

British Marine rules out benchmark P&I increase

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BRITISH Marine, a leading provider of insurance for small and specialised vessels, has reaffirmed its policy of standing aside from the “general increase” approach to the protection and indemnity renewal season.

In common with other “fixed premium” providers, the insurer, part of the QBE group, will judge each client and potential client on its record.

Chief executive Robert Johnston said: “As we said last year, we believe that the setting of terms reflective of each owner’s performance is the fair and equitable approach, not the setting of a benchmark increase reflecting a management desired target.”

British Marine’s strategy comes against a background where many mutuals within the International Group of P&I Clubs have announced significant standard increases, in some cases as much as just over 20%.

One of British Marine’s main rivals, Shipowners’ Club, has made it plain it is taking a rigorous approach, with an unspecified increase for members, and a review of their deductibles.

British Marine’s confidence was underlined by Mr Johnston’s message in a circular: “The 2007 year will be the sixth successive year in which the company will report an underwriting surplus, which is the direct result of continued underwriting discipline, and we look forward to reporting on the result in 2008.”

The firm has moved to reinforce its new intermodal and professional liability classes, following the departure of Sam Ignarski.

Zareena Hussain, who has been instrumental in launching the project, has been confirmed as leader in the development of the book. The underwriting team is being strengthened, with John Ambler joining from Gault Armstrong of Sydney, and John Moffat from Royal & SunAlliance..

Mr Johnston said of the intermodal and professional liability venture: “We have also taken the decision to consolidate this class within the British Marine franchise, and in future these portfolios will be classified as British Marine Transport Solutions.”

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