Recently Willis Private Client announced the creation of the Farm and Ranch Practice, a specialty division focused on the unique insurance needs and potential exposures of clients who have these types of operations. In celebration of the new practice, Wealthy & Wise devotes this issue to farm and ranch topics and explores the many facets of this field, including the equestrian community, the challenges and risks of farms and the history of sporting art.

To begin, Chad Bushaw offers a fascinating interview about his career as a champion cutting horse competitor. Bushaw has combined two successful careers, one as a wealth adviser at Morgan Stanley and one as the owner of Crown Ranch in Texas. He says, “Like anything in life, I think both careers have required enormous amounts of integrity and hard work,” and thinks there is really no substitute for both of these fundamental traits if success is to be achieved in either the cutting horse world or the financial one.

Kate Molets provides a stimulating look at the history of sporting art and explains how its origin as tokens of British racehorse owners, collectors and aficionados has translated into a thriving American collectible. There are many challenges in staffing and operating an agriculture venture, so we asked the Lindquist Group to share their expertise with our readers. Christina Carroll, director of our Farm and Ranch Practice, offers her extensive knowledge and insights in “Tips for Farm Safety and Managing your Farm Exposure.” Finally, we asked Yvonne Ocrant to share the most common myths which dissuade horse owners from purchasing equine insurance.

We hope you enjoy this special issue of Wealthy & Wise!

Sandra Bravo, Private Client Practice

INTERVIEW WITH CHAD BUSHAW

Friends and colleagues of Chad Bushaw know him as a successful senior vice president at Morgan Stanley Smith Barney, where he helps clients create and preserve wealth. With more than 18 years’ experience in the financial sector (having previously worked at Merrill Lynch and UBS), he is highly regarded for his knowledge and capabilities. What many people may not realize is that Bushaw has a second career about which he is equally passionate: as an established star in the horse world. He is a champion competitor

continued on page 2
in the non-professional division and is the third-highest ranked non-pro cutter in history, with lifetime earnings of approximately $3 million. Over the past 18 years, he has devoted himself to all aspects of the horse business – breeding, training and competing – and when he is not immersed in the financial world he is dedicated to running one of the country’s leading cutting farms, **Crown Ranch** in Weatherford, Texas.

*Wealthy & Wise* asked Bushaw to discuss how he manages his two successful careers and ways in which the two passions complement one another.

**How long have you been devoting yourself to breeding, training and competing? How long have you worked with the financial sector?**

Thanks, Christina, for the opportunity to visit with you and share our insights regarding Willis. You all have been an important and valued partner for me and my clients in both the ranching and investment world for a long time. I have been raising, training, and showing cutting horses for over 25 years. I began my career in the investment world in 1995, so I have been helping clients for over 18 years now.

Over the last 18 years, you have managed a career within the financial sector while becoming a champion non-pro competitor. Describe your approach to successfully managing both. Would you describe how the two complement one another?

Like anything in life, I think both careers have required enormous amounts of integrity and hard work. There is really no substitute for either when it comes to the cutting horse world, and without these two underlying fundamental traits, success would not be possible in the financial world either. I am one of the luckiest people in the world, in that I have been able to combine my passion for helping people and investing money, with my lifelong love of the cutting horse industry. Over the many years of doing both, both passions have been mutually beneficial. I have been able to forge close relationships with many of the top trainers in the industry that have helped me become a better horseman, but also the cutting horse connection has

*continued on page 3*
“INSURE” AGAINST INSURANCE MISTAKES

Most of us appreciate the need for insurance when it comes to our health and property. But for those who have horses that are either pets or perhaps are part of their business, the need for specific equine insurance may be less clear and many learn too late that avoidable mistakes have cost them the coverage they needed. This article examines six common myths dissuading horse owners from purchasing equine insurance or resulting in coverage denial when insurance is needed most.

Learn about myths such as “Liability insurance is no longer needed since my state has an equine activity liability law,” or “A general business liability policy will cover injuries to a horse boarded in my barn.” For the truth about these and four additional common myths, as well as tips for avoiding other pitfalls, click here to read the complete article written by Yvonne Ocrant, a partner at Hinshaw & Culbertson, LLP, where she practices in the areas of equine law, title insurance, employment law and commercial litigation.

