

NEWSLETTER



LONDON AMERICAN

Letter from the President

Brady Carruth, President
London American Risk Specialists, Inc

I am constantly amazed at how history seems to repeat itself. Maybe it's my age but some things appear eerily similar to previous events. The methods and players may change but the basic premise remains. The most recent and also one that affects insurance directly is the case of the Somali pirates operating in the Gulf of Aden. Rogue bands of apparently rag tag individuals, the captured pirate is either 15 or 18 depending on who you believe, attacking and holding ships and their crews for ransom. Reaping great benefit for their daring. Some countries have paid millions in ransom to Somali pirates.

These facts are very similar to the threats faced by a young United States in the 1780's. The Barbary Pirates operating out of Northern Africa extorted a million dollar

tribute from the US for safe passage through the Mediterranean. The result, more piracy.

Only when Thomas Jefferson sent the Marines "to the shores of Tripoli" to deal with the Barbary Pirates did the threats subside.



The options: the status quo, risking ships and crews and the resulting impact on shipping costs including insurance; avoiding the area and adding 2700 miles to the route around the Cape of Good Hope and boosting annual fuel costs and cutting delivery capacity; or dealing with the problem as Thomas Jefferson did, hopefully with an international coalition. No easy answer. I don't have the solution but just the observation of the similarities to history.

As always we appreciate your business and look forward to hearing from you.



Wilderness Therapy or Boot Camp?

Wilderness therapy has been utilized more frequently in recent years by families with teenagers as a last resort, behavioral modification tool. Some controversy surrounds wilderness therapy, as there have been some incidents of alleged abuse. And some individuals of late have confused wilderness therapy with boot camp. So, what is the difference and what are the perceived benefits?

One of the largest differences between the program lies in their underlying philosophical assumptions which drive the program's various activities. Wilderness therapy focuses on experiential education while boot camps focus on a more military style education model, with most of the instructors coming from a military type background. Teens who have participated in

wilderness programs often report that their experience was positive in nature, fun and educational.

Some of their key learnings focus on building independence, patience, self-reliance and maturity. Studies are underway to evaluate the long term effects of wilderness therapy, but overall, they show promise. Parents should always evaluate programs before enrolling their child and should be active participants both during and after to ensure that positive results emerge.

London American has a very comprehensive program for Social Service business, as well as For Profit / Not For Profit organizations. For more information on this program, contact Mike Mullens @ 214-373-3936 ext 206. Mr. Mullens is one of the leading experts in the social service business and has been featured many times in Roughnotes Magazine. mmullens@londonamericantx.com

Wilderness Programs Risk Management Planning: not an accident

Therapeutic wilderness programs have come under increasing intense scrutiny. The ever changing regulations and costs associated with operating a therapeutic wilderness

program demands yardsticks to measure the safety and effectiveness of programs. Developing an effective and comprehensive quality Risk Management Program (RMP) is the first line of defense in protecting an organization's assets as well as increasing safety awareness.

So, where does the development of an effective and comprehensive quality Risk Management Program start? The process can be broken down into four basic steps.

First, perform an accurate risk analysis where risks specific to the organization are acknowledged and identified.

The second step is to evaluate and prioritize the risks. Next, select an appropriate risk management strategy for each item.

The final step in developing an effective RMP is to remember that it needs to be monitored and updated on a regular basis. As the organization grows and changes so also will the risk exposures. By monitoring the RMP on a regular basis an organization is better equipped to handle changes in the marketplace thereby adapting the program to meet its ever changing needs.

About the author:

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Welcome to London American!

We are happy to announce the addition of several great insurance professionals in the Houston office.

Kathy Green
kgreen@londonamericantx.com
Underwriter in the transportation dept

Michelle Collins
mcollins@londonamericantx.com
all lines Sr. Broker / Underwriter

Edith Orozco
eorozco@londonamericantx.com
Underwriter Assistant

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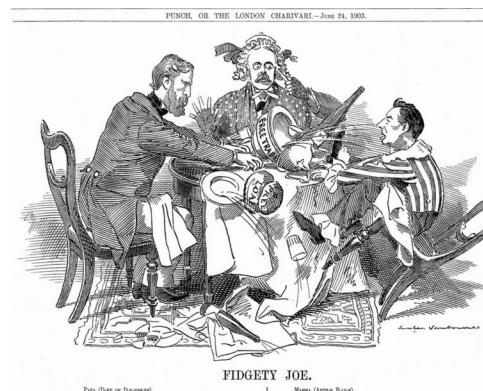
We are offering Double Gift Cards for every piece of New Business bound in July or August with a minimum premium of \$1,500.

Congratulations!

Barbara Camacho and Derek Prescott are pleased to announce their upcoming marriage planned for October 17, 2009. Barbara is the Receptionist in the Houston office.

Brady F. Carruth, Jr. (Buddy) graduated from St. John's School on May 19, 2009 and will attend Texas Christian University in the fall. Buddy is the son of Brady Carruth, President London American.

Matthew Douglas, son of Dorothy Douglas graduated kindergarten at Frazier Elementary May 29, 2009.



When Insults Had Class

"Would those of you in the cheaper seats clap your hands? And the rest of you, if you'll just rattle your jewelry."
John Lennon (1940-1980)

"Clothes make the man. Naked people have little or no influence on society."
Mark Twain (1835-1910)

"If all the world's a stage, I want to operate the trap door."
Paul Beatty

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