



LA PLAYA LIMITED

# News from the Beach

winter 2003 - 2004



## **Specialist insurance advice and cover for**

- Private Clients
  - Media, Arts and Technology organisations
- Depth of understanding. Lightness of touch.

## Welcome



Welcome to our Winter Newsletter, which contains a wealth of ideas to help you batten down the hatches for the onset of the cold weather – as well as keeping the cyber men away from your organisation!

We're celebrating the start of our 5th Birthday year with a shortlisting for Small Broker of the Year at the national Insurance Times Awards. As one of the newer brokers in the UK, we're delighted to receive such a mark of distinction.

And as we expand, we welcome Paula Hawthorne to the team at The Stables, bringing with her a great deal of experience, having worked on both sides of the line as a loss adjuster and as a broker. We also welcome Elvis and Audrey Hepburn – two stunning pieces of art commissioned from Southsea based artist Lorna Woodland for the office walls. Our thanks to Noble Art ([www.noble-art.co.uk](http://www.noble-art.co.uk)) for introducing us. They all seem to be settling in well!

We look forward to celebrating our five years with you in 2004.

**Alan Gale - Chairman**



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.

## Chubb Go the Extra Fathom



An interesting example of an insurer with some sense and sensitivity: a yachtsman dropped his Rolex watch overboard, resulting in the prospect of an £8,500 claim settlement. However the client was less interested in the cash than in getting his watch back, so Chubb paid £750 for a deep water diver who retrieved the item - to everyone's satisfaction.

## Paula Hawthorne Account Executive



We are delighted to welcome Paula to the team, working on the corporate side of the business in Media, Arts & Technology. An Associate of the Chartered Institute of Insurance, Paula

was previously a City loss adjuster and more recently worked at a Cambridge broker. She has 15 years' experience in the industry, and particularly in claims and commercial broking. She is also a keen photographer.

*"I'm delighted to join the team, and very much looking forward to working with the exciting range of La Playa clients in the creative industries"*

## Why Busy People Use Brokers

Allianz Cornhill's recent study reveals why many people choose to buy insurance through brokers rather than going direct to the large insurance companies. Top reasons cited were:

- Not liking the anonymity of the large insurance companies
- Not wanting a computerised decision using standard rates that are non-negotiable
- Wanting to speak to an expert, not a telephonist
- They found their broker to be trustworthy, personal and flexible, expert and convenient – a one stop shop

### Using a broker means

- Access to expert independent advice – not tied to one insurer
- Someone else (who knows the right questions to ask) can shop around for you
- Having someone to negotiate better rates with knowledge of your individual situation (eg: if you have good security in place)
- Having a professional on your side to guide and represent you when you make a claim
- Better service – much of the paperwork is done for you
- Talking to a person, not a machine!

But we're preaching to the converted here...!

## Media, Arts & Technology Division

Division Head: Mark Boon, Managing Director



Credit: Richard Heeps

Mark Boon, Managing Director

### Welcome to new clients

We're delighted to welcome new clients including De Niro's Nightclub, Elemental Arts, European Voices, Evolution, Media Managers, Navig8, Online TV, Sedley Place, Strathan Media Productions, Street Vision, TLE Entertainment and Urban Strawberry Lunch.

### Client Spotlight: The Academy of Ancient Music



Congratulations to The Academy of Ancient Music ([www.aam.co.uk](http://www.aam.co.uk)), one of the world's leading chamber orchestras and celebrating its 30th anniversary. Founded in 1973 by Christopher Hogwood (pictured, with General Manager Christopher Lawrence), The AAM has performed on six continents, made over 250 recordings and its concerts are regularly broadcast by the BBC. As well as its series in London at St John's, Smith Square and in Cambridge, the celebratory season includes concerts in Spain, the Netherlands, France, Norway, and the USA.

Embracing artists to advertising agencies, photographers to festivals, publishers to promoters and technology to touring, the backbone of this specialist corporate division is CREATIVITY.

## Attack of the Cyber Men

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**Cyber-crime is on the up. Computer hacking, cyber-fraud, and viruses are costing Britain up to £10bn a year. 50% of all businesses in 2001 were victims of such attacks, compared with 25% in 2000. Across the world a cyber crime is committed every 10 seconds; and there are more than 50,000 viruses in existence.**

In time, cyber-insurance will be regarded as a "must have", alongside property damage and liability covers. Four out of five large companies have been targeted by

hackers in the last year - but many organisations are slow to protect themselves.

