

The background of the slide is a dark blue gradient. It features faint, semi-transparent financial charts and data. In the upper left, there's a line chart with a dashed trend line and some numerical values like '250', '(+7.2)', and '12,256'. Below this, there's a bar chart. In the lower half, there are more line charts. The overall theme is financial markets.

# PROPERTY & CASUALTY & INSURANCE MARKET NEWS

Feb. 15 – Feb. 28, 2020

## P&C – Selected Stories

### **Crawford Legal Services expands UK operation**

Crawford & Company has unveiled growth plans for its Crawford Legal Services (CLS) unit in the UK. CLS, which has a workforce of more than 40 people operating in Liverpool and Manchester, is opening new offices in Leeds and creating a sizeable presence in Birmingham. "Our unique approach, operating as an independent alternative business structure while being fully embedded within the core activities of Crawford UK, enables us to offer a unique operating and commercial model, to develop highly customer-focused solutions and provide a fully integrated single-supplier service that delivers on our mission to restore and enhance lives, businesses, and communities."

<https://www.insurancebusinessmag.com/uk/news/breaking-news/crawford-legal-services-expands-uk-operation-213853.aspx>

### **UK Insurers Could See Underwriting Losses After Storms Ciara, Dennis: Fitch**

Losses from storms Ciara and Dennis, which brought strong winds, torrential rain and widespread flooding to the UK, will increase pressure on UK household insurers' profits in 2020, said Fitch Ratings. While the claims are unlikely to exceed £500 million (US\$644.5 million), they could contribute to a combined ratio above 100% for 2020, or an overall underwriting loss, said Fitch. "Our sector outlook for the UK non-life company market was already negative, reflecting our expectation of substantial pressure on profitability driven by increased claims inflation and weak pricing for both household and motor insurance."

<https://www.insurancejournal.com/news/international/2020/02/21/558989.htm>

### **Coronavirus spurs ISO to provide business interruption endorsement**

The Insurance Services Office (ISO) has released two optional endorsements for use with commercial property forms to provide limited business interruption coverage for circumstances related to the coronavirus. Efforts to curtail the spread of the disease have closed businesses, stopped international travel, and disrupted shipping. Consider that Wynn Resorts is losing \$2.4 million to \$2.6 million each day that its casino in Macau remains closed.

<https://www.propertycasualty360.com/2020/02/10/iso-provides-business-interruption-endorsement-in-response-to-coronavirus-414-171888/>

### **Homeowners' Satisfaction with Property Claims Reaches Record High as Insurers Focus on Relationship Management, J.D. Power Finds**

Overall customer satisfaction with the property claims process has reached a record high, with year-over-year improvements realized across the majority of insurers evaluated in the study. "Home insurers have spent a great deal of time and money refining their claims processing capabilities through a combination of improved client relationship management, enhanced technology and improved quality control." Amica Mutual ranks highest in property insurance claims experience for a ninth consecutive year, achieving a score of 902. The Hartford ranks second with a score of 896, followed by Farmers with a score of 893.

<https://finance.yahoo.com/news/homeowners-satisfaction-property-claims-reaches-130000173.html>

### **Australia braces for claims from 2020's fourth cyclone**

Already affected by three cyclones this year, Cyclone Esther hit Australia on February 24. It made landfall in the northern state of Queensland before moving further north. It follows from Cyclone Uesi, a category three storm which was felt along Australia's eastern coasts two weeks ago; and Cyclone Damien, another category three which hits the country's west coast on February 8.

<https://insuranceasianews.com/australia-sees-fourth-cyclone-of-2020/>

### **Storm Sabine (Ciara) insured losses pegged at €675mn in Germany: GDV**

Storm Sabine (also known as Ciara in the UK) is estimated to have caused re/insurance industry losses of around €675 million in Germany, according to the General Association of the German Insurance Industry (GDV).

<https://www.reinsurancene.ws/storm-sabine-ciara-insured-losses-pegged-at-e675mn-in-germany-gdv/>

## P&C – Selected Stories

### **Crawford names Inga Beale to board**

Crawford & Co. named former Lloyd's of London CEO Inga Beale as an independent director, bringing the number of seats on the claims management firm's board filled by women to three out of nine. As an independent director, Ms. Beale will provide "insights, counsel and perspectives that will complement those of the existing board members" benefiting Crawford's strategy going forward.

