**MEDIA LIABILITY:** AI-generated stories create new exposure for publishing firms - PAGE 5


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# DATA & RANKINGS

Insurers, brokers and more ranked by industry sector

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## DATA & RANKINGS

The annual data issue of *Business Insurance* provides highlights from our proprietary research released over the past year and other rankings. Included are broker, captive, surplus lines and third-party administrator rankings, as well as rankings of directors and officers liability insurers, P/C wholesalers and medical malpractice insurers. **PAGE 14**

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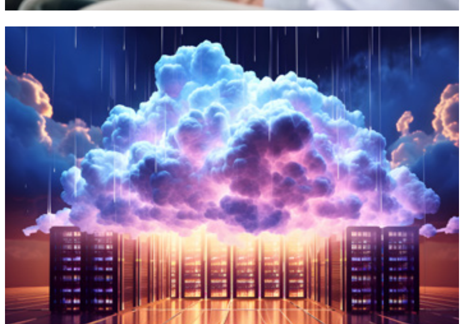

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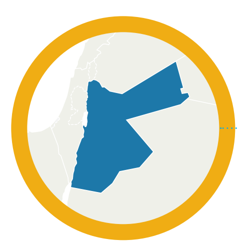



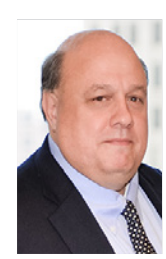



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# Articles produced via artificial intelligence generate liability issues for media companies

BY CLAIRE WILKINSON
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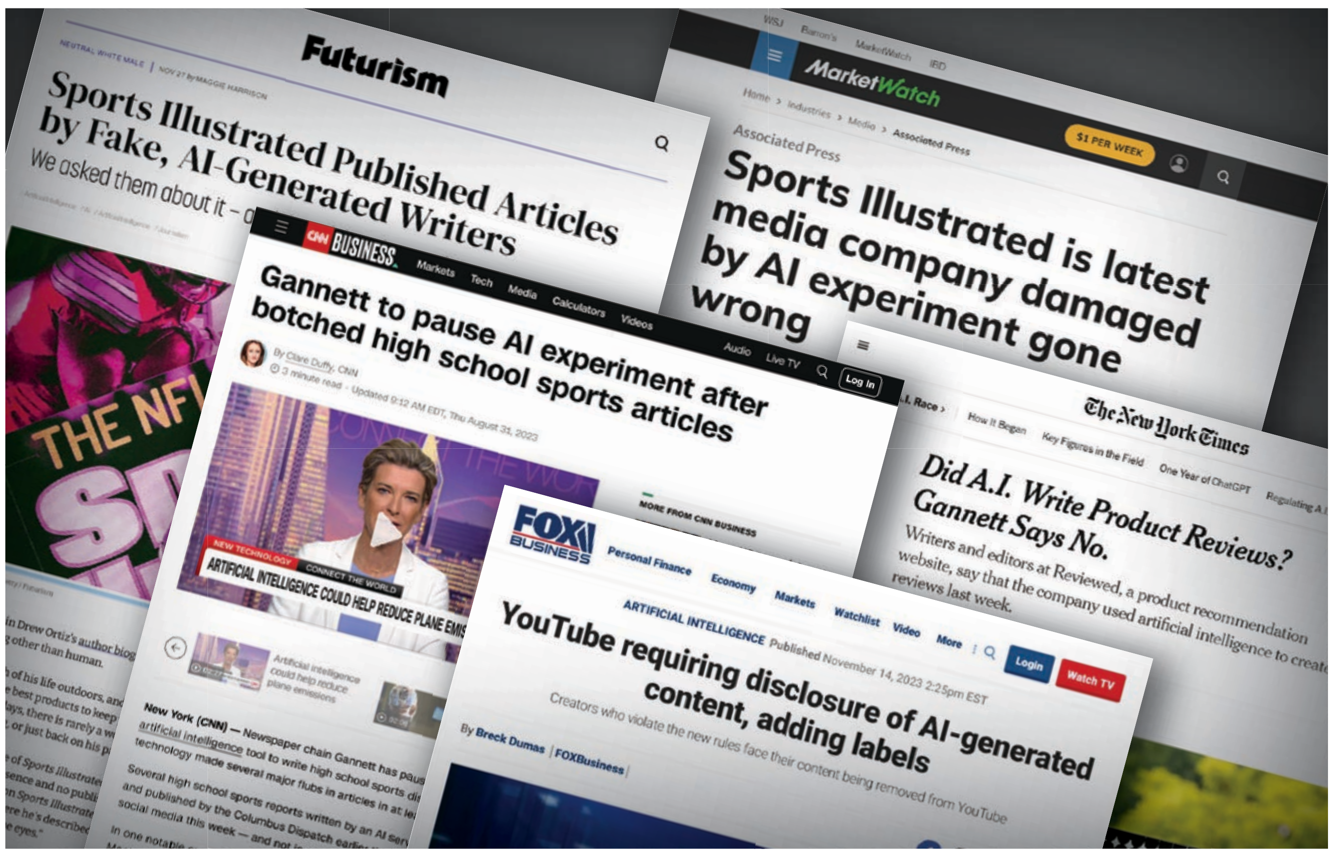



Media organizations that publish artificial intelligence-generated content should be transparent about how and when they are using AI and ensure that human checks and balances are in place, brokers say.

Insurers are not excluding or limiting coverage for AI-related exposures, but media organizations can expect more questions about their use of AI-generated content when they renew their media liability policies, they say.

In November, Sports Illustrated was called out for publishing content allegedly created by AI-generated authors with fake bylines and writer profiles, as reported by the Futurism website.

In a statement issued in response to the report, a spokesperson for Arena Group, the parent company of Sports Illustrated, said the articles in question were licensed content from a third-party company, Ad-Von Commerce and that AdVon had assured they were written and edited by humans.

Sports Illustrated is not the only media organization to have come under scrutiny in connection with AI-generated content.

Last year, newspaper publisher Gannett Co. Inc. stopped using an AI sports-writing tool after some of its articles were criticized on social media. Technology news site CNET was also reported to be publishing articles generated by AI without disclosing the practice.

Most large companies are experimenting with generative AI and there are many potential applications, said Eric Boyum, Denver-based managing director and national leader of Aon PLC's technology and communications industry practice.

"The risks have to be assessed for each individual application. It's not just what it is and how do its risks work but what are you doing with it, how have you trained it, and in what ways are you governing that," Mr. Boyum said.

Whether AI-generated works can be protected by copyright under U.S. law remains unclear, and disputes are being handled on a case-by-case basis in court, brokers said.

> "In the absence of watermarking technology that's foolproof and widespread, using proactive disclaimers to ensure that users are informed when they're interacting with an AI chatbot or AI-generated content is certainly a best practice."
>
> Jaymin Kim, Marsh

Mr. Boyum said a large music label client recently asked whether it would be covered if it used Open AI's DALL-E image generator to create an album cover and it received a copyright claim related to the image.

"The answer was, if you get any claim for copyright infringement, we certainly think you're getting into the policy. But there's this other provision that says if you intentionally do something that you know is wrong that creates a particular infringement then we probably shouldn't cover you," he said.

Statutory or case law has yet to establish definitively whether using such an AI model is legitimate, he said.

It's becoming increasingly difficult to distinguish between AI versus human-generated content, and transparency and disclosure are key, said Jaymin Kim, a Toronto-based senior vice president in the cyber risk practice at Marsh LLC.

"In the absence of watermarking technology that's foolproof and widespread, using proactive disclaimers to ensure that users are informed when they're interacting with an AI chatbot or AI-generated content is certainly a best practice," Ms. Kim said.

Whenever businesses use AI to generate content, there should also still be human oversight, she said.

From a coverage perspective, media liability, cyber liability and technology errors and omissions are among the policies that could respond, brokers said.

Businesses that generate AI content should be aware that the content they create is not necessarily protected by copyright, given the current uncertain legal environment, said Joe Quinn, Chicago-based Midwest cyber claims leader at Willis Towers Watson PLC.

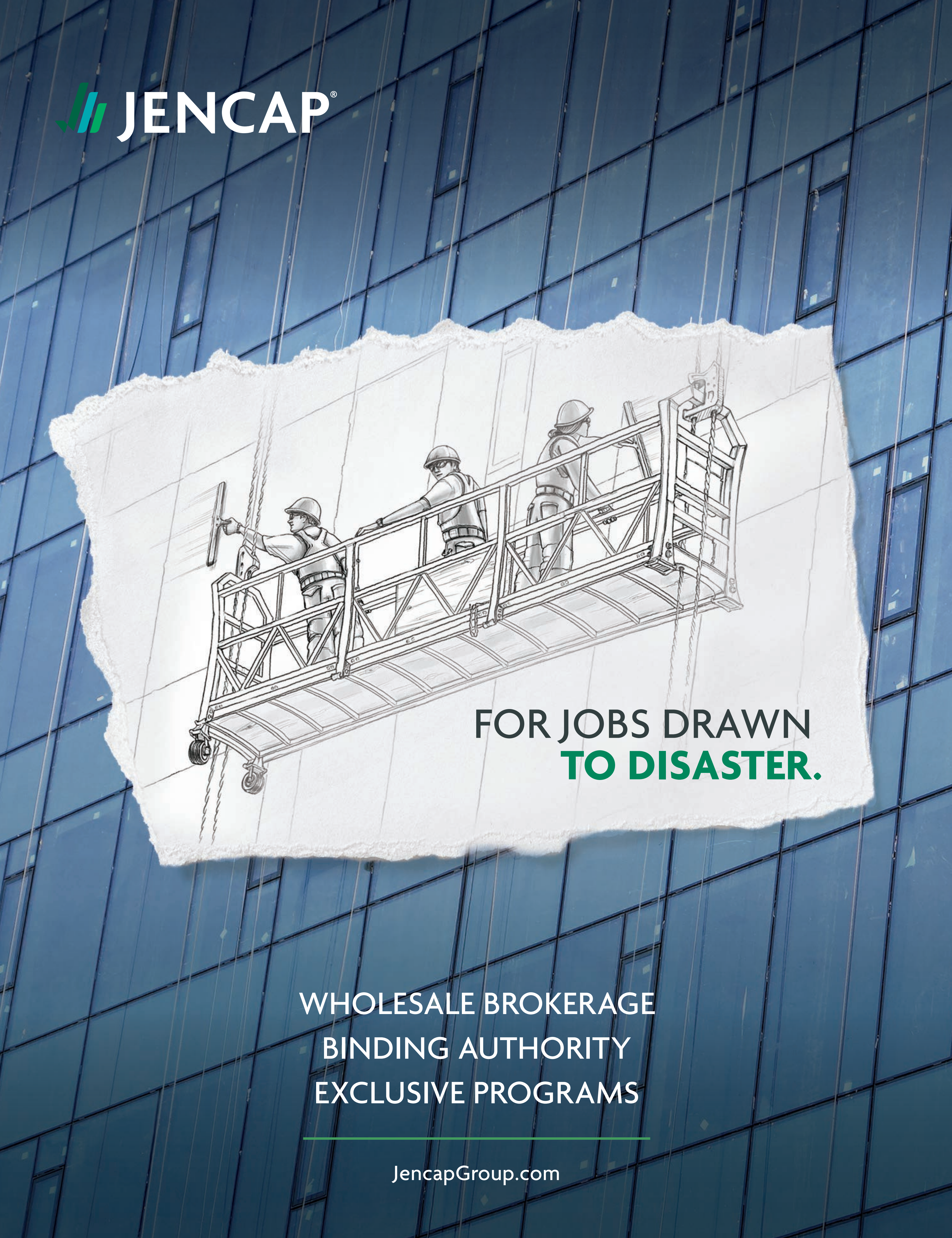
Media liability coverage can help protect companies from potential copyright issues, Mr. Quinn said. Such insurance typically covers third-party claims arising from copyright and trademark infringement, invasion of privacy and defamation.

Businesses that engage with AI vendors to help them generate content also need to be clear about the data sets they're providing, he said.

"They can try to screen for copyrighted material at that stage, but if they're unable to do that they should build in those indemnity provisions in their contracts with those AI vendors" and make sure the vendors carry some form of media coverage to provide an extra layer of indemnity and defense, Mr. Quinn said.

"Conceptually, existing insurance policies if triggered would respond to AI-specific exposures and claims," Ms. Kim said. "We're not seeing wholesale exclusions or limitations when it comes to AI-specific exposures," she said.

