



MUTUAL INTERESTS

PROPER EXPENSE MANAGEMENT CAN SEE YOU THROUGH TOUGH TIMES

Surviving the economic downturn of the last few years has been challenging, particularly for those who work in the construction industry. Companies have taken a closer look at their expenses and operations and have been forced to eliminate unnecessary costs. Expense management, while always important, has become and will remain an imperative part of business operations. It is a broad topic that can range from analyzing your cell phone vendor to scrutinizing your subcontractors. As the economy slowly stabilizes and you continue to focus on managing your company, keep these things in mind.

Make sure you have the right people for the job.

Some jobs require more physical activity, while others require that employees are able to perform at a higher skill level. When hiring employees and assigning tasks, make sure you match the worker to the job. This will aid in unnecessary injuries and help prevent "down time."

Don't take the "AFC" approach. Although times are tough, don't take the "AFC" (anything for cash) approach to your business. Make sure you have the skills and expertise that are required to complete a project. Don't take on a job that you are not qualified to complete as this could lead to legal troubles down the road.

Don't buy when you can rent. Don't spend tens of thousands of dollars on heavy equipment when you can rent what you need on a per job basis. Renting also saves the overhead of maintenance on larger, more expensive pieces of equipment.

Establish and maintain a preventative maintenance schedule for all owned vehicles and equipment.

This is an excellent risk management tool that ensures your vehicles and equipment are in proper working order. Maintaining your equipment also ensures a safer and



» *Renting equipment when possible and maintaining a preventative maintenance schedule for all owned vehicles and equipment are important tips for expense management.*

more efficient work area and jobsite. If a piece of critical equipment breaks down, it could affect the job deadline and completion time.

Ensure your business is properly classified. Given the state of the economy, many people are changing and re-focusing operations. Any time there is a change in your business, ranging from officers, legal entity or the type of work your company is performing, contact your insurance agent. They will ensure your policy is properly classified and you are maintaining the appropriate coverages for your business. You don't want to be surprised with an audit bill if you haven't updated your policies with the appropriate classifications.

Review/assess what you are insuring. When you look at your vehicles, property, tools, etc. carefully consider the valuations for each item. Be sure to assign appropriate and accurate valuations to ensure that you don't over or under insure your property.

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PROPER EXPENSE MANAGEMENT CAN SEE YOU THROUGH TOUGH TIMES *(Continued from Page 1)*

Reach out to your professional advisors. Your professional advisors have a wealth of knowledge and can provide you with information, ideas and numerous resources. Seek advice from your:

- Accountant
- Insurance carrier
- Banker
- Trade association(s)
- Insurance agent

This is a great time to reap all the benefits you can from existing relationships. At Builders Mutual, for example, our risk management staff has years of experience and is readily able to assist you with safety questions and informal jobsite

surveys. BMIC also provides free online resources through our Risk Management sub-site, buildersmutual.com/rm. Your agent is a licensed professional who knows the details of construction-related insurance coverages. Trade associations and websites like NAHB.com provide free resources that are designed to meet your needs.

As the economy evolves, take advantage of this time. Review your expense management processes and utilize the resources you have available. This will aid in maintaining the stability of your company while proactively preparing for the future.

BMIC'S GAME SHOW REVIEW

2 What do a few sequins, a lot of color and a massive Plinko board have in common? They were all part of the game show-themed booth Builders Mutual hosted during the North Carolina Home Builders Association's 21st Century Building Expo and Conference, September 14-16, 2011 in Charlotte, NC. Attendees had the opportunity to spin the Wheel of Safety Stuff, take a chance at a hole-in-one on our custom Putt Putt course or play Plinko for Habitat. More than 300 attendees visited the BMIC booth over the course of the two-day Expo and all of them walked away with prizes ranging from ear plugs and safety vests to BMIC t-shirts and safety glasses. Play Plinko for Habitat generated a donation of \$1,500 from Builders Mutual that will be split between two North Carolina Habitat for Humanity chapters. And, six very lucky attendees won our "gameshow giveaways" – three safety harnesses and three WallWalkers™.

