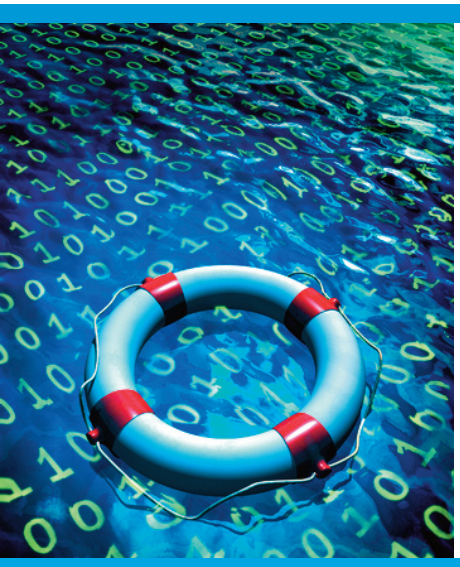

bi(PRE)PARED!

[the business interruption e-source]

ISSUE 23
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BUSINESS INTERRUPTION CONSULTANTS, INC.

Welcome...

CNA Staff, Agents, Brokers & Policyholders!

Business Interruption Consultants is excited about our strategic partnership with CNA that offers access to our cutting edge Business Interruption website, BISimplified.com!

This completely interactive BI resource provides a simplified, commonsense approach and is incredibly easy to use—saving time and increasing productivity. This powerful tool includes:

- **Thirty industry-specific BI worksheets**
- **Exclusive Contingent Business Income worksheet**
- **Unique Commercial Property Risk Calculator**
- **Contingency Planning: Simplified!**
- **The Insurance Policy: Simplified!**
- **Frequently Asked Questions**
- **Glossary**

CNA

In addition to the website, Business Interruption Consultants is available to provide support and answer your BI questions. Be sure to make the most of this phenomenal opportunity.

CLICK BELOW TO CONNECT TO US ON:

BusinessIncomeWorksheets.com

twitter

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IN THIS ISSUE

- WELCOME CNA p1
- BE PREPARED! p2
  Business Continuity Planning
- NEW STANDARD p3
- BE FUNNY! p3
- BE INFORMED! p4

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BUSINESS CONTINUITY PLANNING

PUBLIC/PRIVATE PARTNERSHIPS

Public/private partnerships can have great value in both sectors in regard to business continuity planning. With the rising costs and increasing threats, the merit is being addressed more aggressively by FEMA. Since 85 percent of our nation's critical infrastructure is controlled not by the government, but by the private sector, private sector civilians are likely to be the first responders in future catastrophes. In December 2011, FEMA administrator Craig Fugate issued the latest invitation to the public and private sectors to form community partnerships.

The concept of whole community is a philosophical approach that outlines how to conduct the business of emergency management. Its focus is intended to advance strategic planning and thinking about the future, preparing the community for emerging challenges and key opportunities presented by our changing environment.

Fundamentally, the Strategic Foresight Initiative seeks two outcomes:

ONE: an emergency management community prepared for whatever challenges the future holds; and

TWO: a shared sense of direction and urgency that will drive action toward meeting our shared future needs—starting today.

The Whole Community Doctrine is available at: **http://www.fema.gov/about/wholecommunity.shtm**.

~According to Dr. Tom Phelan in the summer 2012 edition of the *Disaster Recovery Journal.*

PLAN AHEAD...

The Department of Homeland Security/FEMA requires all government vendors/contractors to have a disaster preparedness plan and asks that private entities voluntarily develop one. If you are lacking one, be proactive. Writing your plan makes good business sense because it is only a matter of time before it will become compulsory.

New Standard

First was British Standards 25999—now comes ISO 22301

Environmental incidents over the last twelve months, including severe weather and natural disasters around the globe, have led to greater awareness and a shift in attitude toward Business Continuity Management (BCM). In addition, with the global economy continuing to be turbulent, it is critical that organizations put the issue of business continuity management higher on the boardroom agenda and prepare for the potential fallout from political instability, social unrest, and economic meltdown. In short, when life sends a company a basket of thorns they may be better prepared and instead, find roses thanks to the release of ISO 22301 which is the new international standard for BCM.

It is interesting to note that it adopts a wider societal security responsibility, acknowledging the important role that BCM has to play in protecting society by ensuring the ability to respond to incidents, emergencies, and disasters. It specifies the requirements for establishing and managing an effective business continuity management system for any organization, regardless of type or size.

ISO 22301 provides a global foundation and common vocabulary for BCM best practices and processes. It contains only those requirements that can be objectively audited so successful implementation can be demonstrated by an organization to assure interested parties that an appropriate BCM is in place.

