

POWER BROKER: AT LARGE



John Averill

**VP, Senior Broker
IOA, Gainesville, Ga.**

Worth His Weight in Gold

True specialist brokers in the aviation space are a rare breed. That's why John Averill is worth his weight in gold.

When the plane of one of his clients — Priority Jet's Cessna Citations — was hit on the ramp during an overnight stay at a fixed-base operator in Maine, the company was facing a substantial bill for damage and four and a half months' worth of repairs. But rather than filing a claim with the client's hull and liability insurers, Averill pursued the fixed-base operator directly. While the business and legal liability case was hard to prove, he put together a demand that couldn't be refuted by the fixed-base operator and its insurer.

As a result, Averill secured total coverage of repair costs worth approximately \$400,000, as well as lost profits, expenses and diminished value, which was an additional \$700,000. Consequently, that kept his client in business until repairs were completed despite not being able to operate half its fleet.

A similar situation occurred recently when Priority Jet experienced another ramp incident at Dulles that it wasn't at fault for. While the damage wasn't as extensive, it still caused one of its jets to be out of service for a minimum of three weeks.

Averill is again pursuing the fixed-base operator concerned.

Another client, who he helped to secure property and pollution coverage on a newly leased hangar, said: "John is extremely responsive, dedicated and committed to providing quick and, most importantly, accurate information at a moment's notice."



Chad Barnes

**SVP, Consulting Director
Marsh, Syracuse, N.Y.**

Small Changes, Big Difference

Any risk improvement or savings that can be made makes a big difference for an individual or company, particularly for large retail chains such as Walmart. That's exactly what Chad Barnes was able to achieve when he took over as the company's third-party global risk engineering and loss control program manager.

Barnes started by analyzing the programs, then developed a comprehensive master plan for the property risk engineering and loss control programs. In the past three years, he has closed 474 property insurer engineering recommendations, resulting in a \$3.4 billion reduction in loss expectancy/risk footprint — equivalent to approximately 10% of Walmart's global property total insurable value in 2022. Barnes also helped the company to work through a large property fire claim to understand causative and contributing factors, as well as to evaluate its other facilities and support training to prevent such an event reoccurring. In his remit for property risk engineering, he worked with key stakeholders and Walmart insurer AIG to carry out specialized audits of key facilities and build a corporate risk engineering and loss control plan.

Additionally this year, Barnes has been implementing innovative data tools to produce an online engineering dashboard, as well as using AI to determine the company's property program readiness to present to the markets.

Another client, for whom he developed a flood response master plan, said: "Chad's customer service is excellent. Any issue that I raise with him is resolved immediately."



Lacy Benson, ARM

**Senior Vice President
Marsh, Atlanta**

Rising to the Challenge

No challenge is too big for Lacy Benson. That is just as well, as her client, Gate Petroleum, spans multiple industries, from fuel hauling, car washes and convenience stores to hospitality, real estate and construction — each with a different risk profile. Additionally, a large portion of its assets are in Florida, where some key beachfront property presents a coverage challenge.

At this year's property renewal, Gate's three key markets refused renewal due to a change in appetite and attachment point on the tower. Benson developed a robust marketing effort, which included thoughtful and well-planned underwriter meetings. Her presentation helped markets to understand how they could manage such a diverse risk.

Added to that, the valuation studies she carried out alongside Gate's in-house construction team garnered confidence in its statement of values.

By leveraging her long-standing relationship and senior leader engagement, Benson reversed the carriers' decision and brought two incumbent markets to the table with renewal options.

With this capacity, new London capacity and a healthy balance sheet to self-insure, the renewal result was 15% better than the market average.

Holly Wozniak, risk manager at Gate Petroleum, said, "Lacy provides the kind of creative, out-of-the-box thinking that we need to have as an organization in order to have a successful risk transfer program."



Christopher Chao

**Senior Vice President
Aon, New York**

Complex Geopolitical Risks

Business travel has become one of the biggest risks in recent years — there was COVID-19, then the ongoing war in Ukraine and the current Middle East conflict.

One of Christopher Chao's clients needed coverage for travel in an excluded war risk area. So Chao came up with a unique captive solution for its business travel program. By using his global carrier relationship, he was able to negotiate a 65% weekly rate reduction.

Another client faced a 37% increase in its assistance provider fee. But thanks to Chao's industry knowledge and his place on the Global Business Travel Association's risk committee, he had the visibility and leverage needed to support the client in its vendor negotiation, and consequently, it negotiated the rise down to 12.5%.

For another client with more than 45,000 employees, which had inherited a program with a limited number of business travel policies, Chao carried out a targeted request for proposal.