"GAMESHOW GIVEAWAY" WINNERS

WallWalker™

- Derrick Nichols, Derrick Nichols Construction, LLC
- Brad Cummings, Brad D. Cummings Construction Company, Inc.
- Mark Ingle, Ingle Builders

Safety Harness Kit

- Tom Summer, Summer Development
- Stoney Story, Story Construction Corporation
- Carmen Hussey, Yates Hussey Construction, Inc.



» From left, WallWalker™ winner Mark Ingle of Ingle Builders and Safety Harness Kit winner Stoney Story of Story Construction Corporation.

During the Expo and Conference, the NCHBA presented the ninth annual STARS Awards Gala. The STARS Awards, themed like Oktoberfest in Germany, provided an opportunity to recognize HBA members for their outstanding achievements in the building industry. Builders Mutual was honored to be a sponsor of this event.

IT'S INTERNATIONAL BUILDERS' SHOW TIME!

The 2012 NAHB International Builders' Show (IBS) is right around the corner and will be held in Orlando, Florida, February 8-11, 2012. As one of the building industry's biggest events, IBS boasts nearly 200 educational sessions, 1,000 industry suppliers and more than 50,000 attendees. Mark your calendars now to attend!

During IBS, Builders Mutual will present, "Save Money by Protecting Against the "Big Four" Safety Hazards" on Friday, February 10. The course will provide an in-depth overview of the construction hazards many refer to as OSHA's "Big Four." This session will help you take a proactive approach by recognizing these hazards and understanding effective controls to minimize them. Additionally, this session will highlight how to comply with OSHA's Subpart M fall protection regulations in a cost-effective and feasible manner.

Ultimately, you will:

- Learn to identify the Big Four hazards on residential construction jobsites, their associated risks and how to use safety best practices to reduce the risk of jobsite injuries.
- Gain useful insight into the various engineering and personal protective equipment that can be used to minimize the risk of injury from the Big Four hazards.
- Get expert advice on how to comply with OSHA regulations related to the Big Four construction safety

hazards, including the recent changes to OSHA's fall protection regulations for the residential construction industry.

- Understand where making small investments in your employees' safety will help make your jobsite more productive, comply with OSHA regulations and save money.

Additionally, Builders Mutual has partnered with NAHB for the second year in a row to present the Safety Award for Excellence (SAFE) program in conjunction with IBS on Tuesday, February 7, 2011. The SAFE awards program recognizes the achievements of builders and trade contractors who have developed and implemented high quality construction safety programs. It also honors government officials and NAHB-affiliated associations who have made successful efforts to advance safety in the home building industry.

Register today to attend IBS! Add "Save Money by Protecting Against the "Big Four" Safety Hazards" to your itinerary and be sure to attend the SAFE awards. We can't wait to see you in Orlando!



PROTECT AGAINST THEFT – REGISTER YOUR EQUIPMENT

A recent article in *The Business Journal* noted that North Carolina, South Carolina, Georgia and Maryland were ranked in the top 10 for heavy equipment thefts during 2010 (according to a study by the National Insurance Crime Bureau). The most commonly stolen pieces of equipment were loaders, wheel-type tractors and backhoes. John Deere equipment was the number one brand stolen, followed by equipment made by Caterpillar, Melroe and Kubota.

To help combat equipment theft, Builders Mutual has partnered with the National Equipment Register (NER). NER was established in 2001 to increase the recovery rate of stolen farm and construction equipment by improving the volume, quality and availability of information to law enforcement. Millions of



machines are registered on the NER database and the use of this information has helped police recover more than \$25 million pieces of stolen equipment.

The program, HELPtech®, allows equipment owners to register construction equipment in a national database. As an owner, you have secure, password protected, searchable access to all of your registered items, which provides you with a detailed, up-to-date and cost effective online inventory management system. As a Builders Mutual policyholder, you are eligible for a 20% discount on HELPtech® registration fees (use code **BM726**) and once registered you will receive theft deterrent warning decals for each piece of equipment.

To register your equipment through NER, go to www.buildersmutual.com/rm and click the **Safety Links** tab.



