

# **Global Insurance Broking: A Strategic Review of the World's Top 150 Commercial Non-Life Insurance Brokers**

**Report prospectus**

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## What is the research?

*Global Insurance Broking: A Strategic Review of the World's Top 150 Commercial Non-Life Insurance Brokers* provides a focused analysis of leading competitors in commercial lines broking worldwide. It leverages Finaccord's unrivalled knowledge of commercial non-life (P&C) insurance broking across numerous countries to present not only a ranking of broking groups according to their actual or approximate total revenues generated from commercial lines in 2015 but also a series of analyses that further illustrate their presence in this arena.

For each of the top 150 broking groups, these include: the percentage weighting of commercial non-life insurance broking revenues within total revenues; the number of countries in which they have offices; the percentage of total revenues derived from countries other than the groups' home markets; the number of acquisitions made that are relevant to their commercial lines broking operations over the 30 months from January 2014 to June 2016; and their main international broker network affiliations (if any).

Data is also provided for each group's total revenues in 2015 (i.e. including other sources such as broking of personal lines, employee benefits, wholesale insurance and reinsurance, plus underwriting and consultancy activity) and growth in total revenues in the same year relative to 2014.

## What is the rationale?

The world's commercial non-life (P&C) insurance broking market was worth around USD 52.1 billion in 2015 of which approximately USD 29.9 billion (or 57.4%) was accounted for by the top 150 broking groups. Moreover, as large corporate buyers of commercial lines cover have increasingly international insurance requirements so the market for commercial non-life insurance is also becoming more international, and there is a need for broking groups to understand the global environment in which they are operating, irrespective of whether they are active across many countries or in just one.

Finaccord's study provides this perspective as, for each of the world's top 150 commercial lines broking groups, it provides a number of important metrics. These include: their country of origin; the legal structure of their ultimate holding company (i.e. publicly-listed, privately-owned or state-owned); their global ranking by commercial non-life insurance broking revenues; how their business mix compares to that of rival brokers; the degree to which they have diversified internationally in comparison to competitors; and the extent to which they are acquisitive in comparison to competitors.

