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MANCHESTER CENTRAL

# BIBA 2011 guide to the people, the politics, and the parties ...


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# The People

## The Insurance Times team

Editor's word

Ellen Bennett

ellen.bennett@insurancetimes.co.uk

## Feel the love at Biba

It's all off to Manchester for this year's Biba conference. I'll be pleased to be back at the G-Mex – much better to have everyone in a regional centre than out at the windswept Docklands. The *Insurance Times* team will be out in force, with coverage online and in print before, during and after – and a few surprises, too.

Our dedicated BIBAvision website will bring insight and commentary from the key personalities organising, speaking at, and attending the conference in the weeks leading up to it. The theme is "opportunities in adversity", but conversation is more likely to centre around the market. Amanda Blanc will be making a case for AXA with the brokers, and her opposite numbers will have to step up to the mark. Brokers can expect to feel the love. Meanwhile, consolidators will be the talk of the town. Somewhere at the conference will be Andy Homer's successor as chief executive of Towergate: the deal might even be done there. And if Philip Hodson is seen talking to Chris Giles, those mega-merger rumours will raise their heads again.

### Insurance what?

The celebrity speaker is always a treat. I was enthralled by Bob Geldof, and I have always been a big fan of Joanna Lumley, so last year was a highlight. What either of them have to do with the industry, I can't fathom – but never mind. Sir Alan Sugar does at least have more in common with many brokers than Ms Lumley.

### Set out your stall

I look forward to seeing what the exhibiting insurers come up with. It's always a case of 'my stall's bigger than yours'. Last year saw a dedicated bar with specially brewed beer. And who can forget that Lorega cow?

*Ellen Bennett, editor-in-chief, Insurance Times*

## My Biba moment

*'Biba's the best opportunity to get the industry's decision-makers in the same place at the same time. We'll be shouting about our Fair Fees campaign – come to our stall for more details'*

david.blackman@insurancetimes.co.uk

*'I'm looking forward to hearing from Lord Alan Sugar. I bet you, in his own inimitable way, he has a few words of scorn to heap on claims farmers'*

saxon.east@insurancetimes.co.uk

*'I'd only been with* Insurance Times *a week when I attended last year's Biba, so it was a bit of a shock to the system. A year on, I know what to expect!'*

ben.dyson@insurancetimes.co.uk

*'My Biba highlight has to be stopping Bob Geldof outside of the SECC in Glasgow for the most intense two-minute interview I've ever done. I wonder what my chances are of catching Lord Sugar this year?'*

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# The People

# The market makers

Whether you want a straight-talking powerhouse, a down-to-earth industry grandee or an old-fashioned deal-maker with a great line in after-dinner speeches, the big names at Biba can deliver. This is your guide to the key personalities from the major players: the people you'll want to watch, listen to and learn from this Biba

## Janice Deakin, Aviva

**Who is she?** **Aviva's intermediary and partnerships director**

**What's she like?** Deakin is a down-to-earth, no-nonsense character and well liked by brokers. Well established at Aviva, she is widely seen as the face of the UK's number one insurer. She has had significant success growing back Aviva's commercial book under David McMillan and Mark Hodges. In March, *Insurance Times* wrote: "You can't argue with the numbers, and Deakin's popularity among the brokers speaks for itself. It must be nice to be back on the front foot after such difficult years, and to be able to sit here now and reflect upon it."

**Most likely to say:**
**"Igal Mayer was misunderstood."**

**Least likely to say:**
**"Norwich Union."**

## Chris Hanks, Allianz

**Who is he?** **General manager, Allianz Commercial**

**What's he like?** Hanks is universally liked and respected. An industry stalwart, he won the *Insurance Times* Lifetime Achievement Award in 2010, and is currently president of the CII. He's also an astute businessman, winning Allianz a reputation as one of the best insurers to trade with. In September 2010, we said this: "Go to any industry party, and you'll see Chris Hanks standing in the centre of the room. An insurance grandee with few parallels, he's been at the centre of the UK market since taking the job as Allianz's commercial lines director in 2003. It's nice, then, that he's stayed so down to earth."

**Most likely to say:**
**"No, I'm not retiring."**

**Least likely to say:**
**"I'm leaving for pastures new."**

## Amanda Blanc, AXA

**Who is she?** **AXA commercial lines chief executive**

**What's she like?** Blanc is a formidable force: her decision to leave Towergate for AXA at the end of last year was a coup for group chief executive Paul Evans and a shock to the market. Blanc wasted no time in overhauling the senior management and structure of the insurer and the market is watching closely for her next move. In April, *Insurance Times* said: "She has a fantastic reputation among insurers and brokers, and is widely respected for her intelligence, straight talking and sheer energy. Six weeks into the job at AXA, she has taken the flea-ridden insurer by the scruff of the neck and shaken it down."

**Most likely to say:**
**"AXA is open for business."**

**Least likely to say:**
**"Andy, can I come back?"**

## Paul Donaldson, RSA

**Who is he?** **Managing director, broker**

**What's he like?** An old-fashioned deal-maker, Donaldson likes a joke and is not afraid to laugh at himself. He's deadly serious about RSA, though, and with chief executive Adrian Brown has boosted its popularity among brokers, seeing it scoop the Insurer of the Year Award 2010. In 2009, *Insurance Times* said: "Peers, colleagues and brokers all speak highly of Donaldson. At an RSA-hosted dinner at last year's Biba conference in Glasgow, he brought the house down with gags and jibes about specific brokers and colleagues. It wasn't nasty; he just has a common touch and an ability to bring people together and make them feel relaxed in his company."

**Most likely to say:**
**"I'm a very boring kind of guy."**

**Least likely to say:**
**"Well, it's an early night for me."**

> 'RSA's Paul Donaldson has a common touch and an ability to bring people together and make them feel relaxed in his company'

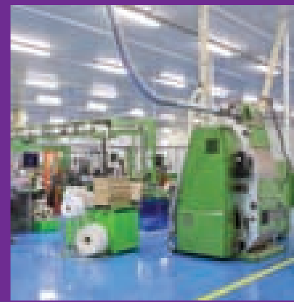
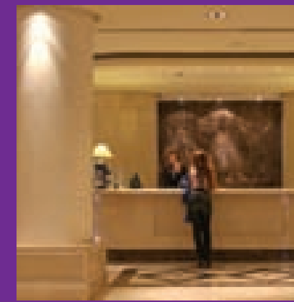
## Dave Smith, Zurich

**Who is he?** **Commercial broker managing director**

**What's he like?** Dave Smith has been at Zurich 20 years and is a company man to the bone. He is the most public face of Zurich – at least, among brokers. In an April interview with *Insurance Times,* he said: "We've made a conscious decision that there's a trade-off. You could send a single underwriter in to write all lines of business and it would be worse than useless. If you provide expertise in different customer segments, by definition, you are slightly more complex. But, in my view, a broker values talking to an expert underwriter that can take decisions. So, yes, we veer towards expertise rather than ease of dealing – particularly in commercial lines, where it's more important."

**Most likely to say:**
**"Let's talk about numbers."**

**Least likely to say:**
**"Let's talk about personal motor."**

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The broker is our business



NIG

# The People

# The stars

Would you rather work for Greg Case or Lord Alan Sugar? This could be your chance to find out. And whether you want to be inspired by tales of an Amazon trek or to hack your way out of the regulatory jungle, you'll find what you need on the Biba conference platform

*'The core foundation of Aon continues to improve and is stronger than ever'*

## Greg Case

**President and chief executive, Aon Corporation**

**Wednesday 10.00**

As the president and chief executive of the world's largest broker, Case is no stranger to controversy. He has steered the broking giant through turbulent times, including a hefty FSA fine for bribery and a backlash against Aon's decision to accept contingent commissions. He joined the firm in 2005 and his contract was renewed in 2009 for another six years. Before joining Aon, he served on the governing shareholders' committee at McKinsey & Company. Prior to McKinsey, he worked for the investment banking firm of Piper, Jaffray & Hopwood and at the Federal Reserve Bank.

*'It's been an incredible journey, with amazing highs, but also some pretty horrendous lows'*

## Ed Stafford

**Writer, Amazon explorer**

**Wednesday 14.10**

Last year, Ed Stafford became the first man to walk the length of the Amazon River. His achievement has been described by renowned explorer Sir Ranulph Fiennes as being "in the top league of expeditions, past and present". In February 2011, Stafford was a nominee for the *National Geographic* Adventurer of the Year 2010 and was awarded European Adventurer of the Year 2010. Aged 34, he has led expeditions all over the world since retiring from the British Army in 2002. He worked with the UN in Afghanistan on security and logistics for the first presidential elections.

*'I know everything in my business. Never, ever, underestimate me'*

## Lord Alan Sugar

**Entrepreneur**

**Thursday 12.10**

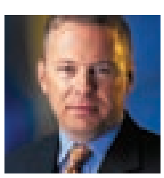
Britain's most famous entrepreneur, Lord Sugar has an estimated fortune of £730m and was ranked 84th in the *Sunday Times* Rich List 2010. In 1968, he founded electrical company Amstrad, which doubled in profit and market value every year throughout the 1980s and was sold to BSkyB for about £125m in 2007. In 2005, Lord Sugar entered the world of reality TV when he subjected 14 job candidates to a tough selection process in BBC TV's *The Apprentice*, with its seventh series to come this year. Alan Sugar was knighted in 2000 for services to British industry and received his peerage in 2009.

## Stuart Reid

**Chief executive, Bluefin**

**Thursday 9.30**

A familiar face to most in the industry, Reid started his insurance career at his father's broker in 1983 and joined Bishop Skinner Marine three years later. In 1993, he co-founded Stuart Alexander, which was acquired by AXA UK in 2007 along with Smart & Cook, Layton Blackham, The Davis Group and SBJ UK to create Bluefin Insurance Services. Reid was appointed chief executive of Bluefin in 2008.



## Brendan McManus

**Chief executive, Willis UK and Ireland**

**Thursday 9.30**

The industry's best-known gamekeeper turned poacher, McManus joined Willis in 2007 from Royal & SunAlliance (RSA), where he worked for more than 20 years. He was managing director of RSA's broker business for three years, after working in several roles across the company, including developing SME and corporate business. He is also a director of BIBA.

## Andy Homer

**Group chief executive officer, Towergate Partnership**

**Thursday 9.30**

Homer is one of the most powerful figures in insurance. Alongside Towergate founder Peter Cullum, he has transformed the broking landscape. Chief executive of Towergate Partnership since 2005, he is tipped widely to step down shortly; expect the identity of his successor to be one of this conference's most hotly debated topics.

The hosts

# Manchester motors on

## Big players

**Alex Stuart, north-west director, Allianz**
The big three insurers in Manchester remain, like elsewhere in the country, Aviva, AXA, and RSA. But Allianz has been making waves in the city's insurance market, assisted by its decision to move its main north-west office back into the central business district in 2004. "We've worked hard to expand our footprint," says Allianz's north-west director Alex Stuart, who has headed the Manchester office for the past two years. His chief lieutenant is highly regarded head underwriter Steve Cheshire.

*Allianz: 'We've worked hard to expand our footprint'*

**Simon Taylor, group managing director, Reich Insurance**
Reich Insurance has a long history, dating back to the Second World War. Yet the firm had just three employees when chairman Danny Lopian joined in the late 1980s. By the time group managing director Taylor joined in 2002, that number had grown to 18. Now, the company has a headcount of more than 60, with 40% of its business generated in London. The core business is commercial property, which accounts for 70%-75% of its total gross written premium. Taylor says he and Lopian, who are responsible for much of the face-to-face work with clients, tend to deal mainly with privately owned landlords. But, to illustrate Reich's status as a national player, Taylor points out that the firm is Zurich's biggest property broker in the UK. *More on p11*

## No hiding place in the village

- City centre amenities have won back business from the hinterland
- Insurers and brokers enjoy the tight-knit but competitive community

The insurance industry has deep roots in the Manchester soil. The world's first insurance institute was established here. And the city remains a crucial hub in the UK's wider insurance market.

Without wishing to be drawn into the traditional rivalry between Birmingham and Manchester, the venue of this year's Biba conference is probably the UK's second-biggest insurance centre.

But, in common with the wider Manchester economy, the city's insurance scene went through dark days in the 1980s.

Swinton chief executive Peter Halpin came to work in Manchester in the early 1990s. During the previous decade, the city centre had lost insurance businesses as companies like Allianz and HSBC were lured out to the new business parks springing up in areas like the regenerated docklands of neighbouring Salford.

### City heart beats again

But the city has fought back, says Halpin. "Manchester has changed beyond recognition. It has benefited from the investment that was needed to support the Olympics and Commonwealth Games." The city centre is buzzing again. Allianz returned from Salford Quays six years ago to take new offices overlooking Piccadilly Gardens, the city centre's main public space. Most recently, Marsh has concentrated its Manchester operations in a new building round the corner from King Street, the heart of the Manchester 'insurance village'.

"Companies realised that they needed to be in the centre of Manchester," says Brit north-west regional manager Maureen Owen.

