

INSights

A FOREST INSURANCE PUBLICATION



Missing Parts, Repair Delays, and Inadequate Coverage

HOW SUPPLY CHAIN ISSUES MAY LEAD TO YOU BEING UNDERINSURED



Despite the global economy slowly starting to emerge from the Covid-19 pandemic, the pandemic's destructive impact to the global supply chain continues to be felt. While most of the population was on lockdown, demand, as well as industrial activity, was reduced. As lockdowns lifted, demand increased, resulting in today's supply shortage. The lack of raw materials, key components, worker shortages, and bottlenecks at the shipping and transportation fronts are all factors in the supply chain slowdown.

Home Repair Delays

Supply chain shortages have had a huge impact on homeowners—with some waiting months for repairs, scrambling to find contractors, and paying subsequently inflated rates for materials and labor. Material shortages have forced contractors to find workarounds—from pivoting to alternate materials to completing construction jobs out of sequence while they wait for materials to come in. The upside for homeowners is that home values have increased (though they may now be underinsured).

Car Repair and Rental Woes

Supply chain woes have likewise impacted automakers, repair shops, and rental car companies. A global semiconductor chip shortage has impacted the availability of new cars, leading to a surge in both the demand and price of used cars. This shortage has had a direct impact on the supply and availability of rental vehicles. Rental companies, which sold off their fleets during the pandemic when worldwide travel declined, are now struggling to replenish their fleets. And with fewer vehicles available, the daily car rental rates have skyrocketed. The supply chain problem has also impacted repair shops' ability to repair vehicles which has resulted in increased repair time and thus longer vehicle rental periods.

The lack of availability of rental vehicles and parts delays have both contributed to higher rental costs for policyholders, whether it be the cost per day or the number of days a rental is needed. Repairs that would normally be completed within the purchased Transportation Expense coverage limits are now regularly exceeding those limits. As a result, policyholders are incurring more out-of-pocket rental expenses than ever before.

Lessening the Impact

One way to maximize rental coverage is for a policyholder to make sure the shop has the necessary parts before taking a vehicle in for repairs. This may avoid any concern with parts delays.

Another option—likely the best option—is to increase the Transportation Expense limit. Increasing the limit is a sure way to combat the increased daily costs and possibly extend coverage beyond 30 days when combined with renting a vehicle at a rate below the daily limit.

The Bottom Line

With supply chain delays impacting home and auto prices as well as repair costs and timelines, insurers should talk to their brokers about reassessing the limits on their insurance policies. Otherwise, they may find themselves grossly underinsured come claim time. ▲

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CAR REPAIR AND RENTAL WOES	CLIENT(S) OF THE QUARTER
TRIVIA	WINTER DRIVING TIPS
MILESTONES	INSURING YOUR JEWELRY
Q1 CHARITY: BEYOND HUNGER	REFERRALS

Forest Insurance welcomes your insurance-related questions. Visit us at www.forestinsured.com or submit a question to info@forestinsured.com.



Valentine

TRIVIA

ANSWER THE QUESTION BELOW FOR
A CHANCE TO WIN A \$10 GIFT CARD

“We’ll always have Paris.”

From which iconic film is this famous line?

- a) Four Weddings and a Funeral
- b) The English Patient
- c) Casablanca
- d) Love Story

Email your answer to trivia@forestinsured.com.

Congratulations to Elaine Jordan, who correctly answered our last trivia question:

The founder of which popular American product did NOT reside in River Forest?

a) Mars bars; b) Kool-aid; c) Twinkies; or d) Eskimo pies. The answer was d) Eskimo pies. Thank you to everyone who submitted answers.

WELCOME ABOARD

Julie Cranley
Patricia Castrillon

HAPPY BIRTHDAY

Maria Lopez (2/5)
Cristine Saucedo (2/25)
Brian Sullivan (3/13)
Fred Arkin (3/17)

HAPPY FI ANNIVERSARY

Cecilia Saavedra (8 yrs)
Melissa Keshen (15 yrs)
Maria Lopez (10 yrs)

Charity of the Quarter Beyond Hunger



Q4 Wrap Up: For every referral we received during October, November, and December, we donated \$20 to [The Historical Society of Oak Park & River Forest](https://www.thehistoricalsociety.org/). In all, we were able to donate \$560 to the Historical Society for the fourth quarter of 2021. Thank you for helping support such a wonderful organization!

