

# Agritourism and Insurance

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Nationwide Insurance

# Agritourism is Growing!

We are separated from the land

People are curious about their food and the farmer who grows it

Food is becoming more personal and more varied

Farmers are held in high esteem

Agritourism is a good business opportunity

# Agritourism to an insurance company

Farms have inherent hazards

*Machinery, tools, chemicals, buildings, dogs, livestock, stacks, holes, ruts, thorns, barbed wire, fences, firearms, water, trees*

Now...add children and teenagers to this mix

And remember...our society is litigation happy!

# Challenges with an inexperienced insurance agent

Understand your exposures?

Appropriate pricing?

Point out potential problems?

Credibility with the insurance company?

# What to look for in an insurance agent

Professionalism

Experience in your field

Honesty

AFIS degree a plus!

(Agribusiness and Farm Insurance  
Specialist)

# Value of an experienced insurance agent

Better understand your business

Point out potential hazards and solutions

Won't undersell or underprice you

Credibility to you and your insurance company

# Your Insurance Company

Experienced in writing farms

Trains its agents on farm insurance

Loss control and safety specialists

Experience in investigating and settling farm claims fairly

Financially stable (AM Best rating)

*Resources – California Department of Insurance, AM Best*

# 2008 CALIFORNIA P & C MARKET SHARE REPORT

Line of Business: FARMOWNERS MULTIPLE PERIL [03]

Sorted by Group Name

Source: NAIC Database

Licensed companies only

Rec #	Group #	Naic #	Company Name	Written Premium	Market Share	Earned Premium	Incurred Losses	Loss Ratio
11	785	MARKEL CORP GRP 38970	Markel Ins Co	159,211	0.0760%	162,899	36,242	22.25%
				<b>159,211</b>	<b>0.0760%</b>	<b>162,899</b>	<b>36,242</b>	<b>22.25%</b>
12	15768	Merced Mut Ins Co 15768	Merced Mut Ins Co	274,149	0.1308%	288,468	342,236	118.64%
				<b>274,149</b>	<b>0.1308%</b>	<b>288,468</b>	<b>342,236</b>	<b>118.64%</b>
13	140	NATIONWIDE CORP GRP 23787	Nationwide Mut Ins Co	98,522,402	47.0065%	97,237,308	55,475,610	57.05%
		25453	Nationwide Ins Co Of Amer	154,518	0.0737%	128,783	100,977	78.41%
				<b>98,676,920</b>	<b>47.0802%</b>	<b>97,366,091</b>	<b>55,576,587</b>	<b>57.08%</b>
14	645	OREGON MUT GRP 14907	Oregon Mut Ins Co	434,665	0.2074%	319,663	118,155	36.96%
				<b>434,665</b>	<b>0.2074%</b>	<b>319,663</b>	<b>118,155</b>	<b>36.96%</b>
15	796	QBE INS GRP 25747	Unigard Ins Co	4,187,915	1.9981%	4,196,475	1,583,123	37.73%
				<b>4,187,915</b>	<b>1.9981%</b>	<b>4,196,475</b>	<b>1,583,123</b>	<b>37.73%</b>
16	176	STATE FARM GRP 25151	State Farm General Ins Co	12,131,630	5.7882%	12,064,673	17,030,383	141.16%
				<b>12,131,630</b>	<b>5.7882%</b>	<b>12,064,673</b>	<b>17,030,383</b>	<b>141.16%</b>
17	3548	Travelers Grp 25674	Travelers Property Cas Co Of Amer	16,007,530	7.6374%	14,786,535	5,598,058	37.86%
		25682	Travelers Ind Co Of CT	10,505,871	5.0125%	10,214,574	3,523,083	34.49%
				<b>26,513,401</b>	<b>12.6499%</b>	<b>25,001,109</b>	<b>9,121,141</b>	<b>36.48%</b>



# Your underwriter may look at your website

Some real-life red flags

*Children can go anywhere on our farm except the roads*

*We just started selling our own milk*

*We have had several insurance claims*

*We served alcohol at our events before we found our lease wouldn't permit it*

*And...pictures of children hand-feeding goats and horses*

# Recent case we did not write – underwriter comments

John, on a personal note, I believe that Rocky Bleier must be one of the most energetic, enthusiastic and creative people around. I'm sure he is an individual I would personally like, he named this endeavor "Cosmo Acres" after a dog he rescued. How could I not love that?

However, I have to put on my insurance hat and recognize that there are some exposures here that require careful consideration and pricing. Of course we insure accounts involved in agritourism and CSA activities, but we conduct a careful review of these accounts; their history, experience and activities. Unfortunately we were just not comfortable with this account.

# In summary...

Competent agent

Experienced insurance company

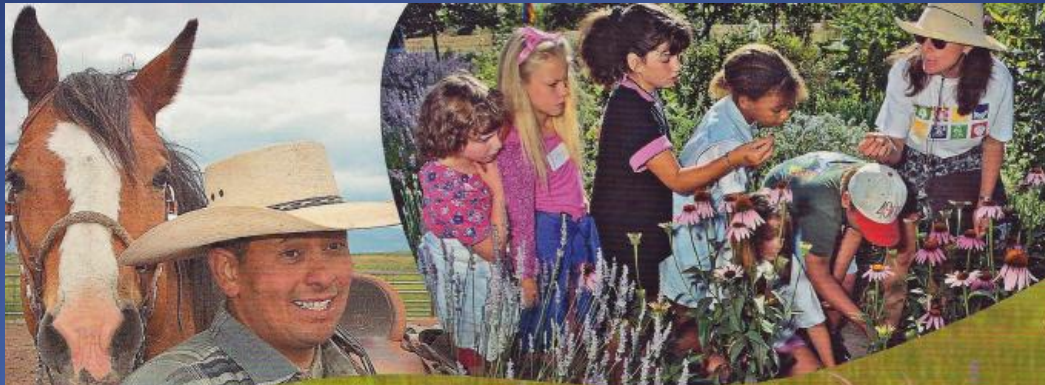
Safety conscious in everything you do

# Resources

*Agritourism and Nature Tourism in California*  
UC Agricultural and Natural Resources,  
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UC Small Farm Program

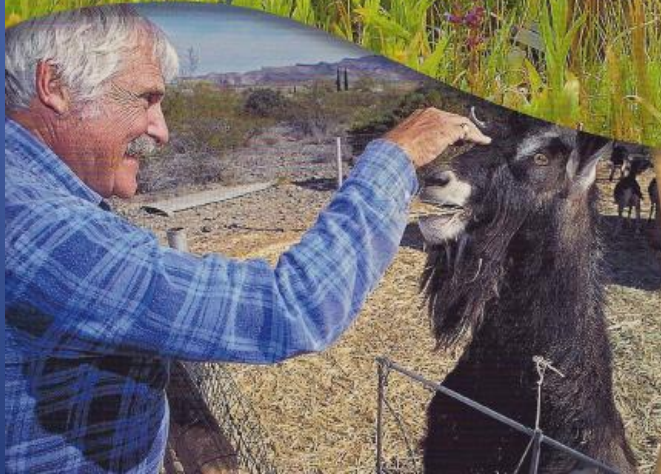
<http://sfp.ucdavis.edu/agritourism/>



Holly George • Ellie Rilla



# Agritourism and Nature Tourism in California



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