



CASE STUDY

Savings and improved coverage amid a challenging hospitality market

The Challenge

A Vancouver Island pub faced significant challenges with their insurance under a hospitality insurance program. They experienced automatic renewals with consistent year-over-year rate increases, with coverage being renewed "as is." Several months later, the broker would request renewal updates and charge additional premiums mid-term instead of addressing these at renewal. The pub had previously sought help from another broker but failed to find competitive pricing, which left them believing the program was their only viable option. During conversations with ownership, it became evident that they were significantly underinsured on the property side, making it a priority to address this issue during the renewal process with Summit taking the lead.

The Strategy

The client, guided by expert advice, undertook a full risk management and assessment. To achieve this, a full policy audit 60 days before renewal to ensure existing coverages were appropriate for the size and scope of the pubs operations, which entailed:

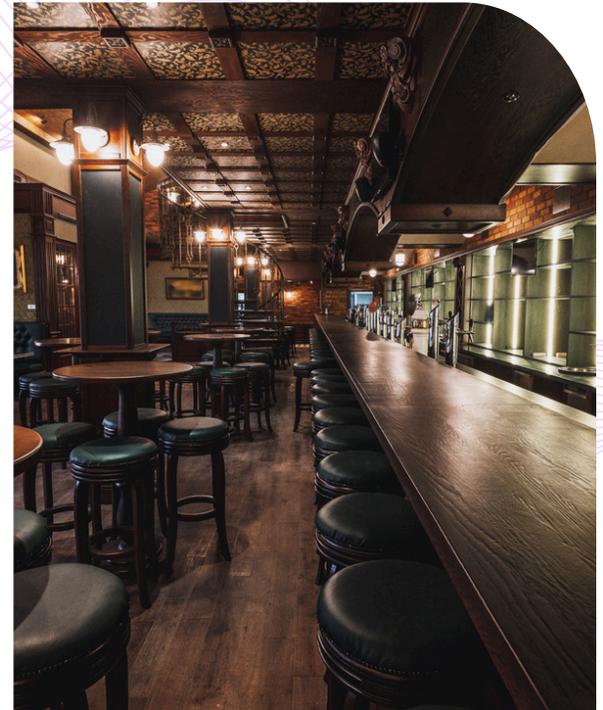
- Detailed building evaluations and an audit of the business property, resulting in a 40% increase in Total Insured Value (TIV) to ensure proper insurance coverage.
- Undertaking of a complete underwriting review to gain a thorough understanding of the business and assess eligibility for premium credits based on factors such as loss history, risk management programs, wrap-up liability revenue, and subcontracted revenue.
- Comprehensive marketing strategy to generate interest from the top hospitality insurers in the Canadian market, leading to a competition between insurers.
- Providing multiple insurance options to the client, ensuring proper valuation and coverage.

The Solution

Through this strategic approach, the client was able to:

- Secure a significant reduction in premiums from renewal with both options.
- Reposition their insurance submission to more accurately reflect the comprehensive risk management procedures they had in place.
- Increase their building and contents coverage while also obtaining a lower rate.
- Achieved a \$5,000 reduction in premium, while improving their coverage and increasing total insured value (TIV) by 40%.

By addressing the underinsurance issues and leveraging the right markets, our client now enjoys comprehensive coverage that accurately reflects their needs and operational scope. This case highlights the importance of a proactive and detailed approach in securing the best possible insurance terms for clients, demonstrating that thorough market research and understanding client-specific needs can lead to significantly better outcomes.



MORE THAN

\$5,000

SAVED IN YEAR-OVER-YEAR REDUCTIONS **WHILE INCREASING TOTAL INSURED VALUE (TIV) BY 40%**

Through a comprehensive policy audit and targeted market approach, we were able to transform this clients insurance strategy. By addressing underinsurance and leveraging appropriate markets, we secured enhanced coverage and significant premium credits. This case underscores the value of thoroughness and expertise in achieving superior insurance solutions that truly meet our clients' needs."

KYLE CHAN

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