



Thomas K. Coughlin,
AAI, President & CEO

Air-Sur, Inc.

Where ROI Stands for Return on Integrity

By Connie Watjen

At a time when corporate scandals and unscrupulous accounting practices have left public trust at an all-time low, there is one business owner who is convinced that integrity and financial success are not mutually exclusive. Indeed, Thomas Coughlin, president and CEO of Air-Sur, Inc., a specialized insurance and risk management corporation, believes integrity is more than just the cornerstone of ethical behavior; he views it as his most valuable competitive advantage. Craig Hoover, CEO for Trace Engines in Midland, Texas, agrees.

“The job that Tom did for us was probably one of the most difficult jobs someone in his profession could do. We are a start-up aircraft engine manufacturer and our liquid-cooled, high-output V-8 engines are unlike any in the world. Trying to place a product liability policy for a business like ours was nearly an impossible task, but Tom managed to get it done,” says Hoover. “It was his reputation for integrity that gave him the horsepower to accomplish that. I seriously doubt anyone else could have done it.”

Following the Enron debacle and passage of the Sarbanes-Oxley Act in 2002, many corporate leaders are quick to express a newfound interest in business ethics. But Coughlin's commitment to integrity began long before that.

Born in Washington, D.C. and one of six children, Coughlin was taught by his hardworking parents the importance of living a principled life. His father, a successful architect, moved the family to St. Croix in the Virgin Islands when Coughlin was 10 years old. It was here that Coughlin became intrigued by the world of aviation, working as a counter agent for a local commuter airline. This experience influenced his decision to major in aviation administration at Miami Dade Community College.

Unfortunately, after only a year into the program, Coughlin discovered he was number 50 on the draft lottery, which meant he was almost certain to be drafted into the military. Coughlin opted to apply for flight school with the U.S. Army. Upon acceptance, he was sent to Fort Wolters in Mineral Wells, Texas for flight training. Despite his aeronautical background and education, it was his first real experience in a cockpit.

“I didn't know what to expect. I found it extremely rewarding, but it was probably one of the most challenging things I had ever done up to that point.” Once his training was complete, Coughlin received orders for Vietnam but was reassigned to Korea where he flew Hueys and OH-58s for a Joint Military Advisory Group. Coughlin describes this experience as phenomenal. “I was only 20 at the time, and we were flying military brass for the Air Force and Army, as well as some Korean generals. It was a small unit, but I had a lot of responsibility and I got to fly quite a bit.”



Craig Hoover, CEO of TRACE Engines, located in Midland, Texas

Our Team at Air Sur, Inc.



Anisa Hanna-Justice, AAI, Customer Service Representative

Joy Scoglio, Customer Service Assistant

Kay Lange, Customer Service Representative

Terri A. Hauser, CPA, Customer Service Manager



Karen Hall, AAI, Customer Service Representative

Charlene Jones, Administrative Assistant

Dorothy Sanders, CPCU, Account Manager

Beth Carpenter, Administrative Manager

When that tour finished, Coughlin went to Gray Army Airfield in Fort Lewis, Washington, where he spent a year working as a helicopter instrument instructor and performing external lift operations. This experience allowed him to gain experience flying under more hazardous conditions, during all types of weather. “The terrain was mountainous, and we were frequently dealing with unpredictable winds and freezing temperatures.”

After the military, Coughlin moved to Daytona Beach, Florida, and enrolled full time at Embry-Riddle Aeronautical University. It was his goal to become a flight crew member, but once again, Coughlin’s plans were usurped by unforeseen circumstances when the bottom fell out of the airline industry.

After graduating from Embry-Riddle with a B.S. in Aeronautical Studies, Coughlin worked for about a year and a half as an admissions counselor for Embry-Riddle, traveling around the country doing educational conferences. It was at an aviation event in Kansas where Coughlin met an aviation insurance broker and began learning about the aviation insurance industry. It was this seemingly insignificant meeting that would alter the course of his life.



