

Insurance, offshore exciting match for Reid

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Profile

AT THE SURVIVAL Systems Ltd. plant in the Woodside Industrial Park, there's a pool known as "the dunker" which is used to train people to escape from aircraft that have to ditch at sea.

Trainees, usually employees of offshore companies, are strapped into seats inside a fuselage that's suspended above the dunker. Then the fuselage is put through a simulated crash.

Aileen Reid, president of Dartmouth-based A.P. Reid Insurance Ltd., thought she'd give this a try. Reid was working at landing the Survival Systems account, and she wanted to get to know the company inside out. Taking a dip in the dunker was a good way to get to know the training side of the operation, she thought.

But Reid, strapped in above the tank, started to wonder if this was a good idea. Which is probably what a helicopter passenger would start to think as she tumbled into the sea.

"It was just an incredible rush," says Reid, sitting safely behind her desk looking back at the experience.

"You don't fall very far, actually. But you're upside down, and you're disorientated. You just keep swimming up and up,

and it seems like forever."

Reid says she took the fall, and joined Survival System's Order of White Knuckles, to prove to the company she wanted to get to know every facet of their business.

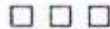
"This was a very unusual liability, and we wanted to put the insurance company at ease," she says. "We knew the one thing that would stick in the company's mind is the image of students getting thrown in the dunker. So I thought the best thing to do was to try it myself."

Reid says anything is insurable, at a price. Since the cost of insurance depends on the likelihood the insurance company will have to pay, the trick is to determine the risk.

That's easy with something like a car. There are so many around, the insurance company can easily determine the risk statistically.

But there aren't many dunkers around, so there aren't any statistics to turn to. That means it's up to the insurance agency to convince a company that a risk is reasonable.

Splash.



A.P. Reid doesn't insure cars. It doesn't sell life insurance ei-

ther. When Aileen Reid quit her job at a Halifax insurance firm in 1980 to start her one-woman agency, she decided to focus on commercial, industrial and marine insurance.

And working out of her one room office in downtown Dartmouth at a time when oil rigs were a regular sight in the harbor, Reid decided she wanted to get involved in the offshore.

"I think when I first got interested in the offshore, I didn't see it so much as a growth area. I wasn't looking that far ahead," she says.

"I think it just intrigued me. I liked the challenge of learning something."

Twelve years later, with a staff of nine, A.P. Reid does about \$3 million in business annually and has a strong presence in the offshore.

Two years ago, the company was one of the four bidders accepted by Lasmo Canada for the Panuke-Cohasset oil project. Reid's bid didn't win, but she says her company's participation in the bidding process, alongside three international agencies with long experience in the offshore, taught her a lot.

Reid, who is both a director of the Offshore Trade Association of Nova Scotia and commissioner of the Dartmouth Industrial Commission, says there's a lot of research that has to be done before insuring a company.



Reid started with one-person operation, now employs nine.

There's no such thing as blanket insurance — every kind of mishap that might happen to a company has to be dealt with separately.

"A client can't afford for us to miss out on a major liability exposure, but that would be easy to do if we didn't know about the company," she says. "If something went wrong, and they weren't covered, it could bankrupt them. Or if the company us under the threat of lawsuit and it's big, and their bank knows they don't have insurance, they could call in their loan"

The more complicated the in-

dustry, the bigger the learning curve. So any opportunity to learn more about an industry makes an insurance more competitive in that area.

In the case of the offshore, a lot of local companies got out of the business when the offshore boom ended in the early '80s. But Reid kept doing her research, so she had a big jump on her local competition.

Today her company insures a number of the businesses that support the Panuke-Cohasset project, like Survival Systems.

"It's a lot of fun," she says. "It's an exciting time to be involved in the offshore."