



www.ARCO-Members.com

Flash!

New Members... New Faces

The recent San Diego meeting brought out some new faces and some we hadn't seen in awhile.

New ARCO member **Jim Schmidt** (Alexander & Schmidt – ME) traveled a long way to attend his first ARCO meeting and his own words explain the way he felt about attending:

“To be honest, I enjoyed it more and found it to be more informative than I thought I would. I'm looking forward to next years event.”

We also enjoyed meeting **Scott Steffens** (Secure Risk Control – TX), a new ARCO member, and **Mike Sereno** (Sereno Inspections – AZ) who was attending his first-ever meeting since joining in 2001. **Mike Sackett** and **Rosemary Roeske** were attending their first meeting on behalf of **Mark Dombrowsky** (North Star Reports – TX). We don't see Al Silk (S & S Services – AK) very often so it was nice to find him at the meeting table again and we expect to see Al in Las Vegas in 2005 as well.

Alan George (ISI Insurance Services – PA) and **Ernest Jarvis** (The UIS Group – CT), were among new members not able to attend but who were in contact and we hope to see them in Las Vegas.

We missed some of the familiar faces usually seen at the meetings, particularly past ARCO

Presidents **Norm Van Gundy** (DataRep Associates – MA) and **Don Rucinski** (TranStar Technical Services – GA) who were prevented from attending due to schedule conflicts. Our ARCO Secretary (and recently-elected Vice President), **Terry Sluzewski**, was unable to be present due to important family events which she and Dale attended. We'll see Dale and Terry in Las Vegas though. Another familiar face, **Bob Carr** (Midwest Technical Inspections – IL) was absent from this meeting but will be on hand for Las Vegas in 2005. Bob has been elected to a two year term as Vice President of the NAIIAE.

We took note, at our meeting, of the absence of long-time ARCO member, **Jack Henebry** (Pacific Inspections – CA) who was unable to attend this year. Son John, however, assures us that Jack and LaVerne will be planning to join us for the meeting in Las Vegas in 2005.

Points To Ponder

Everything that is really great and inspiring is created by the individual who can labor in freedom.**Albert Einstein**

They that can give up essential liberty to obtain a little temporary safety deserve neither liberty nor safety.**Ben Franklin**

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History and purpose of ARCO

The Associated Reporting Companies (ARCO) was founded in 1967. The first Officers of the Association were Coulby Gunther, President (*Reliable Reporting Service – NY*), W. B. “Web” Taylor, Vice President (*Index Research Services Inc. – CA*) and Guy Holloway, Secretary (*Commercial Services – MI*). Among the group’s chartered objectives is the intent to “...represent and encourage a standard of performance which will enhance the dignity and prestige of the profession...”

ARCO holds an annual meeting of the general membership which is always an enjoyable and well-attended event. It often brings presentations from affiliated and support industries. The group’s newsletter, the *ARCO Flash!*, is distributed to members several times each year, and each member maintains a presence on the ARCO Web site (www.arco-members.com) including links to individual company Web sites.

The *ARCO Directory of Members* is printed and distributed annually, to hundreds of key members of the insurance industry from coast to coast.

What's New at ARCO.... Meet Carolyn Ward

ARCO'S NEW EXECUTIVE DIRECTOR

In one of its most significant upgrades since its founding in 1967, ARCO members determined that it would enhance the benefits of membership in many ways, through the employment of an Executive Director. The question was considered and voted into practice at the 2004 Annual Meeting. Prompt action ensued, and now, when you contact the offices of ARCO, you will likely be assisted by our helpful, intelligent and efficient Executive Director, **CAROLYN WARD**.



Carolyn was born October 14, 1944, to Larry Huff and Doris Hargrove, at the Miami Beach Naval Hospital. Due to her Father's occupation, as a steel construction foreman, she received a geographical education, attending schools in PA, MD, VA, W. VA, NC and Florida. She finally graduated from college majoring in bookkeeping and accounting.

Carol resides in Baltimore, MD with her husband, Gene. They have three sons, John, Bryan, and Kevin and two granddaughters, Isabel & Sophie. Her hobbies are woodworking, tole painting and cats. She has a collection of over 500 cat figurines and music boxes from around the world.

The most famous member of Carolyn's family is her uncle, Marion Lawton Hargrove, author of the novels, "*See Here Private Hargrove*" and "*What Next Corporal Hargrove*" written during the WW II years. He also wrote stories and screen plays for the old TV Westerns such as *Maverick*, *Gunsmoke* and *Sugarfoot*. Until his death last year, at the age of 83, he resided in Santa Monica and kept in touch with old friends James Garner and Peter Falk (Rockford & Columbo).

