 years. He is currently on the board of the Massachusetts Association of Insurance Agents as secretary/treasurer and is line to become Chairman in 2013. Tom brings vast insurance sales, operational knowledge and entrepreneurial experience to Deland, Gibson.

In his capacity as Vice President of Sales and Operations for Deland, Gibson, Tom will be active in promoting the customer service and insurance expertise of the organization. In joining our agency, he had this to say: "I am excited to join a firm that shares my commitment to customer service and to reducing clients' total cost of risk while broadening their coverage."

Tom brings a wealth of institutional knowledge and experience to our company. He also believes strongly in providing superior customer service and comprehensive insurance options. The Skelly team will be a tremendous addition to Deland, Gibson as we look towards the future.



**If your property floods ...  
are you protected?**

It is hard to believe that this time last year our region was inundated with record amounts of rainfall, resulting in devastating floods. As we reflect back on the historic flooding of Spring 2010, Deland, Gibson wants to make certain our policyholders understand the importance of securing proper flood insurance. Many people are unaware that standard homeowners' insurance and commercial insurance policies do not cover damage resulting from flooding. We all learned that flooding can occur anywhere and at anytime, so it is important to understand your options.

Homes and businesses located near rivers or ponds should consider purchasing flood insurance to help avoid the devastation that flooding can cause. Deland, Gibson is here to help you make sense of your flood insurance options. Supplemental coverage is available through the National Flood Insurance Program (NFIP). This government program was created to offer flood insurance to homeowners and business owners, if their community participates in the NFIP, as a means to protect themselves financially in the event of a flooding loss.

The NFIP defines covered flooding as a general and temporary condition in which the surface of normally dry land is partially or completely inundated. Two properties in the area or two or more acres must be affected. Flooding can be caused by:

- Overflow of inland or tidal waters
- Unusual and rapid accumulation or runoff of surface waters from any source, such as heavy rainfall
- Mudflow i.e. a river of liquid and flowing mud on the surfaces of normally dry land areas
- Collapse or subsidence of land along the shore of a lake or other body of water, resulting from erosion of the effect of waves or water currents exceeding normal cyclical levels.

*Continued on back*



# New Employee Spotlight

## Insurance Consultant joins agency team



Tom Gonsalo, a 25 year veteran in the insurance industry, has signed on as Insurance Consultant at Deland, Gibson. Bringing with him an expansive knowledge of all facets of the insurance industry, Tom will lend his expertise to enhance our commercial insurance offerings.

A resident of Ashland, Tom is a loyal Boston sports fan and we are pleased to welcome him to our home team.

## Commercial insurance division welcomes new account executive



Joanne Augustine brings 18 years of insurance industry experience to her position of Commercial Lines Account Executive at Deland, Gibson. She most recently served as Office Manager at a local insurance company. Throughout her career, Joanne has successfully attained the following professional designations: Certified Insurance Counselor (CIC); Certified Insurance Service Representative (CISR); Certified Professional Insurance Women (CPIW); and Diversified Advanced Education (DAE).

Joanne resides in Wrentham and is also treasurer of the Massachusetts Association of Insurance Women, Norfolk Chapter.



## Improper driver etiquette can cost you

True or false: you can be pulled over, ticketed and surcharged for having your high beams on? TRUE! Failure to dim your high beams for oncoming traffic, having them on in the daytime (otherwise known as “improper use”), and failure to have them on one half hour after sunset are all considered minor traffic violations, and therefore you will be charged for them.

Massachusetts operates on a point system for its automobile insurance, meaning that all accidents and major/minor traffic violations are considered “surchargeable” events. These events, depending on their severity, will add a certain amount of points to your driving record. Your insurance premiums will increase with even just one point, and minor violations, such as high beam infractions, are worth two points.

The more points you receive, the more the surcharges increase, hitting your wallet and company options (companies have been more selective in their customer base as with Managed Competition they can pick and choose their client base). This is reason enough to be mindful of your driver etiquette. For more information on surcharges and a list of all Massachusetts traffic violations you can go to the Massachusetts Office of Public Safety’s website at [www.mass.gov](http://www.mass.gov).



Deland, Gibson offers many endorsement options for drivers looking for additional levels of protection. For prices ranging from \$25 - \$82 extra per vehicle, policyholders can receive valuable supplemental protection. From rental reimbursement to emergency travel expense, and even replacement cost/new car coverage, auto enhancements are well worth the investment.

Please call your Deland, Gibson sales agent or account manager at 781.237.1515 for a coverage review or to add additional endorsements to your policy.