Interview with Chad Bushaw – continued from page 2

opened many doors to some of our most cherished client relationships, which has helped me to become a more competent financial adviser. Times when I am out of the office attending a cutting competition, ultimately end up as some of the most productive time I could ever dream of for my investment business, as the cutting competitions allow me to spend quality time with some of the smartest and most successful investors and business owners in the world. This access to some of the top minds in business, I feel, gives me a huge advantage as a financial adviser for my clients.

Cutting is a competition where a horse and rider are judged on their ability to separate a cow from a herd. Traditionally, one thinks of this sport as the pastime of ranch hands, but would you describe how the sport is luring new enthusiasts that do not fit the perfect definition of cowboys and ranch hands?

Cutting is perhaps the most unique equine sport in the world, as it combines the historic ranching heritage of working with cattle, with the need for riding the most athletic horses on the planet. To be successful, one has to be a student of genetics, trends, training techniques in horses, but also develop an expertise for handling and reading cattle, and ultimately develop an ability to ride well and have that magic balance and feel for a horse. What makes cutting such an attractive sport and such a great family sport, is that participants can be successful and active at so many different levels. Our sport gives owners a chance to actually experience the thrill of riding and competing, which is a far different experience than watching their race horse through binoculars from the stands or watching a handler exhibit their halter or pleasure horse. Cutting is also unique in that we have one of the best venues for our youth competitors to get involved, as well as divisions for seniors. While I am 39 years old and have won close to $3 million in the cutting arena, some of my toughest competition comes from people in their teens as well as folks in their seventies, so age is really not a barrier or disadvantage in our sport.

It seems that every year, more and more successful businessmen are entering the sport. What is it about the cutting industry that continues to fascinate and capture the enthusiasm of those on Wall Street?

I think cutting is the ultimate challenge and offers the same thrill and excitement that investing on Wall Street can offer. An investment or a big deal in the corporate world relies on a vast number of variables being controlled and managed properly and cutting offers this same challenge. Success on Wall Street requires capital, sourcing, execution, teamwork and trust and any success in the cutting world presents these same variables. I would even argue that it is tougher to manage
all these variables in the cutting world than it is in the investing world, as there is a competition to acquire or raise those top horses, to employ the top trainers, to utilize the best veterinarians, and then no matter how much you can control and influence these inputs, you are still at the mercy of a cow at the end of the day, which is a variable that is impossible to quantify or qualify.

In addition to competing, you breed, raise and train registered cutting horses. Recently at both the Breeder’s Invitational and the NCHA Derby, you won the Non-Pro title with a talented gelding, Bet On A Cat. Tell us about how you select and nurture winning horses.

This is perhaps the toughest part of our sport, as no matter how well you ride or how nice your ranch is or how great your trainer is, it still is a contest of horses, and horsepower is the greatest determinant of success. There is no shortage of talented riders, wealthy owners and smart breeders, but trying to find that perfect horse to compete on at the highest level is the ultimate challenge. For me, this is the part I enjoy the most, as I liken my horse herd to an investment portfolio and I am constantly tweaking it and trying to make it better. I try to breed and raise most of all of the horses I compete on, and in recent years I am showing some daughters of mares I showed years ago, that they themselves were daughters of mares I showed even further back. So it is fascinating to me trying to cross my different mares on different stallions to end up with an improved version of the mother herself. In the case of Bet On A Cat, he is an example where I had the chance to purchase a package of five horses when they were yearlings and early two-year olds. Even though I had raised a good many foals that year, I had a chance to buy this package of horses at a significant discount to what I considered their value to be, so I made the deal. Ultimately I sold the first few horses for several times more than the initial cost of the entire package, and kept Bet On A Cat to compete on and so far that has paid off, as he won over $200,000 in his first year of competition. Early on while training Bet On A Cat I recognized how special he was, and actually talked one of my good client friends into purchasing his mother at auction, and now he is benefitting by the success of my horse as well, as her upcoming foals are worth a small fortune.

You have described that in order to be successful, it is critical to surround yourself with experts, whether in the investing world or in the world of cutting. What resources do you think bring success?

