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THE KEY TO BUSINESS SUCCESS!!



By William York, VP of Marketing

Why Creating a Second Business is the “Key to Success.”

The obvious -- No one likes paying insurance premiums!

Every business wants to have a positive effect on their bottom line while keeping control and covering all risks affecting that business.

How does a business manage to increase and protect profits. There are many obvious answers to this question, but none of them will include the unknown and unpredictable occurrences such as pandemics and extreme weather like hurricanes and tornados.

Currently, many businesses solely use a property and casualty company to protect from risk. This has become a most costly and sometimes prohibitive form of protection. It is

time to turn your insurance expense into a profit area.

The answer to the above question is starting a second business. When forming a private insurance company, known as a captive insurance company, a business will positively affect a firm’s bottom line and will also give the business the control that is mandatory in these unpredictable times.

Costs of commercial insurance premiums are reaching insurmountable levels. For the last 20 (twenty) quarters, the insurance industry has consistently raised commercial insurance premium rates. This is the third largest expense for most businesses.

Forming a private insurance company in conjunction with your commercial coverage, one that *you* own under the prerequisite laws of your state insurance department, will garner substantial benefits for your business. A private insurance company cannot replace your traditional commercial insurance. However, it will enhance it.

Today, creating a private insurance company is your best option to control the runaway cost of commercial insurance. By creating a private insurance company, you will control the commercial insurance premiums, build reserves (in your private insurance company) and gain

many tax advantages. **That is why 90% of all Fortune 500 companies have pursued this option.**

You Can Control Costs with the Creation of a Second Business!

A Private Insurance Company (Captive) can take the place of high commercial insurance premiums. A Captive helps to control costs. When your business experiences low to no losses, it is then able to retain insurance premiums that would otherwise be lost. This is, of course, if you have formed a private insurance company.

Every successful business person knows the importance of control as they seek to manage profits, evaluate risk to their businesses and review opportunities to grow. A private insurance company (captive) will positively affect a firm's bottom line and will also give a business the control that is mandatory in these historic times.

Innovative Ways to Insure Your Business (worth repeating)

- A hospitality company can issue "event cancellation" coverage and sell it to clients booking events with them. This is another way of generating additional income from insurance coverage.
- A real estate company might issue renters insurance and include it in the monthly rent.
- An automobile group can issue their own warranty insurance to their automobile

buyers. This is another form of additional income.

And, the creativity goes on and on and on.

The National Network of Accountants, working with hundreds of business owners provides the insights and innovative ideas that businesses need to make confident decisions about their second business (a private insurance company). We will provide you with innovation and knowledge that will transform your risk management program into a second business and additional profit center.

To quote Abraham Lincoln – "The most reliable way to predict the future is to create it."

Contact us for a free consultation.



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