But intentional acts are often excluded, she said.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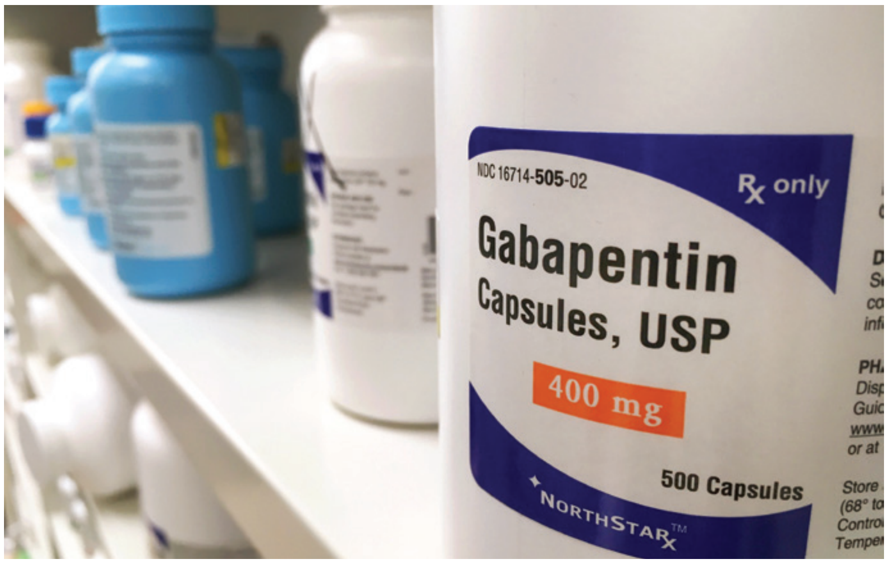
# Concerns rise over alternatives to opioids

BY LOUISE ESOLA
*lesola@businessinsurance.com*




The workers compensation industry is raising concerns over gabapentinoids, a drug class that has risen in popularity as a pain-relieving alternative to opioids.

Experts worry that such drugs, increasingly being used off-label for pain management, are being prescribed in combination with opioids, which could increase the potential for a deadly overdose.

Gabapentin is an anti-seizure neuropathic drug that is considered a depressant that can slow breathing — increasingly so when combined with opioids. Pregabalin, known by the brand name Lyrica, is another generic neuropathic drug that experts say raises the same concerns. Together the drugs fall under the class known as gabapentinoids.

The Texas Division of Workers' Compensation announced Nov. 15 that it will audit providers to ensure compliance with the state's formulary that recommends against combining gabapentinoids with opioids. That audit will examine co-prescribing patterns from June 1, 2022, through May 31, 2023.

Workers compensation experts say the Texas audit will help draw attention to what many have flagged as a growing concern for injured workers.

"There has been well-documented literature for over a decade that talks about the abuse potential for gabapentin and the risk of respiratory depression," said Reema Hammoud, Southfield, Michigan-based assistant vice president of clinical pharmacy for Sedgwick Claims Management Services Inc.

The frequency with which the drugs are prescribed in Texas is "not necessarily the concern," a spokeswoman with the Texas Department of Insurance wrote in an email, adding that the focus is on "whether it is medically necessary or appropriate to combine the drugs with opioids."

"Evidence-based medicine used in the Texas workers compensation system indicates that combining gabapentin or pregabalin and opioids is not recommended and may have dangerous side effects," the spokeswoman wrote.

Most state formularies — such as that in Texas — list gabapentin as a drug that can be prescribed without a preauthorization, which is required for opioids in virtually every state, either through workers comp formularies enabled by statutes or other state laws that limit opioid prescriptions for all patients.

The mismatched history of the two most commonly prescribed gabapentinoids adds to the challenges. (See related story.)

Regardless of whether the federal government catches up, the drugs have gained additional scrutiny from the workers compensation industry, which is typically liable for side effects, including death, experienced by injured workers harmed by treatment.

### GABAPENTINOID STUDY

A 2021 Workers' Compensation Research Institute study on workers with gabapentinoid prescriptions highlighted what researchers called a growing concern in the industry:

- Between **96% and 99%** of injured workers who were prescribed gabapentinoids did not have a documented diagnosis for one of the approved conditions under Food and Drug Administration guidelines.
- Researchers found that **more than half** of those prescribed gabapentinoids in Iowa, Kansas, Louisiana and Texas also had a prescription for opioids.
- Gabapentinoid prescriptions **varied widely by state**, with the lowest percentage in California, at 3%, and the highest in New York, at 12%.

"We've watched (the drugs) for a while because it's long been reported that they are highly pursued by the communities that are abusing drugs, like opioids," said Nikki Wilson, Omaha, Nebraska-based senior director of clinical pharmacy services at Enlyte LLC, which provides benefits management services for injured workers. In Enlyte's latest drug report for 2022, gabapentin and pregabalin were listed as among the fastest-growing class of drugs prescribed to injured workers.

"Respiratory depression, of course, is how we get to overdose with opioids," Ms. Wilson said.

Combining gabapentin with opioids was associated with a nearly 60% increase in the odds of opioid-related death, according to data published by the medical journal PLOS Medicine in 2017.

Ms. Wilson said the combination is similar to that of opioids and benzodiazepines, both of which the U.S. Food and Drug Administration has classified as controlled substances. That deadly drug combination, prior to the introduction of drug formularies over the past decade, was commonly prescribed in workers compensation until it proved dangerous.

"We know their risks," Ms. Wilson said of opioids and benzodiazepines. "That's kind of how this creeped up, as most of us assumed there was less risk for abuse" with gabapentin.

The issue is especially problematic for those who take the nerve drugs prescribed to them by a doctor treating a work injury and who also take opioids obtained illegally or outside of the workers comp network — which the industry is not always able to track, experts say.

To help manage the concern many benefit managers are providing letters to physicians who prescribe gabapentin or pregabalin to injured workers, and many are focusing on patient education about the dangers.

"This co-prescribing is still a pattern," said Johnny Taylor, Tampa, Florida-based assistant vice president, ancillary networks, pharmacy, at GBCare, part of Gallagher Bassett Services Inc. "Because of this, we've developed a program where we use gabapentin, opioids in combination as part of our risk scoring for interventions. And those types of interventions could be in the form of a drug review, like a drug utilization assessment, or perhaps a peer-to-peer discussion with the prescriber."

## STATES TIGHTEN CONTROLS FOR PAIN DRUGS

Gabapentin, approved by the U.S. Food and Drug Administration in 1993, remains unscheduled by the federal government, meaning it is less scrutinized. However, seven states have so far scheduled it as a controlled substance, and 12 states have added it to prescription drug monitoring programs — all over concerns that it has a similar profile to addictive drugs that have severe side effects.

The newer pregabalin, first approved in 2004, is scheduled as a controlled substance by the federal government — a differentiation that has some experts baffled, as the two drugs have similar profiles for addiction and side effects.

"What's always been interesting is the background on the two drugs," said Nikki Wilson, Omaha, Nebraska-based senior director of clinical pharmacy services at Enlyte LLC. "They're both very similar in their structure, so that means they act very similarly in the body."

When scheduling pregabalin as a controlled substance the federal regulators "were recognizing at that time the potential for it to be misused," she said. "All of us now wonder why gabapentin remained non-scheduled."

Compared side by side, the literature for both drugs shows they carry the same risks, said Reema Hammoud, Southfield, Michigan-based assistant vice president of clinical pharmacy for Sedgwick Claims Management Services Inc.

Federal regulators and advocates have called on the FDA to reschedule gabapentin as a controlled substance — a recommendation that hasn't gained traction. The FDA in 2019 put a black box label — considered the most stringent for drugs — on gabapentin and pregabalin, warning of "serious breathing problems" for certain patient populations already taking central nervous system depressants – such as opioids — or those with lung problems.

The consumer advocacy organization Public Citizen, in a 2022 petition to several federal agencies to reschedule gabapentin, noted "extensive evidence documenting the abuse potential of gabapentin and increasing misuse, abuse, and dependence of the drug."

*Louise Esola*

# Virtual reality tools show promise in treating comp claimants recovering from trauma

**BY JON CAMPISI**
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Methods for treating first responders suffering from mental injuries have gone virtual, as new techniques blend technologies such as gaming with more traditional approaches to treatment.

Considered more holistic, the newer treatments in workers compensation mental injury claims can help provide a drug-free way to aid recovering first responders and can be more cost effective for employers and insurers, experts say.

In the treatment of post-traumatic stress disorder, virtual reality therapy works by exposing individuals to triggers that can cause symptoms in an effort to create a process known as "habituation," according to Brian Peach, an assistant professor at the University of Central Florida's College of Nursing in Orlando.

The university is conducting a virtual reality therapy trial with adult critical illness survivors whose PTSD symptoms are triggered by situations such as seeing hospitals on television, hearing medical helicopters or smelling cleaning supplies.

Using a virtual reality headset, participants can look at a replication of their feared experience, helping to decrease their symptoms over time through habituation, Mr. Peach said.

The therapy can be especially beneficial to first responders, members of the military and veterans who suffer from emotional trauma on the job, Mr. Peach said. (see related story).

These types of workers are more likely to be subjected to "intense stress on an ongoing, kind of chronic long-term basis," said Karen Thomas, Culpeper, Virginia-based vice president of clinical solutions for CorVel Corp.

The new approaches are "absolutely on the rise" among the first-responder community, said Dr. Gerry Stanley, chief medical officer of Las Vegas-based Harvard MedTech, which produces virtual reality technology.

First responders can be "heavily traumatized" due to workplace exposure to violent or otherwise disturbing events, and the exposure can be isolated or manifest over time, Dr. Stanley said.

"It's sort of death by a thousand paper cuts," he said. "A lot of their calls can be microtraumas."

With psychological injuries rising among first responders, more states have enacted mental injury workers comp presumption statutes for such workers, said Dr. Kenji Saito, Augusta, Maine-based president of the American College of Occupational


## First responders turn to alternative treatments to overcome PTSD

Virtual reality has been put to the test for several groups of workers with good results.

Richard Picciotto, a retired New York City Fire Department battalion chief who survived the collapse of the north tower of the World Trade Center on 9/11 and now resides in Pompano Beach, Florida, said virtual reality has a place in workers compensation treatment.

"It's just another tool," said Mr. Picciotto, who authored a book about his 9/11 experience. The workers "are not taking drugs, but they still get the beneficial effects" of mental health treatment.

A device marketed by Harvard MedTech enables first responders to place themselves into simulated environments replicating real-world scenarios, with the exposure therapy designed to help them overcome traumatic circumstances.

The use of virtual reality exposure therapy was highlighted in a July 2022 study published in Translational Psychiatry as a potentially effective tool in combating depression and PTSD among military personnel who experienced work-related trauma.

That study, which looked at military members diagnosed with PTSD between 2011 and 2018, found that virtual reality exposure may be just as effective in treating combat-related PTSD as traditional exposure therapy. It also said the 9/11 terrorist attacks played a "substantial role in underscoring the paucity of effective treatments for PTSD."

*Jon Campisi*

and Environmental Medicine.

Just as training programs for police officers are being "gamified" to include virtual reality, simulated environments and augmented reality, it's a natural progression that these technologies would be used to treat mental injuries suffered in the course of handling emergency calls, experts say.

"It's going to be a little easier for them to adopt because they already use it as part of the (job) training, so they can make that connection," Dr. Saito said.

If virtual reality and similar treatment methods in workers comp are successful with traumatized first responders, they will likely be considered for other groups of claimants, Dr. Saito said.

The newer technologies are most successful when used in coordination with other treatment, experts say.

Virtual reality is "always going to be most effective when it's done in conjunction with some kind of talk therapy or cognitive behavioral therapy," Ms. Thomas said.

Often, licensed therapists who are trained to deal with trauma oversee the virtual reality treatment, she said, and the therapist can help guide the injured worker through the experience, employing corresponding techniques such as meditation and visualization exercises.

> "It's sort of death by a thousand paper cuts. A lot of their calls can be microtraumas."
>
> Dr. Gerry Stanley, Harvard MedTech

"So, there is an education component. There is a meditation component that kind of helps set that or guide that individual how to start their day," Ms. Thomas said.

While virtual reality therapy is seeing some success, it's still somewhat unclear whether it works better than standard treatment for work-related PTSD, said Dr. Les Kertay, Chattanooga, Tennessee-based behavioral health medical director for Genex Services, an Enlyte LLC company.

"That's the big question right now," he said.

Psychotherapy research has shown that treatments considered most effective for trauma almost always involve some type of exposure therapy, Dr. Kertay said.

"Generally speaking, it's graduated exposure," he said. "You don't want to just throw somebody back into the thing that traumatized them."

One hurdle to adoption of alternative treatment methods such as virtual reality concerns complications regarding mental health, according to experts.

Some in the first responder community may be reluctant to seek help because of the sensitivity of the issue, said Randy Jouben, chief of the risk management division of Fairfax County, Virginia.

"I hate to say it like this, but there's always going to be a certain amount of stigma," he said.

With guidance from CorVel Corp., Fairfax County developed a wellness screening tool designed to assess early-onset stress among county workers, Mr. Jouben said.

"If we had a police officer who twisted his knee, we would start the rehab and start working on him while he had a twisted knee," he said. "We wouldn't say, 'That's not serious enough. We're going to wait (until he tears) the ACL before we start doing anything.'"

The county is exploring the idea of using virtual reality because of its healing potential, he said.

Behavioral health concerns have risen among the U.S. population in recent years, and the issue has breached workers compensation.

According to the Workers Compensation Research Institute:

- First responders and other employees whose jobs involve being exposed to traumatic events are **four to five times more likely** to develop post-traumatic stress disorder and related conditions.
- PTSD is associated with **reduced occupational functioning**.
- Traumatic disorders are often accompanied by other psychiatric conditions, such as **depression** and **substance use disorder**.