## CORNER

COMMERCIAL

## How much does a workers’ comp claim really cost a company?

Workers' compensation claims are inevitable for some employers in high risk occupations, and come with their fair share of costs, both direct and indirect. While the direct costs (actual payments made to injured employees and medical providers) are expected and unavoidable, indirect costs (lost productivity, overtime, etc.) can devastate a company's bottom line. These are also the costs that can be avoided with proper preparation.

According to a survey conducted by the *Executive Survey of Workplace Safety*, 40% of executives estimate that every \$1 of direct costs equals \$3 to \$5 of indirect costs. Though it may not seem like much, consider this: in 1998 (the most recent year for data collection) the \$38 billion in workers' compensation costs increased to an alarming \$150 billion to \$230 billion. And this number continues to grow.

The establishment of a *Return to Work Program* is one initiative that has been effective in reducing indirect workers' compensation costs. The function of this type of program is to assist injured employees in getting back to work. The longer an injured employee is out, the higher the costs. In addition to decreased productivity and increased overtime, indirect costs include decreased morale, higher premiums, and the hiring and training of new employees should the injured employee need to be replaced. After a six-month absence, there is only a 50% chance that an employee will return.



With that in mind, it is important to design an effective *Return to Work Program* for several reasons:

- Early outreach and assistance will alleviate the injured employee of any concerns or frustrations following an accident, and the employee will maintain a positive connection to their workplace, rather than becoming disgruntled.
- Communication will be open in terms of notifying which individuals are responsible for assisting the injured employee back to work.
- Injured and non-injured employees can benefit, as they can better understand their transition back into work.
- Individual programs can be customized for each employee, maintaining consistent and fair policies.

In addition to a *Return to Work Program*, other *Risk Management Programs* are also useful in preventing accidents from happening in the first place. Managers receive a breakdown of risks with both high and low impact. They can strategize and formulate methods of mitigating and avoiding workplace risks.

Workers' compensation coverage can be an expensive line item in a company's budget, but with these steps you can help to mitigate loss and keep costs down.

Contact Deland , Gibson for more information on loss control recommendations and options available.

## The facts about earthquake insurance

Living on the east coast, we rarely concern ourselves with earthquakes. Our weather worries are typically hurricanes or snow storms, but the recent events in Japan have showed just how devastating earthquakes can be. It is imperative to be prepared for this type of natural disaster, which is why you should consider adding earthquake coverage to your insurance policy.

While many New Englanders believe they are safe from earthquakes, keep in mind that approximately 90% of Americans live in areas that are considered seismically active. This includes Massachusetts, Rhode Island, and Connecticut, since all three states have had recent experiences with earthquakes and tremors. The most recent local earthquake occurred in June of 2010, when tremors from an earthquake in Canada could be felt all the way in Brookline, MA.

When protecting your home or condo, make sure this coverage has been added. The price range varies depending on the construction of the home or building. When adding this coverage for the dwelling, make sure you ALSO have coverage for your contents, as this should be added as well. You will also have different earthquake deductibles with higher values as options to lower the cost.

An earthquake strike can be catastrophic, and protecting your assets should be a top priority. Deland, Gibson wants to make certain your home, your business and your family is safe from earthquakes. Please contact our office at 781.237.1515 for more information.



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## Ask the Claims Representative

Joanne Mack

Q. What is the most common coverage customers wish they had AFTER a loss?

By far, the most common aspect missing on the average customer’s policy is rental car coverage also known as substitute transportation. When first buying an auto policy, not adding this coverage is an easy way to save money. However, in the event of an accident the coverage can be essential and in some cases can be added with a low-cost and simple endorsement. Special endorsements offer added protection and value to consumers. For a relatively small investment, you could save thousands in the future.



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And, make sure you receive our  
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*If your property floods...are you protected? - Continued from cover*

There are a few misconceptions regarding flood insurance. Flood insurance does cover any area of a building or home that has all four sides below ground level, such as a basement. Items that are included in the coverage are those connected to a power source or installed in their functioning location such as sump pumps, oil tanks, furnaces and circuit breakers to name a few. BUT this policy does not cover basement improvements such as finished walls, floors, ceilings, or personal property.

In recent years there have been drastic changes to the flood zones so it is recommended that you look into the redrawn flood districts.

If you would like additional information on specific coverage types and limits available through the NFIP, contact Deland, Gibson at 781.237.1515. You can also reference [www.floodsmart.gov/floodsmart](http://www.floodsmart.gov/floodsmart). Please remember that there is a 30-day waiting period for coverage to take effect so if you are considering flood insurance it is best to act now.

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