

## Hortica, Green Industry Mourns Loss of Todd Bachman

Directors, officers and employees of Hortica Insurance & Employee Benefits have joined with our clients and friends across the country to mourn the tragic death of Hortica board chairman Todd Bachman on August 9 in Beijing, China. Bachman, chairman and CEO of Minneapolis-based Bachman's, Inc. floral, gift and garden centers, joined Hortica's board in 1996 and was elected chairman in February 2008.

"Todd was a trusted friend and mentor whose wise counsel was always accessible. People were naturally attracted to his quiet, unassuming manner



and ready smile. The fact that his irreplaceable leadership has been extinguished is difficult to comprehend for all of those who knew him," said Hortica President and CEO Mona Haberer. "Hortica is a better company and we are better employees for having had the privilege of working

with Todd. It was an honor to have him serve on our Board of Directors and ultimately achieve the role of Chairman."

## Board Update

Hortica announces that former chairman of the board of directors M. James Leider has re-assumed the role of chairman. He replaces Todd Bachman, who was killed tragically in Beijing in August. Leider had served as chairman of the board from October 1997 to February 2008.

Jim Leider is Chairman & CEO of Leider Horticultural Companies, Inc. Based in the Chicago area, the company operates a commercial greenhouse operation and seasonal retail garden centers, a nursery and farm, and a foliage plant nursery. He has served as past chairman for several industry organizations including the Society of American Florists and the American Floral Endowment.

Two new members also recently joined the board, Randy Tagawa and Cornelis (Cees) Boonman. Tagawa is CEO of Colorado-based Tagawa Greenhouse Enterprises, LLC, a division

of the family business founded in 1967 by his grandparents. He has also served on the boards of the Colorado Floriculture Foundation and Colorado Greenhouse Growers Association.

A native of the Netherlands, Boonman joined Chicago-based Ball Horticultural Company in 1994 and is currently in charge of Ball Seed, leader in distribution of ornamental seeds and plants. He also heads the wholesale distribution divisions of Ball in Latin America and serves as a member of the Ball Horticultural Company's board of directors.



Jim Leider



Randy Tagawa

## Mona Haberer Takes the Reigns as Hortica's New President & CEO

Hortica is pleased to announce on April 1, 2008, Mona Haberer officially took over as the company's new President and CEO, replacing Bob McClellan, who retired after 21 years of service. Haberer has been with Hortica for nearly 20 years, most recently serving as chief financial officer, treasurer and senior vice president for the past nine years. A CPA and CPCU, she holds a bachelor's degree in accounting from Eastern Illinois University and is a member of the American Institute for Certified Public Accountants.



## Letter from the President

Having served the company the past 20 years, it is my absolute pleasure and honor to step into my new role as president and CEO. Hortica is financially strong and well positioned for growth, and our core values of integrity, respect, and accountability guide us every day. Last year, Hortica celebrated 120 years in business. As we look to the next century and beyond, our focus will continue to be providing exceptional service and enhancing relationships with our customers and associations in the horticultural industry.

Hortica is determined to provide the best experience for our customers. We have recently expanded our loss control products and services. A new members only section has been added to our website, providing specialized loss control programs. Hortica understands our customers' business and because of that, our claim adjusters minimize both the time and cost of a loss. With our industry knowledge and expertise in the federal nursery crop program, we provide additional customer services by offering crop inventory data entry. By dramatically increasing automation, we are now easier to do business with and more competitively priced. We are expanding our agent force with more agents in new territories to provide better service.

Hortica continues to foster strong relationships with the various industry associations. We recently announced a customized health insurance plan developed for the Society of American Florists (SAF) to serve their members including floral retailers, wholesalers, growers and suppliers. We've also expanded our relationship with Master Nursery Garden Centers (MNGC) to provide loss control training programs for members and valuation surveys for their property. Hortica will continue to be a strong advocate for the horticultural industry. We know our customers and we understand their business better than any other insurance company.

We are excited about our plans to grow Hortica Insurance & Employee Benefits and to remain true to our niche as the largest insurer in the United States dedicated to the horticultural industry. I hope to meet with and hear from many of you in the future and look forward to being of service in any way I can.