Through research, leverage and negotiation, he was able to minimize his client's administrative burden while putting in place a robust multinational business travel insurance structure. It also ensured that the client was in compliance and avoided any significant challenges with non-admitted claims payments.

One client said, "Christopher has exceptional customer service. He is always extremely responsive, acknowledges requests immediately and provides frequent updates."



Maxim Tabourel, ACII

**U.S. Casualty Broker
Aon, London**

Getting in Front of the Market

Maxim Tabourel's client MGM Resorts struggled with placing its liability renewal ever since the 2017 Las Vegas shooting at Mandalay Bay, which resulted in an \$850 million settlement. London carriers had become increasingly cautious about providing capacity for the risk, forcing the client to buy lower insurance limits at a higher premium.

MGM had also recently acquired a large hotel on the strip. Tabourel had to roll this new acquisition into his client's program at a minimal additional premium while also maintaining the limits on its insurance tower. One insurer decided it would have to be removed from the program or severely restrict terms, as it had been inadvertently providing coverage for certain exposures regarding non-owned aircraft, which went against its company policy, leaving a potential \$25 million gap in the tower.

By identifying these problems early on, Tabourel sourced alternative insurance from other carriers in the market. In addition, Tabourel obtained information on the client's existing and historic aircraft exposure to demonstrate that the insurer was far removed from the possibility of a loss. He successfully secured the \$25 million of capacity at the same terms and conditions and engaged three new carriers that are interested in participating in future programs.

Liz Rychling, VP of risk management, MGM, said that "Maxim is super confident, articulate and smart. He just gets things done and is a joy to work with."



Cabot Lyman

**Senior Vice President
Aon, New York**

No Risk Too Difficult

Working on complex accounts is second nature to Cabot Lyman. That was evidenced at the February 1, 2023, renewals, where Lyman tried to place coverage for her client Bath & Body Works, a chain with more than 1,800 stores in the U.S. and Canada and 440 international franchised locations. The company's main candle manufacturer had sustained a total loss, and it had also split from Victoria's Secret & PINK and faced the hardest property market in more than 20 years. With more than \$3 billion of property values in California and Tier One wind zones, and another \$3 billion in Tornado Alley, the company sought to maintain expiring limits, achieve a flat deductible and mitigate the rate increase as much as possible.

Working closely with her client and Aon's modeling and asset valuations team to understand the new exposures as a separate company in the current inflationary environment, Lyman obtained new capacity and showed incumbent markets that the company was a good risk to insure on its own. She renewed the program at expiring terms with no valuations clauses or percentage increase in deductibles, and only a 17% rate rise.

Jeff Hilton, vice president, enterprise risk management and global insurance at Bath & Body Works, said that "Cabot is one of the most knowledgeable and technical insurance professionals I have met over my 30-plus-year risk management career. She understands there is more to her work than policy terms and conditions and truly helps us manage our assets, balance sheet and growth through her creative solutions."

POWER BROKER: AT LARGE



Michael Marcum, CPCU, ARM, AIC

Senior Claim Advisor
Marsh, Chicago

Problem Solver

When food and beverage ingredients provider Ingredion approached Michael Marcum to help resolve a property claim, he knew he had his work cut out. To start with, his client had been dealing with a pending property claim arising from severe wind damage to its manufacturing plant in Iowa since August 2020.

The adjustment process was made harder by the structure of the program, with the quota share between one prominent insurer and other domestic and London markets. In this vein, the prominent insurer had used a staff adjuster, while the other markets had appointed their own independent adjuster.

At the same time, Ingredion was contemplating selling its damaged buildings to a third party before the loss. Several buildings were in a state of disrepair prior to the loss, which made determining damage caused by the wind difficult. The client had also made changes to a cooling tower, so the actual costs incurred and time to replace it were based on theoretical versus actual figures. Total incurred costs were just over \$5 million, and the claim submitted was more than \$7 million. But the insurers offered almost \$1.4 million less than the costs incurred. Marcum negotiated with the other markets' adjuster, and the markets raised their final offer by almost \$300,000 to reach an agreed settlement.

One client said, "Mike has been outstanding in servicing our account over the last 20 years. His coverage knowledge is second to none and I rely on his expertise in this regard even beyond an actual loss scenario."



Elizabeth Nguyen, CPCU, CRM

Principal/National Risk Management and Southern California Casualty Leader
EPIC, San Francisco

From Black Swans to Blue Skies

Elizabeth Nguyen's client's primary casualty carrier had advised at binding that its rates would at least double at the next renewal due to its challenging risk profile and loss history. If allowed to renew at that rate, it would have been replicated through its umbrella/excess tower. The end result would have been an exponential increase in its casualty cost, upward of millions of dollars.