# Capital markets open doors to cyber risks

**BY MATTHEW LERNER**
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The recent issuance of a cyber catastrophe bond by Axis Capital Holdings Ltd. capped a year in which the insurance-linked securities market showed increased interest in providing cyber-related reinsurance coverage.

Market participants expect further growth in 2024, potentially expanding capacity for systemic cyber exposures.

Axis issued a Series 144A cyber catastrophe bond in late November to provide several of its subsidiaries with $75 million of fully collateralized indemnity reinsurance protection for systemic cyber events on a per occurrence basis. Long Walk Reinsurance Ltd., a Bermuda-registered special purpose vehicle, issued $75 million of Series 2024-1 Class A notes, maturing in January 2026.

The issuance followed other cyber-related ILS capital markets transactions earlier in the year.

Last January, Beazley PLC secured $45 million of indemnity against all perils in excess of a $300 million catastrophic cyber event through a cat bond. The coverage was later expanded to $81.5 million.

Also that month, Hannover Reinsurance SE bought $100 million in retrocessional reinsurance coverage for cyber exposures through a proportional reinsurance treaty with a capital markets provider, tapping the markets without the use of securities.

In addition to securing coverage for the companies, the initial transactions may also mark the beginning of a wider cyber ILS market, said Paul Bantick, London-based global head of cyber and technology for Beazley PLC.

"We always hoped that this isn't just about Beazley, that by doing that $81 million, it would trigger the start of everyone being able to get access to this third-party capital, because for the cyber market to scale, that needed to start to happen," he said.

### LARGEST U.S. CYBER INSURERS

| 2022 rank | Company | 2022 direct premium written | Market share |
|---|---|---|---|
| 1 | Chubb Ltd. | $604,927,000 | 8.4% |
| 2 | Fairfax Financial Holdings Ltd. | $562,995,000 | 7.8% |
| 3 | Axa SA | $527,442,000 | 7.3% |
| 4 | Tokio Marine Holdings Inc. | $367,607,000 | 5.1% |
| 5 | Arch Capital Group Ltd. | $346,373,000 | 4.8% |
| 6 | Travelers Cos. Inc. | $315,325,000 | 4.4% |
| 7 | American International Group Inc. | $299,012,000 | 4.1% |
| 8 | Nationwide Mutual Co. | $257,313,000 | 3.6% |
| 9 | Zurich Insurance Group Ltd. | $252,515,000 | 3.5% |
| 10 | Sompo Holdings Ltd. | $247,978,000 | 3.4% |
| | TOP 10 TOTAL | $3,781,486,000 | 52.3% |

Source: S&P Global

Axis also sees further promise in the nascent market.

"With the launch of Long Walk, we hope that this can be a template for the market to use in building alternative capital sources in the future," said Kyle Freeman, Boston-based head of ILS structuring, property for Axis.

The capital markets will be a key component for future growth of cyber coverages, he said.

"With the cyber market growing, there is certainly a demand for more capacity. Given the catastrophe-like component to cyber risk, alternative capital is needed to sustain the growth of this market," Mr. Freeman said. "We expect Long Walk to be the first of many indemnity 144A cyber cat bonds in the market and to be a catalyst for the development of other solutions that will support the growth of the cyber market, such as index cat bonds and traditional reinsurance coverage."

Mr. Freeman added that Axis "will give serious consideration to further utilizing the Long Walk platform for subsequent transactions."

The transaction took place as the cyber insurance market expands.

In its September 2023 annual report on the insurance industry, the Federal Insurance Office said, "U.S. insurers continued to report growth in the cyber insurance market, for both package and stand-alone policies, in 2022, with approximately $7.2 billion in direct premiums written, a 51% increase over 2021's approximately $4.8 billion in direct premiums," adding that the cyber premium total constitutes less than 1% of the total property/casualty market.

FIO data also showed that the cyber insurance market is quite concentrated, with the top 10 providers of coverage holding a combined 52.3% of the market and the top 25 holding more than 86%.

"The cyber market continues to grow in every region around the world," said Tom Reagan, New York-based global head of cyber for Marsh, adding the broker is continually seeing new cyber clients.

Other parties involved in the Axis deal are also optimistic about the prospects for a wider acceptance of cyber cat bonds.

"We have seen the birth of the cat bond market in 2023 for cyber insurance and reinsurance. It's really the meeting of supply and demand," said Richard Pennay, New York based CEO of insurance-linked securities at Aon Securities, a unit of Aon PLC, which structured the Axis deal and distributed securities to investors.

Advances in risk analysis by modeling companies and educational efforts among cedents, brokers and investors helped usher in cyber catastrophe bonds, experts say.

"Advances in modeling certainly played a part but also the concerted effort of cedents, brokers and modeling agents in helping asset managers and investors get comfortable with the new asset class. The coordination of efforts made a difference," said Juan Marcano, London-based principal, alternative risk capital, at CyberCube Analytics Inc., which provided risk analysis for the Axis bond.

"The continued development and maturation of the cyber models was an important, and necessary, factor," Mr. Freeman said.

Investors "have growing confidence in the third-party modeling that exists on systemic risk," said Aon's Mr. Pennay, adding that Aon included presentations about probabilistic modeling and cyber modeling during recent meetings with investors.

"Hopefully, 2024 will continue to show that cyber ILS is a viable alternative investment and we will see more transactions coming to market," Mr. Marcano said.

Overall catastrophe bond issuance is expected to set a new record in 2023 after first-half issuance of just under $10 billion, which was already the fourth-highest yearly total after just six months. Most catastrophe bonds cover perils such as U.S. wind and earthquake, making cyber a new extension for the market.

## CONCERNS OVER SYSTEMIC EXPOSURES REVIVE INTEREST IN FEDERAL CYBER BACKSTOP

The threat of potential systemic cyber losses was one of the factors leading to the birth of the cyber catastrophe bond market, but the exposure has also generated discussion on what role public policy and government might play in covering the risks.

The notion of a government-sponsored backstop to the commercial cyber insurance market, similar to the terrorism insurance backstop, has drawn interest over the past several years and discussions continue.

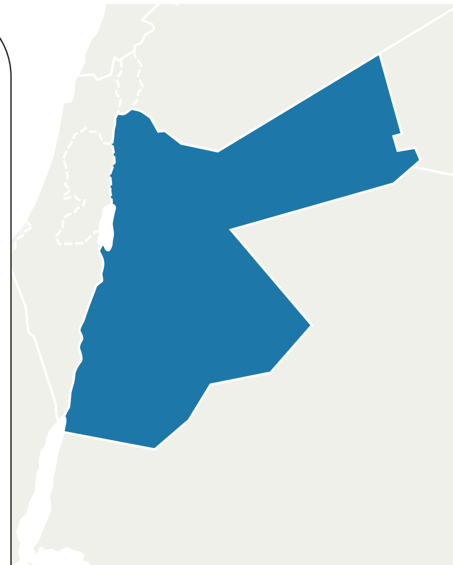
"A backstop may be necessary to deal with some of the challenges that the market has in terms of continuing to grow because of anxiety around accumulation," said Tom Reagan, New York-based global head of cyber for Marsh LLC. "We believe that a well-designed cyber backstop could be very effective in helping improve resilience in the U.S. economy."

Graham Steele, assistant secretary for financial institutions at the U.S. Department of the Treasury, supported the idea of a federal cyber insurance backstop in remarks made during a November conference in New York organized by the Treasury Department and New York University.

"While cyber insurance is a growing and evolving market, insuring for catastrophic cyber risks presents distinct challenges that need to be addressed," Mr. Steele said. "We believe that further exploration of the proper federal insurance response to catastrophic cyber risk is warranted and should be undertaken."

*Matthew Lerner*

# PROFILE: JORDAN



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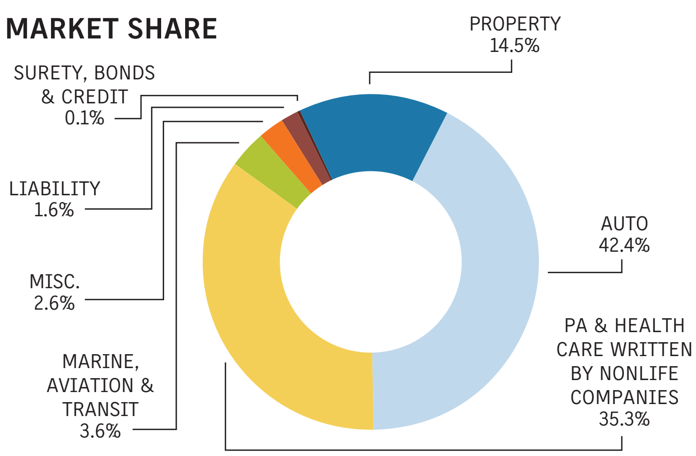
**GLOBAL P/C MARKET RANKING**

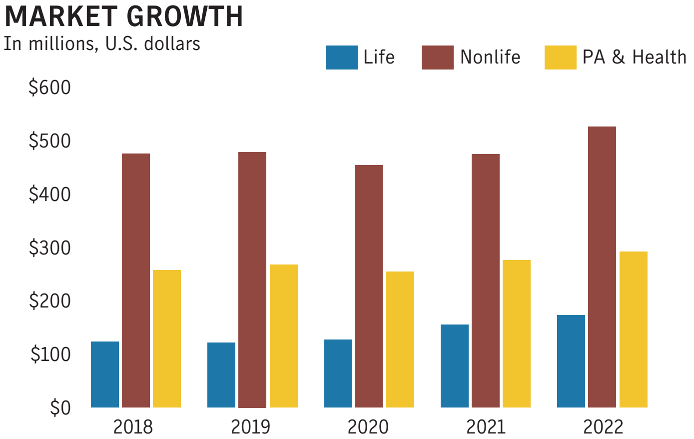
The Jordanian insurance market is small and relatively underdeveloped but continues to demonstrate growth in overall income. Profitability has fluctuated, with auto insurance key to positive or negative results. Recent changes to capital and solvency requirements may result in some mergers and acquisitions involving smaller companies, and some composite companies may choose to withdraw from the life market to focus on nonlife insurance. An ongoing concern is the long-term sustainability of the auto third-party liability market due to inadequate premium levels, although there are expected to be legislative changes in the near future to address this. The Jordan Insurance Federation launched an electronic platform for compulsory auto insurance in 2022, and online distribution of other lines of business is slowly increasing.

## MARKET SHARE




## MARKET GROWTH

In millions, U.S. dollars




Source: Axco Global Statistics/Industry Associations and Regulatory Bodies

### AREA

**34,495**

square miles

### POPULATION

**11.09**

million

### MARKET CONCENTRATION

**46.4%**

market share of top five insurers

### 2023 GDP CHANGE (PROJECTED)

**2.6%**

## MARKET DEVELOPMENTS

Updated December 2023

- In 2022, total nonlife premium was JOD 577.9 million ($815.09 million), an increase of 8.6% compared with the previous year. The nonlife account is dominated by auto and private medical expenses insurance. Auto accounted for 42.4% and PMI for 35.3%. Property accounted for 14.5%, and other classes, such as liability, marine, aviation, transit, surety bonds, credit and miscellaneous classes, accounted for the remaining 8%.
- Minimum capital requirements for insurers and reinsurers went into effect in May as follows: nonlife company or life company — JOD 8 million ($11.28 million); composite company — JOD 16 million ($22.57 million); and reinsurance company — JOD 100 million ($141.04 million). Existing companies have until March 31, 2025, to comply with the new requirements.
- The small nonlife companies Al Safwa and Holy Land were recently placed in liquidation and have left the market. The companies had a combined share of less than 3% of the nonlife market in 2020. Following the exit of these two companies there were 21 licensed insurance companies in Jordan, comprising 15 composites, five nonlife-only companies and one pure life company.
- It was announced toward the end of 2022 that Al Manara Insurance — the 16th largest nonlife insurer in Jordan in 2022, with premium income of JOD 17.02m ($24 million) — had received approval from the Central Bank to offer takaful products. Al Manara Insurance has been rebranded as Al Manara Islamic Insurance. This brought the total number of takaful operators in Jordan to three.

### COMPULSORY INSURANCE

- Auto third-party liability for bodily injury and property damage
- Workers compensation (state scheme)
- Professional liability for insurance and reinsurance brokers, insurance consultants, coverholders and third-party administrators
- Medical malpractice
- Public liability for hotels and restaurants
- Clinical trials liability
- Aviation liability
- Liability insurance for air carriers for injury to passengers and damage to baggage or goods during international journeys
- Shipowners liability for oil pollution damage (financial guarantee or insurance)

### NONADMITTED

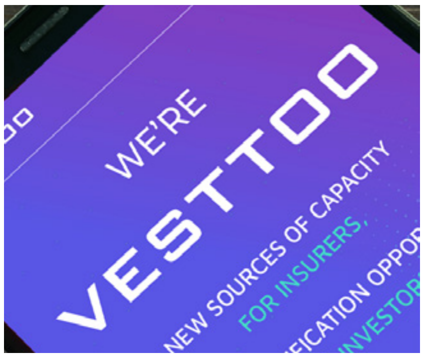
Nonadmitted insurance is not permitted in Jordan because the law provides that insurance must be purchased from locally licensed insurers, with some exceptions.