Mona Haberer

## Financial Statement

Hortica Insurance is rated "A-" ("Excellent") by A.M. Best Company, the premier insurance rating agency. The majority of our assets are invested in high-quality, fixed-income U.S. Government, U.S. Government agency and corporate bonds. 2007 surplus totaled \$56,358,000. Adequate loss reserves insure that all legitimate policyholder claims are paid. Hortica maintains excellent reinsurance arrangements with the world's premier reinsurance companies, thereby protecting our financial stability in the event of catastrophic losses. Because we are a financially stable company, our customers rely on us for superior levels of service and performance. Hortica remains financially strong and well positioned for future growth.



## Society of American Florists Partners with Hortica to Create Association Health Plan Exclusively for its Members

Hortica, along with long-time business partner the **Society of American Florists (SAF)**, is pleased to announce the formation of a Health Insurance Association plan exclusively for SAF members. Hortica and SAF have formed a strategic relationship with Trustmark Affinity Markets, a division of Trustmark Life Insurance Company, which will underwrite and administer the plan. Together we have prepared a unique set of health insurance products custom designed for SAF members. These plans are designed to help members better manage their health insurance costs and to mitigate the continuing increase in health insurance inflation.

"We continually look for ways to enhance our membership's array of services. The advent of this health plan gives us the opportunity to make vital services available and provides an alternative for those searching for help with their health insurance programs," said Peter Moran, executive vice president and CEO of SAF.

The program uses a trust established by SAF, which is an arrangement that allows participating member companies to join together to obtain coverage under a single policy of insurance. The resulting larger risk pool may lower insurance premiums for many businesses that would otherwise have to buy insurance individually.

"Hortica is honored to be the first member employer to be insured under this plan. Like our fellow members, we are faced with the challenge of providing affordable health insurance to our employees. We firmly believe this plan will help us contain these costs in the long term," said Hortica President and CEO Mona Haberer.



# OSHA: What to Expect

There are several factors that can instigate an inspection of your workplace by the Occupational Safety and Health Administration (OSHA) including imminent danger; a serious accident, illness, injury or death; outside complaints or a disgruntled employee. Most OSHA inspections are unannounced, making it crucial for businesses to have a strong safety program and preventative strategy in place.

Being prepared, planning for and knowing what to expect at an OSHA inspection can save a business from penalties. Understanding the violations and standards that exist is key to protecting the business.

The best preparation is always maintaining a safe workplace that complies with OSHA regulations. Keep updated OSHA 300, 300A and 301 logs as well as documentation of training and current posters. When a strong safety program is in place, fewer accidents will occur.

Although the majority of OSHA inspections are unannounced, there are times when advanced notice may be provided. This could include cases of imminent danger, times when it is necessary to conduct inspections during non-working hours, when advanced notice is necessary to assure the presence of personnel needed to conduct the inspection, or when the commissioner determines that advance notice will insure a more effective and thorough inspection.

In any case, it is advisable to appoint a key person within your organization to accompany the inspector, keep notes and observations, take photographs of items of interest to the inspector, formalize a report and send it to the company's attorney to establish an attorney-client relationship. This person should be appointed before a possible inspection and should be familiar with the inspection protocol and OSHA standards.

There should also be one or two appointed backup employees who can be called upon in the event that the key person who would provide the tour is not available when the OSHA inspector arrives. Employees who may first greet the inspector should also be trained in your company's protocol and know who to contact when the inspector arrives.



The hose in the walkway is a hazard and would be considered a Serious Violation and cited as such by OSHA.

## Handling the inspection

An OSHA inspector will arrive and present his/her credentials. Upon arrival, the inspector should be referred to the appointed key person. If they are not available, the inspector may wait for a reasonable period of time. The inspection may be limited or could encompass the entire facility.

The process begins with an opening conference during which the inspector will explain the role of OSHA and asks to conduct an inspection (OSHA needs your consent to conduct an inspection). You will be informed of the scope of the inspection. If an inspection is refused, the inspector will inform you that he/she may be back with a court issued warrant. It is not generally recommended to require the inspector obtain a warrant. In doing so you may increase his/her curiosity and this usually ends in a more thorough inspection and closer look at your operations and facility.