Allianz north-west regional director Alex Stuart agrees. "The availability of quality office space has helped, but I always think that if you want to be a player in the market, you have to be close to the market.

"It's important to be close to brokers if you want to build and maintain close relationships with them. If you are in Salford Quays, you have to get into a car or a tram, which puts you at a disadvantage."

As the map of the 'insurance village' shows, most of the UK's key insurers and a host of brokers can be found within a few blocks.

Bollington head of commercial Chris Patterson says: "Every insurance company thinking of where it needs to operate and make some money will come to Manchester."

While Bollington itself is based in neighbouring Cheshire and has strong links with London-based insurers, Patterson says the vast majority of the firm's business is transacted in Manchester: "There's nothing better than picking up a load of files and meeting four or five underwriters in the city."

### Village thrives on honest banter

This tight concentration, which makes it more likely than not that brokers and insurers from rival firms will bump into one another in the street, gives a distinctive flavour to relationships in the city's insurance market.

"It's a small, close-knit market, which means that you stand by your reputation," adds Owen. Patterson says there is a lot of banter between the city's brokers.

"Viciously friendly" is how Stuart describes relations within the city's insurance community.

"While national brokers are strong, there is a large number of independent brokers in Manchester. It's an honest market," he says.

However, the concentration of both insurers and brokers has its downsides, acknowledges Patterson, who says Manchester is both over-broked and probably over-insured.

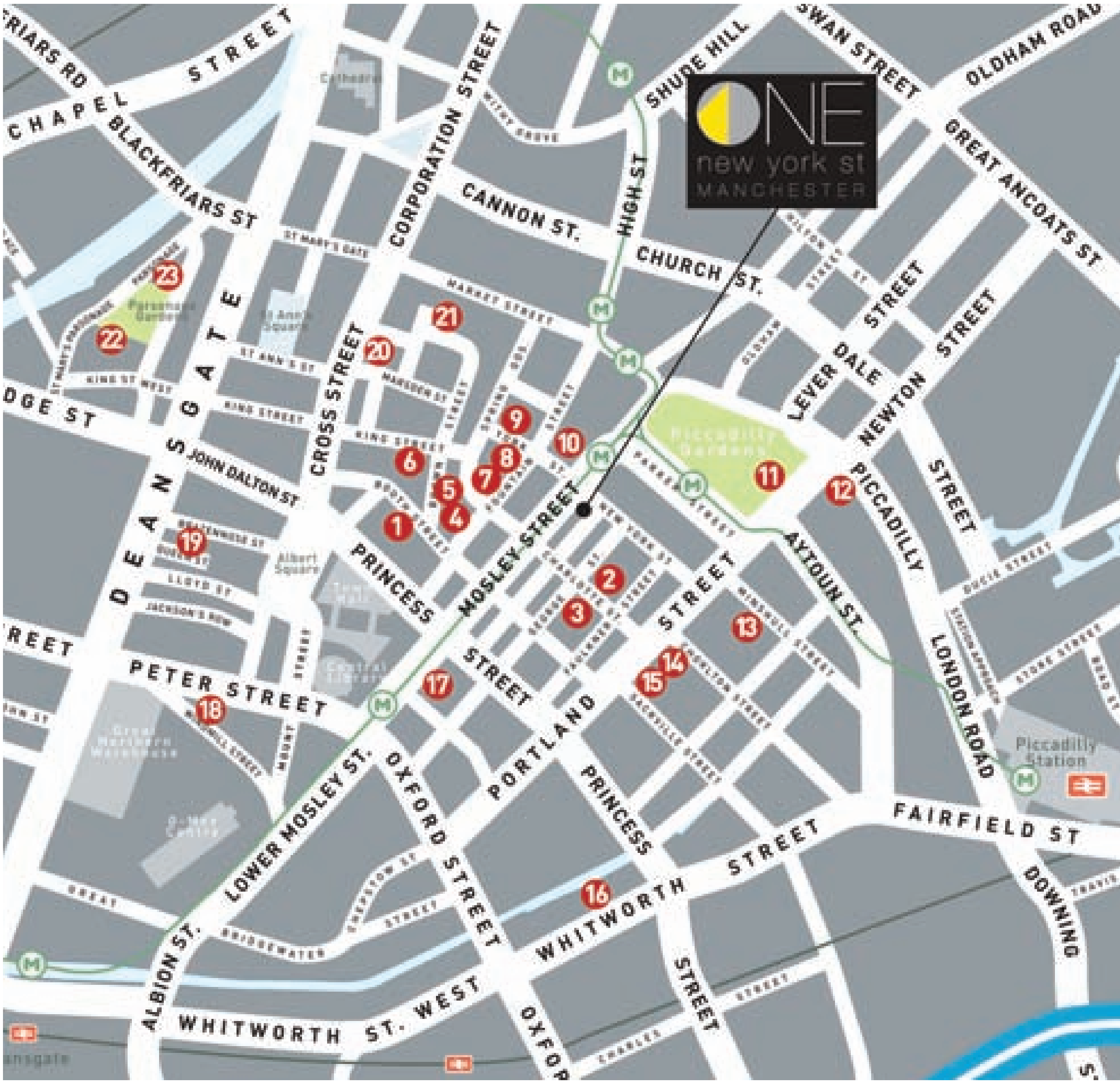
Insurers agree. Owen says: "There are people who are hungry for business."

"Customers have a lot of choice," says Stuart.

Manchester and its hinterland have suffered during the recession. Stuart says that hitting the target for the important first quarter has been a hard battle, although one that Allianz has won.

But it is clear that despite these hiccups, many who work in the Manchester market would go nowhere else.

They would agree with Brit's Owen, who says: "I feel proud to be part of the Manchester market."




## AT THE HUB

The majority of insurance businesses in Manchester city centre are located close to the intersection of Mosley Street and York / New York Street. Within a five-minute walk you will find familiar names including AIG, Allianz, AXA, Endsleigh and RSA.

# Insurance companies in Manchester

**1 Marsh**
12 Booth Street, M2 4AW

**2 Jardine Lloyd Thompson UK Ltd**
St James's House,
7 Charlotte Street, M1 4DZ

**3 Bridge Insurance Brokers Ltd**
Cobac House,
14-16 Charlotte Street, M1 4FL

**4 Willis Ltd**
The Chancery,
58 Spring Gardens, M2 1EW

**5 Brit Insurance Ltd**
The Chancery, as above

**6 AIG**
King Street, M2 4WU

**7 ACE Insurance**
The Zenith Building,
26 Spring Gardens
M2 2AS

**8 AXA Insurance plc**
42-44, Fountain Street, M2 2AX

**9 RSA**
17 York Street, M2 3RS

**10 Endsleigh Insurance**
18-22 Mosley Street, M2 3AG

**11 Allianz**
1 Piccadilly Gardens, M1 1RG

**12 Towergate Professional Indemnity**
1 Portland Street
M1 3BE

**13 McParland Finn Ltd**
Barlow House,
Minshull Street, M1 3DZ

**14 China Insurance Co (UK) Ltd**
Portland Tower,
Portland Street, M1 3LD

**15 Navigators Underwriting Ltd**
Portland Tower, as above

**16 Swinton**
Bridgewater House,
Whitworth Street, M1 6LT

**17 Alec Finch & Co.Ltd**
Sussex House, 83-85,
Mosley Street, M2 3LG

**18 Markel (UK) Ltd**
44, Peter Street, M2 5GP

**19 Ecclesiastical Insurance Office plc**
Lincoln House,
Brazennose Street, M2 5FJ

**20 Abbey**
1-3, Cross Street, M2 1NB

**21 Zurich Insurance plc**
Norfolk House,
Norfolk Street, M2 1ZU

**22 Aviva**
Arkwright House,
Parsonage Gardens,
M3 2LF

**23 Buckland Harvester Insurance Brokers Ltd**
5, The Parsonage, M3 2HS

The hosts

# Labour glut, skills gap

By David Blackman

- Downturn brings high-calibre recruits but firms must add value
- Strong in-house training helps employers grow and keep talent

These are bleak days for the Manchester job market. Over the next five years, the city is expected to lose 21,000 jobs, mostly but not exclusively in the public sector.

Bollington head of commercial Chris Patterson says that, judging by some of the CVs he has recently received, the economic downturn means that there are a lot of high-calibre candidates currently looking for jobs in insurance.

Marsh managing director, north, Paul Fairhurst, who oversees offices across the region, says that the size and sophistication of the Manchester market means that it is relatively good place to fish for talent.

"Small marketplaces are more difficult to recruit in because you have to find your own people," he says.

But even a large centre like Manchester has suffered from the wider lack of attention paid to training by the industry in recent years, Fairhurst believes.

"There are a lot of good people, but a shortage of skills coming into the industry through the insurance companies," he says.

Insurers like Allianz and Brit both run their own graduate training schemes, and Allianz north-west regional director Alex Stuart puts the Manchester office's strong staff retention rate down to the quality of training the company offers.

Reich Insurance group managing director Simon Taylor says the Manchester-based broker seeks to short circuit the skills gap by growing its own talent. "We are not really looking for people with bags of experience, we would rather train them in-house."

One of the city's plus points as a labour pool is the tens of thousands of graduates pumped out by its thriving tertiary education sector. Greater Manchester contains more students than any other UK city except London.

Taylor says: "There's a wealth of graduates coming through the system wanting to stay in Manchester after they finish their studies."

All good news for the city's insurance industry.

## Big players

**Mike Latham, Jelf**

Mike Latham heads up the Manchester outpost of Jelf, which until 2008 was the long-standing and leading Manchester independent broker Manson. Manson was Bristol-based Jelf's first acquisition outside its traditional southern England and South Wales heartland.

Last year, along with the group's other recent broking acquisitions, the Manson business was brought under the umbrella of Jelf Insurance Brokers. Latham, who was managing director of Manson pre-acquisition, now has a place on the Jelf Insurance Brokers board. However, Aviva's Gareth Hemming says that, like other independent brokers acquired by Jelf, the former Manson business retains a strong degree of operational independence. Earlier this year, Jelf Manson moved to a new 15,000 sq ft office in Quay Street at the heart of the Manchester business district.

**Paul Moors, chairman, Bollington**

While Bollington is based in the Cheshire village it is named after, it remains umbilically tied to the Manchester market. As chairman of Biba's north-west region, the ex-Hyde Grammar schoolboy is widely acknowledged as the head of the city's insurance mafia. Moors set up his own broking business in the 1990s, then merged it with Bollington in 1998 before performing a management buyout of the company in 2003. Then, five years ago, Bollington sold a 60% stake to Groupama in a deal that has seen the broker retain its operational independence.

The sale has not led to Moors himself pulling any punches. In a legendary after-dinner speech at the Biba north-west annual dinner in Manchester two years ago, Moors laid into insurers over their service standards.

*'Paul Moors is widely acknowledged as head of the city's insurance mafia'*

**Peter Halpin, chief executive, Swinton**

Swinton is by far the biggest broker based in Greater Manchester, with its head offices on the outskirts of the city centre, just around the corner from Oxford Road station.

But like the other big insurance company based in Manchester – Co-operative Insurance Services – Swinton has a loose relationship with the city's insurance market. A mainly personal lines broker operating through a network of high street branches, Swinton chief executive Peter Halpin says that the firm's main relationships are at a national rather than local level.

However, Swinton has a big presence in the city. The company is named after the Manchester suburb where its first branch was established.

And its 18 branches in the Greater Manchester are above average for the UK as a whole, according to Halpin.

He says: "We've expanded to all parts of the country, although the concentration of branches throughout the north-west and Manchester is particularly high."

All told, Swinton has around 850 employees across Manchester, including 470 in the head office.

**Paul Fairhurst, managing director, north, Marsh**

Paul Fairhurst has a 35-year track record in the Manchester insurance market. He joined Marsh in 2006 to become the managing director of the global broker's north of England operations. Before then, Fairhurst was regional director for Willis, where he had been for 18 years.

**David Neave, general insurance director, Co-operative Insurance**

As the biggest insurer with its headquarters in Manchester, the Co-op has a large presence, most notably in the form of the CIS Tower. However, as a personal lines insurer that has handed over its legacy commercial books to other insurers, the Co-op has little day-to-day engagement with the general insurance community.

But general insurance director David Neave has made a splash at the national level in recent months with his announcement that the Co-op has become the first insurer to introduce telematics technology.

# The hosts

# Howard Bernstein interview

- 40% of Manchester jobs in financial services
- Improved buildings and transport contribute to city centre boom

*'We recognised that financial services were going to be an increasing part of our economy'*

The increasingly fashionable notion that the UK can do without the financial services sector gets short shrift from Sir Howard Bernstein. "Well, it's barmy really," snorts the Manchester council chief executive.

As Biba prepares to gather in his home city for the second time in three years, Sir Howard is unabashed about the crucial importance of a strong financial services sector to the Manchester economy.

Attracting such businesses has been a key plank of the city's economic development strategy over 20 years. "We recognised that it was going to be an increasing part of our economy and I believe that we made the right call," says Sir Howard, who has been the key architect of the city's transformation since a large chunk of the city centre was devastated by an IRA bomb in 1996.