Carol is well suited to her new role in ARCO. She is highly regarded for her similar roles in the World Investigators' Network (W.I.N.) and the National Council of Investigative and Security Services (N.C.I.S.S.). In this capacity, Carol serves these organizations whose separate memberships total in the hundreds – and both continue to grow. ARCO is fortunate to have the professional services of so qualified a resource.

2004 ANNUAL MEETING ATTENDEES

List of members attending the 2004 ARCO Annual Meeting in San Diego, California

ACCU-AUDITS - Scott & Keith Marne	NORTH STAR REPORTS - Mike Sackett
ALEXANDER & SCHMIDT -Jim Schmidt	NORTH STAR REPORTS - Rosemary Roeske
ALLIED REPORTS -Jerry Burg	PACIFIC INSPECTIONS - John Henebry
CAL INSPECTION BUREAU - Emil Moskowitz	PACIFIC INSPECTIONS - Susie Ramirez
COX & SMITH - Chuck & Phyllis Smith	RESEARCH SPECIALISTS - Mel, Trish & David Tobias
COX & SMITH - Derek & Fannie Smith	S & S SERVICES - Al Silk
HAMEL CONSOLIDATED - Jon Hamel	SECURE RISK CONTROL - Scott Steffens
INDEX RESEARCH SERVICES -Ken & Linda Taylor	SECURE RISK CONTROL - Olelopa'a Ogawa
LANGER & ASSOCIATES - Jay & Barbara Muncy	SERENO INSPECTIONS - Mike & Peter Sereno
LOWRY & ASSOCIATES - Fred Lowry Jr.	TECHNICAL INSURANCE SVC.- John Reggero

**A BRIEF GUIDE TO
AMERICAN NEWSPAPERS**

(Courtesy of Coulby Gunther, ARCO Founder)

The Wall Street Journal is read by the people who run the country.

The Washington Post is read by people who think they run the country.

The New York Times is read by people who think they should run the country and who are very good at cross-word puzzles.

USA Today is read by people who think they ought to run the country but don't really understand The New York Times. They do, however, like their statistics shown in pie charts.

The Los Angeles Times is read by people who wouldn't mind running the country - if they could find the time - and if they didn't have to leave Southern California to do it.

The Boston Globe is read by people whose parents used to run the country and did a far superior job of it, thank you very much.

The New York Daily News is read by people who aren't too sure who's running the country and don't really care as long as they can get a seat on the train.

The New York Post is read by people who don't care who's running the country as long as they do something really scandalous, preferably while intoxicated.

The Miami Herald is read by people who are running another country but need the baseball scores.

The San Francisco Chronicle is read by people who aren't sure there is a country... or that anyone is running it; but if so, they oppose all that they stand for. There are occasional exceptions -- if the leaders are handicapped minority feminist atheist dwarfs who also happen to be illegal aliens from any other country or galaxy -- provided, of course, that they are not Republicans.

The National Enquirer is read by people trapped in line at the grocery store.

LETTER TO THE EDITOR

**THE FOLLOWING LETTER TO THE EDITOR OF
INSURANCE NEWS MAGAZINE, APPEARED IN THE
JUNE 7, 2004 EDITION.**

INSPECTIONS

“Although it seems to be falling on deaf ears, something must be done about the “inspectors” the insurance companies are hiring to inspect the risks we submit. I have had policies canceled and/or non-renewed because of inspection reports for wrong addresses, obvious misstatements on the inspection reports, failure to find the correct locations, and evidently submitting inspection reports made up out of ‘thin air’ by the inspector. As far as I know, such inspectors have no certain qualifications to meet for a company to hire them.

“They should at least be required to have some schooling as to what makes a good risk and what should or should not disqualify a risk. As a most recent example, I had SAFECO decline the renewal for an insured because of ‘brush’ being too close to the insured dwelling per the inspector’s report. It is not possible for an inspector to have seen this property and submit such a report. There is no brush and never has been. I submitted photo(s) as proof, but got nowhere with the company. I lost the account to another agency and company as a consequence. This is a serious issue and must be addressed by the industry “.

-Jere F. Allan, Blythe, Calif.