The creative industries often rely heavily on speedy internet communications, and are thus very exposed. Many firms believe they are covered by their business interruption policies, but often cyber-crime is specifically excluded.

This is a senior management issue – it's not just in the lap of IT Managers. Good corporate governance includes protecting the company's assets from attack - such as theft of IT equipment, loss of documents and software, virus attacks, denial of service, e-mail intrusion and tampering with corporate input and output. Hacking could also expose you to Data Protection problems.

Companies that meet the DTI's 1995 Code of Practice (BS7799) demonstrate that their businesses are better prepared for cyber-attack. By 2005 it will be mandatory for all public sector organisations to meet BS7799 guidelines, and it has been proposed that insurance premiums are reduced for BS7799 compliant companies.

Simple risk management measures such as firewalls, anti-virus software, back-up procedures and internet security policies could reduce your insurance premium as well as improving your IT security. For information on Cyberliability contact Mark Boon.

### Case Study: Nimda Virus

Arriving via the internet, Nimda caused hard disks to fill up: files were duplicated, index points erased – one business had no IT for a week. Restoring the systems cost £10,000, and lost business was estimated at £50,000 – and it was not even an IT company. This could happen to any business with an internet connection.

## Private Clients Division

Division Head: Matthew Mullee, Private Client Director



Credit: Richard Heeps

Matthew Mullee, Private Client Director

### Case Study

A 54 year old company director ordered rare CD recordings over the internet. After several weeks nothing arrived and subsequent emails elicited no response. No payment appeared on his credit card statement and he thought no more about it.

Six months later his £60,000 loan application was unexpectedly declined. Over the next few weeks he discovered his name was on a credit blacklist, he received a summons for loan company debts totaling over £25,000, and found he owed finance companies for HP purchases of furniture and a car. £10,000 of credit card debts had also been run up. It took him two years to prove his innocence, restore his credit-rating and regain his good name. It cost him over £8,000.

This division offers a highly personal and responsive service for private clients. We specialise in advice and cover of period and modern homes, antiques, jewellery, works of art and fine art across Europe.

### Identity Fraud

**All day every day you are creating a data trail. Old receipts, gas bills, old store cards, online shopping – all provide thieves with raw material.**

Identity fraud is the UK's fastest growing white-collar crime - the smarter brother of credit card fraud. CIFAS, the Fraud Prevention Service, estimates a 462% increase in ID fraud in 1999-2000 and it now costs the UK about £1.3bn a year. ID fraud occurs when personal information belonging to someone else is obtained for fraudulent use. Armed with your information the fraudster can steal from your bank or credit card accounts, open new accounts, take out loans or mortgages, and sign up for services in your name. They might also use your ID as a false cover for criminal activity such as drugs and money laundering. If you fall victim to ID fraud, the loss may be more than financial – this crime robs you of your good name.

Unlike credit card fraud, it takes an average of 14 months for someone to become aware of the fraud – by this time your assets, credit status and reputation may have been severely damaged; you may be blacklisted and unable to obtain credit or loans.

Fraudsters may access the key information from an overheard telephone order, "shoulder surfing" for your PIN at the cashpoint, a website you've visited, an internet transaction. And domestic bins regularly contain names, addresses, credit card and bank account numbers.



### Manage Your Risk

- Take care with personal information – over the phone, on the internet or in the bin
- Shred statements, cheque stubs, receipts
- Keep track of store cards you open over Christmas
- Don't be tricked into revealing sensitive information
- Redirect mail when you move
- Look out for statements that stop arriving by mail
- Check credit ratings on a yearly basis with Experian 0870 241 6212, Equifax 08705 143700, Call Credit 0870 060 1414

Identity Fraud cover is being introduced into our High Net Worth policies and is currently provided by Chubb and AIG.

# Risk Management

## CCTV Security

By Paul Rose of Icon Connect ([www.iconconnect.com](http://www.iconconnect.com)), smart security and entertainment systems for homes, boats and planes.

Our clients want the best security technology can provide for their homes (or yachts or private planes) - but it's important to think through the reasons for security and one's expectations for it. The majority of burglaries in homes are "on spec" and the last thing burglars want to see are cameras.

