



Pro-File

Workplace and safety tips brought to you by the insurance specialists at Colburn Group.

DID YOU KNOW

According to a recent survey conducted by the National Association of Insurance Commissioners, 22 percent of U.S. consumers have reduced the number of times they see the doctor as a result of today's economy, and 11 percent have cut back on the number of prescription drugs they take or the dosage of those medications.

Employers should stress to employees that it is important to continue to take responsibility for their health, so they benefit from both healthier lives and more affordable health care.



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Vacancy Dangers Up in Down Economy for Neighbors, Owners

With the economy struggling and businesses closing, vacancy rates are on the rise. In a December 2009 article, National Underwriter reported that national vacancy averages are as high as ever, with rental units at 10.1 percent, homes at 2.7 percent, malls at 9.5 percent and offices at a staggering 15.2 percent.

Vacancy, whether you are an owner or a neighboring building or unit, is a liability. In fact, it often costs more to insure an empty property or building than an occupied one because of the associated risks.

If you own vacant property, you should consider coverage for

premises liability, vandalism and malicious mischief. Empty buildings are often a haven for children, the homeless and squatters.

If your business is next to a vacant building or unit, you might want to consider additional coverage to protect yourself. A potential problem in the empty space, such as flooding or fire, could go unnoticed and cause extensive damage to *your* property.

At the very least, make sure you are aware of the vacancy and that the property owner is inspecting it regularly to ensure safety and security.

Nanotechnology: Small Stuff, Big Risk

Some insurers dub nanotechnology "the next asbestos." And this type of technology, which involves manufacturing goods at a miniscule atomic or molecular scale, is popping up everywhere.

The truth is, nanotechnology is still too new for scientists to completely understand. Companies currently use it to make cosmetics, computer parts and even food products, and the Environmental Protection Agency (EPA) predicts its presence will skyrocket in the next few years.

As the effects of using nanotechnology begin to unfold, know if you're covered by checking that your policy covers this risk.

Greenhouse Gas Suits on the Rise

Lawsuits against companies that emit greenhouse gases are heating up almost as fast as the Earth's temperature.

National Underwriter reported last month that two federal appeals court rulings allowed greenhouse gas suits to go forward, which is a big, waving red flag for high-pollution operations. Cleaning up the air is expensive, but not as expensive as the risk for a class-action lawsuit.

According to the Environmental Protection Agency (EPA), there are six key well-mixed greenhouse gases, which are Kyoto Protocol, carbon dioxide, methane, nitrous oxide, hydrofluorocarbons, perfluorocarbons and sulfur hexafluoride. The EPA also reports that the top commercial sources contributing to greenhouse gas releases today are:

1. Power stations
2. Industrial processes (mostly aluminum production, semiconductor manufacturing and magnesium production/processing)
3. Transportation fuels
4. Agricultural byproducts
5. Fossil fuel retrieval, processing and distribution

These rulings solidify the need for coverage for any greenhouse gas-related liability. While the jury is still out on whether specific companies may be held responsible for natural occurrences caused by greenhouse gases, now is not the time to take that risk. Only time will tell who will ultimately take on the burden of climate change.



EPL 101

Insurance specialists predict a new trend in 2010 will be employment practices liability insurance (EPL), because of the continued economic downturn in 2009.

Throughout last year, the number of employment-related claims increased, and it cost companies thousands of dollars to defend themselves against wrongful termination or discrimination suits. Experts estimate that three out of five businesses will be sued by an employee at some point in their existence.

EPL offers increased coverage for claims fiduciary liability and directors/officers policies may not touch. Some examples of coverage include claims by employees, or former employees, involving discrimination (including age, sex, race and disability), wrongful termination and sexual harassment.

Companies that are new or growing quickly are especially susceptible to these types of claims. Experts recommend EPL for any business that has employees. Do not let expensive employee claims drive you out of business!