I think the key ingredient to any successful venture, is to surround yourself with people who are smarter than you are. I have made this a cornerstone of my career, as I don’t profess to be the ultimate expert at any one thing, whether it be horse-related or investment-related, but I will absolutely work harder than anyone to try to line my clients up and introduce them to those who are subject matter experts in any given field. While in the horse world we concentrate on finding the best trainers, the best caretakers, the best farriers, the best veterinarians, the best cow suppliers, the best feed producers, the best saddle makers, and the best insurance providers, the investment world offers the same challenge of helping our
clients find the best money managers, the best estate planning attorneys, the best tax accountants, the best risk managers, and the best insurance professionals. Without surrounding yourself with the best infrastructure and building out the best team of advisers, you are then leaving your success to chance and hope, and those are not solid strategies in my book.

What are some of the most important characteristics that you look for in an insurance broker? What advice do you provide your clients when it comes to their insurance programs?

Integrity, strength, broad capabilities, responsiveness, and impartial advice. When referring my clientele to an insurance broker, strength and integrity are the first things that have to be checked off. While many brokers seem to fit this criteria, when I dig deeper and start looking into the depth of their ability, their responsiveness, and their ability to give unbiased advice, the list gets pretty short. In my experience, only one firm can talk to my clients about solving their insurance needs for things as vast as their yacht, their jet, their second and third vacation homes, their horse ranch, their valuable horses on that ranch, their workman’s comp for those employees at various locations, their vehicles and even their broad insurance needs at the businesses many of them still run and operate. These aren’t conversations I can have with my local insurance broker friend in my hometown, or the insurance agent who handles the needs of my parents or my ranch employees. These are very unique needs and require a very high level of sophistication and expertise. I look for insurance professionals who my clients can reach out to on their schedule, organizations who can provide a broad review of all their various exposures and eliminate the need for my high net worth clients to explain themselves repeatedly to 10 different experts and have 10 different premiums due at various times of the year to 10 different carriers.

For my clients, I want their insurance experts to offer them the same things I offer them in the investment world: unparalleled access to the top minds and providers in the country to help them achieve their goals, without the need to have dozens of different advisers demanding face time with them on a monthly or quarterly basis. If my clients will delegate to the best, this gives them peace of mind that their exposures and liabilities are being resolved, and this ultimately allows my clients to focus on their families, businesses and passions in life.

Chad Bushaw brings his vast business and finance experience to the cutting horse industry. A graduate of Texas Christian University, Bushaw is now a financial consultant for Morgan Stanley. He is also among the most accomplished cutting non-pro competitors in the world, having earned $2.9 million in the show pen. Bushaw and his wife, Amie, own Crown Ranch a cutting horse facility, and for more than 20 years Chad has immersed himself in all aspects of the cutting horse business including breeding, training and competing. Chad can be reached by Chad.Bushaw@morganstanley.com.
TIPS FOR FARM SAFETY AND MANAGING YOUR FARM EXPOSURE

By Christina Carroll

Contrary to the idyllic vision of golden haystacks and green pastures, farms are inherently dangerous. Every year, thousands of farm workers are injured and hundreds more die in farming accidents. According to a recent study published in the journal *Pediatrics*, farm-related injuries suffered by children cost the U.S. $1.4 billion every year. (National Safety Council Injury Facts, 2011 edition, page 83, “Private Sector, All Industries”)

Many agricultural dangers are not readily visible, especially to visitors and people who have never lived on a farm. Because of this, farmers and ranchers have unique liability as respects potential harm to visitors to their property. Compared to a typical residential property owner, a farmer often has more land, guests, trespassers and dangerous equipment and machinery, not to mention horses and livestock. These factors increase the potential for injury and raise the liability for the farmer or rancher.

A farmer can take a number of steps to reduce the risk of injury. Willis Farm and Ranch compiled our suggestions on how to better protect both farm workers and guests on your property as well as your assets.

WORKERS’ COMPENSATION POLICY

Do you employ staff to work with horses or other animals on your farm? If you employ stable workers, trainers or help for your farm, workers’ compensation coverage is recommended and may be required. Requirements for this coverage vary by state.

LIABILITY COVERAGE

Determining what type of liability coverage is needed to protect your assets in the event of a lawsuit depends on how you use your farm. Do you maintain a private farm for personal use or do you operate a private farm for business use? Employing stable help, having outside boarders or conducting training may impact coverage under your personal insurance program. Consider all aspects of your personal farm usage to determine if your homeowners policy provides the appropriate coverage. You may find that a farm or commercial policy gives you the protection you really need.