"It's very important to Manchester's future economy that we continue to fulfil our potential where the financial services are concerned."

And insurance is a key element of the city's offer, he says. "We are very pleased that, notwithstanding some of the difficulties and pressures over the past few years, the insurance industry in particular has continued to remain relatively buoyant."

Sir Howard estimates that the financial services sector as a whole accounts for at least 40% of the city's employment. "It will continue to represent a very sizeable chunk of our future employment," he says, "Manchester is one of the few places outside London and the south east which has a very, very significant growth potential."

He understands why some insurance businesses left the city centre during the 1980s. In those days, he acknowledges, Manchester's central business district didn't offer the right kind of office space. "Going out of the city was the only way of accessing the operational efficiencies that many occupiers demanded."

However, companies have discovered the downsides of more peripheral locations, Sir Howard believes. "When you add on recruitment and retention costs, access to amenities, lifestyle and access to skills, looking at occupation costs in isolation is not always the right thing to do."

As well as improving the city centre's building stock and transport, the council has also set up ProManchester, which gives the city's financial and professional services sectors a platform to lobby for what it wants.

# The people

# The BIBA team

Insurance brokers give as much as farmers to the economy, so why are they treated so badly? How will the sector handle continuous motor insurance? The key players at Biba ponder the big conference questions

## Steve White
## We deserve better

One of the intriguing aspects of any research project is that you are never quite sure what the results will be.

When we asked London Economics to put a value on insurance brokers' contribution to UK GDP, we waited with bated breath. And the answer? A direct and indirect contribution of 1%: a significant contribution, similar to that made by agriculture (which most of us feel gets a far greater profile in the media and among politicians than we do).

We have established that we are an important and valuable sector. This should entitle us to more appropriate and proportionate regulation.

The Future of Regulation research, conducted on our behalf by Charles Rivers Associates (CRA), established the risks insurance brokers pose. It identified the potential for poor-quality advice and the potential for loss of client money as the only significant risks. It then considered the FSA's current approach to supervision, highlighting that the FSA not only does not supervise us against the risks CRA has identified, but intrusively and disproportionately supervises us against risks identified in other sectors (such as adequate resources and banks).

*'Our research suggests a more rules-based approach to regulation'*

The report highlighted that the FSA's approach has led to regulatory costs that are disproportionately high as a percentage of revenue for both the smallest and very largest firms and identified that the indirect costs of regulation in the UK were three times higher than the second most expensive EU state (Ireland). As Biba chief executive Eric Galbraith said while launching the research at Westminster: "That cannot be right, or acceptable."

The debate now turns to how the Financial Conduct Authority (FCA) should supervise us going forward. The report suggests a more rules-based approach and supervision narrowed to the risks CRA identified.

The future of regulation will no doubt be one of the main topics of conversation at the conference. Come and hear Andy Homer, Stuart Reid, Brendan McManus and me debating the issues on 12 May.

*Steve White is head of compliance and training at Biba*

## Graeme Trudgill
## Cue manifesto magic

I am in the middle of my intensive preparatory regime for the 2011 Biba conference. Nothing to do with honing my presentational skills for introducing the fraud session on stage with Glen Marr of the Insurance Fraud Bureau, but something far more challenging.

I will be heading over to the CII stand to seek revenge against Steve Davis, six times world snooker champion! In 2010, I found myself two shots up against him, but one errant shot saw a double kiss on the black, adding another win to the legendary player's score sheet.

Last year Steve beat several hundred brokers who visited the stand during the two days. But this is only one stand, among 150 exhibitors offering opportunities to network, do business or even have your feet nibbled at a Garra Rufa fish spa. The exhibition at Manchester always has a fantastic buzz.

*'We are at a critical stage preparing for continuous insurance enforcement'*

I will be on the Biba stand much of the time so if you have any technical queries, questions about new legislation, new points for our manifesto or would like a demo of brokerASSESS, it will be great to see you.

Biba's manifesto is in full swing and we are at a critical stage preparing for the new system of continuous insurance enforcement. Visit the Motor Insurers' Bureau (MIB) stand to find out more about continuous insurance enforcement helping your motoring customers stay insured and stay legal, including more about the forthcoming TV campaign.

Another major project is the new code of practice for signposting. If you are a broker with a particular specialism, come and talk to Kirsty Wingrove, Biba's head of membership or myself and we can help you receive some of the thousands of enquiries that come to us.

This is my tenth year working at Biba and the conference is always the annual highlight. Don't forget you can use the free new conference app to receive live news and event alerts, download brochures and access the programme.

*Graeme Trudgill is technical and corporate affairs executive at Biba*

## *Pass notes: Pushing progress*

### What's Biba doing about the increase in FSCS levy?

**Biba has asked its members to write to their MPs to put pressure on the government to bring down the levy by revamping the way it is structured.**

### Isn't this just beating around the bush?

**This behind the scenes approach isn't always popular, but the FSCS's recent announcement that the levy on brokers for 2011-12 will be lower than originally planned may indicate that the message about unfair fees is finally getting through.**

### Why does Steve White spend so much time in Brussels?

**The European Commission is currently working on the Insurance Mediation Directive, which will be the new and wider-ranging framework for broker regulation across the EU. Biba believe it's crucial that they argue at a European level for the British industry's interests.**

### How is Biba tackling uninsured drivers?

**Biba has been helping to push through new continuous insurance enforcement rules. It is hoped that making keeping an uninsured vehicle an offence – whether or not it is on the road – will help authorities effectively tackle the wilfully uninsured.**

Complete the survey before 31st May 2011 to win £250 worth of travel vouchers

Insurance Times.co.uk

# Broker Service Survey 11

THE INSURER PERFORMANCE BENCHMARK SINCE 2006

# Personal Lines: Who's best for brokers?

**2010 RESULTS: PERSONAL LINES INSURERS**

| 2010 RANK (OUT OF 28) | INSURER | 2009 RANK (OUT OF 24) | OVERALL* SERVICE RANK |
|---|---|---|---|
| 1 | Chubb | 1 | 1 |
| 2 | Hiscox | 2= | 2 |
| 3 | Oak Underwriting | 6 | 4 |
| 4 | Amlin | New entrant | 3 |
| 5 | Chartis | New entrant | 9 |
| 6 | Ansvar | New entrant | 5 |
| 7 | Sterling | 5 | 7 |
| 8 | Ecclesiastical | 4 | 6 |
| 9 | Plum Underwriting | New entrant | 11 |
| 10 | Fortis (now Ageas) | 7= | 8 |

## You tell us!

It is clear that all the major insurers are seeing the intermediated personal lines "size of the prize": in an environment of ultra-tough trading on commercial, and personal rates powering ahead, the broker distribution channel is now core to insurer growth strategies.

### Who's walking the walk?

Last year you told us that the insurers who dominate the Personal Lines market were giving you poorer levels of service than many of their peers. Have things got worse or have any of these insurers taken steps to up their game?

### Why take part?

- Help us to help your insurer partners understand your needs
- Receive a FREE copy of the results
- Enter the prize draw to win £250 worth of travel vouchers

TELL US WHAT YOU REALLY THINK OF INSURER SERVICE AT **www.insurancetimes.co.uk/broker2011**

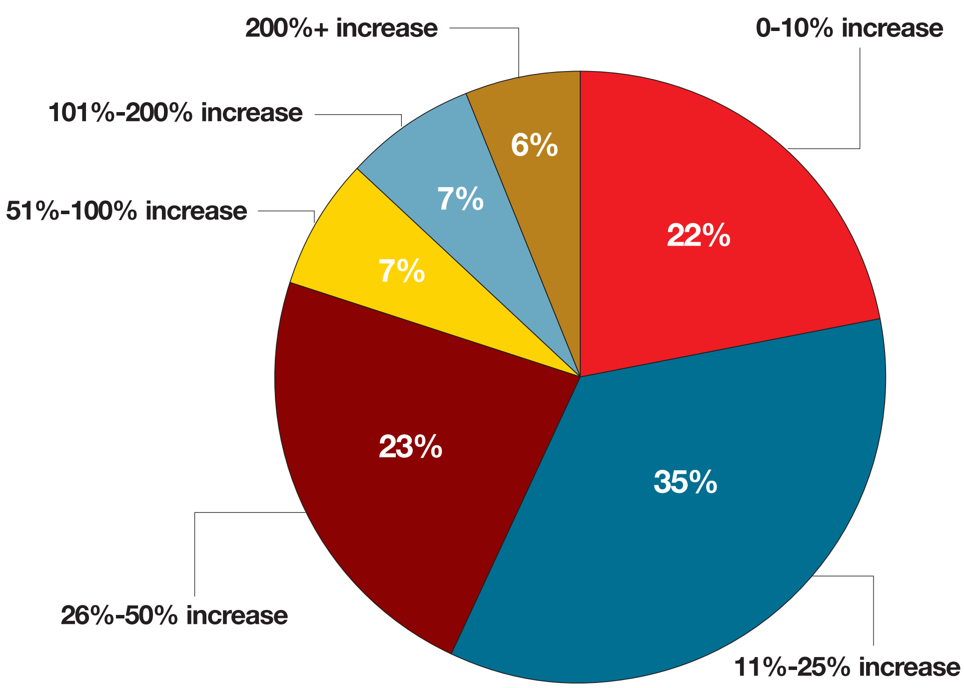
# The politics

# Broker research: New mood of optimism

By Muireann Bolger

- Regulatory fees increases have caused job losses and held back investment in technology
- Increased or stable rates in some areas offer encouragement
- Direct insurers have joined aggregators to cast shadow

**HOW MUCH HAVE YOUR TOTAL REGULATORY COSTS INCREASED OVER THE PAST YEAR?**




## Positive signs amid the gloom

With ongoing economic woes, huge hikes in FSA levies and ferocious competition, it is little surprise that many UK brokers may have trouble sleeping at night. The *Insurance Times* State of the Nation survey offers an exclusive insight into the trends and issues that are affecting the UK's broking heartland. Unsurprisingly, these bugbears continue to spark anxieties. But, despite the hard times, a mood of optimism is gathering.

After years of battling a soft market, many brokers have reported the first signs of hardening rates, while the majority of respondents expect to see business volumes increase over the next year.

So what is the main vexation keeping brokers awake? The economy remains a big concern, with half the survey respondents citing its sluggish performance as worrying. But this is swiftly followed by the steep hike in Financial Services Compensation Scheme (FSCS) levies, with nearly half (49%) of respondents describing regulation and compliance as a source of concern. More than a third (35%) said their total regulatory costs had jumped by between 11% and 25%, while nearly a quarter (23%) said their fees had spiralled by between 26% and 50%.

### Full cost of the fees hike

This hike in fees has forced brokers to take action. Many have introduced or raised charges on customers, delayed investment in training and reduced corporate hospitality.

The biggest victim, however, is technology. More than a third of broker respondents (33%) reported that increased regulatory costs had forced them to delay investment in technology and capital.

"Technology continues to play an ever-increasing part in a broker's day job. The fact that brokers are putting off investment in IT is concerning. The costs of regulation has a lot of knock-on effects, of which this is one," says Biba head of compliance and training Steve White.

A smaller portion of respondents had been forced to take more drastic action by

### *Talking points ...*

- Will the new regulatory body, the Prudential Regulatory Authority, bring about fairer fees for broker in 2012?
- How can the insurance sector lobby effectively to reduce the regulatory cost burden on brokers?
- Will the sector see more brokers pull away from broker networks and alliances?

# Broker research
# New mood of optimism

withdrawing from lines of business (13%) or laying off staff (8%). Regional broker Perkins Slade's associate director Lynn Richards-Cole warns that if the levies continue to rise, a greater number of brokers will be forced to respond in similar ways. "For some businesses, these increases may equate to the equivalent of a job," she explains.

### Small brokers could face closure

Commercial brokerage Bloomhills managing director Matthew Stringer has seen fees soar by 30% over the past year, forcing the brokerage to introduce new charges. He points out that FSA proposals to increase levies by a further 10% would portend disaster for many small brokerages.

"It is like throwing vinegar into an open wound. The question is: where will it stop and what is the justification for it? If it carries on, there will be a point where we have to look at increasing fees or cutting costs. Some businesses will face closure," he says.

Biba's Steve White explains that escalating FSA fees remains the biggest concern of broker members. "The direct and indirect cost of regulation affects the smallest and largest brokers," he says.

"If you look at Europe, the regulatory cost burden on UK brokers is three times higher than in Ireland, which is the second highest in Europe."

Personal lines broker Ashbourne Insurance managing director Peter Smits says fees for the broker's two offices have jumped by 50% and 70%, respectively. He adds that the soaring fees have forced the broker to increase charges and curb expenditure on marketing.

"We try not to increase charges but there are instances where it is impossible not to. The FSA is creating the very thing it is trying to avoid because it is inevitable that the end user – the customer – is going to be hit by an increased fee," he says.

"The one thing that concerns me more than anything is the increased cost of running a business. Every time the government passes legislation, it seems to cost the sector money."

