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Aegis scouts for talent as it diversifies for harder market



Davies: positioning for growth

Peta Miller

LLOYD'S energy insurer Aegis London is scouting for underwriters of mid-size lines in markets that do not correlate with energy in a bid to diversify and prepare for the next hard market.

Stuart Davies, Aegis London's managing director, told *Insurance Day* the firm is on the lookout "as we speak, for new talent and portfolios that can be positioned for growth in the next hard market".

Rather than buying other operations, given that its mutual

structure makes access to capital limited, Davies said the insurer is looking to appoint underwriters with portfolios roughly \$25m in size in markets ranging from motor to reinsurance. He said Aegis is currently carrying out exploratory analysis on various target markets.

Davies would not say which markets these are but added that the focus is "mainly non-marine as we probably have enough marine exposure through what we currently do".

And he added: "If someone has a great \$25m account that is not correlated to what we currently do, we are interested in

talking and have no particular set preferences about which class.

"Being a mutual, we are not under investment analyst pressure, so we don't have to grow and achieve profits so we can invest in people and products in a small way.

"If someone is looking for a new home and wants to decrease the income they are writing in a soft market, we will allow them to do that. A lot of other companies merge, are taken over or fail in a soft market so for an underwriter concerned about their current home, we have very solid capital behind us."

New recruits would report to

David Croom-Johnson, active underwriter of Aegis, who currently oversees a team of 25. In addition, Aegis is looking for additional claims and auditing staff to support new underwriting business.

Asked for a timeframe, Davies said: "The research is already happening today and some parts of that will come into fruition quicker than other parts but we expect the process to take the next six to 12 months.

"We are doing it to diversify and strengthen the business in the hope of making an underwriting profit so it is not directed at members," he continued. But

if there is cross-over in the sense that members of Aegis also buy from the new product lines, so much the better, Davies added.

In the US, where most of Aegis' members are based, Davies said the firm is also "seriously investigating areas" such as renewable and nuclear energy, power and construction.

"The US has taken to renewables in a big way and there are lots of projects going on," Davies said.

Aegis London is the UK-based subsidiary of the US-based mainly liability mutual Associated Electric & Gas Insurance Services (Aegis).

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