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Buyers rank top industry companies

Awards highlight valued attributes

By **RODD ZOLKOS**

Companies recognized as this year's *Business Insurance* Buyers Choice honorees earned the recognition by being the companies that buyers of commercial insurance products and services recommend based on the attributes they identified as the most important.

As the first step in identifying the Buyers Choice group of "best-in-class" companies, buyers were asked to rank key service and expertise attributes in evaluating insurers, brokers and third-party administrators. Next, they were asked to identify the companies they'd recommend for demonstrating the top three service and

expertise attributes they identified.

The Buyers Choice Awards recognize companies identified most often by small buyers, those with less than \$500 million in 2011 revenue; midsize buyers, those \$500 million to \$3 billion in 2011 revenue; and large buyers, those with more than \$3 billion in 2011 revenue.

Categories evaluated have been expanded in this year's survey.

In identifying the 2012 Buyers Choice honorees, profiles of which begin on page 11, buyers provided

insight into the service and expertise attributes they value most and, in some cases, showed differences in what's valued most by buyers of different sizes. Buyers also identified the insurers, brokers and TPAs as the best overall in the respective categories.

The winners were chosen based on responses submitted out from June through August by 448 qualified decision-makers in surveys conducted by Chicago-based Blackstone Group, an independent provider of surveys.

INSURERS

FM Global engineers satisfaction

An emphasis on engineering services is one of the first things buyers cite when they consider what sets FM Global apart, according to one of the insurer's top managers.

"I think they'll say engineering. That's probably their first, typical reaction," said Jon Hall, executive vice president. Added to that is the insurer's underwriting capabilities, its claims capability and a specialty product — "business risk consulting group that helps people understand their supply chain vulnerability," said Mr. Hall. "Those are the four big ones that consistently create a pull on clients. We do these things very well."

That's reflected in the insurer's retention rate, which is well above 90% this year, said Mr. Hall.

It's also reflected in the fact that FM Global was named a *Business Insurance* Buyers Choice award winner in six categories this year: commercial property insurer overall for medium and large buyers; commercial proper-



Mr. Hall

ty insurer service for medium and large buyers; and commercial property insurer expertise for medium and large buyers.

"We're better underwriters because of our engineering. We're better engineers because of our underwriting," said Mr. Hall. "Our hallmark is to provide long-term significant and stable insurance capacity, and we're able to do that through the combination of our underwriting and our great loss-prevention engineering."

Mr. Hall said large and medi-

um-size clients appreciate the insurer's "large, stable capacity" and its engineering capabilities. There is a difference, though, between large and medium-size policyholders' needs.

Middle-market policyholders don't always have a professional risk manager on staff and appreciate the services provided by FM Global's middle-market company, Affiliated FM Insurance Co., said Mr. Hall.

"Most of our large clients are global in nature, and the middle-market clients are more regional — many don't have an international footprint," he said. "Larger clients value global capability more, and I think our middle-market clients, when they have a need, they're happy we can fulfill it on the global side," he said.

Mr. Hall said the insurer is constantly looking for ways to improve, especially in technology.

In addition, FM Global has introduced a new process called "accelerated claims," which is



- Commercial property insurer service for medium and large buyers
- Commercial property insurer expertise for medium and large buyers
- Commercial property insurer overall for medium and large buyers

designed to process and pay claims faster than ever, he said.

FM Global also has broadened coverage, the most recent example being "the Contingent Time Element Extended." Mr. Hall said the new product was worth "hundreds of millions of dollars to our clients in the Thailand floods."

Mr. Hall also said clients like that FM Global is a mutual insurer. "Our clients and our owners are the same people for FM Global."

"We're a specialty company," he said. "We do one thing and one thing only — commercial property — and we focus on that every single day and every single minute."

— By Mark A. Hofmann