In our view, CCTV cameras have three functions in a "Security System":

- Verification - allows full view of the property perimeter to check out any noise or disturbance
- Retaliation - new systems enable live or automated announcements via loudspeakers. A live announcement "hey you in the red jumper" is an extremely effective deterrent!
- Documented Evidence - helps in prosecution. However the quality is often not good enough, due to shadow, darkness and disguise.

The key benefit of the cameras is reaped even if they're switched off: as a deterrent. Although they might be considered unsightly, we strongly recommend cameras should be visible to try to persuade a potential intruder to go elsewhere. If you are vulnerable to intrusion, hidden cameras won't help a great deal.

The other functions are a comfort and give you some sense of control, but unless you are prepared to have the system visible, we would advise against such a significant outlay and look at other means of security. We rarely advocate CCTV for domestic installation unless there's a constant specific threat to the occupants or guests.



## Winter Weather Protection

Hiscox advise homeowners to weatherproof their property with a pre-winter inspection, double-checking this when bad weather is predicted. To protect your property from weather damage:

- Insulate the loft
- Check the roof for slipped tiles - loose tiles can damage buildings, gardens or vehicles
- Ensure outdoor furniture is put away – protecting it and reducing damage from loose items blowing about in a storm
- Make sure gutters and drains are clear – blocked gutters cause indoor and outdoor water damage
- Insulate any pipes exposed to low temperatures (in a loft, shed or external pipes)
- Close all windows, doors, gates and garage doors to stop water seeping inside buildings
- If the property has been flooded previously, make sure sandbags are ready and remove valuable items from the cellar or ground floor if heavy rain is predicted

If the property is empty during the winter months

- Keep the heating to at least 5°C to prevent pipes from freezing, or shut off and drain fixed water tanks, apparatus and pipes completely
- Drain and shut off pipes to outside taps
- Have someone check the house regularly to minimise damage should an incident occur in your absence



### Happy Holidays



An increasing number of people are spending Christmas away from home. Whether visiting relatives or escaping to warmer climes, leaving your home empty puts it at risk. Statistics suggest that burglaries increase between October and December, with almost 115,000 homes across Britain being burgled.

- Tell your neighbours you're away
- Set timers for lights, TV and radio to give the impression someone's at home
- Keep presents and valuables away from windows
- Lock your car in the garage – don't leave it parked on the road outside your home
- Cancel the newspaper and milk deliveries
- Check with your broker that your policy covers the additional value of Christmas purchases
- Ensure you have an efficient burglar alarm – perhaps a monitored alarm
- Lock all external doors and window locks on all opening windows
- Fit a closed metal basket to your letterbox to prevent accessing the door lock from the outside
- Install outside lighting

## Recipe - Vodka & Red Bull Christmas Cake

### Ingredients

- 1 cup water
- 1 tsp baking soda
- 1 cup sugar
- 1 tsp salt
- 1 cup brown sugar
- Lemon juice
- 4 large eggs
- Nuts
- 1 bottle Vodka
- 1 can Red Bull
- 2 cups dried fruit



Sample the vodka to check quality. Take a large bowl, check the vodka again. To be sure it is the highest quality, pour one level cup and mix with a little Red Bull and drink. Repeat.

Turn on the electric mixer. Beat one cup of butter in a large, fluffy bowl. Add one teaspoon of sugar. Beat again. At this point it's best to make sure the vodka is still OK. Flavour with Red Bull to taste.

Try another cup... just in case turn off the mixer. Break 2 eggs and add to the bowl and chuck in the cup of dried fruit.

Pick fruit off floor.

Mix on the turner.

If the dried fruit gets stuck in the beaters pry it loose with a screwdriver.

Sample the vodka to check for consistency – flavour with a little Red Bull.

Next, sift two cups of salt. Or something. Who gives a damn.

Throw a pinch of Red Bull over your shoulder.

Pick up the can, mop the floor. Check the vodka.

Now shift the lemon juice and strain your nuts.

Add one table.

Add a spoon of sugar, or something. Whatever you can find.

Turn the cake tin 360 degrees and try not to fall over.

Don't forget to beat off the turner.

Finally, throw the bowl through the window, finish the vodka and fall into bed.

### Cherry Mistmas!!



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