

25 November 2008 - Tara Loader Wilkinson

If you'll be my bodyguard...

They say money can't buy love or happiness, but it can certainly pay for peace of mind. Concern over personal and family wellbeing is likely to increase as economic recession looms. Demand for bodyguards, better-trained chauffeurs, kidnap insurance, and internet security is surging.

KIDNAPPING

As one of the fastest growing and most lucrative crimes in the world, kidnapping is an increasing concern for the wealthy, according to Derek Patterson, chief executive of eGlobalHealth Insurers Agency, a risk insurance broker.

The main kidnapping hotspots are Latin America – particularly Mexico and Colombia – Nigeria, Iraq, Afghanistan, and rural areas of the Philippines. Somalia, particularly the Gulf of Aden, is rife with piracy.

Security consultants ArmorGroup estimate there are 15,000 reported incidents around the world each year, and this is growing fast. Colin Bailey, head of regional sales at Towergate Insurance, a European private insurance intermediary, says the looming recession could make kidnapping more prevalent.

Average ransoms tend to be about \$1m (€800m), although this can double in some areas such as Central America.

"Kidnapping insurance is definitely a priority for wealthy families who are travelling to high-risk countries. As it is all highly confidential, and the name of the policy holder is not even written on the document, it is an appealing option for wealthy individuals."

There are four main carriers of kidnapping and ransom insurance: Lloyd's of London with two syndicates, the Travelers Syndicate and the Hiscox Syndicate; Chubb and AIG.

Premiums are about \$1,000 a year for individuals and up to \$10,000 for companies although this varies according to the area of the world, the amount of coverage, the ransom requested and length of time of the insurance policy.

Gary Reynolds, director of UK boutique investment manager Courtiers, used to work as a kidnapping insurance broker for Lloyd's of London. "In the 1970s kidnapping was more localised. With the world becoming wealthier and more mobile, it is taking place on a broader front." www.GlobalRiskBroker.com

CRUISE CONTROL

With security-conscious Russian and Arab multi-millionaires flitting in and out of different countries, the demand for defensive drivers and experienced boat crews is growing.

Michael Donald, director of One Event Media Group, which organises events for American Express' concierge service, says high net worth clients want experienced drivers and armoured cars from the moment they step foot in a country to the moment they leave.

Essex-based McKenzie Arnold is a highsecurity company that supplies qualified and vetted drivers from the armed forces, the police and the private security industry. They train for two years on armed response, offensive and defensive driving and fast response driving.

Some of their clients request fully armoured Range-Rovers or Mercedes-Benz G-Wagens – two of the safest cars in the world.

The death of Princess Diana in a Paris road accident in 1997, in her flight from the paparazzi, graphically demonstrated the need to hire top-quality drivers.

For an eight-hour day, a Range Rover in London with an SIA-qualified driver costs £350.

A course is being run by Flagship Superyacht Academy, utilising a partnering arrangement with the Royal Navy, in Portsmouth that covers personal safety, sea survival, fire-fighting and damage limitation techniques”.

Courses are being contracted by military and maritime training provider VT Flagship Training. The Basic Sea Safety Course costs about £700 for the five-day course. A qualified boatswain can expect to earn up to £6,000 a month on a super yacht.

AT YOUR GUARD

The market for bodyguards is booming – although the 21st century security professional may have to double up as a nanny and dinner companion for clients.

Laura Webber, director of Global Protection UK, a bodyguard specialist that employs mostly women, says the image and role of bodyguards has changed since she started the company a decade ago.

While celebrities still want the stereotypical “Brick Wall” bodyguard for their presence and image, companies and wealthy people increasingly prefer low-key guards who can blend in as one of the group at a dinner table, or part of the crowd at a party.

Women are in some ways more qualified for the job than men, Webber says, because of their adaptability and negotiating skills. “Bodyguards today are used more to prevent conflicts beginning than to actually break them up.”

It costs up to £500 (€625) a day to hire a bodyguard in the UK. Depending on the risks involved with the country and whether the job is abroad it can rise to £750 a day.

Fred Burton, vice-president for counterterrorism and corporate security at Stratfor, a geopolitical intelligence and analysis company based in Texas, estimates a comprehensive security programme for an executive and their family will cost at least \$500,000 (€400,000) a year. He says most requests for security risk assessments at Stratfor relate to visits to Russia, Mexico, China and India.

Burton used to be a special agent in counterterrorism for the US Department of State but Webber says military or state security backgrounds are no longer necessary for bodyguards.

The UK Government licenses bodyguards and Webber says she gets 10 applications a week from hopefuls. Burton says that when he is called in to consult on security for a wealthy family, his first question is why? “Usually there is a precipitating event – an employee has run off with a Ming vase or the nanny is threatening to disclose information on the family.

"It is usually a failure of process or there is no process and they are hiring people without any background checks.

Often you get brilliant business people who go on holiday and bring back a nanny or other staff member. They would never do that in their business life. A bit of due diligence definitely pays off ." www.globalprotectiongroup.co.uk www.stratfor.com

CYBER SAFETY

Greater efforts need to be made to achieve cyber security, given identity theft is the fastest-growing criminal business in the world.

Matthew Ford, head of information security at Sarasin & Partners in London, says: "You want people to have a healthy sense of paranoia."

Every bit of personal data posted on the internet, no matter how innocuous, can be used to piece together a jigsaw of your identity, says Ford. The solution is for individuals to use an authentication device – a key which randomly generates a password or code so that only the holdern can gain access to the system.

Encrypting sensitive data is also an obvious step to take, says Ford, particularly if it is being transmitted remotely.

But the big threat that remains is for sensitive data to be stolen at source. As Ford says: "Cyber security boils down to the weakest link in the chain, which tends to be a human."

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