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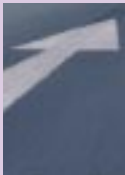
Business insurance from

Stride

INSIDE



Is your
business
vulnerable?



Import-
export –
are you
covered?



Head for
heights?
New
regulations
may affect
you.



Value is
what you
get...

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It could happen here...

All of us have been touched by the tragic aftermath of the Tsunami in South East Asia and the huge public and international response to the catastrophe. This will go some way to restoring the infrastructure of the region although cannot possibly compensate for the personal loss of all those affected. Part of the problem is that most affected did not have insurance or what they had was inadequate.

Although, the western world has not seen a catastrophe in any way approaching this scale, one of the major differences is that most businesses affected by natural disasters are insured. The Boscastle and recent North West floods are examples of this. Provided businesses are adequately insured, at least the financial consequences are minimised and life can begin again. However, it is important that the cover provided is sufficient to cope with natural disasters. Acts of God such as storm, flood and earthquakes as well as man made ones such as explosion, fire and being hit by an aircraft are all perils, which are normally provided by UK policies. The risk is often whether the amounts insured are sufficient to provide for full compensation.

The following is a guide as to what should normally be covered.

1 Buildings The full rebuilding cost of the existing structure and permanent fixtures and fittings using the same materials and of the same size as current. It needs to take into account foundations, environmental

work, the cost of clearing the site, professional fees, any new regulatory requirements and also recognise there may well be substantial delays in any rebuilding programme which could increase costs.

2 Machinery, plant, fixtures and fittings The replacement cost as new of everything even if you may regard some items do not need replacing. It should reflect such things as tooling, patterns, drawings etc wherever these are. Clearance costs and professional fees also need to be considered.

3 Stock The replacement value of this at current prices at the peak time during the year, not necessarily the book value at year-end. Work in progress needs to include all costs incurred, these may be higher than the book value. The cost of clearance or disposal of damaged stock should be taken into account as well.

4 Business Interruption This covers the financial loss you may incur because turnover reduces and/or costs increase after the incident. The amount insured should be your anticipated turnover less purchases. The period of the cover should be long enough to cover the worst scenario and be sufficient to protect you until your gross profit recovers to the level it would have been but for the incident.

Our job as a broker is to ensure that you are adequately covered and we are happy to provide you with full advice on all issues.

For further information on any of the articles please contact:

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Authorised and regulated by the Financial Services Authority

Fail safe?

Could one failure lead to disaster?

Have you a particular item of plant or machinery which is key to your business?

The efficient running of many businesses is reliant on a particular machine, service or item of plant and whilst the standard property insurance policy can cover all your plant and machinery against accidental loss, theft or damage, there is normally no automatic cover against breakdown.

The breakdown of refrigeration



plant can be extremely costly and interrupt production for businesses involved in food. Printing machinery is vital for the printing trade. Automatic process plant requires constant usage to optimise production. Engineering companies will always have key production or finishing equipment. The loss of a

mechanical handling plant could bring a business to a standstill. Most businesses are totally reliant on computers, some of which are remote and a number of businesses would have to close if access to electricity, gas, telephone or water was denied.

In an increasingly complex and competitive world our dependence on key items and services increase.

Insurance cover can be arranged on most items against the cost of repairs following a breakdown but more importantly against any financial losses you may make if your business is shut down or its capacity reduced.

If you feel you are particularly vulnerable to the breakdown of an item of plant, machine or failure of a service, contact us.

Trading places

Stay in control of import/export insurances

here all goods imported and exported, our balance of payments deficit would be appreciably lower.

However there are good reasons other than patriotic ones for taking this approach. These are mainly down to control and cost.

Control: By controlling the insurance arrangement, you can determine the cover, when it starts and ends, what extras are required and the value insured. If anything does happen before settlement for the goods, you can deal with someone you know rather than an unknown foreign agent or insurer. There is less chance of anything going wrong. Cover can be arranged on an overall basis and where you are legally permitted insuring all goods imported and exported. Contingency cover protecting your position can be obtained where insurance has to be arranged by someone else. We can also make sure the cover dovetails with the arrangements we make for insuring your static stock.

Cost: If you control the insurance, we can negotiate rates on your behalf reflecting your own needs and previous losses. You will pay the true premiums charged with no concerns that middlemen or overseas exporters are artificially inflating figures. Premiums will be paid in sterling and be part of our normal accounting procedures. In fact in a number of cases we can arrange for an annual premium to be paid covering everything. Nothing could be simpler.

We are happy to discuss the subject with you further if you wish.