FARM SAFETY

The best way to improve safety on your farm is by increasing your awareness of farming hazards and making a conscious effort to prepare for emergency situations, including fires, vehicle accidents, electrical shocks from equipment and wires and chemical exposures. Be especially alert to hazards that may affect children and the elderly. Minimize hazards by carefully selecting the products you buy to ensure that you provide good tools and equipment. Always use seat belts when operating tractors, and establish and maintain good housekeeping practices.

Owning a farm can bring much joy and pleasure, but ownership also brings unique and complex insurance issues. It is essential to seek the assistance of an insurance adviser with farm and ranch expertise who can ask the right questions and provide coverage from specialty carriers with a program tailored to your needs.

Christina Carroll leads Willis Private Client’s Farm and Ranch division. With 15 years of industry experience, she has provided risk management services for many of the largest cattle ranches, thoroughbred breeding farms and racing stables, performance horse stables, show horse stables, and gentleman farms throughout the country. Prior to joining Willis in 2010, she was an Assistant Vice President with Marsh Private Client Services. For additional information please contact Christina Carroll at christina.carroll@willis.com.
STAFFING A REMOTE OR SEASONAL GENTLEMAN’S FARM

If your farm is more than 100 miles from a major metropolitan area or you use it only a few months each year, special care must be taken to ensure it is maintained efficiently and cost-effectively. By virtue of being remote, your new country estate may be isolated from the outside stimulation most staff need in their personal lives. They will likely need to live in on the farm, and they will likely have more exposure to you and your family than they would otherwise.

It is important, therefore, that your staff enjoy rural living, get along exceedingly well with one another and with you and your family. While it may be tempting to move your staff from the city to the country, this rarely works long term.

One strategy often employed is the use of a domestic couple. Hiring a husband and wife team gets you instant stability and a breadth of capabilities. A ‘high end’ couple may have culinary training and household management experience, while other couples may be better suited to housekeeping and caretaking on the farm. In exchange for housing, boarding, the use of a vehicle and the opportunity to work together, couples generally accept wages that are a bit lower than they would otherwise make separately.

Regardless of the staffing model, consider giving your staff in a remote home a generous amount of vacation time (perhaps at least one additional week compared to urban employees) and a travel allowance to be sure they leave and recharge annually.

For a seasonal estate, choices abound. You can take your staff with you from your primary residence, if they are willing and able, incurring only the incremental travel and housing expense. You can hire seasonal staff for the time you are in residence, sending a household manager or other representative to check on the estate periodically. Or, you can hire live-in year-round staff, such as a household manager, caretaker or domestic couple to make sure the property is guest-ready and cared for through inclement weather.

Depending on the size of the estate and the risk and cost of something going wrong in your absence, you may choose to employ a combination of these options. In this case, you can have someone live on the farm year round, add seasonal staff when you are in residence for weeks at a time and have key staff members, such as your assistant, chef, driver or nanny accompany you from one residence to the next.

continued on page 8
The final option is to source a property management services. With the glut of unsold real estate in several markets, relocation and property management services have become adept at caring for residential properties and may be able to provide weekly inspections and around-the-clock emergency service.

The Lindquist Group is the nation’s leading residential staffing consultancy. They provide placement services, consulting services and operational support for all residential specialties. For more information, please contact Anda Ritchey andaR@thelindquistgroup.com.

EQUESTRIAN SPORTING ART IN THE CURRENT ART MARKET

Sporting art has long been a staple in the collections of those with an eye for luxury and tradition. Paintings of confirmation hunters and bay colts have always graced the walls of Europe’s castles and America’s estates. Where sporting art once depicted the collectors’ greatest assets – their champions – today, the piece of art itself is a great asset.

Like the sport it depicts, equestrian sporting art has good days and bad days, winners and losers. As a result of the volatility in recent years, the market is now offering better deals from top artists.

The art world, including the sporting art market, took a significant financial hit in late 2008. Not even the best sporting artists nor depictions of the best horses could avoid the effects of a fine art market down an estimated 20% from the previous year. Across the sporting art world of equestrian bronzes, wooden painted duck decoys and painted scenes of hounds on the scent, it is the British, French and American equestrian art pieces that saw the best examples come to the market and command prices that, although down, are not out.

