

# CHEMICAL DISTRIBUTOR

In a complex  
world, is your  
business  
protected?

## WHAT'S INSIDE:

- Identity Theft and Internal Business Schemes
- Exclusions in Your Business Insurance Policies
- Creating Stability for Your Company's Insurance Plan
- Worker's Compensation
- OPSEM Overview
- Annual Meeting Speaker Spotlight



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## 2010-11 CALENDAR OF EVENTS

OCTOBER 6-8	2010 Northeastern Region Meeting Seaview Resort, Galloway, NJ
NOV. 29-DEC. 2	NACD 2010 Annual Meeting La Quinta Resort & Club, La Quinta, CA
APRIL 12-16	2011 Western Region Meeting Marriott Wailea Beach Resort & Spa, Wailea, HI
MAY 3-4	2011 NACD Legislative Fly-In Westin, Washington DC City Center, Washington, DC

# MEMBER NEWS

## PERSONNEL NEWS

### Hubbard-Hall Inc. Hires New Logistics Manager

Hubbard-Hall Inc. is pleased to welcome **Irina Kadysheva** as the new Logistics Manager. Irina is a native of Kazakhstan and has a five-year degree in World Economics and Logistics from Kazhak University. She's been working in the US for fourteen years, most recently as Logistics Manager for FI, Inc. Under the guidance of Bob Palombo, our Shipping and Receiving Manager, Irina will spend time familiarizing herself in all operations at Hubbard-Hall Inc.

### TRInternational, Inc. Welcomes Jim Mitchell as CASE Industry Manager

TRInternational, Inc. welcomes **Jim "Mitch" Mitchell** as CASE (Coatings, Adhesives, Sealants & Elastomers) Industry Manager. He will be based in St. Louis, MO. Jim has over 25 years of experience in the chemical industry, including specialty chemical distribution and CASE industry management. His knowledge stems from 19 years of experience with Mozel, Inc., where he spent nine years as President. When Mozel was acquired by Univar USA in 2007, Jim became the General Manager for Univar Specialty Products.

## NEW FACILITIES

### Idaho Specialty Storage and Distribution Announces New Facility

Idaho Specialty Storage and Distribution is pleased to announce a new facility in Nampa, ID. The facility includes 22,000 Square Feet Main Warehouse Facility and 2,000 Square Feet Compressed Gas Warehouse. Some features are:

- H7 (regulated and non-regulated hazards) – 10,000 sq ft over 450 pallet bays
- H3 (Flammable hazards) – 10,000 sq ft over 500 pallet bays
- Temperature control storage (warm, cold, and sub-zero)
- Temperature control monitoring throughout entire facility
- Compressed Gas storage – 2000 sq ft can store over 500 large size cylinders
- Local Transportation with Temperature capabilities to end users
- Inventory control system designed for lot sensitivity and hazardous materials

## INDUSTRY NEWS

### E.W. Kaufmann to Represent Gellner Industrial, LLC

Gellner Industrial's line of specialty resins can be utilized for a wide range of applications in the graphic arts and allied industries. Formulated with a precise blend of water-based polymers, these resins provide superior results when used in both water-based coatings and printing inks. E.W. Kaufmann Company will be promoting these products throughout their territory.

### Clayton, Dubilier & Rice Announces Agreement with CVC Capital Partners to Invest in Univar

Clayton, Dubilier & Rice, LLC and CVC Capital Partners announced a definitive agreement for CD&R to acquire a 42.5% ownership interest in Univar, a leading global distributor of commodity and specialty chemicals to a broad array of end

markets. The transaction values the company at approximately \$4.2 billion. Funds advised by CVC will retain a 42.5% stake in the business. The remaining equity will be held by Univar management and other existing investors.

"Univar's business profile fits our investment focus perfectly, and we look forward to working with CVC and the Univar management team to continue to build the business," said David H. Wasserman, a CD&R partner.

Concurrent with this announcement, Univar has postponed its initial public offering of shares of its common stock and intends to withdraw the registration statement, filed in June 2010, with the U.S. Securities and Exchange Commission for its proposed IPO.

John Zillmer will remain Univar's President and Chief Executive Officer. CD&R operating partner, William S. Stavropoulos, former chairman and chief executive officer of The Dow Chemical Company, will become the non-executive Chairman of Univar.

### New Look, Same Great Company

ICC Compliance Center is very proud to announce the launch of their re-branding campaign. The refreshed image is designed to support ICC's vision to become the recognized North American industry expert and provider for transportation, health and safety compliance products and consulting services. "Careful and consistent implementation of the new logo and branding guidelines will go a long way towards creating a distinct visual culture for ICC," says our senior graphic designer Paul Panfalone, who developed the concept for the new look. "We are focused on reaching our vision, and feel that this new look will ultimately solidify our image as the industry leader in hazmat compliance," says Karrie Ishmael, Director of Marketing. ■



## MEMBER REFERRAL PROGRAM

FOR EACH RECRUITED COMPANY, RECEIVE \$300 OFF ANY NACD PROGRAM IN 2010

Working with a company that should join NACD? Let us know! If the company joins, you receive a \$300 credit for NACD programs. Also, the top recruiter by December 1, 2010 will receive a free registration to NACD's 2011 Annual Meeting.