### INTERMEDIARIES

Local brokers and agents are required to be locally licensed to do insurance business. They are not allowed to place business with nonadmitted insurers.

### MARKET PRACTICE

Jordanian insurance buyers comply strictly with the requirements of the insurance law that risks be insured locally. If required by a multinational client, a risk can be subject to fronting.




## Aon sued over Vesttoo programs

■ Clear Blue Insurance Co. and its affiliates sued Aon PLC, alleging the brokerage exposed the insurer to hundreds of millions in losses through intellectual property insurance and reinsurance programs it established with Vesttoo Ltd.

In *Clear Blue Insurance Co. et al v. Aon PLC and Aon Insurance Managers Bermuda Ltd.*, filed in state court in New York, Clear Blue alleges the programs, which were supposed to be fully collateralized, were backed by fraudulent letters of credit and that Aon should have known about the fraud.

Aon said in a statement that it was also a victim of the alleged fraud.

According to the *Clear Blue* suit, Aon worked with Tel Aviv, Israel-based Vesttoo to established insurance-linked securities structures to provide reinsurance for Clear Blue and to enable it to participate as a reinsurer for intellectual property insurance contracts Aon placed.

Collectively, Clear Blue's exposure to intellectual property insurance transactions is at least $362.3 million, the suit alleges.

Aon controlled every aspect of the programs, which used Aon's Bermuda-based segregated cell company White Rock Insurance (SAC) Ltd., the suit states.

"Every single contract by and between Clear Blue and White Rock was signed by Aon, not Vesttoo. Aon, not Vesttoo, had the sole and absolute discretion to enter into those contracts," the suit states.

Each contract involving Vesttoo was supposed to be backed by letters of credit, but the LOCs alleged to have been issued by China Construction Bank Corp. were fraudulent, the suit states.

Aon and its subsidiaries did not have procedures in place to verify the LOCs, Clear Blue alleges.

"No such audit or confirmation of the LOCs was ever conducted, and Aon took no steps to conduct any due diligence on any of the investors that it knew were critical for the funding and collectability of any LOC," the suit states.

In late July, rating agency A.M. Best Co. Inc. placed the A- rating of Clear Blue under review for a possible downgrade. Clear Blue later replaced its reinsurance capacity and raised additional capital, and Best revised its outlook for the insurer to stable from negative.

## USI secures TRO against Alliant

■ A New York state court issued a temporary restraining order and preliminary injunction sought by USI Insurance Services LLC against Alliant Insurance Services Inc. and a former USI official who joined Alliant.

Louis Spina, formerly USI's senior vice president of Northeast surety operations, gave 60 days' notice to USI of his resignation on Sept. 6 and joined Alliant in November, according to documents filed in state court in White Plains, New York, in *USI Insurance Services LLC and USI Advantage Corp. v. Louis Spina and Alliant Insurance Services Inc.*

Twenty-one of Mr. Spina's former clients at USI switched their surety business to Alliant, according to USI's motion seeking a temporary restraining order and preliminary injunction against Mr. Spina and Alliant

Mr. Spina was one of three owner/members of Briarcliff, New York-based Atlynx Surety Brokers LLC, which USI acquired in 2011. USI's motion alleged that Mr. Spina violated restrictive covenants he agreed to at the time of the sale.

The court set a Jan. 24, 2024, hearing to determine whether it should issue an order preventing him from soliciting business from any former USI client for 24 months.


## Poultry processor settles DOL charges

■ A California poultry processor and supplier will pay $3.7 million in back wages, damages and penalties after the U.S. Department of Labor found it recklessly endangered young workers.

The DOL said investigators from its Wage and Hour Division found The Exclusive Poultry Inc., based in Avocado Heights, California, and related companies established by owner Tony Bran, employed children as young as 14 years old to debone poultry using sharp knives and to operate power-driven lifts to move pallets.

The children also worked excessive hours in violation of federal child labor regulations, and the company retaliated against employees for cooperating with investigators by cutting their wages, the agency said.

The DOL said Mr. Bran and the company are subject to a consent judgment entered by the U.S. District Court in Los Angeles after an investigation and litigation by the department. Also subject to consent agreements are front companies established by Mr. Bran, the agency said.

The judgments resolve a lawsuit filed by the department.

The DOL's Office of the Solicitor obtained a temporary restraining order and an injunction to prevent Mr. Bran and Exclusive Poultry from shipping poultry produced in violation of the Fair Labor Standards Act and any goods from any location where the department observed child labor.

Under the consent judgment, Mr. Bran and Exclusive Poultry will pay $3.5 million in back wages and damages to affected workers. Of that total, $300,000 in punitive damages and $100,614 in back wages will be paid to workers who faced retaliation.

The employers must also pay $201,104 in civil penalties assessed by the division for the child labor and willful violations, among other terms.

## Appellate court rules for insurers

■ A federal appeals court affirmed a lower court ruling in favor of Zurich Insurance Group, Chubb Ltd. and Sompo Holding Inc. units in a dispute over a $222 million judgment in a wrongful death suit.

Benecia, California-based Team Industrial Services had a judgment issued against it in the wrongful death suit that arose out of a steam turbine failure in June 2018 at a power plant operated by Kansas City, Missouri-based Westar Energy Inc., according to the ruling by the 10th U.S. Circuit Court of Appeals in Denver in *Team Industrial Services Inc. v. Zurich American Insurance Co. et al.*

Zurich issued the primary liability policy to Westar, with Chubb unit Westchester Fire Insurance Co. and Sompo unit Endurance American Insurance Co. providing two layers of excess coverage, according to the ruling.

Team sued Westar and the three insurers in U.S. District Court in Kansas City, Kansas, arguing coverage should have been provided by Westar's owner-controlled insurance program through the policies issued by the three insurers.

The district court ruled in the insurers' favor and was affirmed by a three-judge appeals court panel.

## DOCKET

### LOCKTON, FORMER EMPLOYEES SETTLE

Lockton Cos. LLC reached a settlement with two former employees who left the brokerage to join BRP Group Inc. Lockton had accused Eric Brown and Andrew Douglas of violating their nondisclosure and nonsolicitation agreements when they abruptly left the company to join Tustin, California-based Burnham WGB Insurance Solutions, a unit of BRP, on July 21, according to *Lockton Cos. LLC-Pacific Series vs. Eric Brown and Andrew Douglas*, filed in U.S. District Court in Kansas City, Missouri, on July 25. BRP was not named in the suit.

### MORNING COMMUTE INJURY COMPENSABLE

A pest control employee injured in an accident while driving a company vehicle to his employer's shop is entitled to workers compensation benefits even though he was just starting his shift and commuting from his residence, the New Jersey Supreme Court ruled. In affirming an appellate court decision, the state high court ruled that Henry Keim was in the course of his employment for Above All Termite & Pest Control under the "authorized vehicle rule" at the time of the accident. A workers compensation judge had initially dismissed the claim.

### TITLE INSURER FINED IN DATA BREACH CASE

The New York State Department of Financial Services said First American Title Insurance Co. will pay a $1 million penalty under a settlement with the department for violating its cybersecurity regulation, in connection with a 2019 large-scale cybersecurity breach. The department said that in addition to the penalty, the Santa Ana, California-based company, the nation's second-largest title insurer, will implement significant remedial measures to better secure consumer data. This followed a fine paid to the U.S. Securities and Exchange Commission in 2022 in connection with the same breach.

# INSURANCE
## BY THE NUMBERS

IN THIS SPECIAL data and rankings issue of *Business Insurance*, we bring you our proprietary rankings from the past year plus other industry data to present a numerical overview of the commercial insurance market, from retail brokers to reinsurers and wholesalers to captive managers.

For more information on rankings and research, visit www.BusinessInsurance.com and click on the “Research & Reports” tab.

## 100 LARGEST BROKERS OF U.S. BUSINESS*

Ranked by 2022 brokerage revenue generated by U.S.-based clients

| 2023 rank | 2022 rank | Company | 2022 U.S. brokerage revenue | % increase (decrease) |
|---|---|---|---|---|
| 1 | 1 | Marsh & McLennan Cos. Inc.[1] | $10,125,360,000 | 8.5% |
| 2 | 2 | Aon PLC[1] | $5,630,962,000 | 3.2% |
| 3 | 3 | Arthur J. Gallagher & Co.[1] | $5,445,440,000 | 16.7% |
| 4 | 4 | Willis Towers Watson PLC | $4,712,040,000 | 4.7% |
| 5 | 6 | Truist Insurance Holdings Inc.[1] | $3,344,969,000 | 16.8% |
| 6 | 5 | Brown & Brown Inc.[1] | $3,334,437,247 | 11.4% |
| 7 | 7 | Acrisure LLC | $3,322,381,927 | 23.5% |
| 8 | 8 | Alliant Insurance Services Inc.[1] | $3,128,989,898 | 19.9%** |
| 9 | 9 | Hub International Ltd.[1] | $2,931,397,560 | 21.1% |
| 10 | 10 | USI Insurance Services LLC[1] | $2,450,509,269 | 14.0% |
| 11 | 11 | AssuredPartners Inc.[1] | $2,229,216,910 | 10.6% |
| 12 | 12 | Lockton Cos. LLC[1,2] | $2,168,348,787 | 9.7% |
| 13 | 13 | NFP Corp.[1] | $1,720,941,599 | 9.7%** |
| 14 | 14 | BroadStreet Partners Inc. | $1,302,300,000 | 13.7% |
| 15 | 16 | RSC Insurance Brokerage Inc., dba Risk Strategies Co.[1] | $1,150,078,742 | 24.1% |
| 16 | 15 | Alera Group[1] | $1,148,000,000 | 23.3% |
| 17 | 17 | Edgewood Partners Insurance Center, dba EPIC Insurance Brokers & Consultants[1] | $1,028,612,000 | 15.3% |
| 18 | 18 | Baldwin Risk Partners LLC | $1,014,500,000 | 41.0%** |
| 19 | 19 | Digital Insurance Inc., dba OneDigital[1] | $750,321,223 | 11.6% |
| 20 | 20 | PCF Insurance Services[1] | $730,000,000 | 23.7% |
| 21 | 21 | Higginbotham[1] | $576,499,000 | 28.0% |
| 22 | 22 | IMA Financial Group Inc.[1] | $557,775,736 | 24.5% |
| 23 | 23 | The Hilb Group LLC[1] | $501,613,000 | 24.7% |
| 24 | 25 | Foundation Risk Partners Corp. | $496,150,000 | 21.8%** |
| 25 | 24 | Leavitt Group[1] | $418,117,000 | 18.0% |
| 26 | 35 | Patriot Growth Insurance Services LLC[1] | $386,620,000 | 79.9% |
| 27 | 26 | High Street Insurance Partners Inc. | $384,874,000 | 32.3% |
| 28 | 34 | World Insurance Associates LLC[1] | $347,157,059 | 54.7% |
| 29 | NR | Automatic Data Processing Insurance Agency Inc. | $317,538,246 | 17.0% |
| 30 | 27 | CBIZ Benefits & Insurance Services Inc. | $304,100,000 | 7.9% |
| 31 | 29 | Cottingham & Butler Inc. | $295,674,000 | 10.8% |
| 32 | 30 | Insurance Office of America Inc. | $280,390,305 | 9.7% |
| 33 | 28 | Woodruff Sawyer & Co. | $276,870,000 | 1.5% |
| 34 | 31 | Holmes Murphy & Associates Inc. | $273,714,000 | 8.2% |
| 35 | 32 | Cross Financial Corp., dba Cross Insurance[1] | $268,571,000 | 8.5% |
| 36 | 36 | Relation Insurance Inc. | $260,000,000 | 45.0% |
| 37 | 33 | Paychex Insurance Agency Inc.[3] | $249,400,000 | 1.4% |
| 38 | 41 | CAC Group[4] | $182,984,919 | 28.8% |
| 39 | 37 | Hylant Group Inc.[1] | $179,714,786 | 11.5% |
| 40 | 38 | Unison Risk Advisors | $162,053,649 | 8.3% |
| 41 | 39 | Heffernan Group[1] | $158,713,922 | 8.1% |
| 42 | 43 | Cadence Insurance[1,5] | $157,675,329 | 16.7%** |
| 43 | 40 | Newfront Insurance | $154,900,000[6] | 6.8%[6] |
| 44 | 45 | The Liberty Co. Insurance Brokers Inc.[1] | $153,450,000 | 46.1% |
| 45 | 42 | Insurica Inc.[1] | $152,634,328 | 10.5% |
| 46 | 56 | Keystone Agency Partners LLC[1] | $137,821,000 | 72.3% |
| 47 | 44 | AmeriTrust Group Inc. | $135,785,286 | 11.2% |
| 48 | 53 | Sunstar Insurance Group[1] | $121,000,000 | 40.5% |
| 49 | 46 | Marshall & Sterling Enterprises Inc.[1] | $111,796,579 | 7.7% |
| 50 | 47 | TrueNorth Cos. LC | $109,288,000 | 5.7% |
| 51 | 50 | M3 Insurance Solutions Inc.[1] | $108,886,926 | 18.9% |
| 52 | 49 | Eastern Insurance Group LLC | $98,814,068 | 1.7% |
| 53 | 51 | Lawley LLC | $97,551,725 | 7.7% |
| 54 | 52 | Horton Group Inc.[1] | $97,509,414 | 9.5% |
| 55 | 64 | Alkeme Inc. | $94,000,000 | 53.3% |
| 56 | 48 | Insurors Group LLC | $93,005,616 | (5.0%) |
| 57 | 54 | Towne Insurance Agency LLC[1] | $91,470,151 | 11.5% |
| 58 | 57 | Sterling Seacrest Pritchard Inc. | $89,685,125 | 15.9% |
| 59 | 58 | Houchens Insurance Group Inc.[7] | $89,406,517 | 14.1%** |
| 60 | 55 | James A. Scott & Son Inc., dba Scott Insurance | $88,746,249 | 10.7% |
| 61 | 59 | Starkweather & Shepley Insurance Brokerage Inc.[1] | $78,051,690 | 8.5% |
| 62 | 60 | Shepherd Insurance LLC[1] | $75,479,312 | 10.5% |
| 63 | 61 | Graham Co. | $73,491,006 | 7.6% |
| 64 | 62 | Huntington Insurance Inc. | $70,275,150 | 6.8% |
| 65 | NR | Inszone Insurance Services | $69,076,647 | 40.3% |
| 66 | 63 | Sterling & Sterling LLC, dba SterlingRisk[1] | $67,063,489 | 7.2% |
| 67 | 65 | Moreton & Co. | $66,654,565 | 8.5%** |
| 68 | 66 | Robertson Ryan & Associates Inc. | $66,155,613 | 13.3% |
| 69 | 68 | Oakbridge Insurance Agency LLC[1] | $64,010,000 | 21.0% |
| 70 | 67 | Bowen, Miclette & Britt Insurance Agency LLC[1] | $61,181,288 | 12.9% |
| 71 | 74 | M&O Agencies Inc., dba The Mahoney Group | $56,151,660 | 19.5% |
| 72 | 71 | Fisher Brown Bottrell Insurance Inc. | $54,892,383 | 9.4% |
| 73 | 75 | Christensen Group Inc. | $54,804,586 | 21.3% |
| 74 | 70 | Panorama Insurance Associates Inc.[8] | $54,504,928 | 4.8% |
| 75 | 73 | The Partners Group Ltd. | $54,303,012 | 14.0% |
| 76 | 69 | Frost Insurance Agency Inc. | $54,209,329 | 3.2% |
| 77 | 78 | MJ Insurance Inc.[9] | $47,943,648 | 12.2% |
| 78 | 79 | First Insurance Group LLC[1] | $46,983,271 | 12.1% |
| 79 | 77 | Charles L. Crane Agency Co. | $46,974,428 | 6.9% |
| 80 | 76 | The Loomis Co. | $46,530,000 | 4.0% |
| 81 | NR | LP Insurance Services LLC[1] | $46,491,908 | 12.6% |
| 82 | 87 | Reliance Partners LLC | $45,289,061 | 24.7% |
| 83 | 85 | The Buckner Co. Inc. | $42,572,460 | 13.2% |
| 84 | 82 | R&R Insurance Services Inc. | $42,342,363 | 6.1% |
| 85 | 83 | Rich & Cartmill Inc. | $41,519,685 | 5.5% |
| 86 | 80 | James G. Parker Insurance Associates[3] | $41,312,266 | 1.5% |
| 87 | 84 | Ansay & Associates LLC[1] | $40,709,842 | 7.3% |
| 88 | 90 | Tricor Insurance[1] | $40,611,116 | 16.7% |
| 89 | NR | OneGroup[1] | $40,125,787 | 17.7% |
| 90 | 81 | Kapnick Insurance Group | $38,914,180 | (4.2%) |
| 91 | 91 | The Plexus Groupe LLC[1] | $36,824,724 | 10.5% |
| 92 | 89 | Tompkins Insurance Agencies Inc. | $36,687,000 | 3.9% |
| 93 | 93 | Ross & Yerger Insurance Inc. | $35,345,454 | 12.6% |
| 94 | NR | King Insurance Partners | $34,067,448 | 274.9% |
| 95 | NR | Turner Surety & Insurance Brokerage Inc. | $33,868,400 | 6.6% |
| 96 | 92 | Pacwest Alliance Insurance Services Inc. | $33,515,870 | 1.9% |
| 97 | 95 | Swingle, Collins & Associates | $32,815,981 | 10.4% |
| 98 | 98 | Unico Group Inc.[7] | $31,984,425 | 14.7% |
| 99 | NR | Commercial Insurance Associates LLC | $31,842,953 | 32.5% |
| 100 | 97 | Gibson Insurance Agency Inc., dba Gibson | $31,033,000 | 11.2% |