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NEW IN THIS ISSUE



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Expense Management
Tips to keep in mind to help get your company through tough times



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2012 NAHB International Builders' Show (IBS)
Register today to attend IBS on February 8-11 in Orlando, FL



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BMIC's Game Show Review
Over 300 attendees visited our booth during the NCHBA's 21st Century Building Expo and Conference



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Register Your Equipment
Builders Mutual has partnered with the National Equipment Register (NER) to combat theft. www.buildersmutual.com/rm (Safety Links tab)



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RISKY BUSINESS

TOOL BOX TALK MAINTAINING A CLEAN JOBSITE

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Maintaining a neat and clean jobsite is an important aspect of jobsite safety. Clean jobsites are influenced by two things: what we do or neglect to do and the weather. We can control most conditions; others, we can be on the lookout for and guard against or remove. While we can't prevent bad conditions caused by the weather, we can often foresee them and plan the necessary action.

A general cleanup once a week won't guarantee safety on a construction site. You've seen jobs where it wasn't safe to turn around or even put your foot down without looking twice to be sure there wasn't something that might cause an accident. To ensure that your jobsites are as clean and safe as possible, take a look at the list below. Implementing as many of these suggestions as possible will help you and your employees "keep it clean."

SAFE PRACTICES

- Keep trash and loose materials picked up and disposed of properly; put scrap in its proper place.
- Secure materials to prevent shifting or rolling.
- Remove trip hazards.
- Store materials so there is always a clean path around and between work areas and in and out of the jobsite. Do not place objects in exit ways.
- Keep floors, ladder rungs and stairways dry and free from oil and grease.
- Put tools and equipment in areas where they belong.
- Do not store loose materials on scaffolds.
- Do not store more than one shift of material (e.g., block or brick) on scaffolds.
- Store material for stable removal.
- Leave space for workers and equipment to load and unload stored materials.
- Ensure the platform, scaffold or support has adequate strength for the weight of material.
- Keep the height of stored material low for stability and line of sight.

- Store pipe and rods in building racks.
- Clear scrap lumber with protruding nails from work areas, passageways and stairs in and around buildings or other structures.
- Remove combustible scrap and debris regularly.
- Provide containers for the collection of waste, trash, oily and used rags, and other refuse.
- Ensure containers for oily, flammable or hazardous wastes (such as caustics and acids) are equipped with covers.
- Do not drop material outside the exterior walls of the building or structure.
- Enclose material chutes.
- Guard openings and discharge of material chutes.
- Don't leave open containers of flammables: gasoline, paint, oil, grease, adhesives, etc.
- Ensure the site has good lighting. Replace lights immediately when they burn out.
- Remember if waste is allowed to accumulate for just a few days, the job becomes messy and unsafe.

BUILDERS MUTUAL SPONSORS HABITAT WOMEN'S BUILD

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Never underestimate the power of women! Recently, the women of Builders Mutual participated in an "all women" Habitat build through the Habitat for Humanity of Wake County. The house was started in April of this year and dedicated in September. During the build, the majority of work was completed by women and 18 Builders Mutual women were the first crew on the jobsite. The three bedroom home, located off Poole Road in Raleigh, NC, is quite an accomplishment.





AGENT ADDENDUM

BUSINESS DEVELOPMENT BRIEFING

It's hard to believe that we are making preparations to close out another year. I hope each of you found success in your personal and professional objectives.

October marked my five year anniversary with Builders Mutual – time sure does fly when you are having fun. Certainly there are daily challenges we all face, but in the end our agency relationships are most rewarding. I have enjoyed developing partnerships and friendships with those I have met, and look forward to getting to know those of you I have not yet had a chance to meet. Recently, I spent several days in both Maryland and Mississippi getting to know many of our new agencies – they are an impressive group and we look forward to continued growth in those states.

A key initiative for Builders Mutual this year was to complete the rollout of BOB 2.0 for all lines. We have spent considerable time over the past two years developing and launching our agency automation and, while not perfect, we have been pleased with the overall receptivity of the tool. I hope your agency has begun using this platform to assist in the efficiency of submissions. Reality tells us that improving our operating system is an endless process. Your feedback assists us in prioritizing future enhancements. Two of the top requests we have prioritized involve common screens for multiple policies and improvements to the property functionality. We are well underway with our plans for 2012.

