

The Global Nature of Zurich

**An Interview with Daniel W. Riordan,
CEO of Zurich Global Corporate in North America, Zurich North America**

EDITORS' NOTE Dan Riordan is Chief Executive Officer of Zurich Global Corporate in North America. He has been with Zurich since 1997. Previously, he was President of Zurich North America's Specialty Products. Riordan joined Zurich to establish and manage the Political Risk and Trade Credit business. Under his leadership, that business grew into a world-class organization. He then managed an integrated Surety, Trade Credit and Political Risk business. Earlier in his career, he was a senior executive



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and vice president for insurance with the Overseas Private Investment Corporation (OPIC), managing a \$13-billion portfolio of long-term investment risks in 75 developing countries. Riordan is President of the Berne Union, the London-based international association of export credit agencies and investment insurers. He is also a member of the Board of Advisors for the School of Risk Management at St. John's University and a member of the Institute for International Finance. Riordan is a graduate of the State University of New York at Oswego, and earned a master's degree in international development from the School of International Service at American University, Washington, D.C.

COMPANY BRIEF Zurich Insurance is a global leader in managing risk. With more than a century of experience in North America, Zurich helps businesses understand and protect themselves from risk in a rapidly changing, interconnected world. Zurich in North America (zurichna.com) is the fourth-largest commercial property-casualty insurance company, serving the global corporate, large corporate, middle market, specialties, and programs sectors in more than 200 countries. Zurich employs 55,000 people globally and approximately 9,000 people in offices throughout North America with major centers of employment in the metropolitan areas of Chicago, New York City, Kansas City, Omaha, Baltimore, Orlando, and Toronto. Zurich has helped shape the country by insuring iconic infrastructure projects in New York, like Madison Square Garden, and other U.S. projects, like the Hoover Dam.

Would you provide an overview of what has made Zurich so effective in the Global Corporate arena in North America?

I'm really proud of the expertise we have, particularly when it comes to larger companies.

Our focus is on companies that are of an annual sales basis from \$750 million to multiple billions of dollars – larger corporate customers in general.

We work with them domestically, but also for their insurance needs internationally. A huge focus for us is the international piece, which draws on our global expertise and the global nature of Zurich.

We are one of the largest providers for the corporate customer, and those large customers are looking for our corporate expertise. We generally write their property insurance, casualty insurance, and workers' comp, particularly in the United States and Canada.

We're also involved in the energy sector, and we're significantly positioned in the private equity space and the marine space.

In all areas, we look to serve the corporate customer, and we draw on other areas within Zurich where we can provide solutions with other product lines. We're focused on bringing the best of Zurich to the corporate customers.

For North America, we count about 5,000 customers. We're well penetrated in the marketplace, particularly for the large international companies.

Is innovation primarily on the technology side or is it in products and services?

The insurance industry has high volumes of useful data that have been collected over long periods of time on claims, losses, and loss factors. We are increasingly finding good applications to utilize that data for predictive purposes. For example, we developed predictive models to help identify the likelihood that a bodily injury claimant will have surgery or that a claim will be litigated. This kind of information can help us generate the best outcome for our customers.

Use of mobile technology is growing at a rapid rate, too. There is wearable technology for workers' compensation that our risk engineers are working on. We also have telematics, which can help avoid accidents and losses. Both of these tools can capture data in new ways to help companies make more informed decisions, keep their people safer, and protect the business.

Another way Zurich helps customers make informed decisions is through the Zurich Risk Room, a proprietary global risk analysis tool, designed by Zurich to help illustrate the impact of multivariate risks on individual countries and regions. It uses both publicly available and Zurich's own data on risks as varied as water shortages, energy price

fluctuations, and political unrest. The tool goes beyond the ability to look at risks in single dimensions and shows the complex interactions between many different types of risks. In all, the full Zurich Risk Room tool analyzes more than 70 individual risks, covering more than 150 countries around the world. It also won a 2013 Innovation Award from *Business Insurance* magazine.

How do you differentiate from a service offering point of view?

Our intent is not to be a coverage capacity provider. We're focused on continuing to grow on the service side of the business where we have dedicated relationship leaders who are each responsible for major customer relationships. They have developed a strong understanding of their customers and are deeply connected with the risk manager, the benefits manager, and often with their C-suite. We can truly listen to anticipate these customers' needs, which, increasingly, are service-oriented. They are looking for the ability of a carrier to manage their complex international exposures, and one that has deep insights into different countries around the globe.

The ability to issue policies and coverages in over 200 different countries and areas around the world is a very important distinguishing factor for Zurich. It's also being able to issue those policies in a compliant manner, so we have to understand the local laws and regulations, as well as the tax implications. We invest significantly in the specifics as they relate to regulations to make sure we provide the most compliant solution possible to our customers.

But they're also looking for servicing in terms of the ability to issue those policies quickly, the ability to handle the payments that will come for those policies on an international basis, and the ability to handle the claims that will come with those exposures. There are few companies that can provide that level of support internationally.

Clients are also looking at risk engineering, and Zurich's service offerings can include our safety experts, our consultants, and our engineers who offer true global reach to provide support on exposures around the globe.

The use of technology for those services is important. We have an ability to provide them with Risk Engineering Onsite, a proprietary iPad-based tool that enhances our Risk Engineers' abilities to provide advice, support, and safety considerations in real time while at a customer's location.

It's about providing quick but thoughtful and insightful services to customers. ●