



playa

LA PLAYA

NEWS FROM THE BEACH

Autumn 2011

Private Clients: Leak Detection Technology

Arts & Entertainment: Open for business online? Then you're vulnerable. Globally.

Media & Production: Cast & Crew Insurance

Science & Technology: Lab Portfolio: innovative insurance for R&D firms

La Playa Financial Management: Investing in Films

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Passionate. Discerning. Independent.

La Playa: Insurance with Intelligence®

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Welcome



Photo: Tony Jedgej

Welcome to our Autumn newsletter! I'm writing from our New York office, where we're rolling out the League of American Orchestras Insurance Program and working with an increasing number of transatlantic businesses in Science & Technology, as well as building our Private Client practice.

Meanwhile in the UK, I hope you weren't too badly affected by the summer riots – the insurers seem to have responded swiftly to the claims.

I'm pleased to see the Government has at last taken steps to tackle the absurdity of the referral fees system – over time, this should help slow down the inexorable increase in motor insurance rates (currently some 40% up on two years ago).

I'm delighted to announce we have a new London office at 60 Cannon Street in the heart of the City. We also welcome several new team members and wish them every success "at the beach".

As the new artistic, sporting and academic season kicks off, I hope you're back in harness with gusto!

Mark Boon, CEO

This newsletter and most policy information is available in large print – please let us know how we can make the information more accessible to you.

"When you get good service it's worth shouting about"

...in the words of one of our clients.

The greatest compliment you can pay us is to tell your colleagues and friends – and we'll send you a **Fortnum and Mason hamper** when new private clients mention your recommendation.



FSCS: No Sting

While many insurance brokers are now passing on the increased levies (last year over 800%) from the Financial Services Compensation Scheme (FSCS), you'll be pleased to know that La Playa is not introducing charges. The levies relate to the miss-selling of payment protection policies by banks and credit agencies.

New faces



Kellie Cawdon,
Account Executive, Private Clients

Kellie joined the Private Client team after 8 years' senior broking at Marsh Private Clients as well as underwriting experience at Chubb. Kellie loves high performance

vehicles, dealing with luxury vehicle brands such as Ferrari and Maserati, as La Playa's motor expert.



Elaine Redington, Senior Account Executive, Science & Technology

Elaine brings 18 years' experience in commercial broking, including over 10 years working on international and technology business. She enjoys golf, skiing, reading and running.

Headline Numbers:

- 1 hurricane weathered by our New York office
- 1 appearance by Tracey on Tom Dyckhoff's Channel 4 architecture programme filmed at Wysing Arts
- 2 babies born to La Playa staff
- 7 minutes taken by Gareth to settle a home insurance claim with Sterling Insurance!
- 27 mosquito nets sent to Africa from our Beachcomber online community
- 220 cocktails consumed at La Playa's summer party
- 414 shots taken at the East-Anglian Children's Hospice golf day
- £1,900 raised at the Suits in Boots football tournament for the Street Child World Cup

Congratulations!

...to our staff Katie Gouskos and Rachel Holmes on the births of their sons, Dylan (born 5 April, weighing 8lb 14oz) and Edward (born 23 June, weighing 8lb 15oz).

Join Beachcomber!

Sign up for our online community, Beachcomber, where you'll benefit from:

- Great offers from La Playa clients and friends
- Risk management info-snacks by email

PLUS we'll send a life-protecting mosquito net to Africa for each new joiner.

La Playa: Insurance with Intelligence®



Private Clients



Arts & Entertainment



Media & Production



Science & Technology

Private Clients Group



Matthew Mullee
Director Private Clients

"Extremely helpful in all respects and I have recommended you to friends already!" John F

What's Hot At The Auctions



Grotesque High

With the fussy Victorian look out of fashion, other areas of the art market are enjoying the spotlight – including ceramics and pottery (in good, original condition). Recently, a Martin Bros Grotesque series jar and cover came in for valuation. The vendor explained he'd kept it in the loft for over 20 years as it was so ugly, but was delighted when it sold in our Design auctions for £26,000. Beauty really is in the eye of the beholder!

John Foster, Sworders Fine Art Auctioneers and BBC Antiques Roadshow expert.
sworder.co.uk

A personal and responsive service for private clients. We specialise in advice and cover for period, listed and modern homes, vehicles, yachts and motorboats, wine collections, antiques, jewellery and art on a worldwide basis.



Drip, drip: money down the drain?

