

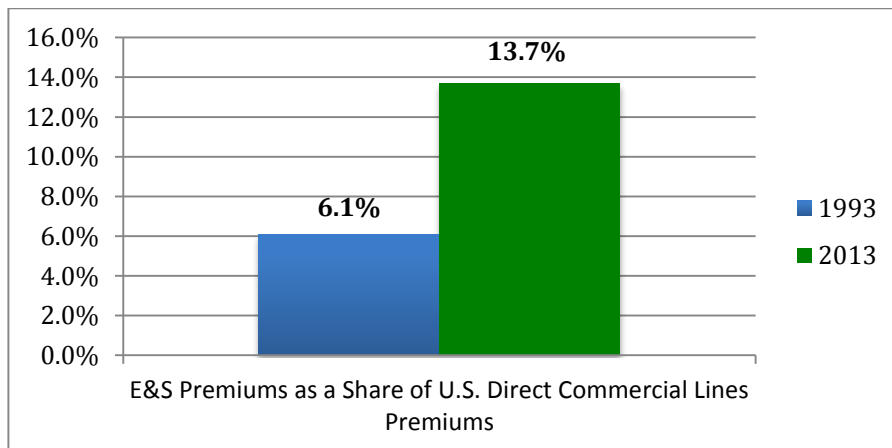
## Let's Get Together (and Share E&S Data)

### *Agents Can Benefit As E&S Business Offers More Electronic Handshakes*

*Provided by the E&S Joint Working Group (ESJWG)*

The E&S business has boomed.

In 20 years, it's more than doubled: Excess and surplus lines premiums in the U.S. now make up 13.7 percent of commercial lines direct premiums written as of 2013. That's up from 6.1 percent share for 1993, according to A.M. Best's *2014 Special Report, U.S. Surplus Lines - Segment Review*, produced in cooperation with the Derek Hughes/NAPSLO Educational Foundation.



That growth trajectory means **opportunity for agents**: 1) for new business, and 2) for improving the workflow within the sector.

The E&S business provides vital insurance protection for businesses and individual clients around the globe. But the sector is diverse, specialized and dispersed -- meaning it's been a relative laggard in adopting standards and data sharing.

But not for long.

Now, it's time for E&S business and tech pros to lead the next phase of growth for standards and workflow. That's the aim of a group that's flown under agents' radar: The **E&S Joint Working Group** (ESJWG.org).

Since 2011, a core group of volunteer leaders has been updating interface capabilities for the E&S business, aiming for greater interoperability among partners.

These E&S pros are leveraging their own experience in collaboration with peers in three distinct sectors of the business. Here's a snapshot of key topics:



### ***Retail Agent – General Agent Subgroup***

*Co-Chairs: Lisa Parry Becker, William B. Parry & Son / Tate Tooley, Bloss & Dillard*

The subgroup works on ways for GAs to better support their retail agent business partners who bring them risks.

#### *Accomplishments:*

- Created roadmap for GAs to develop websites for online access for agents.
- Provided proof of concept for passing data from agents' management system to GA system.

#### *Action Items:*

- Calling on business partners in E&S to implement standards.
- Aiming to expand activity notes for E&S business within agency systems.
- Creating survey of agents to determine direction of tech initiatives.
- Looking for ideas to increase involvement of Main Street agencies in the business.

### ***Carrier Subgroup***

*Co-Chair: Greg Ricker, CPCU, Sombra Technologies*

The subgroup has a track record of expanding existing ACORD standards to encompass E&S customer needs.

#### *Accomplishments:*

- Expanded CGL standard to include E&S business (approved by ACORD Jan. 2013). The CGL standard, familiar throughout the industry, is now extensively available for E&S risks (including claims made, occurrence, professional liability, liquor and more).
- Expanded commercial property standard to include E&S business (approved by ACORD Jan. 2014).
- E&S carriers have implemented rating; quotes, binders, and rate sheets; loss runs and claim download.

#### *Action Items:*

- Expanding inland marine standard for 40 classes of E&S business (submitted to ACORD).

-- Plotting expansions of standards for: commercial umbrella, excess liability, directors & officers, employer professional liability, and employee benefits.

### ***London Subgroup***

*Co-Chairs: Tammie Miller, Risk Placement Services, Inc. / Sarah Thacker, Lloyd's*

The subgroup is looking for bridges between the U.S. market and London underwriters.

#### *Accomplishments:*

- Bridged the jargon gap between London and U.S. markets.
- Presented proof of concept in 2014 for data exchange between the management system of a U.S. wholesaler and the system of a London underwriter.

#### *Action Items:*

- Encouraging implementation of expanded ACORD standards in CGL and commercial property.
- Defining "real time" so business partners have accurate expectations.
- Streamlining reporting of premium and risk.

E&S is no longer a niche that touches the IA channel on the outskirts. It plainly represents a future opportunity for the independent agent channel, especially to feed the need for agencies to specialize. That's why independent agents can and should benefit from the progress made to date by implementing existing E&S standards -- but also stepping forward to keep pace, give feedback, and even join in ongoing action items to improve E&S business workflows.

*Contact information: Visit [ESJWG.org](http://ESJWG.org).*

*CJ Ketterer, Agent Facing Technology Manager with Catlin Insurance, Scottsdale, AZ, is co-chair of ESJWG.*

*Note: A.M. Best's 2014 Special Report, U.S. Surplus Lines - Segment Review is available to NAPSLO members by visiting [NAPSLO.org](http://NAPSLO.org).*



## **5 Quick Queries about ESJWG**

### *1. What is ESJWG?*

It's a coalition sponsored by:

NAPSLO (National Association of Surplus Lines Offices)

AAMGA (American Association of Managing General Agents)

ACORD

ACT (Agents Council for Technology)

### *2. Who does it serve?*

Managing General Agents (MGAs)/Wholesalers

Retail Agents

E&S Carriers

Vendors

### *3. What's ESJWG's mission?*

To further the standards-based electronic exchange of information in the E&S market.

### *4. How many are involved?*

About 300 business/technology professionals among E&S carriers, general agents, vendors and retail agents are active as volunteers or in following the issues.

### *5. How does an agent get involved?*

First, find out more at [ESJWG.org](http://ESJWG.org). Second, ask E&S business partners where they stand and what they can offer. Third, contact one of the volunteer leaders.