

Risk Engineering Solution Suite for Franchised Auto Dealerships



Risks facing dealerships today impact operations, customer relationships and ultimately, profitability.

Now more than ever, auto dealerships face risks beyond the traditional retail environment. Auto liability, theft, completed operations, vandalism and weather events including hurricanes, hail and flooding can adversely affect dealership operations. Premise liability is another prevalent peril and when not taken seriously, can result in slip, trip and fall incidents involving both employees and customers.

Like other commercial structures, dealerships are also subject to property risks, including fire and water damage. In fact, due to the nature of the operations conducted in the service departments they may be more likely to suffer a fire loss. Of course, cyber risk continues to pose a growing threat to the reputation and operations of many different industries.

It is important to identify, assess and mitigate each types of risk as part of an overall risk management program. Zurich is here to help. Our cutting-edge predictive analytics – powered by tools that include artificial intelligence, cognitive computing and smart algorithms, allows us to better understand your challenges.

Our expertise is in identifying, assessing and helping you address and mitigate your risks. The Zurich Solution Suite was built with your risks in mind and was developed based on our experience and in-depth analysis of industry claims and trends.

Creating a solution suite for franchised auto dealerships couldn't be easier

- Simply pick the combination of services you desire.
- Reach out to your Risk Engineer for additional information.



The Zurich Solution Suite can help you reduce your risks

Business leaders trust Zurich to help keep them current with the latest risk intelligence to more effectively manage their evolving business needs. By collaborating with our risk specialists, you, too, can gain the knowledge you need to more effectively manage your risk.



Fire Loss

In 2018, fires resulted in **\$778 million in losses for store and office** properties – an increase of 2% from 2017.¹



Annual losses due to premise liability

- **25% of workplace injuries** in 2017 were a result of slips, trips and falls.²
- In 2017, **17% of workplace fatalities** were caused by slips, trips or falls.³



Auto Collision

In 2017, **1,299 U.S. workers** driving or riding in a motor vehicle on a public road **died in a work-related crash** (25% of all work-related deaths).⁴



Cyber Security

- **84% percent** of car buyers said they would not return to a dealership whose data had been breached.⁵
- On an average day, **153 viruses and 84 malicious** spam emails are blocked by technology on a dealerships network.⁶

Risk Engineering Services for Dealerships

Zurich customers have access to a dedicated Risk Engineering Services Coordinator who can help guide you to the right services for your company. The Solution Suite consists of services to address the most frequent and severe risks in your industry. These services are offered for a fee to help you address the major exposures you face:

- **Property Risk Assessment** – Identifies and assesses hazards, exposures and controls relevant to your property insurance program with Zurich. Includes loss mitigation resources and risk improvement actions, as well as a benchmarked assessment report including loss expectancy calculations. Understanding your exposures and how to address them is good risk management.
- **Water Intrusion Evaluation** – Assesses various facility features, exposures and controls relative to water intrusion and water damage risks that commonly affect a facility. The evaluation provides a summary report and recommended actions to address exposures. In your facility, that can mean clean-up, mold abatement and possibly loss of materials and equipment. Build your company's resilience against water-related damages.
- **Safety Source Learning Management System (LMS)** – An LMS allows your company to choose and assign training to your employees. Completed training is recorded in the LMS, so documentation exists to demonstrate compliance and understanding. A catalog and free previews are available at safetysourceonline.com. Track required training via the learning management system.
- **Slip, Trip and Fall Assessment (STF)** – Assesses STF exposures using Zurich's 10-point STF rating system. Designated areas of your facility are evaluated, rating each contributing factor's potential from very low to very high. Risk reduction strategies are developed to minimize the contributing factor potential. Taking steps to address slips and falls can make a large impact.
- **Driver Safety Assessment** – Fleet Program Review & Implementation Assistance – Zurich will evaluate your driver risk management programs and policies and provide feedback. This includes sample program elements aligned with industry and American National Standards Institute (ANSI) standards.
- **Dealership Assessment** – A focused Risk Assessment to evaluate dealership specific loss exposures. Identifies and assesses hazards, exposures and controls relevant to your insurance program with Zurich. Includes loss mitigation resources and risk improvement actions.
- **Cyber Risk Assessment** – Zurich Cyber Risk Engineers review your exposures and controls, offering improvement ideas that can strengthen your overall cybersecurity program.
- **Workplace Violence Training** – Through Zurich's service partner, R3 Continuum, a specialist will present a tailored 2- to 3-hour training session on topics ranging from hostility management and threat assessment to active shooter, as well as other related topics. Training can be provided onsite, via a live webinar or on-demand webinar.
- **IntegrityFirst Talent Acquisition Tool** - A multiple-choice integrity test that helps identify the applicant's high-risk behaviors disclosed by an applicant for employment that can adversely affect your organization. It is a highly reliable and cost-effective pre-claim risk management tool to identify high-risk job candidates.
- **eDriving** - Helps reduce collisions, injuries, violations and the total cost of fleet ownership. It provides a holistic approach with integrated components designed to measurably reduce collisions and incidents caused by at-risk drivers and behaviors.

Contact Zurich's Risk Engineering department to learn more at: 800-982-5964

Sources:

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3. "Workplace Fatalities by the Numbers," National Safety Council, www.nsc.org/work-safety/tools-resources/infographics/workplace-fatalities.
4. "Motor Vehicle Safety at Work: Resources: Motor Vehicle Crash Facts – NIOSH." Centers for Disease Control and Prevention, www.cdc.gov/niosh/motorvehicle/resources/crashdata/facts.html.
5. Crane, Casey. "15 Auto Dealership Cybersecurity Statistics That Will Drive You To Action," *Cyber Crime Magazine*, 14 February 2020, www.cybersecurityventures.com/15-auto-dealership-cybersecurity-statistics-that-will-drive-you-to-action/
6. Burden, Melissa. "Retailers prime targets for data theft," *Auto News Magazine*, 09 December 2019, www.autonews.com/finance-insurance/retailers-prime-targets-data-theft
7. Calculated based on average flow from a domestic water line and volume of a small swimming pool. 8000 gallons in 3 hours.
8. "Motor Vehicle Safety at Work: Crash Facts – NIOSH." Centers for Disease Control and Prevention, Centers for Disease Control

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This is as a general description of certain types of risk engineering services available to qualified customers through The Zurich Services Corporation. The Zurich Services Corporation does not guarantee any particular outcome and there may be conditions on your premises or within your organization, which may not be apparent to us. You are in the best position to understand your business and your organization and to take steps to minimize risk, and we wish to assist you by providing the information and tools to help you assess your changing risk environment.

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