The Latest Leak Detection Technology

One in four insurance claims involve water damage. "Escape of water" is an escalating insurance issue - partly due to climate change causing extreme weather, and partly due to the reduced drainage capacity from over-building. Water

sounds relatively inoffensive compared with fire, but it can cause enormous inconvenience and extensive damage - clients recently lost beloved paintings to water running down the wall from the room above; others lost a beautiful timber floor.

Leaks can damage building structures, installations and furnishings – the more so when the leak is hidden or inaccessible and goes unnoticed. Water leaks in plumbing systems and white goods are a prime example, nearly always involving collateral damage to adjacent property and personal belongings. The opposite of the 'slow' leak is the catastrophic failure where a pipe ruptures under mains pressure, causing widespread damage. Incidentally, check your home insurance covers "trace and access" - for example the costs of lifting a

marble floor to repair a burst pipe - and check the limits as we have seen losses into six figures.

But what if you could stop the leak as soon as it started? Until recently, only human intervention could limit water leak damage – the faster the water was isolated, the less the potential damage. However, now we have the technology: the new breed of Leak Detector is an automatic water shut-off system. The device continuously monitors the water flow in an installation, and when it detects a leak it cuts off the water supply before it can cause catastrophic damage.

We're now recommending leak detectors to clients – especially if they're away regularly. These systems can save a lot of heartache and hassle, detecting and stopping leaks.

Useful URLs:

laplaya.co.uk/knowledgebank/Leak_Detector.pdf
dantaet.co.uk

For more information on leak detectors, contact:

Matthew Mullee, Private Client Director

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All that glitters is NOT gold

In April, silver prices reached 1980s levels at over \$40 per ounce (The Times, 2011). As in the 1980s, decorative silver may soon be worth more molten down than as an ornamental item – resulting in a raft of thefts. If you have a silver collection, consider the following:

- Update your valuation.
- Store solid silver securely, out of sight - silver plate is worthless.
- Secure windows and doors with key operated locks/sash bolts and/or five lever mortice deadlocks.
- Set alarm systems 24/7.
- Beware visits by "police" without ID or warrant cards: thieves recently got away with jewellery worth thousands posing as police officers.



Arts & Entertainment Group



Tracey McCreath ACII
Director Media Arts & Entertainment

"Very impressed with La Playa... they understand the company and respond quickly, always giving us the support that we need. Thank you!"

Jodie M, Managing Director,
Theatre Company

Dining with Alice



La Playa clients Artichoke Productions and the Norfolk and Norwich Festival earned a four star Guardian review for *Dining with Alice*, a magical, fantastical outdoor dinner-party-cum-theatre-show in the gorgeous gardens of Elsing Hall, a 15th-century moated manor house (yes you guessed right - another La Playa client!). A truly memorable night – congratulations!

Our specialist practice for the performing arts and live events in the UK and USA. Providing expert advice and cover for artists and touring companies, agents and artist managers, festivals, venues and promoters, and dance schools.

Open for business online? Then you're vulnerable. Globally. Cyber Liability Insurance – the new essential

The convergence of technology, media and telecommunications gives access to huge international markets. But with new technology comes new risk...

What if...

- ... your website content breaks the law in a country you're unfamiliar with?
- ... your systems or 'cloud' were hacked, breaching customers' privacy?
- ... your site featured copyright or trademark material without permission (other people's logos, music, text)?

With high-profile cases of electronic privacy breaches, businesses globally are shoring themselves up against a range of new global risks in cyberspace. **Cyber Liability Insurance** is the hot new "must have" – covers include...

- **Media & Content Liability** – including cover for user-generated content.
- **Defamation** – for allegations of libel, slander or disparagement.
- **Intellectual Property Rights Infringement** – in case your content infringes copyright.
- **Breach of Confidentiality** – for breach of privacy allegations.
- **Professional Service Failure** – blanket professional negligence coverage.
- **Business Interruption** – covering income lost to viruses, network failure/damage, hacking, cyber crime.

- **Jurisdiction** – protecting you wherever you're sued.
- **Fraudulent Acts** – in case staff use an electronic signature or emails fraudulently.
- **Data Extortion** – cover against extortion threats after data theft.

Case Studies

Cyber Crime: a cyber-criminal in Newcastle recently stole over £35,000 from his neighbours by befriending them on social sites Facebook and Friends Reunited. Using information from their profiles he was able to access and empty their bank accounts over a two-year period.

Data Breach: a unencrypted laptop was stolen from an employee's home, containing personal information about 24,000 people.