*Companies that derive more than 49% of their gross revenue from personal lines are not ranked. **2021 brokerage revenue restated. NR = not ranked. [1]Reported U.S. acquisitions. [2]Fiscal year ending April 30. [3]Fiscal year ending May 31. [4]Formerly Cobbs Allen/CAC Specialty. [5]Formerly BXS Insurance. [6]*BI* estimate. [7]Fiscal year ending Sept. 30. [8]Formerly Professional Insurance Associates Inc. [9]Fiscal year ending Aug. 31.

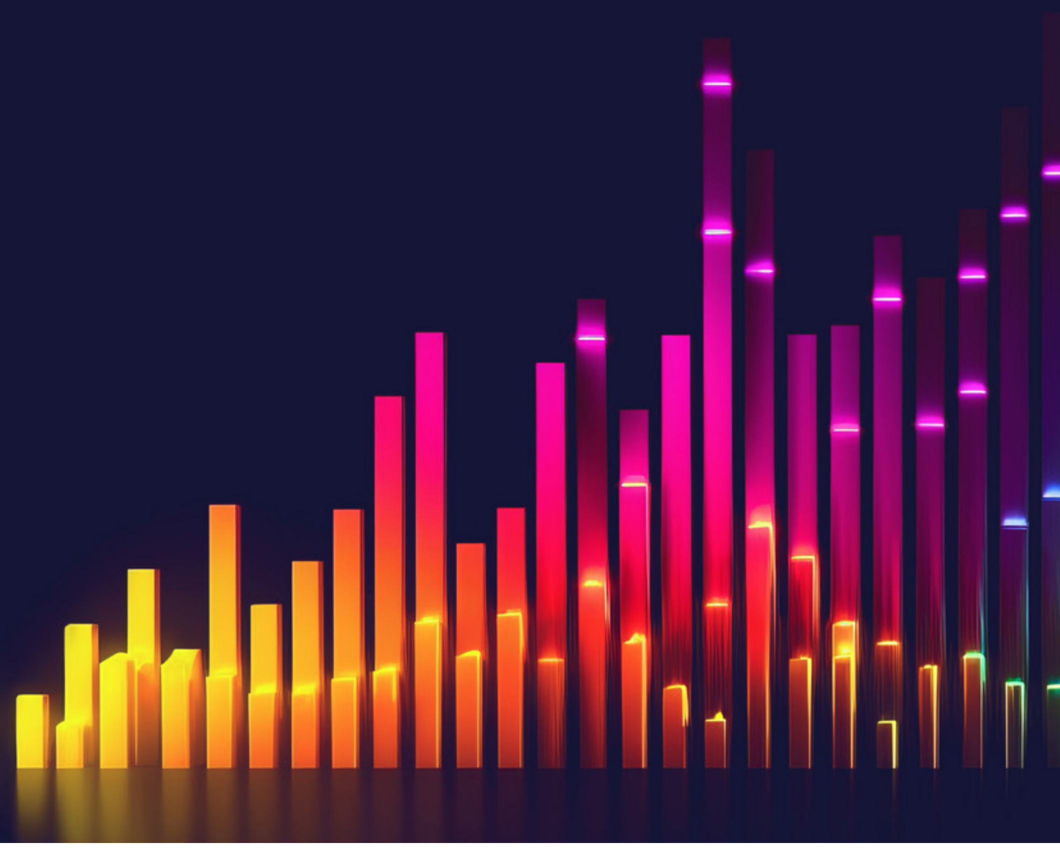
Source: *BI* survey

# DATA & RANKINGS

## FASTEST-GROWING BROKERS

| Rank | Company | % increase |
|---|---|---|
| 1 | King Insurance Partners | 274.9% |
| 2 | Patriot Growth Insurance Services LLC | 79.9% |
| 3 | Keystone Agency Partners LLC | 72.3% |
| 4 | C3 Risk & Insurance Services | 55.3% |
| 5 | World Insurance Associates LLC | 54.7% |
| 6 | Alkeme Inc. | 53.3% |
| 7 | The Liberty Co. Insurance Brokers Inc. | 46.1% |
| 8 | Relation Insurance Inc. | 45.0% |
| 9 | Baldwin Risk Partners LLC | 41.0% |
| 10 | Sunstar Insurance Group | 40.5% |

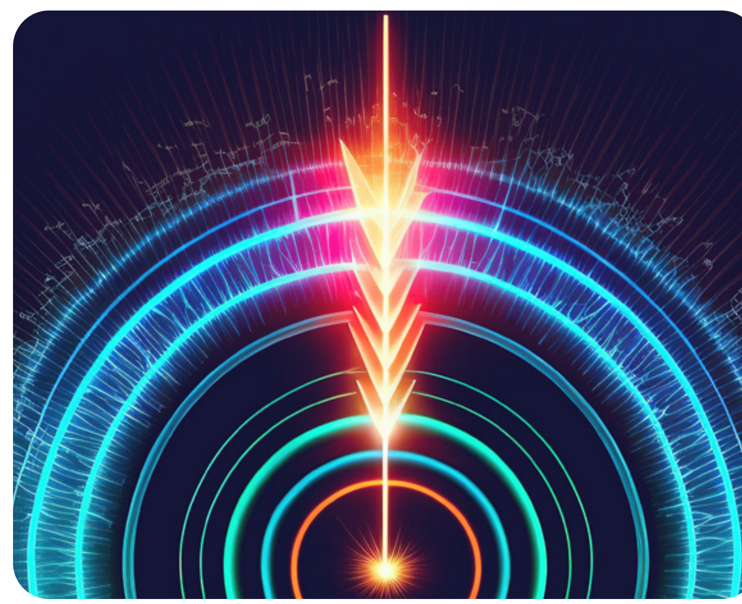
Source: *BI* survey



## MOST-PRODUCTIVE BROKERS

| Rank | Company | Brokerage revenue per employee |
|---|---|---|
| 1 | Panorama Insurance Associates Inc. | $736,553 |
| 2 | CAC Group | $462,176 |
| 3 | Turner Surety & Insurance Brokerage Inc. | $457,681 |
| 4 | Woodruff Sawyer & Co. | $453,885 |
| 5 | Edgewood Partners Insurance Center, dba EPIC Insurance Brokers & Consultants | $352,869 |
| 6 | Truist Insurance Holdings Inc. | $344,949 |
| 7 | Automatic Data Processing Insurance Agency Inc. | $329,739 |
| 8 | Alliant Insurance Services Inc. | $324,546 |
| 9 | Graham Co. | $323,749 |
| 10 | M&O Agencies Inc., dba The Mahoney Group | $295,535 |

Source: *BI* survey



## LARGEST PRIVATELY OWNED BROKERS

| Rank | Company | 2022 brokerage revenue |
|---|---|---|
| 1 | Hub International Ltd. | $3,758,202,000 |
| 2 | Acrisure LLC | $3,619,152,426 |
| 3 | Alliant Insurance Services Inc. | $3,199,376,174 |
| 4 | Lockton Cos. LLC | $3,049,717,000 |
| 5 | USI Insurance Services LLC | $2,475,261,888 |
| 6 | AssuredPartners Inc. | $2,279,595,981 |
| 7 | NFP Corp. | $1,933,642,246 |
| 8 | BroadStreet Partners Inc. | $1,302,300,000 |
| 9 | RSC Insurance Brokerage Inc. dba Risk Strategies Co. | $1,185,648,188 |
| 10 | Alera Group | $1,148,000,000 |

Source: *BI* survey

# DATA & RANKINGS

## WORLD'S LARGEST INSURANCE BROKERS

| Rank | Company | 2022 brokerage revenue |
|---|---|---|
| 1 | Marsh & McLennan Cos. Inc. | $20,664,000,000 |
| 2 | Aon PLC | $12,403,000,000 |
| 3 | Willis Towers Watson PLC | $8,726,000,000 |
| 4 | Arthur J. Gallagher & Co. | $8,377,600,000 |
| 5 | Hub International Ltd. | $3,758,202,000 |
| 6 | Acrisure LLC | $3,619,152,426 |
| 7 | Brown & Brown Inc. | $3,563,194,322 |
| 8 | Truist Insurance Holdings Inc. | $3,344,969,000 |
| 9 | Alliant Insurance Services Inc. | $3,199,376,174 |
| 10 | Lockton Cos. LLC | $3,049,717,000 |