# Which broking groups are included?

|                                 |                                      |                                   |                                   |                                |
|---------------------------------|--------------------------------------|-----------------------------------|-----------------------------------|--------------------------------|
| Acrisure                        | BrokerLink Insurance Broker          | Hays Companies                    | Leue & Nill                       | Scott Insurance                |
| Air Union                       | Brown & Brown                        | Heffernan Insurance Brokers       | LMC Insurance & Risk Management   | SFS Group                      |
| Alliant Insurance Services      | Büchner-Barella                      | Henderson Insurance Broking Group | Lockton                           | Siaci Saint-Honoré             |
| Andreini & Company              | Capacity Group                       | Higginbotham & Associates         | Lovitt & Touché                   | Simply Business                |
| Aon                             | Capri Insurance Services             | Holmes Murphy & Associates        | Lussier Dale Parizeau             | Söderberg & Partners           |
| APRIL Group                     | CBIZ Benefits & Insurance Services   | Honan Insurance Brokers           | Lycetts                           | Starkweather & Shepley         |
| Arthur J. Gallagher             | Charles L. Crane Agency              | HuaXin Insurance Brokers          | Mahoney Group                     | SterlingRisk                   |
| Artus Gruppe                    | Cobbs Allen                          | HUB International                 | Marsh & McLennan Companies        | SullivanCurtisMonroe           |
| Ascension Insurance             | Conner Strong & Buckelew             | Huntington Insurance              | Marshall & Sterling Enterprises   | Swinton Group                  |
| Ascoma Group                    | Cottingham & Butler                  | Hylant Group                      | Martens & Prah                    | Swiss Risk & Care              |
| Associated Financial Group      | Coverforce Insurance Brokers         | Hyperion Group                    | MDS                               | Swissbroke Group               |
| Assurance Agency                | Cross Insurance                      | IMA Financial Group               | Meeüs Assurantiën                 | The Graham Companies           |
| AssuredPartners                 | Crystal & Company                    | Insurance Office of America       | Mesirow Insurance Services        | The Hilb Group                 |
| Aston Scott                     | Dalton Timmis Insurance Group        | InsureBC                          | Moreton & Company                 | The Horton Group               |
| AU Group                        | Diot                                 | INSURICA                          | MRH Group                         | Towergate                      |
| AUB Group                       | Ecclesia Gruppe                      | Integro                           | National Financial Partners (NFP) | TrueNorth                      |
| Autonet                         | EPIC                                 | InterWest Insurance Services      | NCI                               | Tysers                         |
| Axelliance Groupe Assurance     | Essor Assurances Placements Conseils | Ital Brokers                      | Nordwest Assekuranz               | Union Insurance Broker         |
| BancorpSouth Insurance Services | Filhet-Allard                        | J. Smith Lanier                   | Paychex Insurance Agency          | USI Holdings                   |
| Bankers Insurance Group         | Finaxy Group                         | Jiang Tai                         | PayneWest Insurance               | Vanbreda Risk & Benefits       |
| BB&T Insurance Services         | First Niagara Risk Management        | JLT                               | PBL Insurance                     | Verlingue                      |
| Bessé                           | Frenkel & Co                         | Johnston Meier Insurance          | People's United Insurance Agency  | Verspieren                     |
| Besso Insurance Group           | Funk Gruppe                          | Keenan & Associates               | Propel Insurance                  | Wells Fargo Insurance Services |
| BFL Canada                      | Gossler, Gobert & Wolters            | Kessler & Co                      | PSC Insurance Brokers             | Western Financial Group        |
| Bluefin                         | GrECO JLT                            | Koban Södvers                     | RCM&D                             | Willis Towers Watson           |
| BMS Associates                  | Griffiths & Armour                   | Kunlun Insurance Brokers          | Regions Insurance Group           | Wirtschafts-Assekuranz         |
| Bouchard Insurance              | Groupe CADRE                         | La Flandre Assurances             | Risk Strategies                   | Woodruff-Sawyer                |
| BPL Global                      | Gruppo Assiteca                      | Lark Group                        | S&E (Dr. Schmidt & Erdsiek)       | Wortham                        |
| Brasil Insurance                | Guangdong CNinsure Kafusi            | Lawley Service                    | Schouten Zekerheid                | Yingda Changan                 |
| Brightside                      | Guodian Insurance Brokers            | Leavitt Group                     | SCHUNCK Group                     | Zicht                          |

**Note: broking groups in scope are those that operated independently for the whole of 2015 or a part of it; some have since been acquired or merged with other groups**

## What is the report structure?

*0. Executive Summary:* providing a concise evaluation of the principal findings of the report.

*1. Introduction:* offering rationale, description of methodology and some definitions.

*2. Overview of the Top 150 Brokers:* this section begins with analyses of the top world's 150 commercial lines brokers by ownership status, legal status of ultimate holding company and country of headquarters. It then ranks them by a number of key criteria including: total revenues, 2015; growth in total revenues, 2015; commercial lines broking revenues, 2015; % of total revenues attributable to commercial lines, 2015; % of total revenues due to international markets, 2015; and number of acquisitions made in commercial lines broking, 2014 to H1/2016. Finally, it ranks international broker networks in accordance with their share of members that belong to the world's top 150 broking groups in commercial non-life insurance.

*3. Profiles of the Top 150 Brokers:* ordered alphabetically, this chapter contains short profiles of each of the world's top 150 commercial property and casualty insurance broking groups. Each profile commences with a 'key facts' table (as illustrated by the example on the following page of this prospectus) and is followed by a commentary summarising the background to and current operations of the group.

## What does a 'key facts' table look like?

### Finaxy Group

|  |  |
|--|--|
| Website  | <a href="http://www.finaxygroup.com">www.finaxygroup.com</a> |
| Headquarters   | Paris, France  |
| Chairman   | Guillaume Jacqueau   |
| CEO  | Erick Berville   |
| Ultimate holding company                                   | Equistone Partners   |
| Legal structure of ultimate holding company                | Privately held   |
| Number of countries with offices                           | 1  |
| Approximate number of employees worldwide                  | 192  |
| Total revenues, 2015 (USD million)                         | 49.6   |
| Growth in total revenues, 2014 to 2015                     | 12.3%  |
| Commercial non-life broking revenues, 2015 (USD million)   | 39.7   |
| % of revenues attributable to international markets, 2015  | 0.0%   |
| Known acquisitions in commercial non-life broking, H1/2016 | 2  |
| Known acquisitions in commercial non-life broking, 2015    | 1  |
| Known acquisitions in commercial non-life broking, 2014    | 3  |
| Main broker network affiliation(s)                         | n/a  |