Member address Updates

Mr. Michael Sereno
SERENO INSPECTIONS
10573 W. Pico Blvd., #289
Los Angeles CA 90064

Mr. Gordon McDaniel
LOUISIANA AUDIT SERVICE
P. O. Box 1466
Denham LA 70727

Mr. Ernest Jarvis
THE UIS GROUP INC.
100 Corporate Drive
Windsor, CT- 06095

ARCO
Board Meeting Minutes: June 17, 2004
San Diego, California

9:00am - Meeting called to order - Roll Call—Board Members:

Present: Scott Marne, Ken Taylor, John Henebry, Mel Tobias - *Absent:* Secretary

Others Present:

Jay Muncy, Scott Steffens, Jim Schmidt, Susie Ramirez, Chuck Smith, Derek Smith, Jerry Burg, Mike Sereno, Emil Moskowitz, John Reggero, John Hamel, Rosemary Roeske, Mick Sackett, Al Silk, Keith Marne, David Tobias, Fred Lowry

Proceedings:

Meeting called to order at 9:02 a.m. by President, Scott Marne - Last years meeting minutes were not available for review, as the secretary was absent. (Terry)

9:10am - **Ken Taylor** - Recommends that new application; by-law amendments should be reviewed. Greg Pollock was suppose to provide information~ information not received. After brief discussion, Ken indicated that issues will be resolved per Mark.

9:12am - **Scott Marne** - Introduces John Reggero for his EZ Survey presentation. John Reggero (Technical Insurance Service) presents information on a new web based system. Presentation indicated the cost of surveys ;60,000 or more by Polaroid, other companies software didn't fit, so John made his own system. Will be selling the system for a \$2500.00 set up fee with 12 forms and tech support;\$1.00 per commercial form; and \$.25 for personal lines completed reports; basically a \$100.00 minimum. After brief discussion, Board congratulated John; presentation ended.

10:10am - **John Reggero** - Ended presentation; a break was taken.

10:35am - Return from Break - **Scott Marne** - Brought issue of incorrect information on the website for ARCO; Scott indicated that Craig Kalowski's company will modify. Ken Taylor brought up Issue of neglecting to send out monthly bulletin/newsletter during the meeting. John Henebry recommends hiring an executive director to provide services for ARCO. Carolyn Ward would be able to provide timely newsletters, send out directories on time, bills, and other clerical support which is needed for ARCO; members of ARCO discussed how everyone is busy and need an administrative assistant to take care of these duties.

10:55am - **Ken Taylor** - presents motion for executive director. Motion was presented for an Executive director- Motion was second. Passed by unanimous vote. ARCO shall contract with an executive director to handle business affairs of the association. Article IIX, section 3 of the ARCO CONSTITUTION and ARTICLE II section 7 OF THE ARCO BY-LAWS BE REVISED TO ACCOMMODATE THE POSTION OF EXECUTIVE DIRECTOR

10:56am - **Scott Marne** - *Finance Committee report* provided by Chair, Mel Tobias. Floor is open for treasury report. \$15,970.88 per Mel Tobias. Mel indicates that r & R wants to be dropped from the association; discussion of members who have paid dues and not paid brought up by Mel. Companies which we are waiting payment from are Lance Inspection, Service Connelly, AM Driving, Protection Inspections, New England Insurance, Lorricks Inspection (Ken Taylor indicates that Mark need to re-apply to association); insurance X, Allstate inspections, Data Source, Info Quest; members discussed how payments are not being received on a timely manner. Ken indicates some companies have paid; all payments were given to Mel at this time. John Henebry forwards checks to Mel Tobias. Mel indicated that 269.46 spent for webmaster fees; 72.00 for phone call and faxes. Report finished.

ARCO
Board Meeting Minutes: June 17, 2004
San Diego, California

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11:05am - **Mel Tobias** - Suggested that we should nominate a committee for buying power for list to send our directory to; Jerry Burg suggested that we should send out directory via email in a PDF format. Jerry Burg suggested we broadcast the directory in PDF format, email broadcast, and download for free on a monthly basis. Fred Lowry suggested we provide services, mail and email broadcast. Scott suggests forming a committee to research the cost, time, and information need to provide these services. Board has agreed to nominate Jerry Burg to research; 60 days to obtain information.

11:20am - **Membership Committee report** provided by Chair, **John Henebry**. Speaks about new membership, there are 4 new application, 1 was denied as they did not meet the criteria or the requirement, only in business less than a year. Introduction of the new members; Scott Steffens (Secure Risk) from Houston, specializes in P&C; Jim Schmidt (Alexander & Schmidt) from Southern Maine, specializes in commercial business.; Mike Sereno (Sereno Inspections) from Phoenix covers 27 states; members were welcomed and congratulated Discussion about various members and their payment history. Brief discussion, end of membership report.