### Staffing under pressure

The tough economy, along with stringent regulatory costs, has forced many brokers into adopting a wait-and-see attitude. The majority (41%) stated they had made no specific changes to their business, while the vast majority of brokers avoided investing in additional staff (87%) over the past year.

Many brokers have avoided redundancies, however. According to the survey, 18% of respondents cut their numbers of administration staff but only 11% of brokers reduced client-facing staff. Richards-Cole explains that, like many respondents, she has opted to shed non-skilled staff and shore up on technical expertise. "We are recruiting now," she says. "We did lay off non-technical people but no technical staff went."

Stringer explains that like many respondents, he is treading with caution. "People are just keeping a tight ship at the moment – not letting too much out of their business. Take no one on and get rid of nobody – that is what we are thinking," he says.

### Networks fall from favour

According to the survey, the fashion for joining broker networks appears to be waning. Only 9% of brokers joined a network or alliance during the past year.

Smits believes this slowdown has been driven by insurers rather than brokers. "Brokers look to networks because they think they have more access to exclusive products and higher earnings. But insurers have been saying for a while now that they are not sure broker networks are the way forward."

Although only 5% of brokers bought or sold a business in the past year, the appetite for acquisitions seems to be stronger. More than a

## Figures

**35%**
have seen levies rise by up to 25%

**23%**
have seen levies increase by up to 50%

**33%**
have delayed investment in IT

**36%**
have seen rates harden over the past year

**48%**
expect to see rates harden over the next year

**35%**
have seen business volumes rise/fall over the past year

**42%**
expect to see business volumes increase over the next year

**9%**
have joined networks in the past year

**41%**
have reported an increase in financial professional lines

**29%**
have reported a rise in commercial combined lines

**39%**
have reported a dip in standard personal lines

**28%**
have hired more client-facing staff

## 'Levy increases are like throwing vinegar into an open wound'

*Matthew Stringer*
**Managing director, Bloomhills**

## The brokers speak

### 'We laid off non-technical people but no technical staff'

***Lynn Richards-Cole***
**Associate director, Perkins Slade**

### 'The pressure is on us to provide a cheaper price to customers'

***Peter Smits***
**Personal lines managing director, Ashbourne**

fifth of brokers (21%) bought another business during the past year.

#### Inkling of a harder market

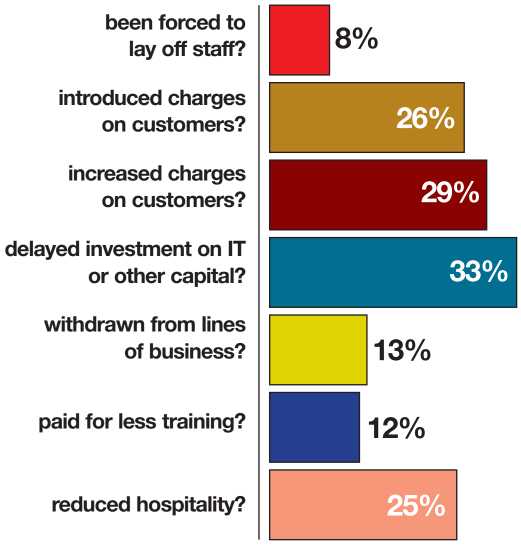
The good news is that the much-longed-for hard market appears to be dawning, albeit mainly in the motor market. More than a third of brokers (36%) have reported hardening rates over the past 12 months. According to Smits, motor rates have jumped by as much as 40% in the past year. "I think we are going to see some stabilisation. We have already seen 35% and 40% increases over the past year. We are definitely in a hard market," he says.

But he adds that these increases have been offset by the spiralling costs of FSA regulation. "At a time when motor insurance premiums are increasing, the pressure is on us to provide a cheaper price to customers. This means that regulatory costs put even more pressure on a business," he says.

Not all have experienced this much anticipated rise. Commercial lines have remained static, with a third of brokers reporting little movement. "We have seen rates stay the same. Insurers are gearing up for Solvency II, there is still plenty of capacity in the market place and insurers are keen to get business in," says Richards-Cole.

But after the seven-year soft market, brokers are in an optimistic mood. Nearly half (48%) of respondents predicted further rate increases over the next year.

**AS A RESULT OF REGULATION OVER THE PAST THREE YEARS, HAVE YOU:**




#### Open jaws of the direct insurer

Brokers' experience regarding business volumes was mixed, with 35% reporting that business volumes had grown in 2010. Conversely, the same percentage saw a slide in business.

But again, an optimistic mood prevails with nearly half (48%) predicting a growth in volumes in 2011. Financial and professional lines, including directors' and officers' cover, made the biggest increase, with 41% of brokers reporting a healthy performance in this sector. The biggest dip was seen in standard personal lines with 39% of respondents reporting a decrease in business volumes.

While economic woes and stringent regulatory costs are top of every broker's worry lists, the threat from competitors remains a potent one, with 47% and 31% putting customer retention and threat from competitors as key concerns.

Most brokers (49%) cited direct insurers as their main bête noir. "Until a year ago, we were cursing the aggregators," says Smits. "But now we are seeing the resurgence of direct writers. These are reputable well-known brands. While we justify that 10% extra that we charge because of the personal services we provide, it is hard to justify that when direct insurers are writing at whatever price they want and they have the slick operations to back these prices."

The shadow cast by aggregators shows little sign of waning, with 40% of brokers citing these competitors as their main concern. "For us, the greatest threat is from the aggregators – they offer huge schemes at ridiculous rates; they are the main competitors," says Stringer.

Richards-Cole has a different experience. She cites the threat posed by national brokers and strong independent regional players as the biggest headache.

Nearly a fifth stated that staffing problems were foremost in their minds. Richards-Cole says brokers still find it difficult to attract high quality candidates. "We struggle to get the right calibre of people. We can get people but the question is whether they are the right people? We like people who are focused on examinations and increasing their knowledge of insurance," she says.

The message from the survey is clear. The broking nation faces many struggles, but a palpable mood of confidence is gathering as brokers look forward to better months – and better sleep – to come.

# The politics

## Service briefing
# Who is keeping brokers satisfied?

How good is the service that insurers deliver? Are brokers getting the same level of service from insurers for commercial lines as for personal lines? Could the big players do better? These were the questions at the heart of the *Insurance Times* 2010 Broker Service Survey. We examine some of the key findings

CAROL WHEATCROFT

### Q. What matters to brokers?

**A.** The 2010 commercial lines survey confirmed that brokers are quite clear about what they want from insurers. More than 90% of nearly 700 respondents indicated that "ease of access to decision makers", "underwriting expertise and flexibility", "quality of cover", and "claims fairness and speed of settlement" were of vital or great importance. Service demands within documentation categories were only slightly lower.

Brokers were equally clear but less demanding about personal lines. "Ease of access to decision makers", "underwriting flexibility" and "documentation clarity" were all deemed to be of vital or great importance by more than 75% of the broker respondents.

Service categories relating to claims were seen as the most important of the personal lines service categories but it could be argued that this is an area where brokers need insurers to give good service to their clients rather than themselves, as they are less likely to be involved in claims.

### Q. Do insurers deliver?

**A.** The answer seems to be that it depends on whether or not good service is required or if merely satisfactory service will do.

In the survey, brokers were asked to rate insurers' service within the different service categories in terms of excellent, good, satisfactory, poor or very poor. Commercial and personal lines were treated separately.

Nearly 60% of the 35 commercial lines insurers investigated received at least 50% excellent or good ratings in total across all service categories. And if the satisfactory ratings are included, this figure rose to 80% for all but two insurers.

A similar picture emerged for personal lines service. All of the insurers received at least a satisfactory service rating in 80% of cases and for just over half of the 28 insurers in the survey, 50% of their ratings were either excellent or good.

In other words, brokers indicated that most insurers surveyed were delivering at least a satisfactory level of service.

### Q. Which companies consistently deliver good service?

**A.** One company, Chubb, stands head and shoulders above the rest. In 2010, 73% of Chubb's ratings were excellent or good for commercial lines while this figure was 87% for personal lines. No other commercial lines insurer received above 70% excellent or good ratings but seven companies – Hiscox, ACE, Arista, Fusion, Ecclesiastical, HCC International and CNA – received above 60%.

For personal lines, where brokers are slightly less demanding in their service expectations, 10 insurers achieved over 60% excellent or good ratings. Of these, six including Chubb achieved over 70%, and only Hiscox joined Chubb in the premier league achieving over 80%. Hiscox received 83% good or excellent ratings.

## The best

**73%** Chubb

**67%** Hiscox

**66%** ACE, Arista

**63%** Fusion

The five commercial lines insurers above scored the least responses of 'excellent' from brokers when asked about a range of service categories

## The worst

The six commercial lines insurers below scored the least responses of 'excellent' from brokers when asked about a range of service categories

**11%** Tradex

**26%** Provident

**33%** Sabre

**38%** AXA, NIG

**41%** Primary

### Q. What about service from the big insurers who dominate the market?

**A.** The positive news is that all of the large insurers serving the commercial lines market – Aviva, Allianz, AXA, NIG, RSA and Zurich – achieved 80% and above of ratings that were at least satisfactory. A similar picture emerged for personal lines.

### Q. But are they delivering good service?

**A.** In this the rating figures were better for commercial lines than for personal lines. Two of the major players stood out in commercial lines; Allianz achieved 55% good or excellent ratings while Aviva's result was 50%. On the other hand, AXA and NIG could only muster 38% of the top ratings indicating that a lot of work needs to be done by these two to match their peers.

But the large insurers appear to be putting less effort into service in the personal lines market. Here, no major insurer achieved above 50% good or excellent ratings, attaining percentages that lay in the forties. They need to watch out, as two other sizeable players – Ageas (Fortis) and LV= – are waiting in the wings to increase their share of brokers' business.

For both of these insurers, 50% of service ratings were either good or excellent.

### Q. What will the future bring?

**A.** Of course, achieving good and excellent scores is a notable achievement, but it does not automatically follow that investing in the best broker management services is the "best" strategy for an insurer. The costs of achieving excellence may not be justified by the economic returns and only insurers themselves can really be the judge of this.

So, over the next year or two, it will be interesting to see how insurers with low percentages of good and excellent scores react now that they know how they stand against their competitors. Will they judge that their service quality is good enough for them to keep their broker business base and deliver their business aims? Or will they see a need to change?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The politics

# Linking in to Lloyd's

The road to Lloyd's can be a tricky one to navigate. Brokers who are looking to work in the London market for the first time will need some extra schtick to make a real impact. But it can be done. Armed with these tips from *Insurance Times* and a little savvy, brokers should be able to enjoy a seamless journey to their final destination at 1 Lime Street

By Lauren Gow

## 1 It's who you know

***'We build trust through relationships. You can't do that by flicking emails around'***

Insurance is all about who you know and for brokers looking for a step up in the London market, Lloyd's is no exception. Ataraxia chief executive Stuart Randall says: "Lloyd's is a very impersonal place if you are from outside the City. So how do you access it? The first point is usually someone you know. I've had a relationship with [Lloyd's specialist broker] Thompson, Heath and Bond for nearly 20 years now. Even though there may be changes in personnel, they still have a strong emphasis on continuing to build relations."

Momentum broking director Craig Burton agrees, saying that new recruits fail to see how vital it is to make the right connections. "Graduates think that a broker lining up in front of Lloyd's boxes is not efficient. But at Lloyd's, we build trust through relationships and that is how business is done. You can't do that by flicking emails around."

## 2 Building connections

***'It's important to understand the wholesaler's relationship with particular syndicates on the floor'***

Making the right connections is not enough to be a successful broker within the London market. Building a relationship with the connections takes time, understanding and professionalism. "The placement of business into Lloyd's is all about relationships with Lloyd's brokers and people who move around within Lloyd's. You have to build up relationships with certain insurers and underwriters. That's the way the business flows," Randall says.

Relationships within Lloyd are also deeply multifaceted – reaping rewards for both brokers and underwriters.

Burton says: "For a broker like us, it's important to understand not only the relationship we have with our wholesale broker, but also the wholesaler's relationship with particular syndicates on the floor. With these relationships, someone will really go that extra mile to place the risk."

## 3 Communicate

***'The wholesale market is about personality and friendship; a lot of it is down to individuals'***

Communication is key for brokers looking to build and maintain Lloyd's connections. Randall says too many brokers are not communicating with insurers, finding it hard to place business effectively. "As with any insurance relationship, as a broker you must build a relationship with your underwriter. Good insurance companies will have underwriters who speak your language and, through communication, the business flows." For smaller brokers looking for a way in through the wholesale market, Burton says it's about personality and friendship.

"You find out what the wholesale brokers' strengths and weaknesses are when you work with them, as well as where they focus, whether it be motor or liability.

"It's quite an antiquated system but a lot of it has been down to the individuals who work for the wholesale broker."

