

## **Q & A with 2010 IWLA Annual Convention Panelists Ann Christopher and Eric Little**

The 119<sup>th</sup> IWLA Annual Convention will be held March 7-9, 2010 at the Hotel del Coronado in San Diego. One of the panels at the event, *Key Elements of Your Insurance Program: Don't Leave Yourself Exposed*, will be presented by IWLA members Ann Christopher, CLP, VP & General Counsel, Kenco Logistic Services; and Eric Little, CPCU, VP, Corporate Risk Management. This session will address key elements of the risk management process and how 3PL insurance coverage responds to actual needs. Session attendees will gain a better understanding as to how operational practices can affect premium costs. They will also learn about costly assumptions and misconceptions regarding insurance as they pertain to the 3PL industry, including basic coverage exclusions and loopholes.

In her capacity at Kenco, Ann Christopher is responsible for managing Kenco's legal affairs including: contract development, real estate lease negotiation, claims review, customer bankruptcy and employment law issues. Prior to coming to Kenco, Ann served as Vice President and General Counsel for the International Warehouse Logistics Association, where she provided legal support to 3PLs across the United States and Canada. She also has had government experience having served with the Environmental Protection Agency on a joint federal/state detail targeting environmental criminal enforcement and clerking for the U.S. Department of Justice in the Lands Division while in law school.

Eric Little is currently serving as Vice President of Corporate Risk Management, an insurance consulting firm located in Charlotte, NC. Established in 1978, Corporate Risk Management has been providing risk management consulting services to the warehousing, logistics and transportation industries throughout its 30-year history. Eric joined Corporate Risk Management in 1999 and is currently one of the senior account executives responsible for managing half of the firm's client list. Eric's duties involve daily client interaction discussing their risk management issues, as well as, providing services that include renewal negotiations and program placement, renewal bid coordination, insurance policy audits, contract review, and claims evaluation and review.

IWLA recently asked Ann and Eric to provide insights into their panel:

***Q - Please share with IWLA members a little about the material you will be presenting at the Annual Convention.***

**A** - Our presentation will consist of a complete overview of risk management. We will explain what 3PLs need to look for when evaluating insurance policies, what to look for in policy exclusions, and what factors are taken into consideration by underwriters when calculating premiums. We will also discuss factors that cause premiums to take on additional pricing.

***Q - What are some of the most common factors that affect insurance premium costs?***

**A** - Claims history and the current market are probably the most common. Usually, the market determines premium cost. Claims history, much like auto and home insurance, is also a big factor. Other factors that are taken into consideration are types of products stored (hazardous materials, perishable items), any type of value-added service that a 3PL may provide, and whether the facility has transportation and/or trucking, etc.

***Q - What are some of the most common industry misconceptions about basic insurance coverage?***

**A** - Probably the most common misconception is that once you purchase a policy, you are **automatically** covered for **everything**. 3PLs need to look carefully at policy exclusions and parameters, as well as conduct timely reporting of any claims, etc. to ensure maximum coverage. There is a very specific process involved with filing insurance claims, and this process needs to be followed properly to avoid problems.

***Q - What can attendees at IWLA's 2010 Annual Convention take with them from your panel presentation?***

**A** - Specifically, attendees will have a broader understanding of what goes into the pricing of an insurance premium. They will also learn:

- How operations can affect cost
- About a few "key" exclusions
- How to avoid paying additional costs, and
- How premiums tie into contracts

***Q - Anything else you'd like to add that would entice our members to attend your session and IWLA's Annual Convention?***

**A** - In today's economy, 3PL customers are much more aggressive about insurance claims than they were 5 to 10 years ago. Money is tight, and customers are taking anything into consideration to improve the bottom line, including making additional insurance claims that they may not have a few years ago. This trend is currently not only true with 3PLs, but also in many other industries as well. We will explain several things that 3PLs can do to minimize these additional claims.