Source: *BI* survey

## LARGEST U.S. INSURERS

| Rank | Company | 2022 direct premium written | Market share |
|---|---|---|---|
| 1 | State Farm | $78,643,121,000 | 9.1% |
| 2 | Berkshire Hathaway Inc. | $55,960,782,000 | 6.5% |
| 3 | Progressive Casualty Insurance Co. | $52,326,628,000 | 6.0% |
| 4 | Allstate Corp. | $45,512,585,000 | 5.2% |
| 5 | Liberty Mutual Holding Co. Inc. | $43,944,791,000 | 5.1% |
| 6 | Travelers Cos. Inc. | $34,291,002,000 | 4.0% |
| 7 | Chubb Ltd. | $29,441,387,000 | 3.4% |
| 8 | United Services Automobile Association | $26,853,371,000 | 3.1% |
| 9 | Farmers Insurance Group | $26,416,672,000 | 3.0% |
| 10 | Nationwide Mutual Insurance Co. | $20,309,091,000 | 2.3% |

Source: National Association of Insurance Commissioners

## LARGEST U.S. COMMERCIAL RETAIL BROKERS

| Rank | Company | 2022 U.S. commercial retail revenue |
|---|---|---|
| 1 | Marsh & McLennan Cos. Inc. | $5,791,000,000 |
| 2 | Aon PLC | $3,049,000,000 |
| 3 | Acrisure LLC | $2,366,114,010 |
| 4 | Arthur J. Gallagher & Co. | $2,119,164,000 |
| 5 | Alliant Insurance Services Inc. | $1,589,971,143 |
| 6 | Hub International Ltd. | $1,449,270,000 |
| 7 | Lockton Cos. LLC | $1,391,190,000 |
| 8 | AssuredPartners Inc. | $1,152,465,279 |
| 9 | Brown & Brown Inc. | $1,144,237,160 |
| 10 | USI Insurance Services LLC | $1,135,662,967 |

Source: *BI* survey

## LARGEST MEDICAL PROFESSIONAL LIABILITY INSURERS

| Rank | Company | 2022 direct premium written | Market share |
|---|---|---|---|
| 1 | Berkshire Hathaway Inc. | $2,115,396,000 | 17.8% |
| 2 | The Doctors Co. | $1,127,835,000 | 9.5% |
| 3 | ProAssurance Corp. | $716,780,000 | 6.0% |
| 4 | CNA Financial Corp. | $636,412,000 | 5.4% |
| 5 | Coverys Insurance Group | $526,478,000 | 4.4% |
| 6 | MCIC Vermont Inc. | $459,851,000 | 3.9% |
| 7 | Mag Mutual Insurance Co. | $441,968,000 | 3.7% |
| 8 | Liberty Mutual Holdings Co. Inc. | $329,359,000 | 2.8% |
| 9 | Chubb Ltd. | $208,865,000 | 1.8% |
| 10 | ISMIE Mutual Insurance Co. | $201,317,000 | 1.7% |

Source: National Association of Insurance Commissioners



## LARGEST WORKERS COMPENSATION INSURERS

| Rank | Company | 2022 direct premium written | Market share |
|---|---|---|---|
| 1 | Travelers Cos. Inc. | $3,807,286,000 | 6.3% |
| 2 | Hartford Fire & Casualty Group | $3,636,589,000 | 6.0% |
| 3 | AmTrust Financial Services Inc. | $3,161,524,000 | 5.2% |
| 4 | Zurich Insurance Co. | $2,741,686,000 | 4.6% |
| 5 | Chubb Ltd. | $2,426,552,000 | 4.0% |
| 6 | Liberty Mutual Holding Co. Inc. | $2,313,363,000 | 3.8% |
| 7 | Berkshire Hathaway Inc. | $2,050,907,000 | 3.4% |
| 8 | Washington State Fund | $1,854,763,000 | 3.1% |
| 9 | Blue Cross Blue Shield of Michigan | $1,749,368,000 | 2.9% |
| 10 | State Insurance Fund | $1,565,411,000 | 2.6% |

Source: National Association of Insurance Commissioners

## LARGEST BENEFITS BROKERS

| Rank | Company | 2022 employee benefits revenue |
|---|---|---|
| 1 | Marsh & McLennan Cos. Inc. | $5,345,000,000 |
| 2 | Willis Towers Watson PLC | $5,103,000,000 |
| 3 | Aon PLC | $2,224,000,000 |
| 4 | Arthur J. Gallagher & Co. | $1,484,105,000 |
| 5 | USI Insurance Services LLC | $1,083,487,775 |
| 6 | Hub International Ltd. | $1,075,788,000 |
| 7 | NFP Corp. | $977,324,438 |
| 8 | Lockton Cos. LLC | $843,610,000 |
| 9 | Alliant Insurance Services Inc. | $658,749,158 |
| 10 | Brown & Brown Inc. | $644,374,448 |

Source: *BI* survey

# DATA & RANKINGS

## WORLD'S LARGEST REINSURANCE BROKERS

| Rank | Company | 2022 gross revenue |
|---|---|---|
| 1 | Aon's Reinsurance Solutions | $2,190,000,000 |
| 2 | Guy Carpenter & Co. LLC | $2,019,955,251 |
| 3 | Gallagher Re | $896,888,000 |
| 4 | Howden Tiger[1] | $400,000,000[2] |
| 5 | Miller Insurance Services LLP | $247,380,000[2] |
| 6 | Lockton Reinsurance | $210,182,000 |
| 7 (tie) | McGill and Partners Ltd. | $150,000,000[2] |
| 7 (tie) | Acrisure LLC | $150,000,000 |
| 9 | UIB Holdings (UK) Ltd. | $78,164,683 |
| 10 | Holborn Corp. | $58,800,000 |

[1]Formerly Howden Re and TigerRisk Partners LLC
[2]From press release/coverage
Source: *BI* survey


## WORLD'S LARGEST REINSURERS

| Rank | Company | 2022 gross reinsurance premium written |
|---|---|---|
| 1 | Munich Reinsurance Co. | $51,331,000,000 |
| 2 | Swiss Re Ltd. | $39,749,000,000 |
| 3 | Hannover Rück SE | $35,528,000,000 |
| 4 | Canada Life Re | $23,414,000,000 |
| 5 | Berkshire Hathaway Inc. | $22,147,000,000 |
| 6 | Scor SE | $21,068,000,000 |
| 7 | Lloyd's of London[1] | $18,533,000,000 |
| 8 | China Reinsurance (Group) Corp. | $16,865,000,000 |
| 9 | Reinsurance Group of America Inc. | $13,823,000,000 |
| 10 | Everest Re Group Ltd. | $9,316,000,000 |

[1]Lloyd's premiums are for reinsurance only. Premiums for certain groups in the rankings also may include Lloyd's Syndicate premiums when applicable.
Source: A.M. Best Co. Inc.

## LARGEST PROPERTY/CASUALTY WHOLESALERS

| Rank | Company | 2022 premium volume |
|---|---|---|
| 1 | Amwins Group Inc. | $27,680,069,435 |
| 2 | Ryan Specialty LLC | $19,900,000,000 |
| 3 | CRC Group | $16,679,017,495 |
| 4 | Bridge Specialty Group | $4,400,000,000 |
| 5 | Jencap Group LLC | $3,060,000,000 |
| 6 | Brown & Riding Insurance Services Inc. | $1,966,880,322 |
| 7 | ARC Excess & Surplus LLC | $1,069,000,000 |
| 8 | Maximum Independent Brokerage LLC | $411,264,157 |
| 9 | XS Brokers Insurance Agency Inc. | $325,000,000 |
| 10 | Arlington/Roe & Co. Inc. | $289,000,000 |

Source: *BI* survey

## LARGEST SPECIALTY INTERMEDIARIES

| Rank | Company | 2022 premium volume |
|---|---|---|
| 1 | CRC Group | $35,434,082,050 |
| 2 | Amwins Group Inc. | $33,140,886,257 |
| 3 | Ryan Specialty LLC | $19,900,000,000 |
| 4 | Risk Placement Services Inc. | $6,300,000,000 |
| 5 | Bridge Specialty Group | $4,400,000,000 |
| 6 | Specialty Program Group LLC | $3,620,618,919 |
| 7 | Victor Insurance Managers Inc. | $3,339,000,000 |
| 8 | Jencap Group LLC | $3,060,000,000 |
| 9 | One80 Intermediaries Inc. | $3,058,154,523 |
| 10 | AmRisc LLC | $2,475,112,324 |

Source: *BI* survey

## LARGEST MGAs/UNDERWRITING MANAGERS/LLOYD'S COVERHOLDERS

| Rank | Company | 2022 premium volume |
|---|---|---|
| 1 | Risk Placement Services Inc. | $6,300,000,000 |
| 2 | Victor Insurance Managers Inc. | $3,339,000,000 |
| 3 | One80 Intermediaries Inc. | $2,850,098,097 |
| 4 | Specialty Program Group LLC | $2,817,949,423 |
| 5 | AmRisc LLC | $2,475,112,324 |
| 6 | Burns & Wilcox Ltd. | $2,410,000,000 |
| 7 | Acrisure P&C Wholesale | $1,838,500,000 |
| 8 | Johnson & Johnson Inc. | $1,003,012,013 |
| 9 | U.S. Risk Insurance Group LLC | $714,004,149 |
| 10 | Novatae Risk Group | $706,800,000 |

Source: *BI* survey

# DATA & RANKINGS

## LARGEST U.S.-BASED SURPLUS LINES INSURERS

| Rank | Company | 2022 nonadmitted direct premiums |
|---|---|---|
| 1 | National Fire & Marine Insurance Co. | $3,800,358,787 |
| 2 | WRB[1] | $3,250,564,091 |
| 3 | Nationwide[2] | $2,765,652,943 |
| 4 | Lexington Insurance Co. | $2,737,686,903 |
| 5 | AEGIS (Associated Electric & Gas Insurance Services Inc.) | $2,649,521,000 |
| 6 | Markel Corp. | $2,499,021,677 |
| 7 | Chubb Group[3] | $2,423,223,620[4] |
| 8 | Liberty Mutual Holding Co. Inc. | $2,235,951,490 |
| 9 | Indian Harbor Insurance Co. | $2,011,327,604 |
| 10 | Axis Surplus Insurance Co. | $1,578,139,829 |

[1]Includes Admiral Insurance Co., Berkley Assurance Co., Berkley Specialty Insurance Co., Gemini Insurance Co., Intrepid Specialty Insurance Co., Nautilus Insurance Co. [2]Includes Freedom Specialty Insurance Co., National Casualty Co., Scottsdale Indemnity Co., Scottsdale Insurance Co., Scottsdale Surplus Lines Insurance Co. [3]Includes Chubb Custom Insurance Co., Executive Risk Specialty Insurance Co., Illinois Union Insurance Co., Westchester Surplus Lines Insurance Co. [4]From annual statements for Illinois Union Insurance Co. and Westchester Surplus Lines Insurance Co.

Source: *BI* survey

## LARGEST DIRECTORS AND OFFICERS LIABILITY INSURERS

| Rank | Company | 2022 direct premium written | Market share |
|---|---|---|---|
| 1 | Axa SA | $1,841,489,776 | 13.6% |
| 2 | Chubb Ltd. | $1,228,324,559 | 9.1% |
| 3 | Berkshire Hathaway Inc. | $1,080,139,677 | 8.0% |
| 4 | American International Group Inc. | $1,071,555,910 | 7.9% |
| 5 | Tokio Marine Holdings Ltd. | $915,127,236 | 6.8% |
| 6 | Fairfax Financial Holdings Ltd. | $787,772,916 | 5.8% |
| 7 | W.R. Berkley Corp. | $572,655,946 | 4.2% |
| 8 | CNA Financial Corp. | $510,484,181 | 3.8% |
| 9 | Zurich Insurance Group Ltd. | $490,360,534 | 3.6% |
| 10 | Travelers Cos. Inc. | $476,302,887 | 3.5% |

Source: S&P Global Market Intelligence

## LARGEST THIRD-PARTY ADMINISTRATORS

| Rank | Company | 2022 gross revenue |
|---|---|---|
| 1 | Sedgwick Claims Management Services Inc. | $4,326,829,707 |
| 2 | UMR Inc. | $1,540,000,000 |
| 3 | Gallagher Bassett Services Inc. | $1,222,116,157 |
| 4 | Crawford & Co. | $1,189,482,000 |
| 5 | CorVel Corp. | $704,000,000 |
| 6 | Meritain Health | $618,000,000 |
| 7 | Helmsman Management Services LLC | $427,348,000 |
| 8 | ESIS Inc. | $411,500,000 |
| 9 | Trustmark Health Benefits Inc. | $266,000,000 |
| 10 | Cannon Cochran Management Services Inc., dba CCMSI | $190,000,000 |