Source: Global Insurance BrokerBASE™

# What are the key features of the research?

Key features of this research include:

- the world's definitive ranking of the top 150 broking groups according to their revenues generated specifically from commercial lines insurance;
- for each group, the percentage weighting of revenues from commercial non-life insurance broking within total revenues, 2015;
- the number of countries in which each of the top 150 groups have offices plus the percentage of total revenues generated from territories apart from their home countries;
- the number of acquisitions made by each group that are relevant to their commercial lines broking operations over a period of two and a half years from January 2014 to June 2016.



## How can the research be used?

You may be able to use this report in one or more of the following ways:

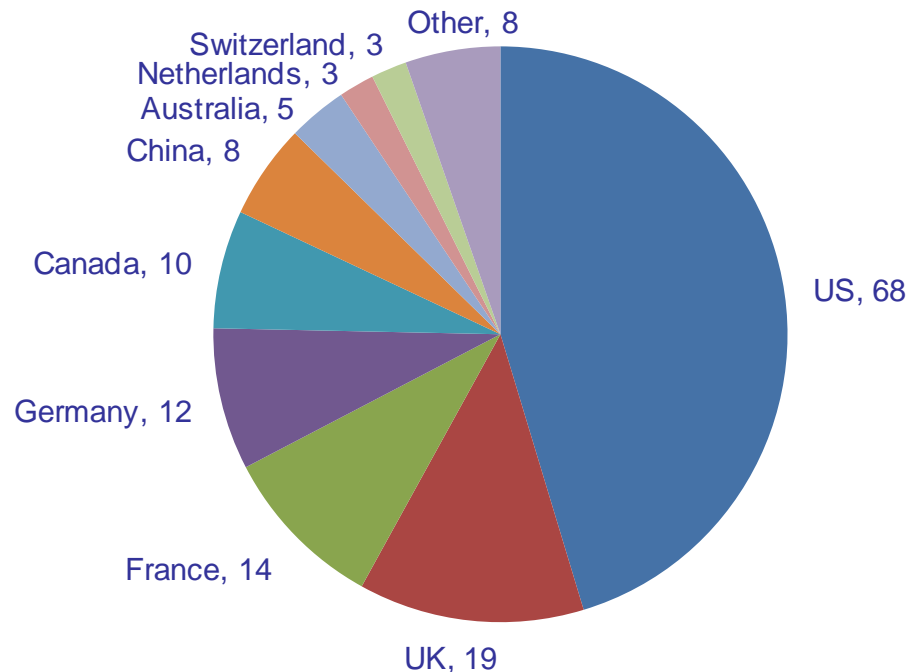
- gain access to a unique source of information that illustrates the hierarchy of the world's leading 150 commercial lines broking groups – for the brokers themselves, this could be invaluable in order to understand where they appear in the ranking and for underwriters, it provides insights into which brokers they should prioritise working with;
- appreciate which broking groups are most focused on commercial lines as opposed to other broking activities such as personal lines, employee benefits, wholesale insurance and reinsurance;
- identify which broking groups have diversified their operations internationally to the greatest extent – out of the world's top 150, almost a third generated at least some revenues outside of their home market in 2015 and the weighted average for all 150 was for 43.0% of total revenues to be derived from international markets;
- identify the broking groups that show the greatest propensity to grow their commercial lines operations through acquisition and understand the types of acquisition that they have been making.

## Who can use the research?

1. *Brokers*: this report enables you to appreciate your position and that of your competitors among the world's top 150 commercial lines brokers, benchmarking it not only by value of revenues generated from commercial non-life insurance but also by a variety of key criteria such as the percentage of total revenues derived from international markets.
2. *Insurers*: this report provides a unique analysis of the importance of leading brokers specifically for commercial non-life insurance. It will help you to judge if you have the right distribution strategy for your international commercial lines business, and to identify if you are acquiring an appropriate volume of business with each of the leading brokers.
3. *Private equity firms*: a significant proportion of the world's leading 150 brokers of commercial non-life insurance are controlled by private equity firms and a very clear majority are privately owned; as both national and international markets consolidate, the broking sector may offer attractive investment opportunities.
4. *Management consultancies*: are you helping an insurance broker or underwriter with its future strategy in commercial non-life insurance? Understand more about the current status of the world's commercial non-life insurance broking market, saving time and effort on researching the subject yourself.