IP Dispute: an importer of computer chips that enabled use of pirated video games infringed foreign copyright laws, resulting in a costly lawsuit.



For more information on
Cyber Liability Insurance, contact:

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Head of Performing Arts

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Client Spotlight: Ulster Orchestra



The Ulster Orchestra, Northern Ireland's only professional symphony orchestra, has won an Allianz Arts & Business Award for its community work with JTI. The prestigious award recognised its successful partnership bringing classical music to communities across Northern Ireland and those who wouldn't ordinarily attend concerts. The partnership involves lunchtime concerts, a ticket and transport scheme for the elderly and a free community Christmas concert in Belfast's Ulster Hall.

In May 2011 the UO appointed internationally renowned JoAnn Falletta as Principal Conductor. The first female and first American to hold the post, the New York Times described her 'one of the finest conductors of her generation'. She made her summer debut on 21 September. ulsterorchestra.com

Media & Production Group



Photo: Tony Jedrej

Stuart Osborne
Head of Film & TV Practice

Welcome to new clients

We're delighted to welcome new clients including:

The Audio Guys,
Onekey Audio,
Prism Music Group,
Soho Digital Media Services,
Wildhorse Design and
Downstairs at the Kings Head.

"...extremely professional and commercial and always manages to provide the right level of insurance package at a competitive price."

Finance Director,
Media Company

Specialist insurance for creative businesses: media and mediatech, film and TV production, post production, editing, broadcast technicians (camera/light/sound), graphic design, multi-media, photography, marketing & PR, studios and film promotion & distribution.

Cast & Crew Insurance

In 2008, actor Heath Ledger sadly died whilst filming Batman. However, the film was still released with the help of expensive post-production techniques. The additional costs to achieve the end production are covered by Cast & Crew Insurance.

Cast & Crew Insurance is designed to protect you against additional production costs and any committed costs that you'd be responsible for if a key individual were suddenly unavailable to work because of an accident, sickness or even death. It's very flexible cover – you can insure all the people who can't be replaced, and you can opt to cover just the filming period or the run-up period too. The post-production period is covered automatically. You can also extend the cover to include "full non-appearance" – for reasons other than accident, sickness and death.

Think carefully when deciding who to insure. Think about the worst case scenario: as well as the leading artists/actors, what would it mean if the director, producer or principal camera operator were unavailable? Can they be replaced easily? There are often individuals aside from the actors who are critical to a production.

The cast and key crew you insure will need a medical examination with an approved doctor. Until the medical reports are received and approved by the insurer, cover is on an "Accident Only" basis. In certain circumstances insurers may accept a 'Statement of Health', providing the individuals are aged between 16 and 65 and are in good health. This would of course depend on the type of production - but it's always worth asking. Talk to your broker about arrangements for any pre-existing medical conditions, pregnancy, hazardous activities/stunts involved in your production, or if the individual has to fly a plane.

The Cast & Crew module of our **Production Portfolio** umbrella policy can be extended to cover absence due to bereavement and some limited cover for undeclared cast and crew members.



For more information, contact:
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Head of Business
Development

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Women in Film & Television

WFTV members enjoy 10% discount on La Playa's exclusive Production Portfolio policy. In June, La Playa co-hosted a WFTV seminar on Insurance for Small Production Companies and Start-ups (email laura.wellstead@laplayainsurance.com for the checklist link).

Our thanks to WFTV for a fantastic Summer Party at the ITV Studios – particularly for the opportunity to run into Peter André! Look out for details of the WFTV Awards ceremony in December.

wftv.org.uk

Client Spotlight: CSC Media Group

CSC Media Group's urban culture channel Flava has won Best Specialist Music Channel at the 2011 Freesat Awards. One of the UK's fastest growing media companies, CSC now owns and operates sixteen television channels on Sky Digital, Virgin Media and Freesat, as well as five complementary websites.

The Group's current focus is on kids, music, movies and entertainment channels on TV, online and IPTV/VOD platforms. Their success lies in speed to market, total audience focus, sophisticated branding and the development of new niches.

cscmediagroup.com



Science & Technology Group



Photo: Tony Iadraj

Matthew Clark ACII
Director Science & Technology

"I would highly recommend La Playa to any technology business that is looking for expert but straightforward insurance advice."

Micheal B, Venture Capitalist

Tip: Social Media Risks



Social media is revolutionising the way we communicate – and it's a whole new ball park when it comes to online risk. Make sure you have **Cyber Liability Insurance** – see our article in the Arts & Entertainment section.