## 4 Go niche

***'After building a speciality, people tend to move around Lloyd's with that underwriter or insurer'***

Unlike other markets, in Lloyd's a broker can thrive as a small fish in a big pond. Lloyd's broker RFIB's director, Hugh Champion, says developing a specialty will set non-Lloyd's brokers apart in the market. "If you want a relationship with a Lloyd's broker, then you can develop that in respect to being a niche business. A niche personal accident broker might only need access to one or two syndicates and they can build up the relationship solely on that basis." Randall agrees, adding: "After building a speciality, people will tend to move around Lloyd's with that underwriter or insurer."

Champion also says it has never been easier for non-Lloyd's brokers to work within Lloyd's. "I think it is easier now to place business, especially for a niche broker. Lloyd's has made it a lot easier for a niche broker to deal with just a Lloyd's syndicate or two."

# Get an agent

*'If you just want access to one or two companies, you do not have to be a broker at Lloyd's'*

If the paperwork required to become a Lloyd's broker is too much, using a managing agent to access the market might be the answer, says Champion.

"Getting access to the companies at Lloyd's isn't as complicated as it used to be if you just want access to one or two syndicates. You can deal with one of their managing agents and therefore not actually have to be a broker at Lloyd's to access those companies.

"Two examples are Catlin and Travellers, who have the ability to deal with non-Lloyd's broker enquiries. You are accessing the market that is at Lloyd's but in a different way."

# Use wholesalers

*'We rely predominantly on the London wholesale market because of their relationship with Lloyd's'*

In the competitive broking market, the best tip may be to simply use what is already at your disposal. Take advantage of relationships with big broking firms where possible. "Nationals such as Aon and Marsh have their own teams with Lloyd's passes and in they go to the market. That's their play, really. It's the strength of having such a big organisation," says Burton. But even smaller brokers can use the wholesale market to their advantage. "With the guys, we rely predominantly on the London wholesale market such as Miles Smith. It is up to us to develop a strong relationship with them because of their strong relationship with the Lloyd's market."

# Network

*'The image of the brokers and underwriters in the pub is true'*

Have business cards out and handshakes at the ready, because the London Market is all about broker networking.

Randall says: "There is a fundamental truism in our business: 'Insurance is a people business'." Burton agrees, "Networking is a help in so many areas. When you go to London, everyone has the image of the brokers and the underwriters in the pub, and that image is true to life.

"From social conversations you can pick up who's done what and with whom.

"The more people you get to know, the more you pick up information about what lines of risk they might take on."

### CASE STUDY: PRIMARY GROUP INTERMEDIARY SERVICES

**Primary Group Intermediary Services became an accredited Lloyd's broker in February this year. Managing director Duncan Philpott says that before regulation was eased between 2005 and 2008, accreditation was a "hard, long-winded, time-consuming prescriptive process".**

**But, according to Philpott, it is now easier to become a Lloyd's broker. "The FSA undertakes the checks and balances both pre- and post-authorisation – Lloyd's in part relies on these," he says.**

**But Philpott has a word of warning for brokers thinking of becoming Lloyd's brokers. "Before you start the process, you need to decide what you want out of it. We believe that being an accredited Lloyd's broker is vital to the success of our business."**

# Think twice ...

*'If you want to be a Lloyd's broker, your balance sheets and the structure of your business have to pass muster'*

Perhaps the most obvious way for a broker to access the Lloyd's market is by becoming a registered Lloyd's broker. But this has its pitfalls, says Champion. "If you want to be a fully-fledged Lloyd's broker, your balance sheets and the structure of your business have to pass muster."

Since the Legislative Reform (Lloyd's) Order 2008 relaxed the regulations governing broking within Lloyd's, nine brokers have also been given access to Lloyd's as non-Lloyd's registered brokers. This means brokers are able to access the market via individual managing agents with whom they have been given authority to conduct business. Champion adds: "You either need access to the whole of the Lloyd's market or you already know you just want to talk to Hiscox or Catlin. They are rather different games."

### *Talking points*

- **Since the rules were relaxed in 2008 by Lloyd's, allowing non-Lloyd's registered brokers to apply to work directly with managing agents, only eight brokers have applied. What is holding brokers back?**
- **How can Lloyd's further improve regional brokers' access to the market?**
- **What are the most important elements of a relationship between a broker and a Lloyd's underwriter?**
- **What are some of the major disadvantages of working as a broker in the Lloyd's market?**


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# The politics

# Regulation briefing
## The Financial Services Compensation Scheme

Why is the FSCS levy likely to trouble brokers for years to come despite a less steep rise than expected, and what can be done about it?

CAROL WHEATCROFT

**Q. What is the problem?**
**A.** The Financial Services Compensation Scheme levy on insurance brokers has rocketed in recent years. From a total of £8.5m in 2009-10, the category covering insurance intermediaries shot up to £60m in 2010-11 – a increase of more than sevenfold. Then, in February, the FSCS announced this figure was due to rise to £93.5m – a 57% year-on-year increase.

**Q. What is the FSCS and how does it work?**
**A.** The FSCS is essentially a lifeboat for small businesses and consumers, who have been mis-sold financial services products. If the firm found to have mis-sold the product is still in business, the firm will fork out he compensation itself. But, if the company in question has gone out of business, its liabilities for compensation transfer to the FSCS, which is funded by a levy on all financial service companies.

**Q. Why has the levy gone up so much?**
**A.** The key factor this year has been the explosion of payment protection insurance mis-selling complaints, which are the source of all but a tiny handful of the insurance intermediation claims currently being paid out by the FSCS. The total number of PPI complaints has soared over recent years and is continuing to increase, according to recent figures published by the Financial Ombudsman's Service (the first port of call for disgruntled customers). The number of PPI complaints is also likely to be fuelled by a recent change in FSA policy on PPI redress. Firms that have been subject to findings that they mis-sold such payment protection policies will now be required to go back to customers who have not previously complained about such products.

**Q. Hasn't there been some good news?**
**A.** The FSCS recently announced that it is reining in this year's planned increase in the levy on insurance intermediaries. Instead of the £93.5m proposed in the scheme's draft budget, the levy will be set at £69.5m for the current financial year. The new figure represents a 15% increase in the levy from this year's figure of £60m, a lot less steep than the 56% rise proposed in the draft budget.

**Q. Why has the levy changed?**
**A.** The FSCS said the increase in the levy is being scaled back because it has downgraded its assumption about the number of claims it expects to receive against general insurance intermediaries. In February, the FSCS said it assumed it would handle 20,000 claims during 2011-12. That figure has been revised to 13,400 next year based on current experience of claims volumes.

**Q. What's the catch?**
**A.** The £69.5m levy still represents an increase on last year's levy of £60m, itself a massive rise on the previous level. Biba's head of compliance and training, Steve White, argues that this year's levy may merely represent temporary relief for brokers. This is because the overall number of PPI claims is continuing to increase, but they are taking longer to process than the FSCS initially assumed. This rise is therefore likely to feed through into increased levies in future years unless the long-promised review of the scheme's structure delivers a fundamental restructuring, which relieves professional brokers from having to pay for PPI mis-selling.

**Q. Who is lobbying to reform the FSCS?**
**A.** *Insurance Times*'s Fair Fees campaign (see panel) wants the FSA to cut its levy on professional insurance brokers. Pressure is building from elsewhere on the government to review the FSCS. The MPs' all-party insurance and financial services group has launched an inquiry focusing on the impact the increased levy has had on GI brokers. The Labour MP Alan Meale has laid down an early day motion calling for the government to immediately begin work on the review. Meanwhile, Biba has mounted a letter-writing campaign to MPs via its members.

### The big ...

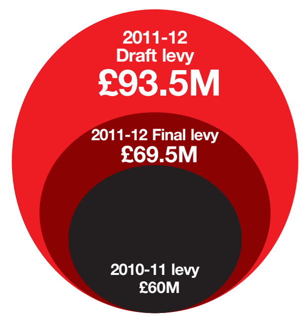
***Complaint*** The Financial Ombudsman's Service received 59,975 PPI-related complaints in the first nine months of 2010/11, compared with 49,196 in the whole of 2009/10.

***Budget*** The FSA's annual funding requirement for 2011/12 has increased to £500.5m, up by 10.1%.

***Default*** Of the 2,411 PPI-related claims received by the FSCS last year, 908 were linked to Picture Financial Services, which went into administration in 2008.

### THE LEVY, ADJUSTED

SOURCE: FSCS OUTLOOK




### *We say ...*

- The 'Fair Fees: Brokers won't pay for banks' campaign will be the theme of *Insurance Times*'s Biba conference stand this year, where we will be giving you the opportunity to send a video message to the FSA about the FSCS levy hike. You will also have the chance to sign the Fair Fees petition, which has already been supported by hundreds of brokers since it was launched last summer.
- To recap, Fair Fees calls on the FSA to give brokers a fairer deal by carrying out a fundamental review of its fees and levies.

FAIR FEES
Brokers won't pay for banks

We want the FSA to:
- Ringfence professional insurance brokers from the rest of the financial services sector when establishing the new framework for the FSCS.
- Exclude the mis-selling of PPI from the compensation pot for professional brokers.
- Ensure that brokers' fees and levies are proportional to the risks they bear.

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# Opportunities

# Maximising profits in a soft market

By Roxane McMeeken

- Be ruthless about ditching any marketing strategies that are not paying for themselves
- Keeping customers saves the investment needed to attract new ones, and creating new services as they need them will boost profits
- Broker networks can save their members money on compliance, PI and legal support

*'Every broker can increase their income by at least 10% without adding significantly to costs'*

Type the words 'commercial property insurance' into Google and a medium-sized Yorkshire broker will come up top of the list. Lockyer Insurance Brokers reached this enviable position thanks to a new marketing strategy, resulting in a three-fold increase in its property owners' book over the year to date.

Principal Jon Newall admits this did not come cheap – it cost the company, whose premium is under £3m, some £6,500, but he says the return on investment has been "absolutely staggering".

### Strategies for beating the squeeze

This is just one example of how brokers can find opportunities in the current climate of adversity, which is the theme of this year's Biba conference. Ahead of the event, we look at how brokers can maximise profits, even in a soft market. As the following pages show, with strategies to choose from which range from identifying new markets to making the most of technology to choose from, it might be easier than you think.

While some brokers have questioned Biba labelling current market conditions as "adverse", there is no doubt the industry, with the exception of motor insurance where rates have bounced back somewhat, is still grappling with a soft market.

### Profit boost within everyone's reach

On top of this, last month several industry chief executives (including broker bosses) used their results announcements as platforms to attack brokers for trying to increase their earnings from commission. With no real sign that prices will rise any time soon, competition fierce and curve balls like the 52% hike in brokers' levy to the Financial Services Compensation Scheme (FSCS) adding to brokers' troubles, is it possible to grow profits in the present conditions?

Andrew Linnell, managing director of Hansen Young Consulting, which advises brokers on how to increase profit, insist- that it is: "The work we have done over the past four years shows that every broker can increase their income by at 10% without adding significantly to costs and this will lead to a rise in profit of between 40% and 60%".

## 1 Marketing overhaul

*'If a customer only has contact with you via paper, what sort of experience is that?'*

So where should brokers start? Updating your marketing strategy is essential. Identify anything you are doing that is not working. Newall says Lockyer monitors the results of all its marketing strategies. So when the firm discovered it was only get 10 calls a month from its Yell listing, which was costing £32,000 a year, it cancelled the listing.

Next, focus on customer retention. Keeping customers directly increases the bottom line, says Hansen Young's Linnell, because it saves the investment needed to win a new customer. "To win a new customer you need opportunities to come into contact with them – whether through a cold call, a referral or someone seeing your advert on a website."

But only 10% of opportunities are likely to result in a request for a quote. A broker is then likely to win an average of 20% of the potential clients to whom they give quotes. "So from 1,000 opportunities, you give 100 quotes," says Linnell. "You will probably get around only 20 new customers."

How do you retain clients? "Start by measuring how many customers you fail to keep. Make sure you record people you lose midway through a policy, as they do not only leave at the renewal date." When customers leave, find out why and try to change the situation.

You are likely to find that a common reason customers leave, he says, is a lack of "physical and emotional" interaction with brokers at the stages of both renewal and claims. This may sound a little extreme, but he explains: "If a customer only has contact with you via paper, what sort of experience is that? And how does it compare to face-to-face, or at least phone, contact?"

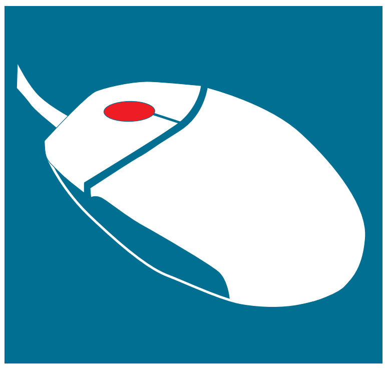
Linnell advises training employees to handle renewals and claims as helpfully and pleasantly as they would when trying to win new business – "get a system in place". He adds: "You should even think about the credit control stage – how do you want your people to behave with customers when a payment is late?"

