



# Lessons Learned

## from Captive in the Wilderness

Five days of flying, fishing, laughter, and building long lasting relationships, on a trip of a lifetime ([click here to see the brief video](#)) presented some lessons learned and relearned as those lessons relate to Captive Insurance:

- **Let the plane do the flying.** The generous pilots of our trip provided the opportunity for some of our guests to co-pilot or fly the plane. As an observer, I listened carefully to the instructions and felt the reactions of the plane. While a co-pilot was flying, one key bit of advice included the pilot repeating several times, “Let the plane do the work. Don’t fight or react, be proactive and anticipate.”
- **Let your Captive do the work.** A business owner doesn’t have to be an expert in all things insurance to own their own Captive Insurance Company. Every Captive Insurance Company has an administrator that actively, and continuously manages the company, including compliance, a claims department, accounting and more. Let your Captive Insurance Company work for you.
- **Manage the risk.** One pilot explained the requirements for fuel reserves. This requirement is a minimum of 10 gallons of fuel when he lands. If the indicators communicate less than that, the pilot would need to adjust his flight plan to stop for additional fuel. His standard was to manage the risk better, at a higher standard, his standard by keeping at least 20 gallons of fuel when he lands.



- **Manage the risk at your standard.** Captive Insurance companies insure risk of the operating company. It may insure exposures required by law, however there are many additional exposures that businesses have that are not required. Insuring these exposures are at the business owner's discretion. What is your standard? Which exposure(s) are most important to protecting your company?
- **Flexibility is key.** Well thought out and planned logistics were in place for this trip. Well thought out and planned logistics changed dramatically and successfully. How? Teamwork, resources, knowledge, and adaptability allowed changes of plans which resulted in success, even better outcomes than originally planned.
- **Captive Insurance allows flexibility.** Businesses change and adapt regularly, constantly; If not, they go away. This is a good definition of business risk. Not only does risk also change for a business, the options of what exposures to insure allow a business owner to adjust as well. Expansion, contraction, cash flow, knowledge, and adaptability and long term goals are variables which effect the variables of owning your own insurance company. Your Captive insurance company in its infancy will be much different than your much more mature insurance company of the future.
- **The Big Fish.** The big fish didn't start that way. The fish has a process of survival and growth, it survived the bad winters, the fishermen and more. It may have even been caught and released. It had a family to teach and protect him. I'm sure some fish have big growth years. As an older wiser Big Fish it protects himself by hunkering down, by staying in the weeds, by not being as impulsive.
- **The Big Captive.** It has a process. A Captive may have some slower years, a Captive has an administrative team to teach and protect the owners of their Captive Insurance Company. A Captive needs time to grow. A Captive doesn't instantly become large, yet typically Captive do become larger and larger, and in fact have big growth years.



- **Take the Risk.** Ten people accepted the invitation to take on this adventure. One individual really took a big risk! This person really didn't know anyone, what kind of people were going on this trip, their behaviors, attitudes, and how he would fit in. He was originally a bit apprehensive, he did his research, he asked lots of questions, we communicated regularly. He took the leap! Now he has nine new friends who shared in the wonderful experience, memories to last a lifetime, and that special lure 😊.
- **Take the Risk.** Although Captive Insurance may be new to you, it has been around a long time. You have a team of people to support you, who think like you do. Ask the questions, do your research, communicate regularly. You will have a great experience and your Captive will benefit you for a lifetime.

Lessons are learned in a variety of ways! Lessons may be learned from reading a book, watching a video, from talking to someone about their experience, and from other ways. Ultimately the best way to learn is experience "it". Learn the lesson of owning your Captive Insurance Company today and create

# Your Link to Security!

**Rich Ericson, President**

ALINK Captive Insurance Services

• Direct: 720-213-0583 • Email: [Rich@ALINKcis.com](mailto:Rich@ALINKcis.com) • [www.ALINKcis.com](http://www.ALINKcis.com)