British equestrian sporting artists such as Henry Alken (BRITISH, 1785-1851), Thomas Blinks (BRITISH, 1860-1912) and John Frederick Herring, Senior (BRITISH, 1795-1865) are among the best in British sporting art paintings. Their pieces command the highest values because they are the strongest examples based on medium, size and subject, as well as accuracy of movement, texture, likeness and lighting.

These works, produced from the mid-19th to the early 20th century, draw attention to the confirmation of the horse and the equitation of the rider, and exaggerate the best features of both. Long legs, muscular movements and sharp lines translate the artist’s best representation of the sport and the beauty of the animal.

British sporting art has always heavily focused on horses ranging from racers to hunters, while American artists lean toward hunting dogs, fish and game. Artists such as Frank Weston Benson (AMERICAN, 1862-1951) and Aiden Lassell Ripley (AMERICAN, 1896-1969) are among the best early 20th century American sporting artists and are highly collectible, from their etchings to their canvas works, and can be found in sporting art auctions and galleries across the country.

continued on page 9
More contemporary artists, such as LeRoy Neiman (AMERICAN, 1921-2012), have developed the relationship between horse and rider, usually depicting large, bright scenes of races with a great deal of movement and flash.

For the savvy buyer who is looking for the more traditional, British-influenced equestrian sporting art with hunt riders, jockeys and confirmation hunters, such American artists as Herbert Haseltine (AMERICAN, 1877-1962) and Franklin Brook Voss (AMERICAN, 1880-1953) can be found affordably at both gallery and auction.

American collectible equestrian art is driven by the bronzes and canvases depicting the western or war horses created in the late 19th and early 20th century by artists such as Frederic Remington (AMERICAN, 1861-1909). Their canvases are big and their bronzes feature sharp lines and harsh gestures.

In contrast, French bronzes focus on clean lines, confirmation and artistic appeal, and are highly collectible in the international market. Edgar Degas (FRENCH, 1834-1917), known primarily for his paintings of dancers, transfers that depiction of grace, movement and beauty into his rare equestrian bronzes. Isidore Jules Bonheur (FRENCH, 1827-1901), on the other hand, was more prolific, and his fine representations of various animals still command high prices.

Equestrian sporting art remains a buyer’s market. Many works that went unsold in 2009 and 2010 are back on the market and fetching the prices sought then, but still lower than seen at the height of the market in 2007 and early 2008.

Whether you’re an investor looking for the best examples by the best artists commanding the highest prices, or someone simply looking to buy what you love on a budget – at auction or in the private market – now is the time to saddle up and enter the high-stakes race of the sporting-art world.

An experienced appraiser, Kate Molets, assists major private clients in fine art collections management and oversees the firm’s walk-through appraisal services. She received her Masters degree from Sotheby’s Institute of Art in London. She previously worked at Samuel T. Freeman & Company as an appraiser and photography specialist and interned at The Photo Review. Kate is USPAP compliant and is currently completing her appraisals certificate in Fine and Decorative Arts from NYU. She may be reached at kmolets@pallmallartadvisors.com.

**CONTACTS**

**Sandra Bravo**  
Private Client Practice Leader  
+1 212 915 8019  
sandra.bravo@willis.com

**Jim Jameson**  
New York Region  
+1 212 915 8212  
james.jameson@willis.com

**Lynn Killeen**  
Family Office Practice Leader  
+1 301 581 4206  
lynn.killeen@willis.com

**Joe Clark**  
National Director, Sales and Marketing  
+1 610 254 5664  
joseph.clark@willis.com

**Michael Smerkanich**  
East Region Leader  
+1 973 401 7561  
michael.smerkanich@willis.com

**Christina Carroll**  
Farm and Ranch Practice Leader  
+1 804 527 2350  
christina.carroll@willis.com

**Tyler Banks**  
West Region Leader  
+1 949 930 1766  
tyler.banks@willis.com

Blair Wunderlich, Editor of *Wealthy & Wise*, can be reached at +1 212 915 8183 or blair.wunderlich@willis.com if you have suggestions for future issues of this publication.

*The observations, comments and suggestions we have made in this publication are advisory and are not intended nor should they be taken as legal advice. Please contact your own legal adviser for an analysis of your specific facts and circumstances.*