In 2004, UK businesses exported and imported goods with a combined value of some £425bn. We are still one of the top trading nations in the world. Every consignment of goods is insured, many by the overseas exporter or importer and if UK business made a point on trying to ensure that they covered



Get a grip –

why take unnecessary risks?

Each year 50-60 workers are killed as a result of a fall from height and around 4,000 workers suffer serious injury. This is the biggest cause of death and the second largest cause of serious injury at work. It accounts for a large proportion of the cost of employers liability claims especially in construction related activities. The scale of the problem has prompted an EU directive on a common standard of safety rules throughout the Union and the UK Health and Safety Commission have been consulting widely regarding our response to this directive. Although it was intended to implement the new rules by July 2004, this has been delayed and the new regulations are now expected to come into force in late spring or early summer. There is still some debate as to whether the existing 2-metre exemption is retained or removed.

They bring together all the current regulations into one set and adopt a risk-based approach to working at height. The regulations take a three-pronged approach.

- 1 *If you can avoid the need to work at height then do so.*
- 2 *Where you cannot avoid working at heights, you must take steps to prevent falls by selecting the most appropriate equipment taking into account the duration of the work and the environment*

- 3 *If any risks remain, steps should be taken to mitigate the effect by using arrest devices etc.*

The rules seem very sensible and the guidance notes at least bring together all the existing regulations into one place. There are some extensions to the rules but these seem practical and proportionate.


It is very important that risk assessments are carried out and that no work is carried out unless the planning, supervision and organization is done by someone with the suitable practical and theoretical knowledge, training and experience.

Most trades, who are regularly involved in working at heights, already attempt to comply with the rules. The real challenge is for businesses that only occasionally do e.g. offices, retailers, wholesalers, entertainment, agriculture etc. These should keep a copy of the rules always to hand and issue strict instructions to staff as to what they can and cannot do.

As brokers, we can arrange for the inspection of all equipment as required by the regulations and also arrange for overall advice as to how to comply. Also a useful site for occasional users is www.hspi.info-exchange.com. This is a government-sponsored site, which enables you to carry out a self-audit and benchmark yourself against others in your sector.

Essential reading for all businesses, especially those who do not regularly work at heights

*Price is what
you pay.
Value is what
you get.
So how
competitive
is the UK
insurance
broking
market?*

 Much has been written in the press about inducements paid to a major broker in the USA and how this is alleged to have influenced the decision of which insurer to recommend to clients. There have been questions as to whether a similar situation could apply in the UK.

Certainly in our case, the answer is a resounding no! The UK broking market is one of the most competitive in the world with a potential 4,000 independent businesses able to compete for your insurance portfolio. Such competition will always keep us on our toes, stop us being complacent and certainly ensure that you will always be offered the best value available in the market.

This may not always be the lowest cost. You rightly expect us

Take your pick



to exercise
our judgement in deciding which

insurer to recommend. We will take into account:

- The financial strength of the insurer
- Its attitude to paying claims
- Its overall service
- The breadth of cover it offers
- Its knowledge of the sector in which you operate.
- The consistency of its approach
- Its readiness to consider special requests
- Our overall relationship with the insurer and its track record in handling our clients.


In addition we are now regulated by the FSA and regularly monitored as to whether we do a regular fair analysis of the market for all our clients.

We always have and will continue to act solely in your best interests.

*There's more
to credit
insurance
than just a
policy*

The more intelligence you get, the stronger your business will be



 It's a familiar problem to every businessman. Your biggest asset isn't your bank balance; it's the money you're owed. Indeed, research in the small and medium business sector shows that most firms believe that the biggest risk they face is the collapse of a major customer with outstanding debts.

The fear is well justified. Every insolvency sets off a domino effect, toppling a large number of suppliers down the line.

Yet very few companies take the trouble to protect themselves through a robust credit management policy and credit insurance. Too often, optimism is allowed to rule. Businesses accept uninsured orders without proper checks on the customer's ability to pay.

Used correctly, credit insurance can be the core of a company's credit management policy,

providing a wealth of online information. It may even help your sales-force to direct their efforts towards those clients who are most likely to meet their bills.

That's because credit insurers receive a stream of intelligence from a range of sources including rating agencies, other companies, banks, policy-holders and clients.

As a result, they can give early warnings when a business is failing to pay promptly and offer an overview of its performance.

For good measure, they can assess not only British companies but also foreign companies, where the risk would be far harder for an individual UK firm to check

Credit insurance is a low-cost way of ensuring that your business isn't harmed – or destroyed – by an unexpected bad debt, wiping out many years of hard work.



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