

FAST FACTS

THE HARTFORD: Your solution for
Electrical Construction companies.



Size of Opportunity

U.S. electrical construction companies	195,000
Combined premium for WC, Business Liability Property & Auto	Approx, \$1.5 billion*
Average annual revenue per business	Average < \$1 million

Appetite

- Sales revenue up to \$15 million and payroll up to \$1 million
- Monoline auto up to 25 power units; larger fleets may be written in conjunction with Spectrum®
- Handyman contractors are not eligible
- Risks that install alarm systems should be classified using Spectrum code 47061 and are not eligible for Spectrum Liability coverage

SIC Type of Business**

1731	Residential and commercial electrical wiring – operations include: installation of outlets, electrical panels, fixtures, appliances and incidental outside work
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Industry Outlook

Demand for electrical work is driven by new residential and commercial construction. Despite the economic turndown, the need to retrofit older homes and commercial buildings with fiber optic cable, wiring for widearea networks, etc. and the movement to green forms of energy has helped to mitigate the recession's effect on electricians.

Industry jobs require extensive classroom education and formal apprenticeship periods. On-going training is necessary to stay current with electrical and building codes. Consequently, electricians are often the highest paid workers at a construction site, earning an average of \$22 per hour.

Why Electricians Choose The Hartford

Spectrum

- **Majority of work is done off premises.** Most property policies do not provide Business Personal Property coverage away from an insured's premises. Spectrum provides a \$2,500 base limit for a variety of Business Personal Property items including tools, equipment, materials and supplies whether they are at a job site or in transit. The Contractor's Stretch endorsement enhances this offering with \$10,000 of Installation coverage, \$10,000 for Contractor's Equipment and \$1,000 for Contractor's Tools. In addition, higher limits may be available for these coverages.
- **Employees use their own tools.** When employees' tools are left on the insured's premises, they are covered within Business Personal Property limit.
- **The cost of copper is rising.** Copper theft at job sites is a problem and incidences of employee theft are rising. Our Contractor's Stretch endorsement provides Employee Theft coverage for \$25,000.
- **Computer equipment is essential to day-to-day operations and project management and bid preparation requires sophisticated, industry-specific software programs.** Coverage for laptop computers, palmtops and similar equipment is provided under the Contractor's Stretch for \$5,000.

Our optional Computers & Media form provides coverage for virus damage to computer equipment and software data. Limits are available up to \$2 million on Spectrum. The Contractor's Stretch endorsement also includes \$50,000 in addition to the optional coverage limits.

- **Cell phones are a business necessity.** Spectrum covers cell phones as Business Personal Property. Optional coverage is available up to \$300,000 for mobile cellular phones, beepers and pagers on or away from the insured's premises and in transit.
- **General Liability presents a significant exposure because some jobs take months to complete creating hazards for customers who must live or work in a construction zone. In addition, subcontractors may cause property damage to work in progress.** Spectrum offers some of the broadest business liability coverage in the industry. Medical Expenses Coverage and Damage to the Insureds Work by Subcontractors are both included in Spectrum. All

contractors' policies written by The Hartford are automatically endorsed with a Per Project Aggregate, so the policy's aggregate limits are extended to each of the insured's projects.

Workers' Compensation

- **Day-to-day work involves risks.** Although the injury rate for electricians is in line with other industries, when injuries do occur, they can be catastrophic. The Hartford provides access to over 400,000 healthcare providers experienced in workplace injuries. Network contracts help keep medical expenses and premiums competitive.
- **Cash flow is erratic.** The Hartford offers a convenient way to manage cash flow with XactPAY® our patent pending payroll billing solution for workers' compensation. Benefits to small business owners include: no large down payment, pay-as-you-go premium charges based on actual payroll, and mitigation of audit surprises at the end of the policy period.

Commercial Auto

- **The Hartford offers broad auto insurance enhancements** including the extension of physical damage coverage to many types of electronic equipment that is permanently installed and powered by the vehicle's electrical system.
- **Many contractors find that it is cost effective to rent heavy power units to enhance a fleet during peak periods of work.** If Comprehensive, Specified Causes of Loss or Collision coverages are provided under The Hartford's commercial auto policy, then we extend Physical Damage Coverage to hired autos. The Hartford provides coverage in excess of the driver's personal auto policy up to the Hired Auto Physical Damage limit. Our Hired Auto Physical Damage limit was recently increased to \$100,000.
- **Electricians may have heavy or extra heavy vehicles as part of their fleet.** Our recently expanded appetite for heavy and extra heavy trucks as part of a vehicle fleet and our competitive rating structure make it easy for you to place the entire account with The Hartford.

For additional information about electricians, go to iMarket where you will find a detailed White Paper for this industry.

Don't forget to visit our small commercial site at: sb.thehartford.com

This flyer contains only a general description of coverages that may be provided and does not include all of the features, exclusions and conditions of the policies it describes. Certain coverages, features and credits vary by state and may not be available to all insureds. You should consult the actual policy language and speak with the appropriate Hartford representative if you have questions. In the event of a loss, the terms of the policy issued will determine the coverage provided. Coverages are underwritten by Hartford Fire Insurance Company and its property and casualty affiliates, Hartford Plaza, Hartford CT 06155, CA lic.# 5152.