## What are some of the key findings?

1. 68 of the world's top 150 commercial non-life insurance brokers are headquartered in the US with the UK, France, Germany and Canada hosting the next highest numbers

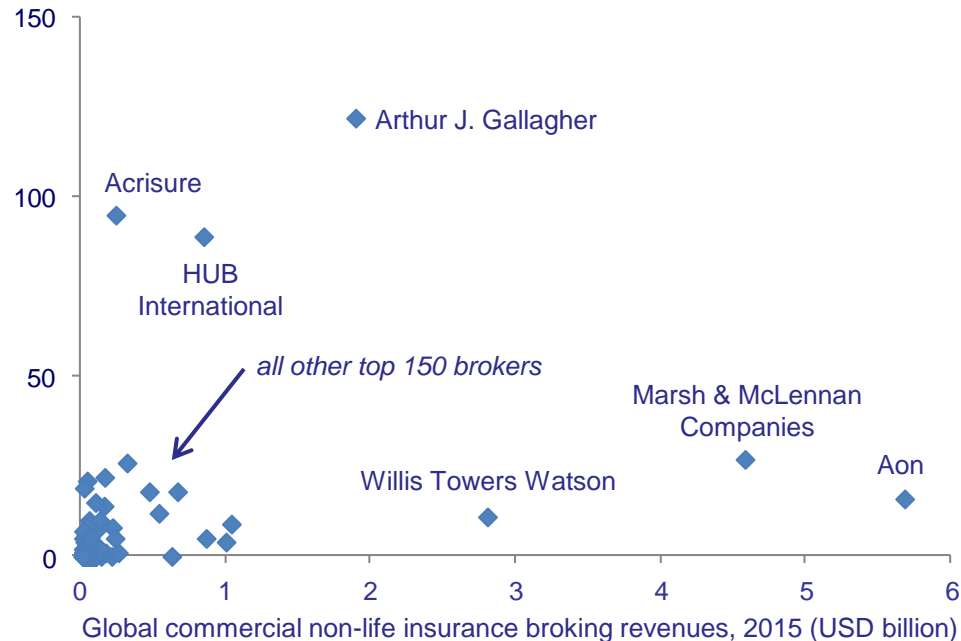


Source: Global Insurance BrokerBASE™

## What are some of the key findings? (cont.)

**2. Over 60 of the world's leading 150 commercial non-life insurance brokers made at least one acquisition in this field between January 2014 and June 2016**

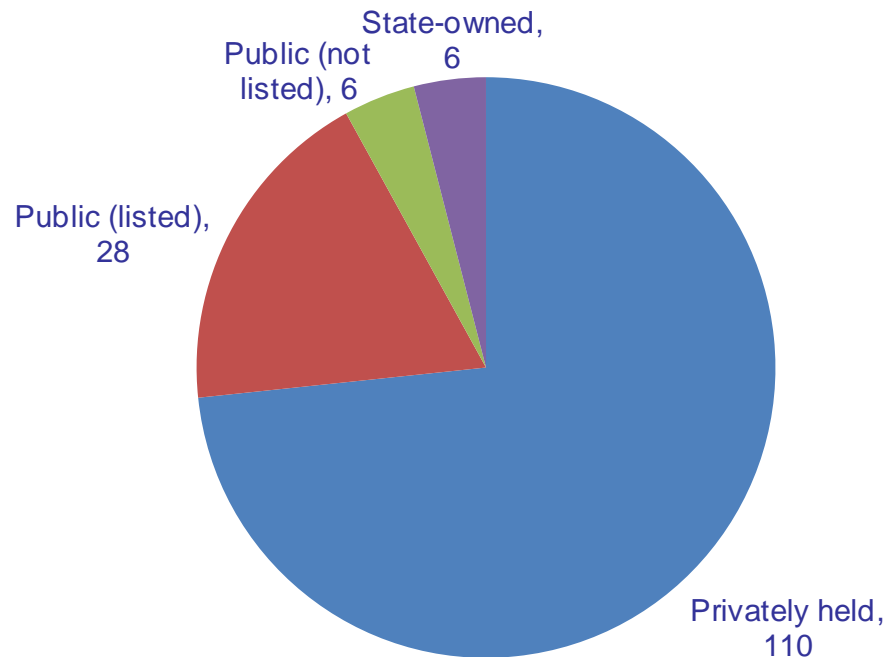
Number of known acquisitions in commercial non-life insurance broking 2014 to H1 2016