# When You're Inspected

If you provide consent for the inspection, make sure to have the following available for review during the walk through (Only show the inspector what he/she asks for):

- Injury and illness program
- First aid cards (if required)
- OSHA 300, 300A & 301 logs (updated to current date)
- OSHA posters (filled-in with appropriate information)
- Written safety programs
- Emergency numbers
- Permit postings
- Documentation for safety training

During the walk through the inspector generally conducts employee interviews. This is typically done in private unless the employee requests to have a member of management present during the interview. The inspector may ask the employee questions such as the type of training they have received, knowledge of their job function and the hazards that they are exposed to, as well as how to protect themselves from the hazards.

In the closing conference, the inspector will discuss any unsafe conditions observed and will review citations that are expected to be made. OSHA has six months to issue a citation from time of inspection. Sometimes the inspectors may want to review regulations, request additional testing or they may want to talk to their district manager.

Again, the best preparation and prevention against violations is to maintain a safe working environment. This is ideally accomplished by having a strong, written safety program in place and practiced at all times. Contact Hortica's Loss Control & Safety Department or visit the Loss Control & Safety Services section of our web site at [www.hortica-insurance.com](http://www.hortica-insurance.com) to learn more about establishing a safety program in your workplace.

\* This article was written following the guidelines of Federal OSHA procedures. Some state OSHA plans may vary.

## Hortica Receives Exclusive Endorsement from Master Nursery Garden Centers

**Master Nursery Garden Centers, Inc. (MNGC)** is now exclusively endorsing Hortica Insurance & Employee Benefits as the property and casualty insurance provider for its members. MNGC, a member-owned nursery cooperative, is the largest independent garden center organization in the United States. Among the features of the arrangement that will directly benefit MNGC members are a standardized loss control training program directed specifically to the operations of retail garden center stores, an insurance replacement cost valuation survey for owned buildings and greenhouse structures by the Hortica valuation specialists,

group health insurance quotes as well as other employee benefit products such as Long Term Care and Key Man Insurance.

"Hortica has been a long-time partner of MNGC, and this exclusive arrangement will ensure that all our members have access to the crucial property and casualty products and the uniquely tailored customer service that Hortica provides," said Bill Jameson, MNGC president and CEO.



## Promotions and Recent Hires



**Joan Lebkuecher** (CPA, CPCU, ARe, AIM, ARC, AIAF) was promoted to Chief Financial Officer, effective July 1. She has been with Hortica for more than 16 years, most recently serving as controller and assistant vice president. Lebkuecher holds a bachelor's degree in accountancy from Eastern Illinois University and is currently completing her MBA at Southern Illinois University at Edwardsville. She is a member of the American Institute of Certified Public Accountants and Illinois CPA Society.



**Lark Swanson** joined Hortica in April as a new agent serving Kansas, Nebraska and Western Missouri. Prior to joining Hortica, she spent seven years as a regional representative for Church Mutual Insurance Company.



**Bert Bader** joined Hortica in April as a new agent in California's San Fernando Valley, covering Ventura, Los Angeles and Orange Counties as well as San Bernardino. Prior to joining Hortica, Bader worked in the commercial insurance brokerage field at Scanlon and USI of Southern California.



**Dan Scroggins** joined Hortica in May as a new agent serving the state of Ohio. He is based outside of Cincinnati. Scroggins has worked in the insurance industry since 2001, mainly for the Kentucky Farm Bureau.



**Nicole Akemon** joined Hortica in May as a new agent serving Central and Northern California. She is based in Paso Robles. Prior to joining Hortica, she spent 11 years gaining insurance expertise from her parents, George and Shirley Pistoressi, at their family business, GSP Insurance Agency.