11:30am - **Scott Marne** - Speaks about NormVanGundy recipient of the Colby Gunter Award.

11:32am - Ken Taylor - The nominating committee, Ken Taylor; John Henebry, Norm VanGundy presents the following slate: **For Two Year Terms of office:**

1. President- Scott Marne
2. Vice President - Terry Sluzewski
3. Secretary-John Reggero

The members voted; Al Silk 2nd the motion; approved; All Congratulated.

11:35am - **Ken Taylor** - Speak about future place for next years meeting. By-laws 5 section 2 should be amended. Motion to delete April 19 amendment. Al Silk 2nds it; Ken Taylor indicated that they will change the By-laws accordingly; amendment should be deleted. Propose next years meeting to be held in Las Vegas. Vote to Las Vegas has been accepted.

11:37am - **Fred Lowry** - Suggest that the "Westin" is located ½ block from the strip and has competitive rates for our conference. Floor was open for discussion about next years meeting; Sunday-Tuesdays are generally affordable, dinner with a show was in discussion. Brief discussion.

11:45am - **Other business** - **Ken Taylor** speaks about Pollock leaving company. Mel Tobias said that Jack Henebry presence is missed, and should be mentioned in the newsletter. Fred Lowry brings up issue about increased gas prices...some discussed they have not brought it up to their clients; some have mentioned a \$5.00 per report increase; some indicate that there is a stop charge, or can charge on a hourly basis.

11:59am - Motion to adjourn, 2nd was made. - **Assessment of the Meeting:**

- A electronic system is needed; Members agreed that directory information should be mailed and sent electronically; members also agreed that executive director should be hired; and all membership payments will be maintained by the executive director; with the new hire, ARCO members will have a regular newsletters, increased membership, more buying power.

- Meeting adjourned at 11:59 a.m.
- Minutes submitted by fill in, Susie Ramirez.

INDUSTRY NEWS

OVERLAND SOLUTIONS MAKES NEWS - AGAIN

Since Choicepoint Commercial Specialists was acquired by New Mountain Capital, and formed into the current company, Overland Solutions Inc. (OSI) they have continued to make news.

ARCO member company, ServCom Associates Inc. (Edina, MN) was acquired and merged into OSI some months ago. In a recent Press Release, OSI announced the acquisition of New Jersey-based Safety Resources LLC. The text of the OSI Press Release appears below:

OVERLAND SOLUTIONS PRESS RELEASE

NEWS RELEASE

FOR IMMEDIATE RELEASE

Media Contact: Mark Turrentine

Overland Solutions, Inc.
888.827.2118
Mark.turrentine@olsi.net

Overland Solutions, Inc. Announces Acquisition of Safety Resources, LLC

Overland Park, Kansas – April 7, 2004 – Overland Solutions, Inc. (“Overland Solutions”), the leading outsourced insurance services provider owned by New Mountain Capital, L.L.C. (“New Mountain”), today announced the acquisition of Safety Resources, LLC (“Safety Resources”).

Safety Resources, based in Parsippany, New Jersey and established in 2000, is a leading specialty loss control services provider to the insurance industry. Safety Resources provides services that are aimed exclusively to meet the needs of the insurance industry in providing higher end loss control consultation to insureds, underwriting and engineering departments.

Jack Leonard, CSP, President Safety Resources said, “We are excited to be associated with Overland Solutions, the industry leader in outsourced insurance field services. We look forward to working closely with Overland Solutions to fulfill our collective mission to provide the highest quality field services in the industry.”

Bob Wickizer, Overland Solutions President and CEO, stated, “Overland Solutions intends to continue to aggressively develop the scale and breadth of our nationwide service offerings in order to meet the growing needs for outsourced services from our core clients in the insurance, financial and government sectors. The acquisition of Safety Resources is an important step forward in our development plans which emphasize both organic growth and the expansion of our service capabilities by acquiring high quality companies within our traditional areas of focus and in new areas of value-added outsourced services to our clients. Safety Resources is a very high end loss control provider that will help to broaden our service offerings in order to meet the ever evolving needs of our customer base.”

About Overland Solutions, Inc.

Overland Solutions, based in Overland Park, Kansas and established in 1952, is the nation's leading independent provider of premium audits and property surveys to the insurance industry, as well as a leading provider of inspection services for the government and for other industries requiring similar capabilities. Overland Solutions has approximately 1,300 employees and 26 branch offices nationally, through which representatives perform premium audits, underwriting surveys and valuation services for businesses and insurance companies in the United States, parts of Canada and Puerto Rico. For more information about Overland Solutions, visit the company's web site at www.olsi.net.