# Technology

## *'If you are not able to buy a killer domain name, think about developing a very specific one'*

A closer look at Lockyer's three-fold increase in business shows how combining a marketing strategy with clever use of technology is another route to higher profits. The company achieved its high profile on the web by buying the internet domain name commercialpropertyinsurance.co.uk about a year ago. It then invested in search engine optimisation, which involved creating back links from other sites to the domain to make it easier for search engines to find. This cost Lockyer £3,000, plus further £3,500 for its own website.

Newall says: "We are getting about a thousand visitors a month and we have stopped all direct marketing to property owners – they are chasing us now. I only wish I had worked this out years ago."



If you are not able to buy a killer domain name, think about developing a very specific one – and a specific service. Manchester-based Caunce O'Hara, which offers professional indemnity insurance (PII) and specialises in contractors, among other types of worker, spotted a gap in the market for complete and swift-to-arrange cover for offshore oil and gas contractors.

Last September, the broker launched energycontractors.co.uk, which allows customers to buy PII and print out the certificate almost instantly. As Caunce O'Hara business development executive Adrian Stewart says: "In the past, contractors would have had to go to the market and wait days for paper confirmation."

Stewart describes the investment as "significant". "We had to do months of research and build a new website," he says. But he says premiums from this line of business have increased, again, threefold in the past six months.

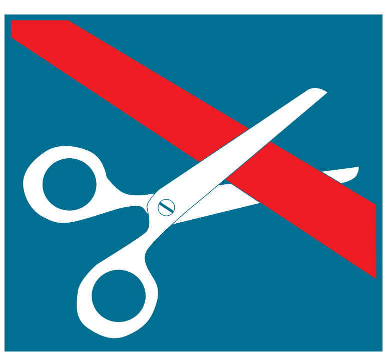
# Cutting regulatory costs

## *'The shake-up of the FSA is an opportunity for the way we are regulated to be reviewed'*

Regulatory costs, which eat into profit, might seem to be set in stone but there are ways of reducing the burden.

Joining a broker network can cut your compliance costs. Broker Network Momentum Solutions was launched six months ago by former Oval Insurance Broking managing director Howard Pepper. Momentum claims to be able to take the burden of FSA authorisation and associated administrative costs off your hands.

Pepper says: "Because we are authorised and regulated by the FSA, our brokers don't have to be." Momentum also provides cheaper PI and legal support through the network's economy of scale. Pepper says fees for members vary, so it's hard to say exactly how much a broker would save.



Another approach is to support a campaign to bring about change. Signing up to *Insurance Times*' Fair Fees campaign would be a start.

Or there's Biba's campaign to reduce the regulatory load on brokers. Biba head of compliance and training Steve White says: "Compared to the rest of Europe, UK brokers' costs are three times as high as in the second most expensive country [Ireland]. The shake-up of the FSA is also an opportunity for the way we are regulated to be reviewed. So we are lobbying the government hard and inviting brokers to support us."

Start by backing Biba's call for a consultation on the hike in the FSCS levy by downloading the template letter from Biba's website and sending it to your MP.

Consider also attending Biba's compliance forums, currently being held across the UK. These provide updates on regulation and the chance to discuss problems informally.

### RESEARCH: HOW TO MAKE MORE PROFIT FROM EXISTING CUSTOMERS

**Jelf Insurance Brokers introduced a raft of extra services after a survey of existing customers revealed gaps in the market. It began three years ago when the broker surveyed some 20,000 clients, in a research project that remains ongoing.**

**Chief executive Alex Alway says: "Any foundation for increasing business must be based on getting to know your clients better. So we started surveying our clients to find out what they thought of us and what else they needed, and this led to a mine of useful information."**

**As a result, Jelf now offers risk management, litigation cover and claims management. It formed alliances with other firms to provide these services, but Jelf gets commission from referrals, as well as deeper relationship with its clients.**

**Jelf also organises advice forums and seminars: for example the Pensions Minister, Steve Webb, will shortly attend a seminar on pensions because many clients had said they wanted to discuss their corporate pensions.**

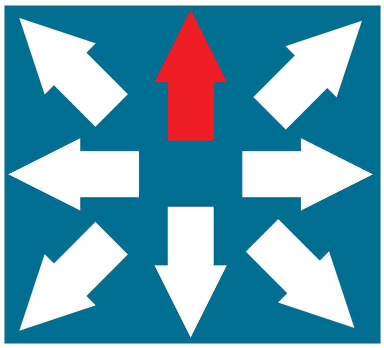
**Further forums on healthcare and insurance are planned.**

# New markets

## *'Monitor legislation in case it should create a new need for a new service'*

Entering a new market may boost your bottom line, as we have seen above, but how do you spot one? Newall at Lockyer says the firm continually monitors the numbers of businesses in a range of industries. "We try to stick to recession-resistant industries and avoid those where we have seen company numbers decreasing, such as construction and tanning salons."

Hamilton Fraser Insurance, which operates in niche areas including medical malpractice and rented properties, monitors legislation in case it should create a new need for a new service. When the Healthcare Commission was replaced with the Care Quality Commission in March 2009, a new requirement for all



primary healthcare providers to be authorised led to a need for a range of checks, including health and safety surveys, fire risk assessments and emergency planning.

Compliance and technical director Ian Langley says: "We knew smaller practices did not have the resources to do all the paperwork so we have been able to develop a market in providing risk management to these clients, picking up extra revenue in the process despite the fact our commissions were being squeezed."

As the Care Quality Commission is currently expanding the list of providers that must be authorised to include dentists and later GPs, Fraser Hamilton's market is growing too.

With so many ways to maximise profits, even in present market conditions there is no reason why the future for all brokers should not look as bright as it does for Fraser Hamilton and Lockyer.

### HOW SMALLER BROKERS CAN GROW PROFITS THROUGH ACQUISITIONS

**For smaller brokers, now might not seem like the ideal time to buy another firm but managing director of Hansen Young Consulting, Andrew Linnell, insists: "Since the downturn, prices make it much more feasible. There is plenty of money out there for strong companies with good business plans."**

**What are the pitfalls? "Commercial due diligence is crucial. An example would be if the boss of the company is selling up because he's retiring and it turns out that all his clients are business owners in their 60s too and therefore about to disappear as clients. Thorough commercial due diligence will pick this up."**

# The politics

# E-trading briefing Get connected

E-trading is one of the most exciting new business platforms available to brokers. There is no doubt that electronic systems are changing the shape of the industry and the market has become no place for technophobes. The exclusive *Insurance Times* Broker Service Survey reveals everything you need to know about the insurance sector's next big thing

CAROL WHEATCROFT

### Q. Where is e-trading taking place?

**A.** Insurers' websites appear to be where the lion's share of e-trading occurs. These websites are very well used. In fact, slightly more than 90% of respondents to the Broker Service Survey technology questions indicated that they use insurers' websites.

Brokers from small firms (GWP under £2.5m) are the heaviest users, whereas those from very large brokerages (GWP above £75m) are the least likely to use them (25% of very large broker respondents to the survey indicated that they never used insurers' websites).

This makes sense as it is easier to handle less complicated risks on an e-trading platform. In addition, very large brokers are more likely to have their own bespoke systems through which insurers' websites can be accessed directly.

E-trading is occurring within broker networks too but this is impacting a far smaller proportion of the market; only around 45% of the Broker Service Survey respondents indicated that they were members of a network or alliance and these were more likely to be small or mid-sized brokerages.

And e-trading is also being carried out between brokers and their clients. A recent *Insurance Times* sentiment survey about SME business found that 5% of respondents were offering their clients this option.

### Q. What about imarket?

**A.** Imarket offers an alternative way to engage in e-trading with a group of major insurers other than by accessing them directly through their websites. And although this multi-insurer-owned e-trading portal is not used by all of the broker market, it still appears to be well used by its devotees.

The Broker Service Survey provided a snapshot of imarket usage, indicating that just over half of the respondents used the service. Other findings revealed:

- Brokers from mid-sized and large brokerages (GWP between £10m and £75m) are most likely to use the service.
- Brokers from very large firms are the lowest users.
- Imarket is used more for commercial lines than personal lines.
- Very large brokerages are more likely to use imarket for personal lines than commercial lines.

### Q. How frequently are e-trading options used?

**A.** The answer seems to depend on brokerage size and IT investments.

Data from the Broker Service Survey showed that 50% of brokers who reported that they had their own bespoke systems used these for all or most transactions. This is not surprising as companies that invest in such systems would invariably seek to make use of the systems an integral part of workflow.

*'Small brokers have the flexibility to adapt their internal processes more easily to take advantage of e-trading'*

More surprising, perhaps, was the finding that a third of respondent brokers reported using insurers' websites for all or most transactions.

However, a closer look at this data revealed that it was brokers from small and medium-sized brokerages who were more likely to be the most frequent users.

Half of small brokers reported using these websites for all or most transactions, whereas three-quarters of very large brokers only used them for some or occasional transactions. This could be an indication that brokers see a real value in e-trading, but that it is the small brokers that have the flexibility to adapt their internal processes more easily to take advantage of this platform.

### Q. Should insurers be doing more to promote e-trading?

**A.** There are probably many in the industry, especially among small brokers, who would argue that insurers are already doing too much by setting up websites that enable their potential clients to trade directly with the insurer. This is especially true for personal lines and increasingly so for less complex commercial risks.

But as responses to the Broker Service Survey show, many small brokers have been embracing e-trading on behalf of their clients. And small broker feedback in the survey indicated that they want more help from insurers in this regard.

Here are a few of the suggestions that were made by brokers:

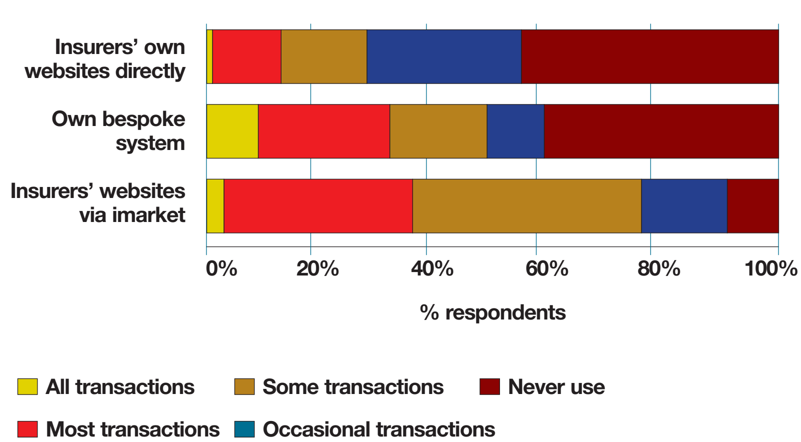
- "Options to refer quotes to underwriters electronically or to speak to someone live using online chat."
- "Improve websites to allow 24-hour access."
- "Make it easier for [brokers] to transact adjustments online."

Some in the industry may be slow to embrace e-trading but brokers that recognise its advantages remain one step ahead of their rivals.

It's time to become tech-savvy.

**GOING DIRECT**

TRADING THROUGH INSURERS' OWN WEBSITES REMAINS THE MOST POPULAR METHOD OF E-TRADING



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# Biba 2011: *Insurance Times* recommends …

Every broker marks the annual Biba conference in their calendar as the most important networking event of the year. But in between contact-building and deal-making, the conference offers some unmissable sessions and seminars that you should definitely make room for in the diary. Here, we sort out the best and the rest and outline the highlights of this year's conference – along with the big questions that someone needs to ask (if you dare)

## Five you can't miss

### 1 Aon chief executive Greg Case

**WEDNESDAY 11 MAY 10.00-11.15**

**Who?** Greg Case is president and chief executive of the UK's largest broker, Aon.

**Why go?** Case stands at the helm of Aon after a particularly tumultuous time in the broking giant's history. The FSA fined the broker £5.25m in January 2009 after "suspicious payments" of about $7m (£4.6m) were paid to both businesses and individuals in six countries including Bangladesh, Burma and Vietnam. Last year, Aon landed in hot water with clients including Deutsche Bank for selling information to insurers via its new Global Risk Insight Platform (GRIP). Case has also defended Aon's controversial decision to resume taking contingent commissions.
**What you should ask:** "Do contingent commissions cause conflicts of interest?"

**Most likely to say:** "The constant mantra for Aon colleagues is: 'How can I help a client or help a colleague help a client?'."
**Least likely to say:** "We're with Willis when it comes to commissions."

### 2 Fraud – why it's a broker issue

**WEDNESDAY 11 MAY 16.10–17.00**

**Who?** Glen Marr is director of the Insurance Fraud Bureau.

**Why go?** Glen Marr will describe how the IFB operates and how brokers can help to reduce insurance fraud, which according to the ABI fraud costs the sector an estimated £1.9bn in undetected fraud every year.
**What you should ask:** "Why is the industry record on sharing fraud data so poor?"

**Most likely to say:** "We need to work together to catch fraudsters."
**Least likely to say:** "Insurance fraud is a victimless crime."

> *'How can a broker ever justify selling clients' private information without their permission?'*

### 3 The regulatory forum

**THURSDAY 12 MAY 09.30–10.30**

**Chaired by:** Andrew Neil
**Who's on the forum?** Andy Homer, group chief executive, Towergate Partnership; Stuart Reid, chief executive, Bluefin; Brendan McManus, chief executive, Willis UK and Ireland; Steve White, head of compliance and training, Biba.