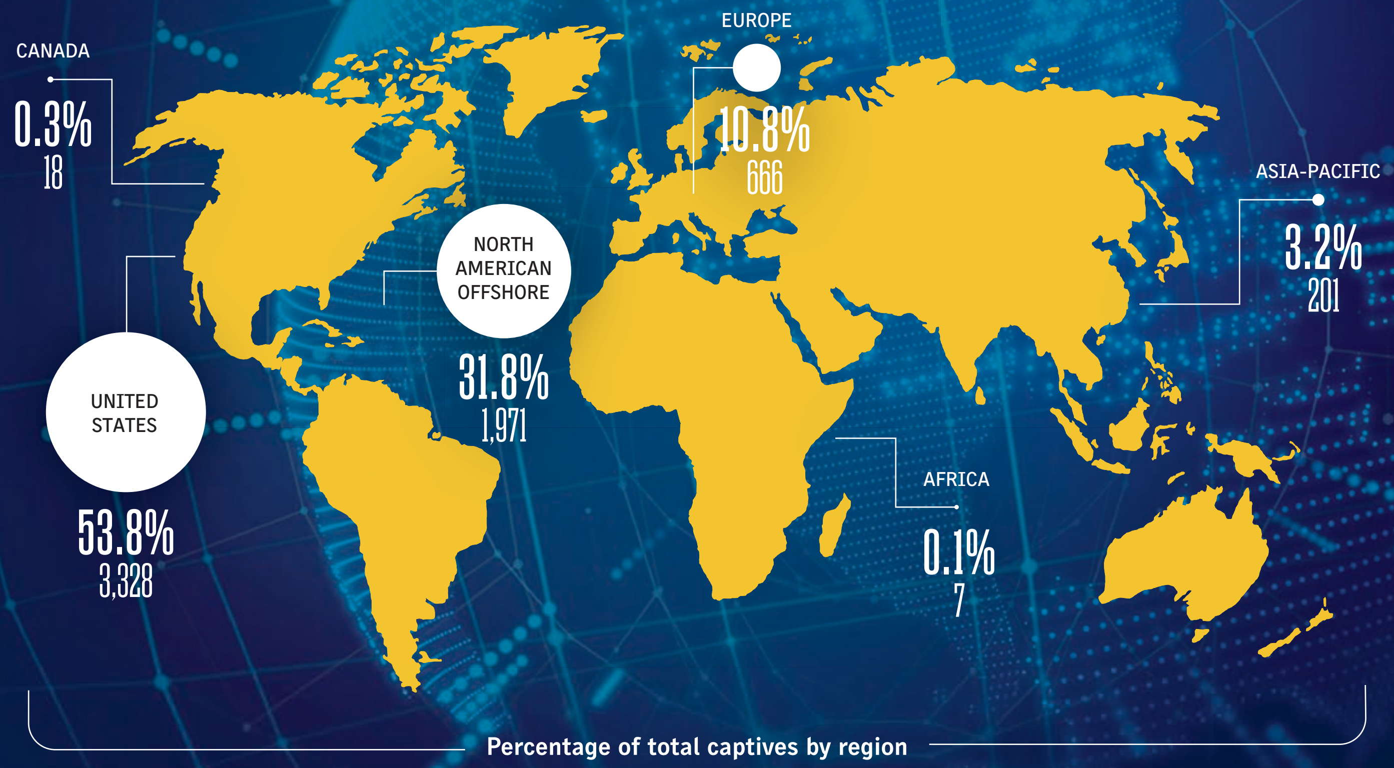
Source: *BI* survey

# ONSHORE/ OFFSHORE

## BY THE NUMBERS

There were 6,191 captives in 2022, not including microcaptives, series captives, or individual cells of cell members in protected cell companies.

Source: *BI* survey




## LARGEST CAPTIVE MANAGERS

| Rank | Company | 2022 total captives |
|---|---|---|
| 1 | Marsh Captive Solutions | 1567 |
| 2 | Aon Captive & Insurance Management | 987 |
| 3 | Artex Risk Solutions Inc. | 831 |
| 4 | Strategic Risk Solutions Inc. | 491 |
| 5 | WTW, Captive & Insurance Management Solutions | 336 |
| 6 | Risk Strategies Co. Captives[1] | 230 |
| 7 | Davies Captive Management | 186 |
| 8 | Brown & Brown Inc. | 106 |
| 9 | USA Risk Group | 97 |
| 10 | Innovative Captive Strategies | 88 |

[1]Includes Atlas Captives, Oxford and Risk Management Advisors

Source: *BI* survey

## LARGEST CAPTIVE DOMICILES*

| Rank | Domicile | Total number of captives at end of 2022 |
|---|---|---|
| 1 | Cayman Islands | 642 |
| 2 | Vermont | 639 |
| 3 | Bermuda | 632 |
| 4 | Utah | 419 |
| 5 | Delaware | 330 |
| 6 | Barbados | 315 |
| 7 | North Carolina | 294 |
| 8 | Hawaii | 255 |
| 9 | South Carolina | 205 |
| 10 | Guernsey | 201 |

*Revised on Aug. 15, 2023, based on newly released data by the domiciles.

Source: *BI* survey

# High court could give tort reform a fighting chance

*Tancred Schiavoni is a partner at O'Melveny & Myers LLP in New York and co-chair of the firm's insurance practice. He can be reached at tschiavoni@omm.com. Adam Haberkorn is counsel at the firm. He can be reached at ahaberkorn@omm.com.*

A seemingly esoteric piece of bankruptcy minutia, which the U.S. Supreme Court will address this term, could be the most consequential tort reform issue to be decided this year, affecting the nation's unchecked proliferation of questionable mass tort lawsuits.

The question the justices will consider is whether insurers — who often play an important, albeit indirect, role in defending tort cases — have the right to participate in bankruptcies where tort claims against a debtor are at issue. Debtors (the ones filing for bankruptcy) of course have that right, and so do their creditors (the ones owed money from the debtors), but insurers for the debtors are neither debtors, nor in many instances creditors. The issue is whether an insurer that might have a financial stake in a bankruptcy case can qualify as a "party-in-interest" and be allowed to weigh in during the bankruptcy process, particularly with respect to the bankruptcy plan of reorganization confirmation process.

In the past, bankruptcy courts have answered this question in different ways in different cases. In cases where a debtor is alleged to have liability for a mass tort — such as asbestos or product liability claims — bankruptcy plans of reorganization can be structured in ways that dramatically increase the size and number of potential claims against a debtor that are ultimately paid by the debtor's insurers. Often, debtors have little or no incentive to fight these claims in bankruptcy because the plans assume that any payment to creditors will come from insurers. Meanwhile, bankruptcy courts in many cases have refused to allow insurers to object to confirmation of these plans, leaving no one to object to terms and procedures set forth in such plans. This can lead to a flood of meritless or inflated tort claims being permitted without scrutiny.

This term, the Supreme Court will hear such a case: *Truck Insurance Exchange v. Kaiser Gypsum Co. Inc.* Last year, the 4th U.S. Circuit Court of Appeals affirmed a bankruptcy court's order confirming the bankruptcy plan proposed by Kaiser Gypsum, a construction materials manufacturer driven into insolvency by thousands of asbestos-related litigation claims. Truck Insurance Exchange, a unit of Farmers Insurance Group and one of the company's insurers, objected to the bankruptcy plan, arguing that it would expose the insurer to unchecked fraudulent claims. The plan included standard fraudulent claim prevention provisions for uninsured claims, but not for any insured claims. However, each of the

14,000 known claims are insured, leaving the insurers exposed to all of the potential liability for an unknown and unverifiable number of potentially fraudulent claims.

A district court and later the appeals court rejected the insurer's argument. The appeals court found that the plan was "insurance neutral," meaning it would "not materially alter" Truck Insurance Exchange's obligations. Based on the finding, the court said the insurer was not a "party-in-interest" and so had no standing to object to the plan.

In asking the Supreme Court to take the case, Truck Insurance Exchange noted that different circuit courts have opposing views on who should quality as a "party-in-interest" and argued that the 4th Circuit's definition is too narrow.

In contrast to the 4th Circuit, the 3rd U.S Circuit Court of Appeals has found that insurers have standing when they can demonstrate (i) an "injury in fact" under Article III of the U.S. Constitution and (ii) the insurer is a "party-in-interest" under the U.S. Bankruptcy Code.

The injury-in-fact requirement has been applied generously in the 3rd Circuit and is met with any identifiable injury or when a party has a personal stake in the outcome of litigation. A "party-in-interest" has been applied similarly broadly, including anyone who has a legally protected interest that could be affected by a bankruptcy proceeding. As a result, Article III standing and standing under the Bankruptcy Code are effectively co-extensive under this analysis. Such injury in fact by an insurer provides a basis for standing to object to plan confirmations in the circuit.

In *In re Global Industrial Technologies*, the 3rd Circuit found that insurers suffered cognizable injuries that afforded standing to object to a Chapter 11 bankruptcy plan where the plan created "an entirely new set of administrative costs" by encouraging meritless claims even if the insurers never ended up paying a single claim. In such instances, the 3rd Circuit holds that "insurers should have an opportunity to challenge the [p]lan in the Bankruptcy Court."

In another bankruptcy case, *In re Congoleum*, the 3rd Circuit held that insurers had standing to be heard where issues concerning the integrity of the process were called into question by a scheme to pass through large numbers of dubious claims by conflicted counsel. The appeals court observed that since insurers are the only parties likely to call attention to such schemes they should be heard.

The ramifications of denying standing are significant. As a practical matter, it is highly unlikely that any party other than the insurers would bring a challenge to how claims are administrated in bankruptcy cases where the debtor is discharged from its liability and the allowance of claims is left to a plaintiff-controlled trust. Commercial creditors are satisfied by having their claims paid in full or on favorable terms, leaving only the tort claimants themselves.

While tort claimants with meritorious claims are disadvantaged by allowing meritless claims, their voices are typically drowned out by the flood of meritless claims. The fact that plaintiffs lawyers representing large inventories of claims benefit financially from the allowance of more claims rather than just the meritorious claims gives them incentives at odds with all their clients.

For the U.S. tort system, the stakes here are high. If the Supreme Court applies the standing requirement as written by Congress, it will give those with a stake in the outcome of mass tort cases a fighting chance to put a brake on the meritless claims. And if it adopts the 4th Circuit's narrow definition, it could shut the doors of the courthouse to any efforts to eliminate fraud altogether and, even more concerning, actively encourage participating parties to engage in collusion and fraud against parties excluded from the bankruptcy proceedings.

With the filing of ever more questionable mass torts by creative plaintiffs lawyers, the high court's decision here could determine whether the U.S. economy will be flooded with yet more questionable lawsuits that are designed to push U.S. companies and charities into bankruptcy where the claims are not subject to scrutiny.

# MARKET PULSE

## PRODUCTS & SERVICES

### Westfield expanding into international D&F

■ Westfield Specialty Ltd., a unit of Ohio Farmers Insurance Co., said it is entering international property direct and facultative insurance.

The Westfield Center, Ohio-based insurer said in a statement the international property division will be led by Richard Wood, executive vice president, head of property, international insurance, who will join the company in July 2024.

He has been group head of D&F property at Lancashire Insurance (UK) Group and Lancashire Australia Sydney.

Chris Prior joined Westfield as D&F property class underwriter in December from Lloyd's of London insurer Inigo Ltd. and will begin writing business for 2024.

Westfield introduced a suite of management liability coverages for public, private and nonprofit organizations in March.

### Amwins adds livestock insurance program

■ Equisure, part of Amwins Group Inc.'s underwriting division, said it has launched a livestock insurance program.

The program offers animal mortality, disease and transit coverage for several types of livestock-related risks.

Coverage is available across the U.S. and written on an admitted and nonadmitted basis with a minimum premium of $250. Limits will vary by insurer.

Eligible accounts include dairy farms; beef feedlots; cattle, sheep, llamas and zorses; poultry and swine operations; zoos, aquariums and safari parks, including giant pandas, penguins, dolphins and exotic fish; canines/working dogs; grazing cattle; genetic facilities and embryos; semen storage and transport; livestock auction markets and packers; high-valued individual animals for breeding or showing; and transit of livestock by air, sea or road.

### BRP subsidiary launches psychedelics insurance

■ A BRP Group Inc. unit said it has introduced TheraCover psychedelics insurance, which covers professionals and companies involved in bringing lawful uses of psychedelic medical therapies to the market.

Armfield, Harrison & Thomas LLC introduced the product.

The claims-made policy has a $1 million limit per claim, with an aggregate of $3 million per policy period.

Leslie Nylund, Tampa, Florida-based BRP's national managing director, strategic growth initiatives, said in a statement that TheraCover covers licensed providers of psychedelic-assisted therapy, including medical doctors, psychotherapists, psychiatric nurses, medical facilitators, clinicians and therapists.

BRP said the product is being introduced with the support of the San Jose, California-based Multidisciplinary Association for Psychedelic Studies.

### Alliant adds trucking excess program

■ Alliant Insurance Services Inc. said it is introducing a trucking excess program for middle-market fleet operators.

Fleets with more than 50 power units can obtain primary limits of $1 million or $2 million with deductibles of up to $250,000, Alliant said. The program offers a premium dividend based on driving behavior that is not tied to losses.

### CFC Underwriting offers extra cyber cover

■ CFC Underwriting Ltd. said it is offering small and medium-sized enterprises add-on cyber coverage to packaged insurance policies for professional services businesses.