## New Agency

**Professional Insurors Agency, LLC (PI)** recently joined the Hortica family as a new independent agency serving Oklahoma. Founded in 1977, PI just celebrated 30 years in business and moved into a newly remodeled headquarters in Oklahoma City. PI is a member of the Oklahoma Nursery & Landscape Association, Oklahoma Greenhouse Growers Association, Independent Insurance Agents & Brokers Association (IIABA), The Greenwich Group, and Professional Insurance Agents. PI was named 2008 "Best Commercial Lines Agency" by Oklahoma City Business magazine and was selected as a Best Practices Agency in 2006 and 2007.

Kelly Miller (CIC) is president of PI. He holds a bachelor's degree in business administration from Oklahoma State University and is currently the treasurer and a board member of the Commercial



Real Estate Council. He is a past board member of the IIABA of Oklahoma and former editor of its publication, Policy Magazine.

## Records Update

Hortica is in the process of updating our client records. If you haven't been contacted already, expect a call soon from a Hortica representative to verify your current contact information, including email addresses. Hortica is "going green." Obtaining current email addresses will allow us to provide our customers with important updates, company announcements, industry news and helpful articles on insurance topics relevant to your business.

## Hortica Guides its Clients Through Nursery Crop Insurance Dilemma

Up until this year, the process of buying nursery crop insurance was relatively simple. Growers could simply state the value of their plants for the various plant groups and a policy would be issued based on those values. No specific documentation was required to support the plant values submitted. All that changed for the 2009 crop year, beginning on June 1, 2008.

After reviewing a number of claims, the Risk Management Agency (RMA)—the USDA agency responsible for administering the Federal Crop Insurance Program—became concerned that some growers may have overstated their values when they arranged their insurance. When growers overstate values, U.S. taxpayers are required to provide excess subsidies. To prevent that from occurring, the RMA significantly increased the amount of data required to qualify for coverage under the program.

For example, participating growers were required to substantiate their crop values. The most effective (and preferred) method of doing so is to utilize the USDA-provided DataScope software. However growers must enter every size of every variety of every plant in their inventory into that software program — a task that could take large growers weeks. Hortica responded by offering to do the work on behalf of its policyholders. Many nurseries took advantage of this offer, providing inventory reports to Hortica. Our experts painstakingly entered the inventory data in the DataScope program, prepared the report and sent it to the grower for validation.

Many of our grower customers commented, had it not been for Hortica's offer to key their inventory, they would have been unable to take advantage of the protection covered by the policy.

Because Hortica deals extensively in nursery crop insurance, our agents have amassed considerable expertise in the specialization. Coupled with our ability and willingness to take on the daunting task of preparing DataScope reports for our customers, Hortica is truly gaining a reputation for being the premier provider of federal nursery crop insurance.



(Left to right)  
Chris McVicker, CEO Flanders  
Mona Haberer, Pres/CEO Hortica  
Karen Morgan, Hortica Sales  
Carmen Kruschik, Hortica Underwriting  
Mike Pollack, Vice-President Flanders

## Hortica Receives Service Award

Quick. Kind. Correct. That is how The Flanders Group defines the exemplary customer service their agents and customers receive from Carmen Kruschik, Karen Morgan and the entire Hortica Claims Department. That is why they are receiving The Flanders Group's Excellence in Service Award. Started in 1995, the award honors those who go above and beyond the call of duty for their customers.

## New Loss Control, Safety and Claims Resources Available

Hortica has developed the following easy-to-use resources to assist clients in preventing losses and reporting claims:

- Loss Control & Safety Material CD
- Loss Prevention & Claims Kit CD
- "Members Only" Loss Control & Safety Services section on the Hortica website

The CDs and "members only" website section provide helpful materials and programs tailored to green industry businesses including, but not limited to:

- Safety program sample templates
- Tailgate training topics (English and Spanish)
- Safety guides, checklists and quizzes
- PowerPoint training programs

To access online safety materials, visit [www.hortica-insurance.com](http://www.hortica-insurance.com), select the "Resources" tab, and click on "Loss Control & Safety." First time users must click on "Register Here" and complete a short registration form.



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To guide and provide

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Edwardsville, IL 62025  
800-851-7740

[www.hortica-insurance.com](http://www.hortica-insurance.com)

**Mission Statement:**

To guide and provide our customers with superior, cost-effective insurance solutions.

**Board of Directors:**

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Cornelis Boonman  
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