**Why go?** Next year, the unloved FSA will be replaced by the Consumer Protection and Markets Authority and the Prudential Regulatory Authority. Biba has published a report on what brokers can expect from the new regime. The panel will discuss Biba's report and their own views on how the new regulatory authorities should treat insurance brokers.
**What you should ask:** "How can the sector lobby effectively to ensure fair fees for brokers under the new regime?"

**Panel's opinion most likely to be:** "Brokers should not be lumped in with the banks."
**Least likely to be:** "Bring back the FSA."

# Marketing your business

## What do digital marketing and social media mean for the insurance community?

**THURSDAY 12 MAY 10.30-11.20**

**Who?** Leighann Burtrand, head of communications, Biba;
Neil Grimshaw, broker, Ravenhall Risk Solutions;
Tim Mears, social media executive, Pancentric Digital;
Jimmi Prebble, head of digital strategy, Pancentric Digital.
**Why go?** The panellists will discuss the importance of social media and online marketing activity as part of the insurance community's sales toolkit. Topics include the emergence of YouTube as a support tool for search marketing activity, the growth of social media in the insurance sector, integrating digital marketing with traditional advertising, and how online marketing can be used to understand more about target consumers.
**What you should ask:** "What are the biggest pitfalls of social media?"

**Most likely to say:** "Brokers need to tap into the potential business opportunities offered by social media."
**Least likely to say:** "Only small birds can tweet."

# Lord Alan Sugar interview

**THURSDAY 12 MAY 12.10–13.00**

**Interviewed by** Andrew Neil
**Who?** Lord Sugar is Britain's most famous entrepreneur, thanks to his central role on hit reality TV show *The Apprentice*.
**Why go?** Born in a council estate in East End of London, Sugar now has an estimated fortune of £730m and was ranked 84th in the *Sunday Times* Rich List 2010. In 2007, he sold his company Amstrad to BSkyB for about £125m. Thanks to *The Apprentice,* he is now best known for his gruff exterior and for humiliating candidates. Critics have called Sugar out of touch for his stern management style and his views on hiring women who might have children (he doesn't). In 2005, he made one of the least savvy technology predictions ever when he said the iPod would be "dead, finished, gone, kaput" by the following Christmas.
**What you should ask:** "So, what do you think about the iPod2?"

**Most likely to say:** "Young people are interested to see how I came from nowhere and ended up a millionaire – there is no reason why they can't do the same."
**Least likely to say:** "Let's have a group hug."

## And the rest

**WEDNESDAY 11 MAY 14.10–15.00**

● **Ed Stafford**
Explorer, writer and adventurer Ed Stafford talks about becoming the first man in history to walk the entire length of the Amazon River last year.

**WEDNESDAY 11 MAY 16.10–17.00**

● **New risks, new opportunities**
Graeme Newman, business development director of CFC Underwriting, shows how the technology landscape presents new risk exposures for traditional and virtual businesses.

● **The Trunki story – how to beat the Dragons**
Once rejected by the entrepreneurs of *Dragon's Den*, Rob Law is the brain behind Trunki, a ride-on suitcase for globetrotting toddlers that is now sold in 50 counties. Law appointed Brownhills Insurance Agents to help him find the right insurer after he found it difficult to get cover to expand into the US market.

**THURSDAY 12 MAY 10.30–11.20**

● **The law of agency/duty of disclosure**
Flaxman Partners managing director Roger Flaxman; Tom McGrath CBE; and Beachcroft partner Emma Bates discuss new rules around disclosure sparked by the case of *Nicholas G Jones v Environcom Ltd and Miles Smith Insurance Brokers.*

● **Presentation skills workshop**
Professional speaker Graham Davies tells brokers how to make effective presentations and hone their public speaking skills.

● **The small business workshop**
Beachcroft partner Matthew Ratter; Richard Ansell of the Information Commissioner's Office; Peninsula Business Services solicitor Mark Owen and risk services director Neil Hodgson. The experts offer advice on how brokers can help SMEs keep up to date with legislative and regulatory requirements.

**FRINGE SESSION 1 WEDNESDAY 11 MAY 11:45–12:30**

● **Session A: Accessing the Lloyd's market**
This will include presentations from market practitioners explaining how a regional broker can make a successful transition to the London market. Attendees will receive a 'roadmap' to assist them in their dealings with Lloyd's.

● **Session B: Guernsey**
The session promises to cut through business jargon and provided the basic essentials all brokers should know about captives.

● **Session C (sponsored by UK Insurance General): A cunning scheme for profit**
An overview of the schemes marketplace.

**FRINGE SESSION 2 WEDNESDAY 11 MAY 13:00–13:45**

● **Session D (sponsored by Davies Group): Andy Tenant**
Renowned UK cyclist Andy Tenant talks about what it takes to become a world-class athlete.

● **Session E: Biba brokerASSESS**
An overview of Biba's online learning and assessment tool, BrokerASSESS.

**FRINGE SESSION 3 THURSDAY 12 MAY 13:45–14:30**

● **Session G: Biba BrokerASSESS (see above)**

● **Session H: Guava**
Guava insurance specialist Nigel Townend explains the business benefits of search engine marketing

● **Session J: The challenges and opportunities for financial protection in the UK**
This explores the current situation of the financial protection industry in the UK.

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Manchester Central, May 11-12

OPPORTUNITIES

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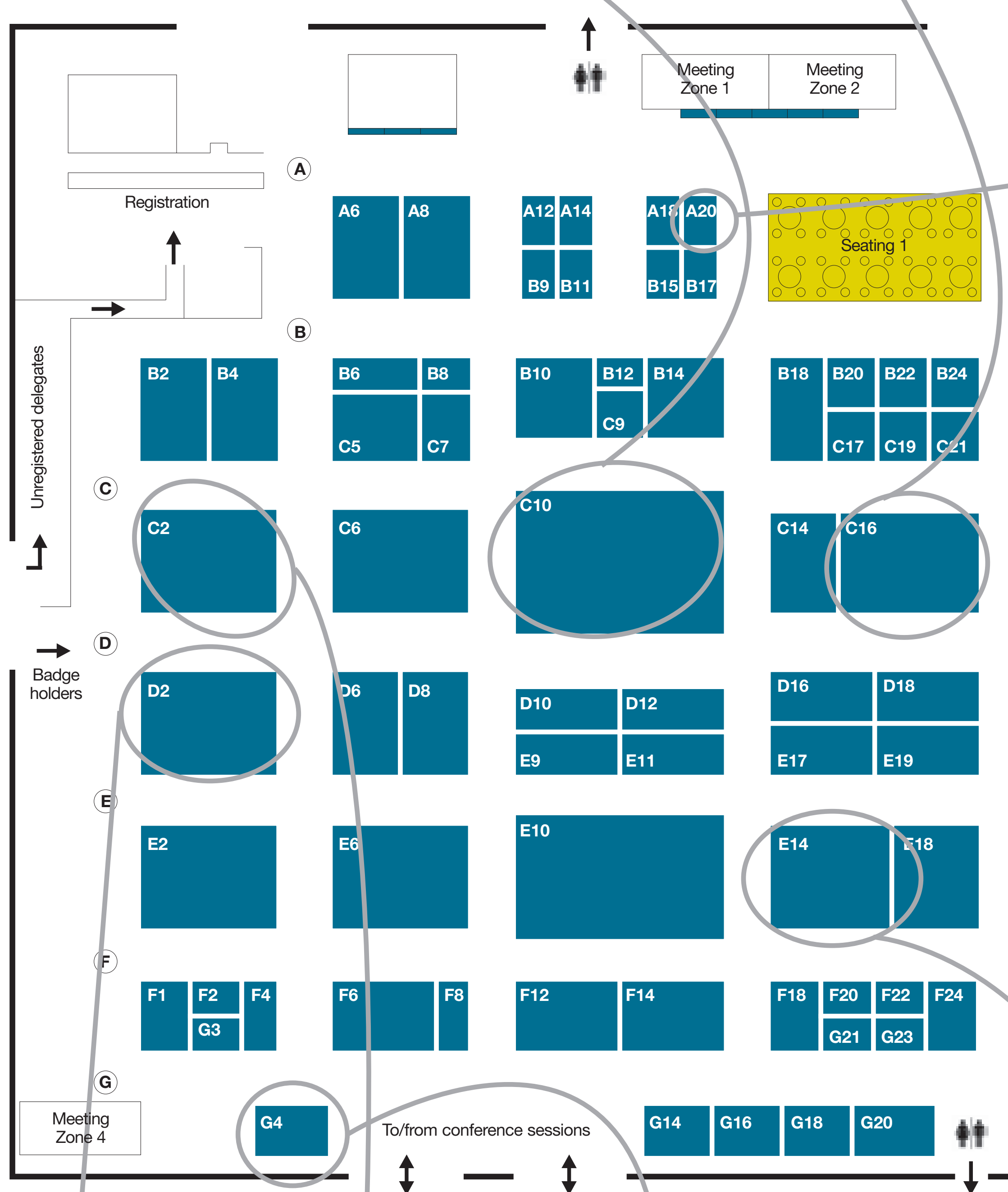
# Conference Guide

## Where to go and who to see

The **Aviva** stall C10 is always impressive and a good opportunity to meet top managers, such as **David**

The boys from **LV=** always put on a good show (usually with plenty of drink on hand), so it's worth dropping by their stall C16.

| | |
|---|---|
| Ace European Group | C7 |
| Abbey Legal Protection | C29 |
| Action Claims & Mortgages | A18 |
| Acturis | B8 |
| Adding 1 | F22 |
| Affiliated FM | D42 |
| Ageas | D6 |
| Ai Claims Solutions | B43 |
| All Clear Insurance Services | F28 |
| Allianz | E10 |
| Alternative Risk Management | C9 |
| American Appraisal | D26 |
| Amlin UK | B46 |
| AmTrust Europe | B24 |
| Ansvar Insurance | EB6 |
| APC Underwriting | D24 |
| aQmen | F2 |
| ARAG Legal Services | F39 |
| Arista Insurance | D12 |
| Arthur J Gallagher UK Ltd | D36 |
| askMID | B35 |
| Aspray | C32 |
| Aviva | C10 |
| AXA Assistance | F1 |
| AXA Insurance | D2 |
| Beazley | D8 |
| Bexhill UK | D46 |
| BIBA | G44 |
| BIBA Credit Management & Bonds Scheme | E36 |
| Bluefin | G14 |
| Broker Direct Plc | A32 |
| Broker Network/Countrywide | F6 |
| Broker Personnel | EB3 |
| Bureau Insurance Services | B52 |
| Callidus Solutions | E47 |
| Carraig Insurance Company/ Direct Commercial | D10 |
| Casualty & General Insurance Company (Europe) | F34 |
| Catlin UK | C30 |
| CFC Underwriting | B9 |
| Charterfields | C25 |
| Chartis | E6 |
| CII | F44 |
| CILA | A34 |
| Cincom Systems | G39 |
| Citybond Suretravel | F20 |
| Claims Advantage | G35 |
| Close Premium Finance | E32 |
| CNA Europe | C14 |
| Cobra | F35 |
| Compuquote | B17 |
| Connexus Claims Solutions | G24 |
| Crown Digital | A30 |
| Cunningham Lindsey | E27 |
| DAS Legal Expenses | G31 |
| Davies Group | D33 |
| Direct Group | F36 |
| EL Tracing Office (ELTO) | B39 |
| Ecclesiastical | B4 |
| ECIC | D28 |
| Endsleigh Insurance Services / Woodstock Insurance Brokers | C37 |
| EPIC Asset Management | G25 |
| Equity Red Star | F26 |
| Event Insurance Services | B42 |
| Evolution Underwriting | C17 |
| Figtree Systems (Europe) | B12 |
| Fire Protection Association | B15 |
| Firmus Underwriting Solutions | B26 |
| FirstAssist Legal Protection | A42 |
| FSA | B40 |
| GAB Robins | B32 |
| Groupama Insurances | E26 |
| Guava | G3 |
| Hagerty International | G21 |
| Harris Balcombe | E25 |
| Hawkins | F40 |
| Hays Insurance | F38 |
| HCC International Insurance | D18 |




The **NIG** top brass will be there in full force at stall C2, keen to build business and defend their controversial 'guaranteed to beat' discount offer.