<https://www.businessinsurance.com/article/20200218/NEWS06/912333116/Crawford-claims-management-names-Lloyds-Inga-Beale-to-board>

### **Berkshire Hathaway P/C Insurance Profit Down in 2019**

Full-year insurance results at Berkshire Hathaway disappointed in 2019, with after-tax earnings from underwriting falling to \$325 million in 2019 compared to \$1.6 billion in 2018. Earnings from primary insurance operations were lower in 2019 and losses from reinsurance were higher than in 2018. While 2019 was not as good as 2018, Berkshire Hathaway property/casualty insurance companies have been on a good run, achieving an underwriting profit for 16 of the last 17 years.

<https://www.insurancejournal.com/news/national/2020/02/24/559190.htm>

### **Gallagher scoops most ethical recognition again**

This year's list of 2020 World's Most Ethical Companies by Ethisphere included 132 recipients from 21 countries and 51 industries, with Gallagher as the only recipient in the insurance industry.

<https://www.insurancebusinessmag.com/us/news/breaking-news/gallagher-scoops-most-ethical-recognition-again-215018.aspx>

### **Coronavirus Raises Insurance Questions But Catastrophe-Tested Insurers Are Prepared**

"With all the global catastrophic events over the past decade – wildfires, hurricanes, tornados, previous outbreaks, and the like – insurers have extensive experience dealing with unforeseen events impacting populations." The insurance industry has examined the current outbreak of coronavirus, offered coverages, and is continuing to develop new product lines.

<https://www.insurancejournal.com/news/national/2020/02/20/558481.htm>

### **AIG enters into \$500mn share buyback with Citibank**

U.S. insurer and reinsurer AIG has announced that it has entered into an accelerated share repurchase (ASR) arrangement with Citibank, N.A. to repurchase \$500 million of the company's common shares.

<https://www.reinsurancene.ws/aig-enters-into-500mn-share-buyback-with-citibank/>

### **Progressive Continues Hiring Drive, Looking for 8,000 New Employees Across Country**

Insurer Progressive said it intends to hire up to 8,000 new employees in 2020. With an increase in customers and total revenues topping \$39 billion, the company said it needs more employees to support continued growth in auto, property, commercial lines and recreational products insurance at more than 250 locations across the country. It currently employs 36,000 people.

<https://www.insurancejournal.com/news/national/2020/02/25/559387.htm>

### **Nationwide and Generali announce joint venture N2G**

Nationwide and Generali, through its P&C unit Generali Global Corporate & Commercial (GC&C), have announced a joint venture by the name of N2G Worldwide Insurance Services to support multinational solutions for international commercial clients.

<https://coverager.com/nationwide-and-general-announce-joint-venture-n2g/>

## P&C – Selected Stories

### **Allstate records \$58mn cat losses for January, reverts back to threshold**

Allstate Corporation has announced an estimated \$58 million in pre-tax catastrophe losses for January 2020. Allstate has also reverted back to a cat loss reporting threshold of \$150 million in a calendar month.

<https://www.reinsurancene.ws/allstate-records-58mn-cat-losses-for-january-reverts-back-to-threshold/>

### **Florida's private flood insurance market is growing**

Over the past half century, homeowners looking to purchase a flood insurance policy had effectively one option: the federally backed National Flood Insurance Program. And Florida accounted for more than a third of its policyholders. But as the federal program struggles with mounting losses and an increasing number of homeowners at risk for flooding, a burgeoning private insurance market has arisen offering to relieve pressure. Florida currently has nearly 83,000 private flood insurance policies as of September 2019, according to the Florida Office of Insurance Regulation. As recently as 2015, there were fewer than 1,000 policies.

<https://www.tampabay.com/news/business/2020/02/20/floridas-private-flood-insurance-market-is-growing/>

### **Aon confirms leadership shake-up**

There are major changes at the top at broking behemoth Aon. Part of accelerating execution on the Aon United Blueprint, the regional leadership teams will work across solution lines to ensure the best of the company reaches clients and will collaborate with global solution line leaders to set enterprise-wide solution development priorities. "The shift to a fully integrated model is consistent with Aon's emphasis on delivering the best of the firm to clients and a natural next step in its decade-long evolution into a leading global professional services firm. Previous structural changes, including the adoption of a single P&L structure, the move to a single Aon brand, and the creation of a single operating committee laid the groundwork for this important step and remain critical going forward."