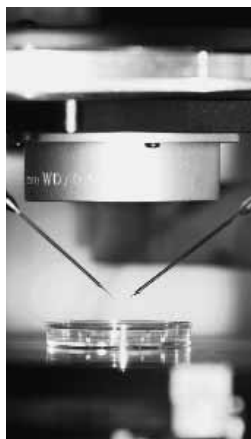
Tip: Planning a merger or takeover?



When a transaction's on the cards, there's plenty of due diligence to do – particularly in identifying IP assets and liabilities. La Playa can help with insurance for the representations and warranties applying to IP rights – either for a single asset sale, or an IP portfolio. Ask us for details.

Conveniently HQ'd at the hub of Cambridge's flourishing technology scene, our specialist team provides advice and cover for businesses in Life Science, ICT, Nanotechnology, Cleantech and other emerging technologies.

Lab Portfolio: innovative insurance for R&D firms



What if...

- ...product prototypes were destroyed in a fire?
- ...lab books, documents and data were damaged in an accident?
- ...a freezer breakdown meant you lost critical cell lines?
- ...your client doesn't like the work you've done for them and refuses to pay for it?

Research and development companies produce vast amounts of data, cultures, compounds, samples, prototypes and other valuable R&D

materials that could prove crippling expensive to replace or recreate if damaged or destroyed. How do you value the years of blood, sweat and tears invested in a tiny phial of serum?

It's vital to ensure you have the right R&D Insurance in place – without it, you're jeopardising cash flow, gambling with your future and upsetting your investors.

Lab Portfolio is a specialist insurance policy for start-up, early stage and SME research and development businesses. Exclusive to La Playa, it's backed by Catlin, a global speciality insurer with real financial muscle.

The application process is quick and easy, and benefits include:

- ✓ **Easy access:** online application
- ✓ **Rapid response:** we underwrite in-house so guarantee quotes & cover within 1 working day
- ✓ **Comprehensive cover** to reflect true re-creation costs of R&D material
- ✓ **Premiums from £750** with monthly payment plan available
- ✓ **Expert professional advice** from an experienced team, backed by expert insurers with rock-solid financial strength
- ✓ **Disaster Recovery Support**, "office in a box", emergency office space, IT recovery support services, with access to discounted HE&S services
- ✓ **Simple online tools** to quantify re-creation value of R&D material, and equipment value
- ✓ **Group discounts** for Science Parks, incubators and affinity groups

Lab Portfolio is a unique, modular policy that starts with Employers' and Public Liabilities and builds in other covers as and when you need them: Professional Indemnity, Property (including machinery & equipment, computers, documents, lab books, prototypes and R&D materials and temperature-sensitive stock), Terrorism Insurance, and Business Interruption (including repeat-R&D expenditure).

For more information on Lab Portfolio, contact:
Matthew Clark, Director of Science & Technology
T: 01223 200667 E: matthew.clark@laplayainsurance.com



Client Spotlight: Floxx

Flox is a location-based social network backed by Dragon's Den star Doug Richard. The original concept was invented by Floxx's controversial predecessor, FitFinder – a platform that allowed students to anonymously post a location and description of an attractive person they had spotted; this post can be viewed by anyone viewing that space via computer or mobile app. Conceived by Rich Martell, a 21-year-

old computer science undergraduate at UCL, the website first launched in April 2010. Previously, Martell and friends would text each other when they spotted an attractive girl. The concept of sharing location-based information led to the website being built in an evening; it went viral instantly and within hours had to be taken down due to overcapacity.
flox.com

La Playa Financial Management



Photo: Tony Iadrej

Mike Palmer
Financial Services Manager Dip PFS

Client Spotlight: Pixel Power



Pixel Power's ChannelMaster™, a new line of all-in-one playout systems for multi-channel broadcast operations, has received the 2011 STAR (Superior Technology Award Recipient) from the editorial staff of TV Technology magazine. Established in 1987, Pixel Power is a leader in the development and production of broadcast graphics systems. Its growing customer base includes market leading broadcasters like the BBC, Sky, ITV, Channel 4, and Disney.

pixelpower.com

A full range of financial services for

- Private Clients: life assurance and family protection, pensions, investments and tax advice
- Business: business protection and employee benefits

Investing in Films



The success of the award-winning film *The King's Speech* is a well-known story. Less known is that almost two-thirds of the budget was funded by private investors. The success of the film means that the investors will see well above average returns – around 12%-16%. The advantage of investing in a film production is that the returns are steady, and less volatile as they're less exposed to market fluctuation and focus on the low risk aspects of the industry. This has made film an interesting diversification for investors and their portfolios.