Although market conditions remain challenging, slight signs of a turn are beginning to develop. Payrolls have increased in some sectors, rates have begun to stabilize with some carriers taking renewal increases, retention is steady, and our new business will end the year at a record high of over \$37 million. Moving ahead, the key will be to find the right balance leading to an environment of steady, profitable growth.

I want to thank each of you for your support of Builders Mutual and wish you and your families a rewarding holiday season.

Sincerely,

Brad Mook, CPCU, CLU, CBIA
AVP of Business Development

BOB 2.0 UPGRADES: BUILDERS BEST AND MY COMMISSIONS



Recently, Builders Mutual brought you two very exciting online upgrades. In July, our territory managers began pounding the streets. Their purpose – to provide hands on BOB 2.0 training to rate, quote and issue Builders Best lines of business. In September, we launched these lines to all agencies and now through hands on TM training and our online quiz, more than 370 BMIC agencies have gained access. That is more than HALF of Builders Mutual’s agency force! The release of BOB 2.0 for Builders Best completes a project that was years in the making. You can now rate, quote and issue an entire account online. Message Center provides an online avenue for communication and file documentation with your underwriter. BMIC is committed to making BOB 2.0 an online rating tool that makes writing business with us even easier. As such, we continue to review your feedback, prioritize suggestions and implement enhancements.

In September, we also unveiled My Commissions*. Commission statements are available online and all agencies can register for an electronic funds transfer (EFT) of their monthly commission checks. Nearly 150 agencies have registered for My Commissions and are taking advantage of this paperless service.

The registration process is easy as 1-2-3!

1. Go to buildersmutual.com, login and click My Commissions.
2. Complete the form and click Register.
3. Once registered, you can login to view and save your commission statement on the 10th of each month (in PDF or Excel format) and you will begin to receive your commission payments via EFT. Please allow up to two commissions cycles for new bank account information to take effect.

***Please note:** December 2011 is the last month Builders Mutual will mail paper commission statements. For security reasons, My Commissions is designed to allow access to **only one user per agency**; the user who initiates the registration should be authorized to access Builders Mutual commission statements. If your agency commissions are handled by accounting/finance staff who do not have a BOB login, please direct them to our new “non-producer” login created especially for My Commissions. Only non-licensed producers should [register here](#).

BOB 2.0 for Builders Best and My Commissions are two exciting e-commerce solutions Builders Mutual launched this year. Stay tuned for more exciting upgrades that we have in the pipeline.

BMIC RECOGNIZED FOR ADVANCES IN TECHNOLOGY

After three years of hard work and adaption, Builders Mutual has been recognized as a leader for our advances in technology. In September, at CSC's annual convention, Builders Mutual took home **The Connect Award (Best in Show)**. With over 25 companies nominated for their recent projects involving CSC software or services, Builders Mutual took home the grand prize for our demonstrated leadership through innovation across all of the award categories. This achievement recognizes **our company-wide** accomplishments and growth over the last three years. We have made a positive impact not only in our own company, but we influenced change and innovation across the much broader CSC user community. We are proud to receive this award and look forward to providing many more advances in technology for our agents and policyholders in the near future!

TM SPOTLIGHT

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» Amy Carter, Mississippi
Territory Manager

Jackson, Mississippi is named for Andrew Jackson, the seventh president of the United States, and boasts numerous attractions that make it a popular stop for tourists. There is the Jackson Zoo, the Russell C. Davis Planetarium and a host of museums. Jackson is also a great place to live, work and play, which is exactly why Mississippi Territory Manager Amy Carter never left. Amy has lived in Mississippi her entire life and attended a "small" local university (you may know it as Ole Miss). She has worked in the insurance industry since 1997 and held positions in underwriting, sales and marketing. Amy joined Builders Mutual in May 2011 and hit the ground running. She has appointed more than 11 new agencies and written more than \$500,000 in new business in six short months. Amy has a great attitude and strongly believes in the independent agents in MS. She stated, "I am passionate about our independent agents; we have a wonderful group of closely-knit, dedicated agents that are a perfect partnership for our company."

Amy has written a children's book and loves to run. She also enjoys traveling and spending quality time with her seven year old daughter. Amy is a great addition to the BMIC team and we are excited to see what the future holds in Mississippi.

“ I am passionate about
our independent agents! ”