<https://www.insurancebusinessmag.com/us/news/breaking-news/aon-confirms-leadership-shakeup-214777.aspx?>

### **RSA announces record current year underwriting profit**

RSA Insurance Group has announced a current year underwriting profit of £314 million for 2019, representing growth of £229 million when compared with the prior-year while the total group underwriting result increased by almost 39% to £346 million. "2019 was an important period for RSA. Significant management renewal and a repositioning of our UK & International division are showing good promise."

<https://www.reinsurancene.ws/rsa-announces-record-current-year-underwriting-profit/>

### **People turn more to crowdfunding to pay medical expenses**

One in five people say that they or someone they live with have donated to a crowdfunding campaign to pay for medical treatments or bills. "As annual out-of-pocket costs continue to rise, more Americans are struggling to pay their medical bills, and millions are turning to their social networks and crowdfunding sites to fund medical treatments and pay medical bills."

<https://www.modernhealthcare.com/insurance/people-turn-more-crowdfunding-pay-medical-expenses>

### **Origin and Cause Opens New Office in Orillia**

Origin and Cause announced the opening of a new office in the "Sunshine City" of Orillia, servicing Central Ontario. This launch comes in response to the high frequency of investigations being conducted in the region.

<https://www.canadianunderwriter.ca/inspress/origin-and-cause-opens-new-office-in-orillia/>

### **Zurich Seguros offers IoT devices to select business clients**

Zurich Seguros (Spain) announced it is offering a preventive service to retail companies to help them detect water and electrical damage.

<https://coverager.com/zurich-segueros-offers-iot-devices-to-select-business-clients/>

## Insurtech – Selected Stories

### **AIG Maps Out Major Investment in Technology, Core Processes**

AIG said it will invest \$1.3 billion over the next three years in its massive AIG 200 initiative, which is designed to revamp and improve core processes, technology infrastructure and services. The company has broken down the effort into “10 core operational programs” for which work is slated to begin in 2020. AIG has previously explained AIG 200 as something that it hopes will help reduce the expense ratio and general operating expenses, by way of modernizing technology, business processes and how it interacts with customers.

<https://www.insurancejournal.com/news/national/2020/02/14/558458.htm>

### **Kennedys IQ launches to develop claims innovations for insurers**

Known as Kennedys IQ, the company’s launch product is the bespoke IQ Platform, which pulls together multiple data points from Kennedys, clients and external sources and uses artificial intelligence (AI) and machine learning to uncover claims trends and best practice, as well as insight into how the client’s business is performing, what its competitors are doing, and what trends are emerging in the industry.

<https://www.claimsmag.co.uk/2020/02/kennedys-iq-launches-to-develop-claims-innovations-for-insurers/16194>

### **Toyota to Offer Nationwide’s Auto Insurance Product with Telematics**

TIMS BrightDrive is a telematics offering that uses driving data collected from the connected Toyota vehicle to provide a discount based on the customer’s driving behavior. The program is based on Nationwide’s telematics product SmartRide.

<https://www.insurancejournal.com/news/national/2020/02/26/559385.htm>

### **Authentic4D & Knox Services Unveil Digital Integration Catalyzing a Streamlined Assessment of Auto, Workers Compensation and General Liability Injury Claims**

The Authentic4D and Knox digital integration was released to the market more than a year ago and has proven to empower claims and litigation professionals to make better decisions more confidently, resulting in a material reduction in claim cycle time, an avoidance of unnecessary expenses while improving treatment across auto, workers compensation and general liability claims. Importantly, there is no financial relationship between the two parties, Rather the purpose of the partnership is to facilitate faster and more confident claims resolution.

