





HARD MARKET TOOLKIT | CASE STUDY

Proactive & meticulous actions to overcome today's adversities

<p>Cupo Insurance Agency</p>	<p> AGENCY BACKGROUND</p> <p>The agency's business mix is about 75% commercial lines, including general liability, auto, property, employment practices liability, and workers comp. The team focuses mostly on habitational and property risks, retail and wholesale, as well as some contracting. Annmarie Westerfield has been in the insurance industry for more than 30 years and with the Anthony S. Cupo Agency for the last decade.</p> <p>75% COMMERCIAL LINES</p> <ul style="list-style-type: none">  Habitational and Property Risks  Retail and Wholesale
<p>FEATURING Annmarie Westerfield Chief Operating Officer</p>	
<p> NEW JERSEY</p>	
<p>AGENCY SIZE 10 EMPLOYEES</p>	

 **WHAT'S UNIQUE**

Cupo The firm has significantly grown its commercial book over the last decade and now writes some larger mid-to-large size commercial accounts, including condo associations and apartment buildings.

Westerfield has been through one other hard market in her career but says the current one is much worse.

30+ YEAR
INSURANCE
VETERAN



PREVIOUS
HARD MARKET
EXPERIENCE

 **CHALLENGES**

The agency has always ensured clients are getting the best product and price at renewal time and doesn't remarket accounts unless it is a true benefit to the clients. But for larger accounts such as apartment buildings and condos, renewals have been extremely difficult with much more limited coverage, higher premiums and additional exclusions.

On one renewal, the carrier added a sublimit for snow and ice claims, about which Westerfield says,

“ That was really the only option we could offer to them. I've never come across that before, and it worries me that I am going to see more of it.”

RENEWAL DIFFICULTIES



- Higher Premiums
- Significantly More Limited Coverage
- Additional Limits and Exclusions



APPROACH TO HARD MARKET

The agency is communicating with clients early about what they should expect at renewal time, so they are aware and prepared for what may come. In the past, Westerfield says, producers may have been afraid to say too much too early out of fear that clients will start shopping their account with someone else.

That is no longer the case, she explains:

“It’s much better right now to get in front of it and help them understand the process, and that we are trying to get the best result for them.”

She also focuses on ensuring producers are turning in thorough and accurate submissions, so underwriters will actually quote the business. “Companies are getting inundated with submissions,” Westerfield says, “so if you don’t have all the information up front, and it’s not accurate, you’re not going to get a quote.”

MAINTAINING MINDFULNESS

- Early Communication and Setting Expectations
- Raising Awareness and Preparedness with Clients
- Ensuring Thorough and Accurate Submissions

RETENTION AND NEW BUSINESS

The firm hasn’t had to change its approach to servicing clients, as it has always been very hands-on. But they also recognize responding quickly and efficiently is even more critical, especially when it comes to helping clients deal with claims.

EXAMPLES IN ACTION



- After a fire at a client’s property recently, an agency producer, an adjuster and a clean-up crew were onsite the same day to assist. Now, the agency is already strategizing how to approach the client’s renewal, which isn’t until early next year.

KEY TAKEAWAY: *It’s never too early to start strategizing a renewal after a claim.*

- The firm was able to save another client with several large apartment buildings about 5% on their premium by advising them to raise their deductible and working with the mortgage lender to ensure the higher deductible was acceptable.

KEY TAKEAWAY: *Coordination with multiple parties and attention to detail are critical.*

Though it is challenging, maintaining good relationships with underwriters and clients is essential during these tough times. “I’m trying to get through this keeping my relationships intact,” Westerfield says.

“We all want to be able to come back to the table when the hard market is over and say we rode it out together. This too shall pass.”

LOOKING AHEAD

Westerfield points out that the current market challenges have taught her that no matter how long you are in the business, there will always be the possibility of dramatic and drastic change. So, you can’t get complacent. “This market is reminding us how technical this business really is and how on top of things we really need to be. I think we lost a little bit of that in the soft market,” she notes.

