

Risk engineering solutions for automotive retailers and aftermarket industries



Why Risk Engineering?

- Zurich is the leading provider of property and casualty insurance to automotive dealerships, insuring 33% of franchised auto dealerships nationwide in 2009.
- Zurich's strong presence in and long standing relationships with state auto dealer and prominent automotive aftermarket associations demonstrates Zurich's solid support and commitment to the industry. In 2009, more than 30 state auto dealer associations endorsed Zurich as their insurance provider of choice.
- Risk Engineering's Direct Market staff is focused on automotive risks; they average over 20 years of experience and complete over 1,500 assessment and consulting projects annually.
- Our knowledge and understanding of retail automotive and aftermarket businesses resulted in a 98% customer satisfaction score in 2009, as determined by our "Quality Feedback" process.
- We are the only major Property/Casualty carrier with a certified, in-house real and personal property appraisal capability, completing over 12,000 property replacement cost estimates on an annual basis.

Our experience makes the difference

Our risk engineers know your business and will work with you and your employees to build practices that help you minimize your company's risk. We understand the challenges of today's world by providing real insight to the management and communication of strategic risks such as supply chain breakdown, loss of customers, damage to brand equity, low employee morale, and failure to meet legal/regulatory requirements. We closely study industry specific loss trends, emerging risk issues, and best practices for each major line of commercial insurance coverage provided by Zurich.

Our experience is backed by a robust quality control program. Zurich Services Corporation Risk Engineering was the first ISO-9001 quality-certified risk engineering network in the United States and is the only carrier-based provider certified globally. We are proud that our quality process has produced customer satisfaction scores that consistently lead the industry.

- As of 2009, over 55 percent of our risk engineers in North America have work experience in the specific industries we serve.
- Our wealth of knowledge and experience across our global network of more than 1,000 risk engineers enable our group to leverage cross industry experience.
- Our industry specialists are often featured in industry publications and participate in select associations, trade shows, and conferences.
- Risk engineers develop loss prevention bulletins to address exposures specific to the automotive industry.
- Over 300 risk engineers in North America have leadership roles on technical committees and focus groups that help drive new standards, guidelines and best practices within a particular industry or group of industries.

Risk engineering services for automotive retailers and aftermarket industries

We specialize in providing services to businesses that sell or service autos, trucks, motorcycles, industrial equipment, recreational vehicles, and automotive aftermarket businesses. Because every customer's risk profile is different, we have structured our risk engineering services to several specialized areas designed to address those individual needs. Services are specifically designed for:

- Retail dealers selling cars, trucks, motorcycles, equipment, RVs and trailers
- Automotive service and collision repair
- Tire businesses – distribution, retail and retread operations
- Parts operations – retail and distribution
- Auto recyclers



Challenge	Solution	Benefits
An automotive dealership has been experiencing customer slips, trips and falls on premise	Slip, trip and fall evaluations	Our slip, trip and fall evaluations span from providing self-assessment tools to in-depth site evaluations of the slip, trip and fall exposures. Our assessment model identifies the most important factors affecting the potential for slips, trips and falls. After helping you identify these critical risk factors, we focus on practical and cost-effective improvements. Our experience in the automotive industry helps us recognize the problems unique to your sales and service environment that can lead to slip, trip and fall accidents, and our solutions have led to measurable results.
An automotive repair facility has unfavorable injury trends related to strains and sprains	Job hazard analysis and ergonomics	Our team of experienced risk engineers can conduct job hazard analysis on a nationwide basis to detect any regional differences. Zurich's ergonomists can conduct ergonomic evaluations of task and worker, to develop re-design alternatives to help in reducing strain losses due to lifting and other manual material handling tasks. Our Absence, Health & Productivity Team can provide consultation and program development assistance to help limit days away from work where lost time accidents occur, which can result in significant cost savings.
A large parts distributor wants to benchmark and improve their fleet safety program and audit their DOT compliance	Fleet services and DOT audits	We offer a wide assortment of tools and training to help you in critical areas of controlling your fleet exposure, such as tools to identify poor drivers and the subsequent training to help all drivers improve their skills. Zurich's Virtual Risk Manager – Fleet™ allows customers to customize the development of a program that will provide them with an effective fleet management tool providing interactive driver tools, driver profiles, defensive driver training, MVR analysis, driver information management, and electronic driver qualification file maintenance.
A large chain of auto dealers has no formal discrimination and harassment program in place. Managers and employees receive no training or direction on how to deal with workplace discrimination	"Discrimination: Zero Tolerance" Training Program developed specifically for the automotive industry	The "Zero Tolerance" program was designed specifically for the automotive industry and is available exclusively to Zurich customers. It was created to help reduce the risk of discrimination and sexual harassment in your business and may provide an affirmative defense to claims that may arise. Separate training programs are provided for managers and employees. It offers managers the information they need to effectively address discrimination in the workplace. Employees are trained on the company's own policy and that discrimination and sexual harassment are illegal, and the company will not tolerate such behaviors.
An organization has just acquired a competitor and has no information on inherited risk	Property, machinery breakdown and utility risk assessments	A lack of data will often times result in a conservative or inconsistent view of your risk. Our risk engineers will assist in collection, analysis and reporting of necessary data, resulting in a technically sound approach to risk pricing. Additionally, evaluating newly acquired risks will provide you the ability to protect your investment, your tenants and your reputation. Our property risk assessments include analysis of the hazards and exposures you would expect, such as fire, wind and flood, as well as some you may not, such as surface water and utility interruption. Understanding your vulnerabilities will enable smart risk improvement decisions.