Matthew S. Burtner
AAI, AIP, Account Executive

Ricky D. Ullery
Account Executive

Robert W. Tyler, Jr.
AAI, AIP, Account Executive

Thomas K. Coughlin
AAI, President & CEO

The AutoPILOT Cover Story

Coughlin had a college friend who was working as an underwriter for USAIG, and they began discussing the possibility of opening an independent aviation insurance agency. Having observed his father's success as a self-employed architect, the idea of owning his own business appealed to Coughlin. So in 1976, he and his college friend opened their own independent aviation insurance agency, Air-Sur, Inc. At the time, Coughlin possessed a driving ambition, unwavering determination and little else. "Looking back, I don't know if it was courage or just blind ignorance," he admits, "but I had a burning desire to succeed. With my interest in both aviation and business, it just seemed like a natural fit."

Coughlin recalls Air-Sur's humble beginnings. "I think we grossed \$8,000 in commissions that first year. I worked for a hotel at night and spent my days trying to make a go of the business."

A year and a half later, Coughlin's partner, who was working a second job in a grocery store, grew weary of having two jobs and left the company. Whether it was the ongoing support of his family or just dogged determination, Coughlin was not so easily dissuaded. He was convinced that there was a need for the kind of services he wanted to offer. "In talking with clients it became clear they needed more than just someone selling

them aviation lines of insurance. They were exposed with their property, their automobiles, and they needed advice as it related to contracts and safety programs. They needed counsel in terms of what some of the other industry's best practices were."

To help his clients traverse these insurance pitfalls, Coughlin developed a program that provides comprehensive support throughout the entire insurance process, from risk assessment and safety controls to claims processing. Coughlin calls it Professional Client Care®. His clients just call it exceptional.

"There is no business more complex than aviation insurance, but Tom not only has a deep knowledge of his industry, he takes the time to really understand how we operate, analyze our risks and then provide us with the proper coverage. I have never seen a person more meticulous or involved in every aspect of his client's operations," says Joe Crawford, president of Abilene Aero, Inc. in Abilene, Texas, a full-service three-location FBO in West Texas.

It is that type of client-focused advocacy outlined in Professional Client Care® that has played a key role in Air-Sur's success. As well received as that program has been, what sets Air-Sur apart from its competition is more than just its



Joe Crawford, president of Abilene Aero, Inc. in Abilene, Texas, a full-service three-location FBO in West Texas.

sound, proactive business practices and exceptional customer service. It is something less tangible. Something that cannot be found on a balance sheet. It is Air-Sur's reputation for unwavering integrity. Air-Sur's clients trust that the account executive and customer service representative assigned to their account will accurately assess their insurance needs.

They trust that the counsel provided by the risk management team is accurate and thorough. They trust that their claims will be handled expeditiously and in a reasonable way, and that Air-Sur will support them every step of the way. They trust that because of their partnership with Air-Sur, they can focus their efforts on revenue and operations, knowing this one very complex area of their business will be professionally managed.

This trust is the direct result of Tom Coughlin's leadership. Many business leaders like to talk about integrity. But for Coughlin, it is more than just a word you toss around at shareholder meetings and in press conferences. It is a way of life.

"I have always subscribed to the fact that if you approach your business and your life with integrity, that people with integrity are going to seek you out to do business with you

because that's how they conduct themselves, and ultimately, that's going to be a successful formula."

In the 30 years since Coughlin started Air-Sur, Inc. on little more than a wing and a prayer, his aviation insurance management corporation has experienced solid, steady growth. What began as a localized regional company in Ormond Beach, Florida, is now licensed in 25 states, boasts an impressive and constantly expanding client base that includes everything from corporate flight departments to component manufacturers and represents many high quality aviation and aerospace businesses in the United States.

But perhaps Coughlin's greatest contribution to his organization and community is not monetary in nature. It is the lesson he offers to other entrepreneurs as they struggle to compete in a global economy. Coughlin demonstrates that it is not necessary to sacrifice your character, reputation or integrity to achieve financial success. For 30 years, Coughlin and Air-Sur, Inc. have been proving it is possible to have both. ■

For more information on Air-Sur, Inc., visit www.air-sur.com or call 800-342-3896.