To refer a prospective member simply fill out NACD's referral form (available at <http://www.nacd.com/about/mgaa.aspx>). Or just send your leads directly to NACD's Membership Department by email to: [membership@nacd.com](mailto:membership@nacd.com).

Support your industry by helping us grow. Together we can improve safety and performance throughout the supply chain, maximize networking, and create new business development opportunities within the NACD community.

Questions? Call us at 703.527.6223.



Advancing Stewardship, Creating Connections™

# Recession Exacerbates Identity Theft and Internal Business Schemes

By **Mark Camillo**, Vice President, Professional & Executive Liability, Chartis



While at work one night, an employee at a large home loan organization discovered that his IT department had not disabled a USB port of a workstation near his cubicle. Every Sunday for two years, the employee downloaded the personal information of up to 20,000 customers via a small memory stick, and over that period, authorities believe the employee may have amassed the personal information of up to 2,000,000 individuals. Although the employee underestimated the value of these personal records, he still managed to collect more than \$70,000 for the information.

The old adage, desperate times call for desperate measures, is in vogue again with daily stories highlighting employee theft, embezzlement, and identity fraud – crimes which have only been exacerbated by the recession.

In a tough economy employees may feel pressure to maintain a certain lifestyle, or they may succumb to pressure from family or friends who know they have access to cash at work. In some cases, they may resent a business owner who drives a fancy car when they're struggling to make ends meet," says Jeffrey Sklar, a partner at Bellmore, N.Y., accounting firm Sklar, Heyman & Company LLP.

Business protection from internal threats and schemes, as well as personal asset protection from identity theft and fraud are essential during economic uncertainty. The following tips provide an outline to help weather the economic storm.

#### TIPS TO PROTECT A COMPANY:

**Formalize procedures.** Directly address all employees handling financials and inventory. Confirm that all employees involved understand their roles and responsibilities. Each employee should read and sign the procedures. Formal procedures should be thorough, but streamlined enough not to be

onerous. Simple, logical procedures have the best chance of being followed, and are the easiest to monitor and control.

**Know your areas of vulnerability and target them.** Strike a balance between trusting your employees and assigning them accountability. Trust is a wonderful virtue and one that will get you far, but remember that trust doesn't have to be inconsistent with logic and reason. Seek out the advice of an experienced auditor or business expert for industry-specific areas to cover.

**Include basic checks and balances.** If one person creates the payroll, have a different person sign the checks. Check criminal histories on all employees who handle financials and inventory.

#### TIPS TO PROTECT PERSONAL ASSETS:

**Check your credit reports at least twice a year.** You are entitled to one free credit report from each of the three major credit reporting agencies each year. Contact them at [www.annualcreditreport.com](http://www.annualcreditreport.com) or toll free at 1-877-322-8228.

**Do not provide any personal information to a third party unless you are confident of the purpose and feel secure that the information will not be misused.** Never give information by e-mail.

**Shred or destroy any documents that contain**

personal information before putting them in the garbage.

**Remove mail from your mailbox promptly.** Get a locked mailbox if possible. Notify your financial institution immediately if you suspect your accounts have been compromised or if you have lost any cards or checks.

**Keep a list of all account numbers in a secure, confidential place** in case you experience problems with lost cards or theft of checks.

**Place only minimal personal information on the top of your checks.** (Initials plus last name and address.)

**Do not store or write PIN information on plastic cards in wallets, pocket books or purses.**

**Report any suspicious activity to law enforcement and your financial institution.**

**Review carefully** all account statements regularly. Notify your financial institution immediately if there are discrepancies.

**Ask service providers to stop using your Social Security Number as an identifier.** Ask for a different ID number.

**Review your Personal Earnings and Benefits Statement** from the Social Security Administration annually. ■

*Chartis is the marketing name for the worldwide property-casualty and general insurance operations of Chartis Inc. For additional information, please visit our website at [www.chartisinsurance.com](http://www.chartisinsurance.com). All products are written by insurance company subsidiaries or affiliates of Chartis Inc. Coverage may not be available in all jurisdictions and is subject to actual policy language. Non-insurance products and services may be provided by independent third parties. Certain coverage may be provided by a surplus lines insurer. Surplus lines insurers do not generally participate in state guaranty funds and insureds are therefore not protected by such funds.*

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#### ABOUT THE AUTHOR

**Mark Camillo** is Vice President in the Executive Liability Professional Liability Division of Chartis and is responsible for the Technology and Security/Privacy suite of products. Prior to this role, Mark was responsible for the Personal Identity Coverage (PIC) and Payment Fraud Products. Mark joined Chartis in 2001 and has held positions of increasing management responsibility in various parts of the organization.

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