Additional services include:

Strategic solutions

- Customized service plans and loss prevention guidebooks
- Safeguard rules, OFAC and Red Flag Rule consultations
- Seminars and training, including safety video service
- STEO - Training tools to help employees understand Statute, Title, Errors and Omissions
- Loss investigations

Property

- Natural hazards, water and liquid damage prevention assessments
- Fire protection, construction plan and specification reviews/assessments
- Property Valuation Services
- Business continuity, emergency management and security evaluations

Liability and Employee Health/Safety

- Ergonomic and industrial hygiene surveys
- Premises liability and slip, trip and fall evaluations
- Return to work and absence management

- Key control management, inventory control and tracking
- Facility security surveys (care, custody and control)
- Completed operations best practices

Fleet

- Fleet program evaluations and assistance
- Virtual Fleet Risk Management
- 10-4 Defensive Driver™ training

Machinery Breakdown

- Utility interruption risk assessments
- Jurisdictional reviews
- Infrared surveys
- Lightning and surge protection evaluations

Success stories

- A multi-location truck dealership group had no established “wheel torque policy” and lacked proper equipment for tire repair operations. This exposed the company to severe liability (completed operations) claims resulting from “wheel-offs”. Risk Engineering consulted with the customer’s Risk Management staff and provided recommended industry best practices and training for servicing truck tires and wheels. The program has reduced the liability exposure to claims, increased productivity and customer satisfaction.
- A tire re-tread operation suffered a fire inside a specialty curing chamber at one of its facilities, effectively halting an important part of their production capabilities. They needed to get a state qualified boiler inspector on site as soon as possible to inspect the chamber and approve repairs so it could be re-activated. Risk Engineering arranged an “emergency” Machinery Breakdown assessment to inspect the vessel with repairs completed in two days. These prompt repairs and subsequent assessment reduced overall repair costs with minimal impact on sales and production schedules.
- During the development of a customer service plan for a large auto dealership, we developed a specific risk improvement objective to address an uncontrolled exposure relative to vehicle lift operation. A failure in the lift process including safety control overrides could result in serious bodily injury and property damage. Risk Engineering addressed the problem by helping develop a corporate level policy, service technician training, and audit guidelines for a sustainable program. Our specialized knowledge of the customer’s business helped reduce this significant exposure to help ensure the safety of employees and public.

Cost containment in collaboration with claims services

Our risk engineers work in collaboration with you and our underwriting and claims professionals to identify those strategic services that will positively influence your risks, and help ensure you run an efficient and profitable business. Zurich has created a tiered approach to claims handling that enhances efficiencies and reduces costs. A cutting-edge claims system and a virtually paperless process have increased our ability to better serve customers and make our claims system among the best in the industry. Our model can handle the full spectrum of possible claims. From small to large, simple to complex, Zurich maximizes the skill set of our adjusters to deliver unparalleled results. We manage this expertise through a tiered approach: the Claims Reporting Care Center, Field Claim Operations and Specialty Claims (Centers of Excellence).

For more information

If you would like more information about the specialized risk engineering services provided by Zurich Services Corporation, contact your Zurich representative or visit www.zurich.com/riskengineering.

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Risk Engineering



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