<https://www.prnewswire.com/news-releases/authentic4d--knox-services-unveil-digital-integration-catalyzing-a-streamlined-assessment-of-auto-workers-compensation-and-general-liability-injury-claims-301005914.html>

### **Berlin AI insurtech startup omni:us eyes US expansion with a \$13 million Series A extension round**

Berlin-based AI-powered insurtech start-up omni:us has received an additional \$13 million as part of its Series A financing round to drive its expansion into the US market, a few months after receiving a €1.6 million grant from the EU Commission’s European Innovation Council.

<https://tech.eu/brief/berlin-ai-insurtech-startup-omnius-eyes-us-expansion-with-a-13-million-series-a-extension-round/>

### **FileTrac to integrate HOVER into its claims management system**

“Our vision at FileTrac is to reduce overall claim costs and transform our business to lead the new era of digital transformation in the insurance claims industry. We are excited to partner with HOVER who is leading the charge of this new era with their 3D technology to measure and estimate exterior home damage.”

<https://coverager.com/filetrac-to-integrate-hover-into-its-claims-management-system/>

## Insurtech – Selected Stories

### **Concirus Raises Another \$20m in Funding, Looking to Expand Quest**

Leading marine and automotive insurtech Concirus has announced that it has closed a \$20 million Series B funding round led by AlbionVC. The company has developed a behavioural-based underwriting platform called Quest which delivers portfolio management and predictive analytics using the latest advancements in big data aggregation, AI and machine learning. Adoption of the platform is changing the future of risk selection, pricing and claims throughout the value chain.

<https://insurance-edge.net/2020/02/17/concirus-raises-another-20m-in-funding-looking-to-expand-quest/>

### **Analyst Warns Regulatory Battle Over AI Bias to Grow; Lemonade Argues It's Fair**

As insurers introduce artificial intelligence into pricing and claims handling activities, regulatory focus on disparate impact will grow into “one of the biggest topics of the next 10 years.”

<https://www.insurancejournal.com/news/national/2020/02/14/558440.htm>

### **AI insurtech Tractable closes funding round**

Tractable, the insurtech developing AI for accident and disaster recovery, has received \$25 million in funding. Tractable's AI is used by Ageas in the UK, France's Covéa, Japan's Tokio Marine and Polish insurer Talanx-Warta to analyse vehicle damage effectively and efficiently. Models are trained on millions of examples, allowing accurate identification of damage and prediction of repair costs, while improving appraisal efficiency and customer experience.

<https://www.claimsmag.co.uk/2020/02/ai-insurtech-tractable-closes-funding-round/16197>

### **Nationwide launches smart home solution to add extra layer of protection to homes with connected devices**

The easy-to-use Notion smart home monitoring system packs multiple capabilities into each sensor, which monitors the home for opening doors and windows, the sound of smoke/CO2 alarms and water leaks, all from a personal device. Leading causes of insurance claims include water damage (31.4%), fire and lightning damage (26.8%) and theft (2.1%). The average claim severity is costly, with fire and lightning surpassing \$68,000, water damage exceeding \$10,000, and theft at more than \$4,000.

<https://www.prnewswire.com/news-releases/nationwide-launches-smart-home-solution-to-add-extra-layer-of-protection-to-homes-with-connected-devices-301006622.html>

### **Swiss Re's iptiQ and IKEA Partner to Offer Home insurance**

Swiss Re's iptiQ and IKEA announced the launch of HEMSÄKER, home insurance that provides accessible protection at an affordable price, said Swiss Re in a statement. HEMSÄKER, which can be purchased online via the IKEA website, was created to extend home insurance to more people and in turn increase their financial resilience. Created by iptiQ and IKEA, HEMSÄKER is initially being introduced in Switzerland and Singapore.

<https://www.insurancejournal.com/news/international/2020/02/18/558656.htm>

### **Why Germany Is Becoming a Global Hotspot for InsurTech Firms**

In 2019, Germany had already begun to position itself as the de-facto hub for InsurTech firms, largely due to the uniquely collaborative nature of InsurTech startups in the country, in combination with extreme interest from international investment firms, which recognize the disruptive potential of many nascent German InsurTechs. Part of the reason Germany has found itself at the center of InsurTech innovation is thanks to the forward-thinking Federal Government of Germany, which works with private insurance companies in all 16 German states to ensure they meet several important standards.

<https://www.entrepreneur.com/article/345377>