Source: Global Insurance BrokerBASE™

## What are some of the key findings? (cont.)

3. The legal status of the ultimate holding company of the majority of the world's top 150 commercial lines brokers is that of a privately held entity



Source: Global Insurance BrokerBASE™

## What are some of the key findings? (cont.)

### 4. Key findings from the executive summary include:

- Finaccord's analysis indicates that Aon held a market share of 10.9% of the world's commercial non-life insurance broking market in 2015 and that it was followed by Marsh & McLennan Companies (8.8%) and Willis Towers Watson (5.4%) with the next seven groups accounting for a combined share of a further 13.5%;
- in 2015, the world's top 150 commercial lines broking groups secured an unweighted average of 65.0% of their total revenues from commercial non-life insurance (up from 64.4% in 2013) and six of the 150 generated all of their revenues from this activity;
- in terms of total revenues, and at 135 out of 150, the vast majority of groups in the study experienced revenue growth of one magnitude or another in 2015 with the business of Lussier Dale Parizeau and The Hilb Group advancing most rapidly in that year as a consequence of merger / acquisition activity;
- the group ranked in 150th position achieved commercial lines broking revenues in 2015 of USD 19.4 million, making this the cut-off point for entry into the top 150; the median point (for the group ranked 75th) was USD 51.0 million.

## What is the cost and format?

*Global Insurance Broking: A Strategic Review of the World's Top 150 Commercial Non-Life Insurance Brokers* is available as a standard PDF document. The BrokerBASE™ that accompanies it at no further charge is in Excel format. Costs for this research and for other titles about different topics in commercial non-life insurance are as follows:

| <b>REPORT</b>   | <b>PRICE *</b>     |
|---|--------------------|
| Global Insurance Broking: A Strategic Review of the World's Top 150 Commercial Non-Life Insurance Brokers | GBP 1,995          |
| Commercial Non-Life Insurance Brokers in Europe   | GBP 4,995          |
| Commercial Non-Life Insurance Brokers in South-East Asia  | GBP 1,995          |
| Commercial Non-Life Insurance Brokers in Argentina, Australia, Austria etc. *                             | GBP 595 to GBP 995 |
| D&O Insurance in Europe   | GBP 2,995          |
| Global Energy and Power Insurance: A Worldwide Review   | GBP 3,995          |
| Professional Indemnity Insurance in Europe  | GBP 4,995          |
| Surety Bonds in Europe  | GBP 2,995          |

*As at November 2016, country-specific reports about commercial non-life insurance brokers are available for 36 countries*

*For UK-based clients, VAT at the prevailing rate will be added to the basic price.*

*Costs quoted are for a single site user licence only.*

*For a corporate user licence, please see the next slide for further details.*

*Invoices can be paid in EUR or USD, at the prevailing exchange rate, if preferred.*

## How can the research be purchased?

Simple. Just go to the relevant area of the Finaccord web site available at [www.finaccord.com/order\\_commercial\\_non-life\\_insurance\\_brokers\\_reports.htm](http://www.finaccord.com/order_commercial_non-life_insurance_brokers_reports.htm) and fill in the online order form, clearly indicating:

- report required
- type of corporate user licence, if required \*
- billing name
- address and e-mail address
- purchase order number, if applicable

Please allow up to one working day for the delivery of electronic copy by e-mail.

\* For the **corporate user licence** please choose one of the following options:

1. One office, one country: no supplement over and above basic cost of reports ordered
2. Multiple offices, one country: additional 20% over and above basic cost of reports ordered
3. Multiple offices, two to ten countries: additional 50% over and above basic cost of reports ordered
4. Global (unlimited offices in unlimited countries): additional 100% over and above basic cost of reports ordered

*VAT at the prevailing rate will be added to the price of any corporate user licence acquired by UK-based buyers.*