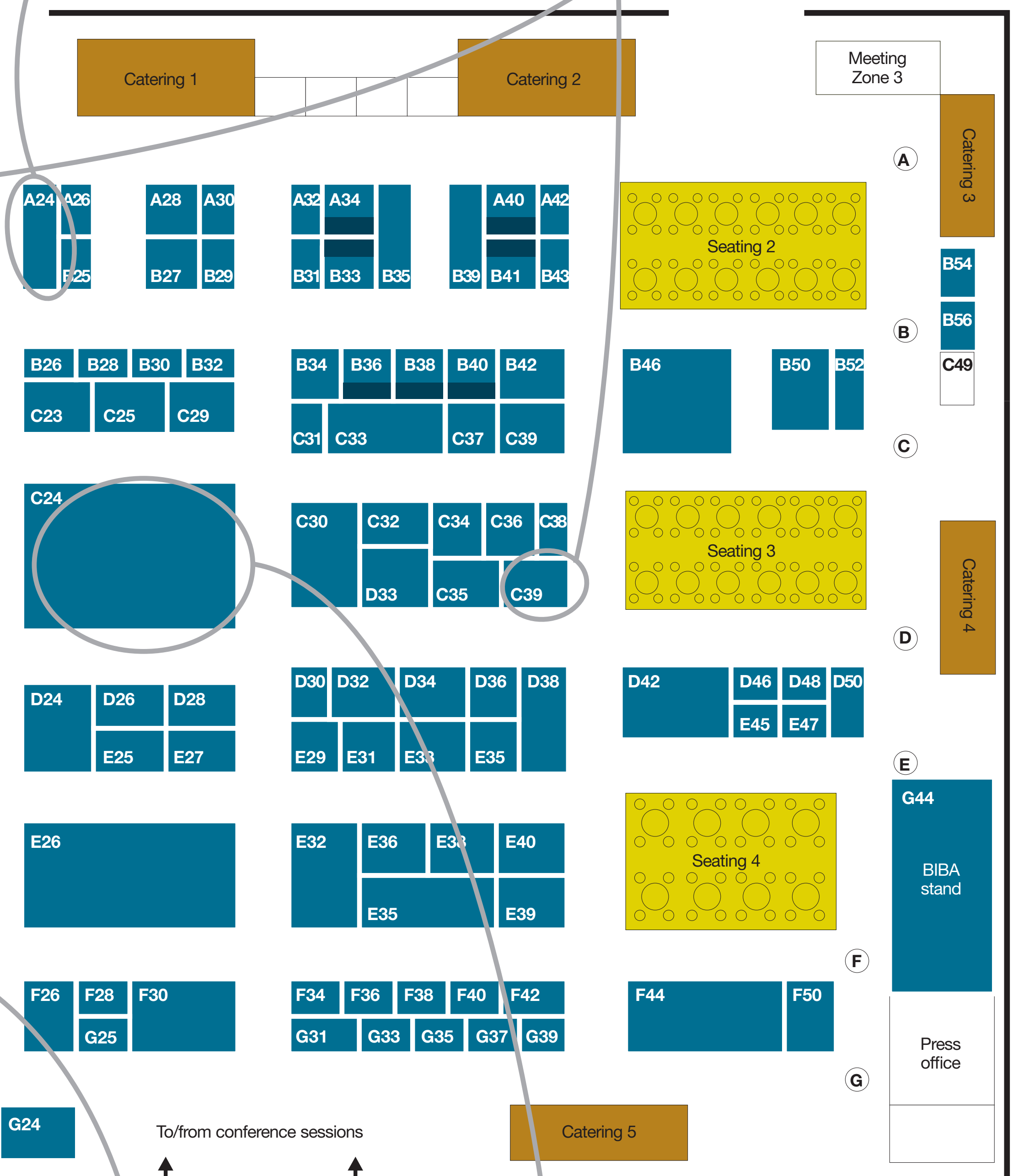
The **AXA** stall D2 will be buzzing this year, as new commercial boss **Amanda Blanc** fronts up the insurer's Biba presence for the first time.

Everyone who drops by the **Towergate** stall G4 will be asking the same question: when is chief executive **Andy Homer** standing down – and who will replace him?

Visit us on the ***Insurance Times*** stall A24, meet the team, and sign up to our petition for Fair Fees for brokers.

**Mitsui Sumitomo** has been in the headlines all year, and is making a raid on the mid-market, so chief executive **Andrew McKee** at stall D39 is one to add to your 'must meet' list.

Newly acquired by French insurer Covea, **Provident** at stall A20 is one to watch this Biba.




**RSA** at stall C24 will have to go a long way to beat its 300th anniversary celebrations last year.

**QBE**'s been very quiet lately – it might be worth dropping by their stall E14 to find out what they've been up to.

| | |
|---|---|
| HCML | EB7 |
| Heritage Group | F24 |
| Hiscox Insurance | E18 |
| Home & Legacy | C39 |
| Howden Insurance Brokers | D30 |
| HSB Engineering Insurance | E29 |
| Imperial Consultants | C33 |
| Insurance Age | F14 |
| Insurance Times | A24 |
| Integrity Claims Management | EB1 |
| Isle of Man Business Development Agency | F42 |
| John Holman & Sons | B22 |
| Jubilee Managing Agency | A8 |
| Keelan Westall | D38 |
| Kindertons | B29 |
| Legal & General Insurance | F30 |
| Lindenhouse Software | B36 |
| Lloyds | D35 |
| Lockton | F8 |
| Lorega | E40 |
| LV= | C16 |
| Manchester Underwriting Management | C31 |
| MAPFRE Assistance | D34 |
| Markel | D16 |
| Markerstudy | C6 |
| Marketform | E33 |
| Marks & Spencer | E9 |
| Mitsui Sumitomo Insurance | D39 |
| Momentum Broker Solutions | B11 |
| Motor Resolve | F50 |
| MSL Legal Expenses | C34 |
| NIG | C2 |
| Northern Marine Underwriters | B50 |
| Oak Underwriting | E19 |
| OHES Environmental | EB5 |
| Online Insurance Jobs | B33 |
| Open GI | B18 |
| Organise IT | B28 |
| Pi4U | EB4 |
| Post Magazine | F14 |
| PowerPlace | E2 |
| Premium Credit | C23 |
| Professional Insurance Agents | E17 |
| Provident Insurance | A20 |
| Provisional Marmalade | D50 |
| Proximo | F18 |
| Public Healthcare Group, Singapore | G23 |
| Pythagoras Communications | B6 |
| QBE | E14 |
| Qliktech | G18 |
| RL Davison & Co | C19 |
| Red Planet Software | EB2 |
| RKH Wholesale Solutions | B31 |
| RSA | C24 |
| RWA Group | B30 |
| RWS Group | D48 |
| Salesforce.com | A28 |
| Sentinel Alliance | G37 |
| Service Solutions Direct | B27 |
| Shepherds Friendly | E45 |
| Skills Solutions | B38 |
| Sovereign Auto | B25 |
| SSAIB | B54 |
| SSP | B10 |
| Standard & Poor's | E31 |
| Stephensons Solicitors/ Morisons Solicitors | EB8 |
| Sterling Insurance Group | C21 |
| Stride | B34 |
| Swinton | C38 |
| Tasker & Partners | A12 |
| The Co-operative Legal Services | C36 |
| The Institute of Risk Management | B56 |
| The Insurance Charities | A14 |
| The Prince's Trust Insurance Leadership Group | A40 |
| The Revival Company | G33 |
| Thermocable Flexible Elements | E35 |
| This | C5 |
| Thomas Miller Advisory Services | F4 |
| Tokio Marine Europe Insurance | E11 |
| Towergate Underwriting | G4 |
| Transactor Global Solutions | E38 |
| Travelers | F12 |
| Troon Underwriting | D32 |
| UK General Insurance Group | B2 |
| Unum | A26 |
| Usay Compare | B41 |
| Vertafore | G16 |
| VPS | G20 |
| WR Berkley Insurance (Europe) | B14 |
| Websure | B20 |
| Zurich/BIBA wallet collection | A6 |

# The guide to outside the conference

Fans of football, music and *Coronation Street* have been flocking to this edgy northern city for years, but only recently has Manchester transformed into a must-visit destination for all. Sarah Riches guides you around the city's best sights, restaurants and pubs to complement your Biba experience this year

## Eating

### Michael Caines Restaurant at ABode

A former Victorian cotton merchant's warehouse, this beautiful red-brick building is now home to one of the city's most stylish hotels, with an atmospheric dining room. The chef uses regional ingredients, so sample the venison from the Lake District, Cumbrian beef or Yorkshire partridge – slow cooking enhances the flavours. Try the tapas-style grazing menu for groups, the seven-course tasting menu or go à la carte.
**ABode Hotel, 107 Piccadilly, M1 2DB**
**michaelcaines.com**

### The Northern Quarter Restaurant and Bar

A charming independent restaurant with friendly staff and a chef who makes the most of seasonal, local produce. The sophisticated à la carte evening menu is heavy on meat and includes such homely fare as braised guinea fowl and foie gras terrine, followed by roast Garstang sucking pig with Bury black pudding. There's a good choice of fish dishes, too – try the pan-fried hake with potted brown shrimp. Vegetarians won't starve but are best off going elsewhere.
**108 High Street, M4 1HQ**
**tnq.co.uk**

### Yang Sing

Since it opened in 1977, Yang Sing has been hailed as one of the best Cantonese restaurants between Princess and Portland, largely because of its dim sum. It's popular for business lunches and the tasting menu is good for groups – make sure you try the steamed beef dumplings with ginger and spring onion and Peking-style spare ribs. The nearby Pacific Restaurant serves regional Chinese and Thai dishes in smart surroundings.
**34 Princess Street, M1 4JY**
**yang-sing.com**
**58-60 George Street, M1 4HF**
**pacificrestaurant.co.uk**

## Drinking

### Peveril of the Peak

If you want a proper boozer, visit the Peveril, behind the Bridgewater Hall. This grade-II listed pub run by a friendly Irish family was once a pitstop frequented by Lord Peveril on his travels from the Peak District. Now history lives on in the green-tiled Georgian exterior and a mischievous spirit said to haunt the cellar. It's popular for its draught bitters, lagers and ale. The games room has pool, table football, darts, dominoes and a jukebox.
**127 Great Bridgewater Street, M1 5JQ**

### Sam's Chophouse

Sam's Chophouse near the Royal Exchange Theatre has been serving hearty meals since 1872, long before gastropubs were invented. But if you're a discerning drinker, it'll be the wine you come for. The wine list has been cherry-picked by George Bergier, chairman of the Guild of Sommeliers, and includes specialist and vintage wines from all over the world. It also has a selection of cognacs and aged malt, blended and Irish whisky.
**Back Pool Fold, off Cross Street, M2 1HN**

### The Old Wellington

Built in 1552, the Old Wellington Inn has survived a civil war, the Great Plague, the Blitz and the 1996 IRA bombing. Its low beams and timber structure are still intact, making it an atmospheric spot for an evening drink next to Manchester Cathedral. It serves eight pump ales, including the Lancaster Bomber and Jennings Cumberland from the Lake District. If it's a sunny evening (you never know), take your pint into the beer garden the pub shares with Sinclairs Oyster Bar.
**4 Cathedral Gates, M3 1SW**

## The sights

### Castlefield

Plenty going on in the evenings here. See the world premiere of *Ghost: The Musical* at the Opera House or a piano performance by Andrew Wilde at the Bridgewater Hall. The Cornerhouse is Manchester's world cinema showcase. Or catch open mic performances at the Comedy Store, Deansgate Locks.

### The Northern Quarter

Just behind the Arndale shopping centre, you'll find the city's creative hub. Manchester Craft & Design Centre, a former Victorian fish market, is now home to 19 studios exhibiting abstract oil paintings, illustrations and ceramics. The Chinese Arts Centre, which turns 25 this year, is just around the corner.

### Trafford

Start with a museum and stadium tour of Old Trafford – you'll get to walk through the players' tunnel to the sound of cheers. Practise your swing at Playgolf, a 300-metre outdoor golfing range with nine holes, or try sky-diving at Airkix (change out of your suit first).

# Event programme and timetable

Plan your day, enjoy the feisty fringe sessions, and leave time for networking and checking out the exhibition

## Wednesday 11 May

| | |
|---|---|
| 08.30 | Exhibition opens |
| 10.00 | Conference opens: Keynote session with Aon Corporation president and chief executive Greg Case |
| 11.15 | Refreshments and networking in exhibition hall |
| 11.45 - 12.30 | Fringe sessions |
| 12.30 - 14.00 | Lunch in exhibition hall |
| 13.00 - 13.45 | Fringe sessions |
| 14.10 - 15.00 | Keynote session: Ed Stafford, Amazon adventurer |
| 15.00 - 16.00 | Refreshment break |
| 16.10 - 17.00 | Seminar sessions (choice of three) |
| 17.30 | Exhibition closes |

## Thursday 12 May

| | |
|---|---|
| 08.30 | Exhibition opens |
| 09.30 | Keynote session: the Regulatory Forum |
| 10.30 - 11.20 | Seminar sessions (choice of four) |
| 11.20 - 12.00 | Refreshment break |
| 12.10 | Closing keynote session: Lord Alan Sugar |
| 13.00 - 13.45 | Fringe sessions |
| 13.00 - 14.30 | Lunch in exhibition hall |
| 13.45 - 14.30 | Fringe sessions |
| 14.30 | Networking in exhibition hall |
| 16.00 | Biba 2011 closes |

*And before you forget that piercing insight, new contact or witty aside …*

## Notes

# SWEET DEALS FROM TOWERGATE

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