For 2022, our Q1 Charity of the Quarter is [Beyond Hunger](https://www.beyondbeyondhunger.org/). That means that for every friend, colleague, or family member you refer to us for a quote during January, February, and March, we’ll send YOU a \$10 gift card, and also donate \$20 to Beyond Hunger! ▲

Beyond Hunger provides hunger-relief programming and services to 13 zip codes across Cook County, including portions of Chicago and its near-west Suburbs. Its service offerings seek to provide the food, resources, knowledge, and skills people need to live healthy, active lives.

For over 40 years Beyond Hunger has created solutions to end hunger at every stage of life through comprehensive programs that now include: providing emergency food to families in need, summer meals for kids who lack them when school is out, connecting individuals to valuable benefits like SNAP (“food stamps”), conducting nutrition education and cooking classes to combat chronic illness, and delivering groceries to homebound older adults. Organization-wide we focus on health and nutrition—providing food that nourishes and sustains, food that is rich in nutrients, lean protein, and whole grains.

Founded in Oak Park in the late 1970s by a small group of concerned citizens lead by Patricia Funk, a local Girl Scout leader, as the HungerTask Force Food Pantry (later the Oak Park River Forest Food Pantry). Throughout the years, the pantry grew as an organization, both in its capacity, and in its programmatic offerings. Most notably, they’ve focused on health and nutrition—pioneering programs that provide education, reduce waste, and go beyond the basement to meet the need where it’s greatest. In 2019 the pantry evolved yet again—changing its name to Beyond Hunger to best represent its mission to end hunger in all the communities served as well as their expanded programs and services.

For more information visit www.gobeyondbeyondhunger.org.



CLIENT(S) OF THE QUARTER

Congratulations to Martina Rocha at Together for Childhood Network—who was randomly selected from the list of clients who referred business to Forest Insurance last quarter. We’ll be sending Martina a \$100 Visa Gift Card as our way of saying thanks.



Winter Driving Tips

HOW TO PREPARE FOR THE ELEMENTS
BEFORE YOU FACE THEM ON THE ROAD

Prepare your vehicle

- Make sure your battery is in good condition and fully charged.
- Keep your gas tank at least half full.
- Keep an ice scraper, snow shovel, and sand or road salt in your car.
- Don't warm your car in an enclosed area. Dangerous fumes from your exhaust can be lethal.

Prepare yourself

- Wear warm clothes and gloves--and keep a pair of sunglasses handy to help cut down on snow glare.
- Monitor road and weather conditions, and sign up for weather alerts.

Driving for winter conditions

- Drive at a safe speed. Slow it down so you can maintain control of the vehicle. Keep a safe distance from other vehicles.
- Avoid using cruise control in snowy or icy conditions.

Remember, driving in winter weather can be challenging, even for experienced drivers. Slowing down, allowing increased time to come to a stop, wearing your seatbelt, devoting your full attention to the road and being aware of changing conditions can help you drive more safely. ▲

Insuring Your Jewelry

Whether you're purchasing—or lucky enough to receive—jewelry this Valentine's Day, think about insuring those baubles. Things to consider:

Additional coverage

Your homeowners policy covers valuable items only up to set amounts. If the cost of replacing your jewelry exceeds that limit, you'll want to purchase scheduled personal property coverage—a/k/a [valuable items insurance](#).

No deductible

Unlike other coverages, scheduled items are not subject to a deductible.

Cost

Premiums cost as little as \$15 per \$1,000 in value.

Appraisal

The insurance company requires an independent appraisal. Each item should be listed with a description and value on paper. Take photos.

Storage

When not in use, be sure to store your high-value items in a safe or, ideally, safe-deposit box. ▲



SIMPLIFY YOUR LIFE

FOREST INSURANCE
CAN CONSOLIDATE ALL YOUR
INSURANCE ACCOUNTS

Home | Auto | Umbrella
Jewelry | Fine Art
Private Client |
Aviation | Life
Business | Commercial

REFERRALS

When you refer someone to Forest Insurance, we'll send you a \$10 gift card and enter your name into our quarterly raffle. We'll also make a \$20 donation to our Charity of the Quarter, which, January through March, is [Beyond Hunger](#).

Thank you to our clients who referred a friend or family member during October, November, and December:

Sandra Burns

Call Me Mother, Inc.

Liz & George Condes

Nicole Jender & Michael Velarde

Vinod & Shiny Joseph

Won Kim

William Kokaska

Stephen Kovic

Caryl & Robert Lump

Jim & Genee Major

Walt & Nancy Malinowski

Imelda Nieto and Lupita's Daycare Inc.

Pequeños Giants Inc.

Greg Pulido

Bob & Terry Rentner

Tomas Thompson

Together for Childhood Network (10)

Don & Mary Vogel

Michael & Sherri Williams



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Dan Browne



Cathy Hall

Contact us for more information
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