About Safety Resources, LLC

Safety Resources, based in Parsippany, New Jersey and established in 2000, is a leading specialty loss control services provider to the insurance industry. Safety Resources provides services that are aimed exclusively to meet the needs of the insurance industry in providing higher end loss control consultation to insureds, underwriting and engineering departments. The company currently operates through a network of company employed consultants and contractors from New England to Florida and throughout the upper Midwest. Safety Resources has been successful in its growth by providing specialized reports and utilizing no off-the-shelf inspection forms. For more information about Safety Resources, visit the company's web site at www.safetyresc.com.

About New Mountain Capital

New Mountain Capital LLC is a private equity firm seeking long-term capital appreciation through direct investment in growth equity transactions, leveraged acquisitions and management buyouts. New Mountain Partners, L.P. is a private equity fund sponsored by New Mountain Capital.

New Mountain's primary strategy is to seek out the highest quality growth leaders in carefully selected industry sectors, and then to work intensively with management to build the value of these companies. New Mountain's website is www.newmountaincapital.com.

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Quotable Quotes..... On Computers

Home computers are being called upon to perform many new functions, including the consumption of homework formerly eaten by the dog. **Doug Larson**

To err is human, but to really foul things up requires a computer. ... **Farmers' Almanac, 1978**

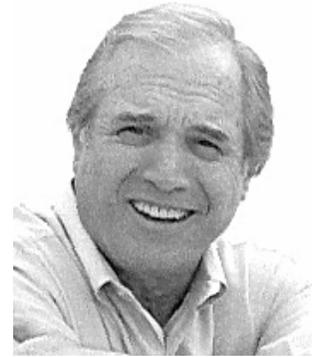
If computers get too powerful, we can organize them into a committee -- that will do them in. **Bradley's Bromide**

Computers can figure out all kinds of problems, except the things in the world that just don't add up. ...**James Magary**

THE LAST WORD.....Ken Taylor

UNSOLICITED – AND PROBABLY MOSTLY UN-READ
EDITORIAL COMMENTS FROM THE TEMPORARY EDITOR

THE SAN DIEGO ARCO MEETING



With some sixteen member-companies in attendance despite the shorter-than-usual advance notice of the Annual Meeting dates, ARCO enjoyed another quality convention.

John Henebry (Pacific Inspections – CA) deserves a sincere *Thank You!* For his considerable work in making the meeting arrangements on short notice, and for the events he planned to enhance the group's enjoyment of the meeting. The San Diego Harbor Cruise found us touring Mission Bay on a clear and sunny afternoon. The group dinner at the five-star Rainwater's steak house was a first class event, enjoyed by all.

In our business meetings, Scott Marne (AccuAudits – PA) stepped-up to fill the void left by the unexpected departure of ARCO President Greg Pollock, and conducted an excellent and lively session which afforded considerable opportunities for open discussion and exchanges of information and ideas.

John Reggero (Technical Insurance Service – NY) held the attention of all attendees with his presentation of their EZ Survey System (see meeting minutes for more on this) and John would be happy to hear from any members interested in this system. You can reach John at: 800-557-1147. John was also elected to the office of Secretary of ARCO, for the ensuing two-year term. Congratulations, John!

Significant Bylaws revisions were made during this convention. Among the most important, ARCO has decided to employ the services of an Executive Director to handle many of the functions which have been heretofore handled by our all-volunteer committee staffs. During the recent busy times in our industry, many of these have suffered as the demands of running our businesses have taken precedence. ARCO was fortunate to secure the very-competent services of Carolyn Ward to fill this role. Carolyn holds similar positions with the World Investigators Network (W.I.N.) and the National Council of Investigative and Security Services (N.C.I.S.S.). Carol will be providing her assistance with the clerical functions of ARCO as well as with the ARCO Flash! Newsletter and the Annual Directory. This change will assist our Association in performing in a more professional manner and will enhance its benefits to our membership.

Also among the Bylaws revisions was the unanimous decision to eliminate the mandatory locating of each Annual Meeting at sites which would rotate from East to Midwest to West. Future meeting locations will now be determined by the vote of members attending the current Annual Meeting, and this process took effect in San Diego where the members overwhelmingly voted to meet in Las Vegas, Nevada in 2005. Arrangements for that meeting will get underway promptly, and members will be given plenty of advance notice and all necessary details. Because Las Vegas has always drawn a large turnout, we anticipate excellent attendance in 2005.