



HEPACO was one of the lead firms involved in cleaning up the recent Gulf of Mexico oil spill.

RISKY-BUSINESS RELATIONSHIP

Who handles the complex risk management needs of a company that responds to many of the mega disasters of our time? CHS Ag States Group and Impact Risk Solutions answer the call.

By Steve Richter

“We’re Looking for Trouble.”

That home page headline next to a train wreck photo with animated flames and billowing smoke gives a less-than-subtle hint about the work done by HEPACO, one of the country’s top environmental and emergency response firms. The company’s website explains, “We’re looking for companies seeking to limit their liability when accidents or disasters happen.”

Limiting liability also fits the business profile of the CHS insurance broker, Ag States Group, and its Impact Risk Solutions unit. Above and beyond traditional insurance services, Impact Risk Solutions provides a full range of programs for the complex risk management needs of customers, including HEPACO.



HEPACO specializes in train disasters, such as this Graniteville, S.C., collision of two freight trains that released a poisonous chlorine cloud and killed several people.

Customized, comprehensive insurance coverage is critical for HEPACO. As the website indicates, managing calamities such as train wrecks, oil and chemical spills, and other environmental disasters are HEPACO's stock in trade. Protecting clients against terrorism has become another area of expertise. Other services include industrial abatement and training.

Since its 1984 founding in Charlotte, N.C., HEPACO has expanded to five regional offices and 19 response centers in seven southeastern states that answer emergency calls around the country. All told, the company has tackled more than 14,000 emergencies, many with intense local and even national media coverage.

Biggest Call of All

HEPACO's most public challenge arose last spring when it played a major role in the massive mop-up following the Gulf of Mexico oil rig explosion. HEPACO was among the five lead firms contracted to clean sand and sea in the Gulf Shore region, says Ron Horton Jr., chief operating officer of the privately held company. It deployed people, boats, booms, vacuums and other cleaning equipment, he says, some remaining long past the July capping of the ruptured well.

"Impact Risk Solutions was a tremendous asset to us as we dealt with crises in the insurance industry," Horton says. "It really was at the forefront for us, protecting our interests."

Long-Term Relationship

From its early days, HEPACO has depended on Scott Chapman, now bond director for Impact Risk Solutions, for insurance needs. Ron Horton Sr., company founder and CEO, says the relationship began 25 years ago when Chapman helped the startup company navigate a "crisis point" in accessing surety bonding and insurance coverage.

"Scott was very creative in finding solutions that would help us," says the senior Horton. "Over the years, he has helped us through other rough periods. It's been a very good relationship for us, particularly when it comes to bonding."

"Scott has guided us in the right direction to protect our assets, so we can live for another day," he adds. "He really is a partner in our business."

Chapman's 30-plus years of experience in bonding and environmental insurance is a big reason HEPACO can tout its excellent insurance program, Horton says. It's also a pleasure to work with Rhesa Boulton, another employee in the Impact Risk Solutions Houston, Texas, office, he adds.

Customized programs structured specifically for HEPACO by Impact Risk Solutions include pollution and professional liability, commercial general liability, commercial automobile liability, workers compensation/employers liability, and umbrella environmental liability. Impact Risk Solutions reviews the coverage regularly to ensure it meets the expanding company's needs.

Chapman adds, "We truly are their partner." 

At the same time as the Gulf spill, HEPACO workers helped clean up an oil spill in Michigan's Kalamazoo River.



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