

Maiden Re's bespoke solutions

Maiden Re continues to see opportunities for its business to grow in the US with clients looking to the business for the bespoke coverages it offers.

Throughout the ups and downs of the market cycle, Maiden Re has had the opportunity to support its clients' ongoing capital needs, Art Raschbaum, the reinsurer's president and chief executive, told *Reactions*.

"The way we do that is to listen to the customers carefully and then try to develop solutions that are responsive to their needs, not just for the next 12 months but for the long term.

"Our deal flow is strong. We are a disciplined reinsurer and we think it's important to deliver structures that are differentiated and provide value to customers. That's done in a disciplined manner that recognizes the true loss cost and the cost of capital, but we still believe we can provide effective solutions to customers without undermining our P&L."

Despite being based in Bermuda, property catastrophe business is not a major part of Maiden Re's operation. Instead, the company provides clients, the majority of whom are either mutuals or regional insurers based in the US, with a variety of coverages that provides a business with crucial capital support.

"Today, we have a pretty diverse portfolio of customer relationships that really span across the country in all of the major regions," Raschbaum said.

"They're all very unique with unique needs. There's no cookie cutter solution that works for all of them, and in that



ART RASCHBAUM
President and CEO at Maiden Re

respect we have a very bespoke model where we listen and design on each need. If you look across our portfolio, it would be hard to find a handful of programs that are identical, and that's a big part of our differentiation strategy. We are deeply focused on responding to reinsurance capital needs of small-to-mid size regional insurance companies."

Raschbaum said it is this model of listening to customers and trying to develop solutions for their business as opposed to purely offering readymade products that has helped to make Maiden Re a success.

"We're not a product-centric reinsurer, we're more of a customer-centric reinsurer. A lot of our product development comes from responding to the needs of our clients.

"There are some areas where we don't feel we can add much value, for example we're not really a cat-severity reinsurer, but we've had clients that have wanted to expand into other states or add new lines of business

and we have a team of support services that we can provide, from regulatory compliance to rate filing to actuarial support to helping them understand product attributes and the underwriting characteristics."

In the last 12 months, Maiden Re has also developed a series of electronic services to help its clients access capacity and coverage in an easier manner.

"Over the last year, we've introduced an electronic platform to help our clients provide additional casualty capacity in the form of umbrella liability coverage," Raschbaum said.

Like the bespoke coverages it provides clients, the decision to launch this electronic platform came from listening to what its customers wanted. And, as Raschbaum explained, by continuing to hold regular discussions with its clients, Maiden Re will be able to continue to expand its business and navigate through the current period of tough industry competition.

"We've always believed that regardless of the competition, if we can deliver our clients customized solutions then we can insulate ourselves from the effect of a competitive market by providing highly differentiated products.

"We want to continue to expand those differentiators over time. We're thinking of reinsurance not only from the standpoint of risk transfer but also how to optimize the capital support we deliver. We also focus on how we can assist and support client growth initiatives and help them to deliver more value to their customers and agents." ●

Reactions

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