With high net worth investors showing an interest in the greater returns from investing in smaller and growing businesses, the government introduced the Enterprise Investment Scheme (EIS) to encourage investment in smaller enterprises including film production. Interest has grown since the Chancellor increased EIS tax relief from 20% to 30% -

and you can now invest twice as much (£1m), with larger companies now qualifying – those with up to 250 employees and £15m of assets.

The EIS has become a tax-efficient way of investing: even if films don't make a profit, EIS projects can limit losses through tax relief. If you keep an investment for three years, you can offset 20% of the amount invested against income tax liability in the first year and any profit made is free of capital gains tax (CGT). If you make a loss, you can offset it against gains you make on other assets or, under certain conditions, against your income tax.

Risk reduction is key to the strategy – perhaps only 20% of the investment is a 'real' risk where returns rely on the production and distribution of the film or TV project. The remaining 80% is invested into the background activities of a production, so that part of the total returns won't be affected if the actual filmmaking fails

Some funds invest in individual projects, focusing on the commercial aspect of each film. The two key risks are i) the film might not be completed, and ii) it may not secure distribution and hence sales. Therefore, project selection focuses on three main risk-reduction factors: a clear route to market, a fan-based cast and pedigree crew, and a realistic budget.

Alongside the financial attractions of investing in film are the softer benefits including the glamour and excitement of the movie world, appearing in the film credits and the possibility of a part in the production. You might even end up at the BAFTAs ceremony!

For more information on EIS, contact:
Mike Palmer, T: 01223 200674 E: mike.palmer@lplayainsurance.com

This article is for general information only and should not be taken as advice in any way.

Recipe: Swirly-whirly Strawberry Cheesecake

From our friends at Ella's Kitchen

Ingredients

- 50g pitted dates
- 50g roast chopped hazelnuts
- 100g Scottish oatcakes, broken up
- 50g butter, melted
- 400g cream cheese (preferably one without added salt)
- 1 tsp vanilla extract
- 4 pouches of Ella's Kitchen Smoothie Fruits – 'The Red One'
- 300ml double cream
- Strawberries to decorate

Instructions:

1. Firstly line an 8" loose-bottomed cake tin with baking parchment
2. Place the dates, hazelnuts and oatcakes into the bowl of a food processor and blitz them for a few seconds until they are all very finely chopped like breadcrumbs
3. Add the melted butter and mix everything together well
4. Press the mixture into the cake tin using the back of a spoon so that it is all nice and even. Chill it in the fridge while you make the topping.
5. Mix together the cream cheese, vanilla extract and 3 pouches of Ella's Kitchen Smoothie Fruits - 'The Red One'
6. Whip the cream until it is stiff but still soft, be careful not to over beat it
7. Fold it gently into the cream cheese mixture
8. Spoon the mixture onto the base evenly
9. Drizzle over the remaining pouch of Ella's Kitchen Smoothie Fruits and run a skewer through it to get a marbled effect
10. Chill it for a few hours to set
11. Decorate it with strawberries before serving

Preparation time: 25 minutes. Cooking time: 2½ hours



Good in every sense

Comedy Corner

Proofreading is a dying art, wouldn't you say?

Man Kills Self Before Shooting
Wife and Daughter
Really?

If Strike Isn't Settled Quickly, It
May Last Awhile
Ya think?!

Something Went Wrong in Jet
Crash, Expert Says
No, really? Ya think?

Cold Wave Linked to Temperatures
Who would have thought!

Police Begin Campaign to Run
Down Jaywalkers
Now that's taking things a bit far!

Enfield (London) Couple Slain;
Police Suspect Homicide
They may be on to something!

Panda Mating Fails; Veterinarian
Takes Over
What a guy!

Red Tape Holds Up New Bridges
*You mean there's something
stronger than duct tape?*

Miners Refuse to Work after Death
*No-good-for-nothing, lazy so-and-
so's!*

Man Struck By Lightning: Faces
Battery Charge
He probably IS the battery charge!

Juvenile Court to Try Shooting
Defendent
*See if that works any better than a
fair trial!*

And the winner is...

War Dims Hope for Peace
*I can see where it might have that
effect!*

Typhoon Rips Through Cemetery;
Hundreds Dead
Did I read that right?

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