Standards like ISO 22301 represent the input and recommendations of hundreds of business continuity professionals and industry experts. Rather than reinvent the wheel, you can take advantage of years of expertise and lessons learned from your peers, and even if organizations do not intend to seek certification, ISO 22301 should strongly influence their BCM program.

Do not allow your business to become another casualty of the next unknown disaster! Be prepared and be protected. For assistance writing or reviewing your Contingency Plan, contact Business Interruption Consultants at: info@BISimplified.com

b(FUNNY!)

[a little insurance humor]

Q: What is wrong with Claim Adjuster jokes?

A: Claim Adjusters do not think they are funny, and nobody else thinks they are jokes.

Can you believe these insurance claim statements?

"I had been driving for forty years when I fell asleep at the wheel and had an accident."

"I saw a slow moving, sad faced old gentleman as he bounced off the roof of my car."

A man was applying for a job as an insurance salesman. The form requested prior experience, so he wrote, "lifeguard." When the manager met him he said, "We are looking for someone who can sell himself. How does working as a lifeguard pertain to salesmanship?"

The job seeker replied, "I couldn't swim."
Needless to say, he got the job.

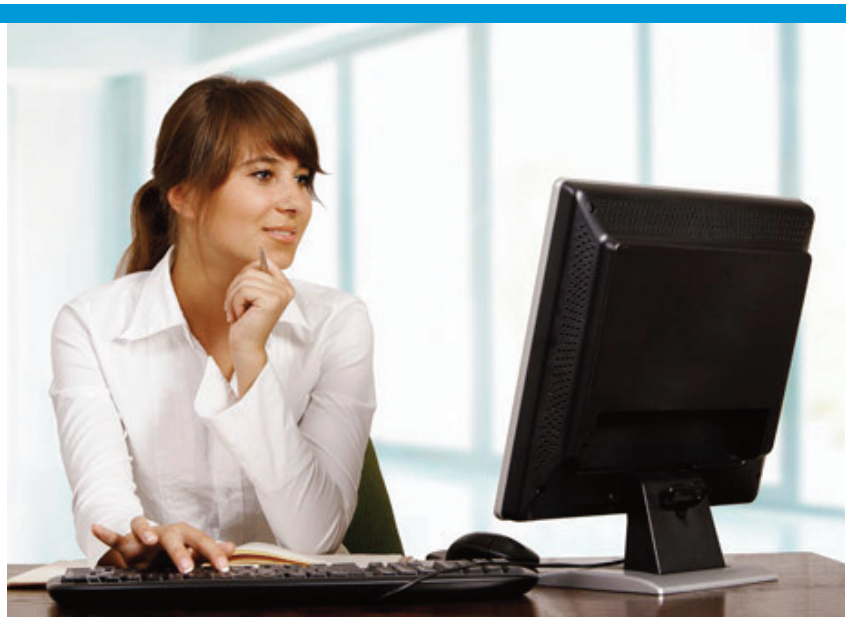
An actuary and a farmer were traveling by train. When they passed a flock of sheep in a meadow, the actuary said, "There are 1,248 sheep out there."

The farmer replied, "Amazing. By chance, I know the owner, and the figure is absolutely correct. How did you count them so quickly?"

The actuary answered, "Easy, I just counted the number of legs and divided by four.

(INFORMED!)

[answers to frequently asked questions]



"Why do I need to complete a Business Income Worksheet?"

It is used to estimate the net profits plus continuing expenses (business income) that a business would have realized had no loss occurred. It is required if the policy provides agreed amount.

What is agreed amount?

The underwriter agrees to insure the loss of income for the amount that is being requested by the insured.

If I have agreed amount, why do I have a co-insurance percentage on the worksheet?

Our worksheets on BISimplified.com include the co-insurance percentage because it is the percent of a year that is being calculated. It is used by the underwriter to price the insurance policy.

Why is the Extra Expenses calculation important?

This important calculation is used to reimburse businesses for expenses incurred because of a disaster. This maintains your market share and customer base, and reduces the duration and severity of a loss.

How often do I review my BI insurance and complete a new BI/EE worksheet?

Every year or as your business changes, otherwise you significantly increase the risk of under-insurance. A good time to do it is when the policy is up for renewal.

Do I have to complete every line?

No. Only fill in the rows that are appropriate for the business.

What if I get a negative number?

You did not include all income and/or subtracted too much of your expenses. Follow the instructions exactly.

How do I choose my period of restoration?

Use the Contingency Plan to determine this. If there is no plan, try to estimate how long it will take to recover operations and market share, as well as how long your customers will wait for you to bring your product or service to market.

Take control of your risk! We help you move beyond excuses.

For help with BI Worksheet completion, please contact us at info@BISimplified.com

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.

CONTACT US AT: info@bisimplified.com [www.bisimplified.com]

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