



Starr Indemnity & Liability Company and Starr Surplus Lines Insurance Company

An Interview with Charles H. Dangelo,
President and Chief Executive Officer, Starr Indemnity & Liability Company (Starr Indemnity)
and Starr Surplus Lines Insurance Company (Starr Surplus Lines)



Charles H. Dangelo

EDITORS' NOTE Charles (Chuck) Dangelo also serves as Vice Chairman of Starr Insurance & Reinsurance Limited. He graduated summa cum laude from the University of Illinois with a B.S. in Mathematics in 1971. He also attended the University of Chicago, Graduate School of Business. Dangelo joined CNA in 1971 and held numerous positions including Senior Vice President of National Accounts, and CFO of Central Operations. Dangelo joined AIG in 1995 to assume responsibility for the majority of AIG's primary casualty operations in North America, including AIG Risk Management. He became President and CEO of AIG Global Risk Management in 2002. In 2005, he was appointed AIG's Vice President and Chief Reinsurance Officer. In addition, he was a Senior Vice President and on the Board of Directors of all of AIG's domestic Property Casualty companies.

Please provide an overview of Starr's Insurance Companies and where you see growth opportunities for the business.

Starr International Company, Inc. (Starr International) has five insurance companies: two in the U.S., Starr Indemnity, our admitted carrier, and Starr Surplus Lines, our surplus lines carrier. Our other companies include Starr Insurance & Reinsurance Limited in Bermuda; Syndicate CVS 1919, a Lloyd's Syndicate that operates out of the U.K.; and Starr International Insurance (Asia) Limited, a subsidiary of Starr Insurance & Reinsurance, in Hong Kong.

Over the past couple of years, we've

been building out our capabilities by adding products, people, and services to these different companies.

My primary focus is on developing the products and capabilities of our U.S. carriers, as there are still significant opportunities in the United States for us to expand our insurance operations and to provide services and solutions to our clients and producers. We also see very significant opportunities in continental Europe, Hong Kong, mainland China, Southeast Asia, and Latin America.

Do you feel your current product portfolio is the right mix, and do you foresee additional products you'll be bringing into the market?

Our initial focus was to build out our standard product offerings, and we have and will continue to add new innovative products as we grow. In our insurance companies, we write business through a number of different distribution sources. Our insurance companies are open brokerage, but we also source business through managing general agents who are part of the Starr Underwriting Agencies. These agencies can write on either Starr Indemnity or Starr Surplus Lines paper, as well as other carriers' paper. If a Starr agency writes for another carrier, one of our five companies will generally reinsure a material part of that business.

In the past two years, we have also built out a number of products that we offer directly to retail brokers and wholesalers in a number of casualty lines of business.

For example, we have RESOLUTE PORTFOLIOSM for financial lines, which is a whole breadth of products including directors' and officers' liability, employment practices liability, fiduciary liability, and crime coverages for public, private, and not-for-profit companies. Through ECO STARR SUITESM, we offer a variety of environmental liability products. We have an extensive portfolio of Accident & Health products, focusing primarily on the accident side of A&H. Our STARR RESPONSESM Crisis Management products include Kidnap, Ransom and Extortion, Contaminated Product Insurance, and Product Recall Insurance. STARR PROSM provides Professional Liability insurance coverage for Architects & Engineers, Lawyers, Accountants, and other Specified Professionals. We also have a full breadth of specialty casualty products for Aviation, Construction, Energy, Excess Casualty, Marine, and Programs.

We recently added the capability of providing worker's compensation insurance through a joint underwriting agreement with another

carrier in support of our environmental, construction, and energy offerings. We also anticipate adding the ability to write commercial auto in the fourth quarter.

Is the broad range of products you're offering well understood in the market?

Yes, both the broker community and our insureds have a good understanding of our product offerings.

Our message is being communicated through presentations, meetings, our Web site, and a quarterly e-mail newsletter. Given the fast pace at which we're adding products and services, the challenge remains to make certain that we are effectively communicating our expansion to both our brokers and our clients.

Is technology playing a major role in how you deliver these products, and will it take away some of the personal client interaction?

I don't think technology will take away the client interaction. Even though our customers, brokers, and our companies all use technology proactively, it still comes down to relationships. As technology evolves, we'll continue to see it play a bigger role. But even as we utilize technology, our personal relationships remain most critical.

Are the BRIC countries the main focus for international growth, or do you see it from a much broader perspective?

We see it from a much broader perspective. We continue to see significant opportunity in the U.S. as well as in continental Europe given the size of these insurance markets. Brazil also presents a significant opportunity, as do other areas in Latin America and in Asia, including Hong Kong, mainland China, and Southeast Asia.

How did you end up in the business?

In college, I was a mathematics major and I interviewed with an insurance company that was looking for actuaries. So I started out as an actuary and I'm a Fellow of the Casualty Actuarial Society. Later, I was afforded the opportunity to learn the business aspect of it – the marketing, underwriting, and sales, and I was hooked.

The opportunity of building a business, a team, and a marketing strategy that will differentiate our products from the competition is very exciting.

Being an actuary provided a good foundation, but it's not really what the business is about. The business is about establishing and maintaining relationships, building and leading a team of people, developing a set of products, and effectively executing our goals. ●