The London-based specialty insurer said it is now offering broad cybercrime coverage, as well as giving SMEs access to cyberattack prevention services and incident response capabilities.

There are up to $5 million in limits available, and key areas of coverage are not sublimited, according to the company.

## DEALS & MOVES

### NFP deal set to sharply expand Aon´s middle-market business

■ Aon PLC's proposed $13.4 billion purchase of NFP Corp. will significantly expand its middle-market business, particularly in employee benefits, and enable it to grow more rapidly, observers say.

The deal will also position it to buy other smaller brokers as it builds off NFP's existing mergers and acquisition capabilities, they say.

In addition, the deal will see Aon re-enter the growing wholesale brokerage sector, which it and other large brokers exited nearly 20 years ago following conflict-of-interest concerns raised by then New York Attorney General Eliot Spitzer's investigation into the insurance industry.

The deal is expected to close next year but Aon said it is conservatively calculating the financial metrics based on a June 2025 close.

The purchase of private-equity owned NFP, the 13th largest brokerage of U.S. business, according to *Business Insurance*'s most recent ranking, won't change Aon's ranking as the world's second-largest brokerage, behind Marsh & McLennan Cos. Inc., but it will add more than $2 billion in middle-market revenue.

The Dec. 20 announcement of the NFP deal came after months of market speculation about Aon's intention to make a sizeable middle-market purchase and about a year and a half after Aon's proposed $30 billion acquisition of rival Willis Towers Watson PLC collapsed amid antitrust concerns.

After NFP launched an initial public offering in 2003, it was taken back into private ownership through a deal with its current owner, Madison Dearborn Partners LLC, in 2013.

Aon said it will operate NFP as a separate platform, which will continue to be headed by CEO Doug Hammond.

The $13.4 billion purchase price will be made up of $7 billion in cash and $6.4 billion in Aon shares. Aon said the price will represent 15 times earnings before interest, taxes, depreciation, and amortization at the closing of the deal.

Aon said it expects NFP's revenue to grow to $2.9 billion in 2025 and its EBITDA to grow to $800 million.

NFP, which has about 7,700 staff, reported $2.21 billion in gross revenue and $1.93 billion in brokerage revenue in 2022, according to *Business Insurance*'s 2023 Agents and Brokers Ranking and Directory.

### World Insurance makes Pennsylvania buy

■ World Insurance Associates LLC said it has acquired the business of Exchange Underwriters Inc.

Terms of the deal were not disclosed.

Exchange Underwriters, based in Washington, Pennsylvania, which provides personal and commercial lines insurance, has about 25 employees. The broker was founded in 1952 in Canonsburg, Pennsylvania, and the agency relocated to Washington in 2018, according to a company statement.

### HDI buys specialty insurer from Lumbermens

■ German insurer HDI Global SE said it has bought Indiana Lumbermens Insurance Co., a unit of Pennsylvania Lumbermens Mutual Insurance Co.

Terms of the deal were not disclosed.

The transaction, which closed Nov. 30, will allow HDI, a Hanover, Germany-based unit of Talanx Group, to enter the U.S. surety market, HDI said in a statement.

With the purchase, HDI has two admitted units and one nonadmitted unit in the United States.

### Gallagher buys brokerage specializing in union cover

■ Arthur J. Gallagher & Co. said it has bought Hunt Insurance Agency Inc., a commercial and personal lines brokerage that specializes in labor unions.

Terms of the deal were not disclosed.

The brokerage, which does business as Hunt Insurance Group, is based in Palos Heights, Illinois, and has about 10 employees, led by Larry Hunt.

### USI purchases BOK brokerage

■ USI Insurance Services Inc. has acquired BOK Financial Insurance Inc., a Denver-based insurance brokerage, from BOK Financial Corp., the companies said in a joint statement.

Tulsa, Oklahoma-based BOK Financial Corp. said the deal will result in a pretax gain of $28 million after transaction-related expenses and will generate a net benefit to recurring earnings going forward.

BOK Financial Insurance specializes in employee benefits, property/casualty and risk management programs. All staff will join USI, according to the statement.

# PEOPLE

“Pursue professional designations early in your career to help sharpen your knowledge, specifically on coverages and contracts.”

## UP CLOSE

### Kim Bushong Petrillo

**NEW JOB TITLE:** Ponte Vedra Beach, Florida-based president and chief operating officer, Coastal Insurance Underwriters

**PREVIOUS POSITION:** Ponte Vedra Beach, Florida-based vice president, Coastal Insurance Underwriters

**OUTLOOK FOR THE INDUSTRY:** The insurance marketplace is cyclical and fluctuates between a hard and soft market. It has been awhile since the Florida market has experienced a hardening market and rising rates. We will continue to experience higher rates, lower limits, tightening of coverage, and a reduction of insurer capacity. It may take some time for the market to adjust and correct itself before insurance premiums begin to decrease.

**GOALS FOR YOUR NEW POSITION:** I want to continue to support Coastal’s profitable growth and add new programs and product offerings that meet client needs.

**CHALLENGES FACING THE INDUSTRY:** Florida has seen persistent high loss ratios since 2013, primarily caused by the frequency of high-severity property and liability claims and increased litigation costs with even higher jury awards. For property, we’re seeing reduced capacity in the marketplace, leading to pricing increases because there are fewer markets or insurer appetite may have become more restrictive depending on the risk’s construction and its age. For the liability portion, we are continuing to see a reduced number of insurers willing to do business in Florida, resulting in increased costs for insureds. Insurers are seeing increased frequency of claims as well as more plaintiff-friendly decisions and larger jury awards due to social inflation. Recent legislative changes in effect as of March 2023 should help the Florida legal environment with the goal of reducing the cost of litigation regarding property insurance claims and other property insurance-related reforms.

**FIRST EXPERIENCE:** I joined the insurance industry as a commercial underwriter for a large wholesaler focused on main street classes of business. I learned the nuances of a vast number of classes that helped me gain a diverse background as an underwriter.

**ADVICE FOR A NEWCOMER:** Pursue professional designations early in your career to help sharpen your knowledge, specifically on coverages and contracts.

**DREAM JOB:** I studied abroad in Florence, Italy, during college. I would love to be a winemaker or run a vineyard in Tuscany.

**COLLEGE MAJOR:** I completed dual majors in finance and risk management & insurance at Florida State University. I also hold a master’s in insurance management from Boston University.

**LOOKING FORWARD TO:** I’m most looking forward to leading our amazing team and continuing the longstanding success of Coastal.

**FAVORITE MEAL:** I love Italian cuisine, specifically brick-oven pizza.

**FAVORITE BOOK:** “The Great Gatsby”

**HOBBIES:** I enjoy working out, traveling and relaxing at the beach.

**FAVORITE TV SHOW:** “Yellowstone”

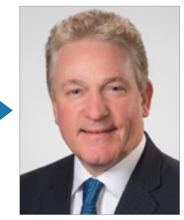
**ON A SATURDAY AFTERNOON:** Time with my family at the beach is one of my favorite ways to spend a Saturday.

## SEE MORE ONLINE

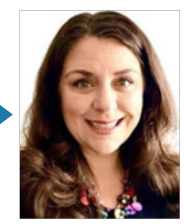
Visit *www.businessinsurance.com/ComingsandGoings* for a full list of this month’s personnel moves and promotions. Check our website daily for additional postings and sign up for the weekly email. *Business Insurance* would like to report on senior-level changes at commercial insurance companies and service providers. Please send news and photos of recently promoted, hired or appointed senior-level executives to *editorial@businessinsurance.com*.

## ON THE MOVE

Marsh LLC hired **Carrie Yang** as a senior vice president in its U.S. cyber practice. Chicago-based Ms. Yang had been a senior vice president and a team leader in Aon PLC’s cyber solutions practice.



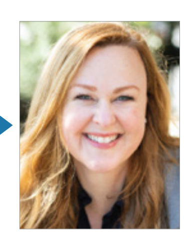
Hub International Ltd. named **Duncan Ashurst** a managing director in its complex risk practice. Previously, Chicago-based Mr. Ashurst led a team at Marsh LLC that offered transactional and advisory services to large and complex clients.



Risk manager **Kristen Peed** has joined Sequoia Benefits and Insurance Services LLC as head of corporate risk. Ms. Peed, previously director of corporate risk management at CBIZ Inc., will be based remotely in the newly created role. Ms. Peed was a 2016 *Business Insurance* Women to Watch honoree.

FM Global named **Laurel Rudnick** senior vice president, division manager, for Affiliated FM Insurance Co., its middle-market unit. She succeeds Ziad Alex S. Tadmoury, who was named executive vice president overseeing AFM’s operations in Europe, the Middle East and Africa, Asia-Pacific, Canada and specialty industries. Ms. Rudnick had been operations senior vice president, New York operations manager, for FM Global.

Ryan Specialty LLC named **Thomas Nash** president of CorRisk Solutions, its wholesale distribution professional liability managing general underwriter. Mr. Nash previously was president of Kelly Underwriting Services LLC, part of CorRisk.



Sedgwick Claims Management Services Inc. named **Leah Cooper** global chief digital officer. Ms. Cooper, based in Chattanooga, Tennessee, most recently was managing director of global consumer technology. She was a 2022 *Business Insurance* Women to Watch honoree.


## Red Lobster in the red over risky promo

Business tends to slow down at Red Lobster locations in the second half of the year, so its parent company, Thai Union, launched a new promotion to gain traffic: For $20, customers could eat as much shrimp as they wanted.

The "Ultimate Endless Shrimp" offer proved so popular that it was the key reason for the chain's roughly $11 million third-quarter loss, according to CNN.

"We knew the price was cheap," Thai Union CFO Ludovic Garnier lamented on the company's third-quarter earnings call, CNN reported. "We need to be much more careful regarding, what is the entry point? And what is the price point we're offering for this promotion."

To keep the shrimp dishes sizzling, the company said it is increasing the price to $25.

## A twist in the war over handbags


A Chinese company that was selling knockoffs of Marc Jacobs' "The Tote Bag" handbags is suing the designer after the luxury brand had the cheaper versions removed from Amazon.

As reported by The Fashion Law blog, Guangzhou Xiao Ling Wan Trading Co., which owns and operates an Amazon store called Lingwanus, filed suit in the U.S. District Court for the Southern District of New York.

Since October, Lingwanus has been unable to sell the $55 dupe bags. The bags are virtually identical to the $395 designer bags, described on the Marc Jacobs website as "iconic."

The Chinese company claims Marc Jacobs made "fraudulent assertions of trademark infringement, which ultimately caused Amazon to remove [its] listings" for three handbag variations, thereby damaging its business relationship with the online retailer, according to The Fashion Law.

# COURT FINDS EMOTION PLAYS NO PART IN LOVE INSURANCE DISPUTE

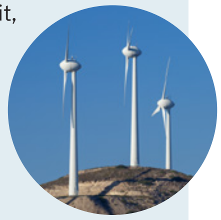
A married man in China successfully sued an insurance company for failing to honor a "love insurance" policy that had a marriage payout of 9,995 yuan, or $1,400, if the man married within a certain time frame, according to the Chinese media outlet scmp.com.

Liu Xiaoming bought the insurance policy in March 2018 as a surprise for his college sweetheart. The policy stipulated that if the couple married between three and 10 years after the policy was purchased they would receive a payout of 9,995 yuan.

However, after the couple married in 2022 and submitted the required claim documents, the unnamed insurance company refused to pay, telling a court that love was "an emotional relationship which does not fall within the scope of insurance regulations and the insurance contract was therefore invalid."

On appeal, the country's Financial Court ordered the insurer to pay up, stating that the insurance wasn't related to emotions but "rather to the financial interests that might arise from wedding preparations."

## Save environment vs. ocean views



The way they see it, mansion owners and preservation groups in Newport and Block Island say that two large offshore wind farms off Rhode Island, however environmentally friendly, will ruin their distinct view of the ocean.

The Providence Journal reports the approval of the wind farms has prompted a lawsuit against the U.S. Bureau of Ocean Energy Management.

The Preservation Society of Newport County, which owns 11 historic properties, and the Southeast Lighthouse Foundation on Block Island say the projects will adversely affect the historic character of the area.

"We support green energy," the Preservation Society said in a statement. Yet "green energy projects need not come at the unnecessary loss to our community's irreplaceable character and sense of place."

## Liberace saga hits sour note for plaintiff

A lawsuit over Liberace's extravagant rhinestone-clad piano turned into a saga of contract law.

In 2019, the Gibson Foundation sued Robert Norris, owner of Massachusetts music store Piano Mill, that had allegedly been gifted Liberace's piano. Gibson alleged it had a warehousing agreement with the store over keeping the piano. Mr. Norris, meanwhile, claimed that Gibson only recalled that such a piano was in existence when it read in media reports that the roof of the store holding one of Liberace's famous performance pianos had collapsed under the weight of a snowstorm.

A federal appeals court ruled that Gibson failed to prove it had rights to the famous instrument "because we conclude that Norris and Piano Mill are right that the record evidence would permit a rational factfinder to determine that the piano was given to them as a gift."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