

Case Study:

A Better To Buy Insurance

Company Background:

- Alabama-based trucking company with over 150 trucks
- Was with same insurance agent for over 10 years
- Grown accustomed to receiving last-minute renewal pricing 2-3 days prior to renewal

During the 2013 renewal period, A large, Alabama-based trucking company Kevin was just beginning to meet with received a quote from their previous agent that nearly doubled their premium two days prior to the renewal. The agent's rate was based on one large reserved claim that was a not-at-fault accident the company was previously involved in. Kevin immediately began working through the company's options and ultimately determined they should explore the Cottingham & Butler group captive model. He reviewed the benefits of a Cottingham & Butler captive and arranged a visit to Dubuque, IA for the captive's annual risk control workshop.

The trucking company quickly realized the resources and benefits of joining the captive and decided that if they qualified, it was the move they needed to make. They were particularly intrigued by the high level of involvement and commitment from the members and the opportunity to actively participate in the claims handling process. Initially, the company did not fit the typical mold that the captive model demands. However, the company's overall experience and persistence to improve their safety score and reduce claims, earned them a seat at the table. Despite a final effort by their former agent to cut commissions and lower their premium, the company recognized the long-term value and joined the Cottingham & Butler captive in Safe Truck.

RESULTS

After making the decision to join the captive, the company was able to cap the large reserved claim mentioned earlier at \$100,000, and therefore did not take the hit nearly as hard they would have in the standard market. By taking advantage of the available safety resources and keeping claims costs down, they have received dividends every year since they've joined.

"We never really realized what we were missing with our former agent until we experienced working with Kevin and Cottingham & Butler. We are remarkably happy with our decision to join the captive."