

*from us to you...*

# The David Agency Gazette

In Perpetuity

*...staying in touch to serve you better*

## Agency Doings...

### A Look Back On The David Agency Insurance, Inc.

It was 10:30 pm on a Wednesday night, January 2, 1992, the 16<sup>th</sup> anniversary of the founding of The David Agency, and David Meilahn had just left the office having worked late on a project. As soon as he arrived home, the phone rang.....

#### **THE DAVID AGENCY WAS ON FIRE !!!!**

The David Agency sat above a deli in Oak Park, Illinois, in a frame building, the oldest commercial building in town, pre Civil War circa 1859. A neon sign in the first floor deli caught fire, sending the flames up inside the walls eventually spreading to the whole building. It took 7 suburban fire departments and their water cannons to put the fire out – the Oak Park Fire Chief had a heart attack in the Command Vehicle and a Fireman broke an arm. By morning, with the collapse of the roof, the building was a total loss, an ice sculpture coated with 13” thick ice from the minus 17 degree coldest day of the year. The David Agency insured the building owner, the deli, the real estate office, and of course, ourselves. To the amazement of the entire staff, all who got out of bed and came to the fire, our St Paul Insurance Company claims representatives were on the scene at 3:00 am, having responded as soon as we contacted the 1-800 claim number.

The fire of 1992 could have taken down The David Agency, its clients, their coverage, its employees, their way of lives, their retirement and much more. It was a true test of whether The David Agency had enough insurance, if our carriers are everything they promise, and if insurance is truly there when a client needs it most.

At the time of the fire, we had satellite offices in the region and met that very next morning in our Berkeley, IL location for the purposes of regrouping. We decided to set up a temporary personal lines office in Oak Park for approximately 9 employees, across the street from our fire. We decided to move our 11 Oak Park Commercial Lines Employees to the Berkeley office. Our goal was to not skip a beat when it came to giving service to our clients – our goal was business as usual for our clients.

On Thursday, phone lines and phones were set up immediately for continuity. Our insurance companies started hand delivering copies of all of our customers’ policies to us so we could respond to our insureds’ needs. It was still the era of paper files and because the water used to put out the fire froze all of our files and records into blocks of ice, a crane was hired to lift the file cabinets during a 17 below zero degree blustery snow storm. The records were shipped to a restoration company that dehumidified all of the client files and returned them to us. Fortunately all of this was paid for through the business personal property coverage we had! Business personal property also

paid the employees for personal effects that were lost in the fire.

Business personal property insurance covered the buying and renting of furniture, file cabinets, staplers, paper clips, and other assorted office equipment had to be done immediately so the staff had a place to work. Extra Expense coverage even paid for the employees' gas to make the daily trip from Oak Park, IL to Berkeley, IL! Extra expense also paid for the express shipping of the new computers we had to purchase, while the computer policy paid for the replacement computers. Our great fortune was that we backed up the computer data nightly and had the tapes with one of our staff hands off premises so our data was readily available to install in the new computers and servers. Most importantly, we did not miss a day of work.

In reflection, the difficult insurance aspect was determining whether we had a loss of income claim. It took a combination of past history for the period and attempting to calculate the days and weeks of disruption to staff. To our amazement, the Extra Expense coverage allowed us to not skip a beat and we had no long term loss of Income from this event.

*2% of commercial losses are total losses and where nine out of ten of those who do not buy Business Income/ Extra Expense coverage will be out of business within five years of a total loss.* As a result of this tremendously difficult experience, The David Agency is grateful for what insurance did for us, and pleased to be proof that it works. Our advice to our clients resonates with extra emphasis when we discuss claim prevention methods.

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Below are pictures from the fire.....

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Seven Different Fire Departments Were Called To The Scene. One Fire Chief Had A Heart Attack. One Fireman Broke His Arm.



With Temperatures In the Negative Teens, Ice Coated Everything. The Street Had 10" Of Ice On It.



The Damage Was Too Extensive To Rebuild, The Circa 1859 Building Was Torn Down.



Once The Files Were Dehumidified, They Were Returned To Our Temporary Offices To Continue Servicing Our Clients.