Nguyen led the process and advised her client that they needed to work together immediately on a renewal strategy.

Starting the day after renewal, she carried out a blue-sky brainstorming session to discuss risk factors ranging from black swan scenarios to its optimal risk structure, and where alternative structures may support its longer-term objectives. She also met with alternative insurers to build relationships and showcase her client's risk management investments and results.

The outcome: She provided the client with multiple tangible options, including an alternative risk transfer solution through key alternative risk transfer markets that could provide structured solutions over three years to reward favorable loss history with return premium.

One of her clients, Kate Shaffer, risk manager at Ag Growth International, said, "Elizabeth's customer service is 10 out of 10. We consider her an expert in the field."



Jennifer Mula

Broker
Aon, New York

Finding a Property Solution

Property insurance is one of the hardest markets right now. Rates have been on the increase every quarter, even more so for catastrophe-exposed accounts and those that have historically sustained large losses, driven by rising reinsurance costs and inflationary pressures. Jennifer Mula's client United Rentals felt this particularly acutely after using up its aggregate retention for

another year. Added to that, the company's insurer had advised it was no longer going to support 100% of its primary layer because of its loss history.

In anticipation of a tough renewal, Mula held market meetings in London to generate new interest in insuring the primary layer. In addition, she devised multiple different structuring options in an attempt to keep the insurer on the program. Mula worked with the underwriter to provide coverage for the full expiring capacity of 100% in the primary layer of \$25 million, while United Rentals took on a self-insured retention. By avoiding the move to a shared and layered primary layer, she also shielded the company from the introduction of non-concurrencies and higher rate increases.

Additionally, Mula secured new capacity from Liberty Mutual for the \$25 million excess layer. By understanding the risk, presenting it clearly to the market and using her negotiation skills, she successfully completed the renewal.

Elisa Atwell, director of insurance, said that "Jennifer's knowledge of our business ... is excellent. It is evident that she has built genuine relationships with our carrier partners."



Ana Rocheleau, CPCU

Claims Advocacy Professional
Marsh, Hartford, Conn.

Negotiating Workers' Comp Claims

Workers' compensation claims can be notoriously tricky to negotiate. That's where Ana Rocheleau comes in.

One of her clients had an injured employee who filed three claims relating to his lower back and underwent several surgical interventions; another surgery is being recommended. The carrier opined that the employee would likely be deemed permanently or totally disabled, and his lifetime indemnity benefits would amount to \$957,840. Subsequently, the carrier sought present value settlement authority of up to \$575,000.

Due to her client's internal structure, however, settlement authority of this magnitude would require a significant review. When Rocheleau spoke with the carrier's representative, he indicated that he was not even sure there was settlement interest, so she pressed him to inquire with the employee's attorney to determine if there was. If there wasn't, an internal review wouldn't be necessary.

The carrier then contacted the employee's attorney, who confirmed a settlement demand and Medicare Set-Aside totaling \$378,610, meaning no additional authority was required. Rocheleau's client approved the amount, resulting in a savings of \$196,389 from the initial evaluation, as well as hundreds of thousands of dollars over the claim's lifetime. The attorney also agreed to include the other two claims as part of the settlement.

Rocheleau also helped another client secure reimbursement of \$185,939 in excess of its retention, used to pay out for a historic workers' compensation claim.



Paul Simms

Senior Vice President
Marsh, New York

Sky's the Limit

When a prominent U.S. airline client approached Paul Simms to determine the right warranty and London lead insurer, he needed all of his expertise and tact to deliver on the brief. Seeking out leaders with a deep understanding of the aviation industry and his client, the financial strength to underwrite complicated risks, the flexibility to meet emerging risks and market conditions, claims

responsiveness and an innovative solutions-driven approach, Simms went to work.

He had to move quickly and efficiently to draw up the right questions and client road map, working with multiple global markets to meet the client's needs. That required undergoing a detailed, fair and transparent process while being respectful of the incumbent lead insurer's 16-year relationship with his client.

As a result, Simms strategically realigned the program, leading to a significant rate decrease and a substantial liability limit increase. Simms also developed a commercial war and other allied perils facility as an alternative to the Federal Aviation Administration's program, resulting in \$16 million in savings since 2014. And despite all the COVID-19 exposures, he secured a 50% premium return for his client in 2020.

The client said: "Paul wakes up every morning and goes to bed every night thinking about what's best for our business. He's great to work with — he thinks extremely critically about how we should structure our insurance program, and he's also industry-leading in terms of how he wants to position us in front of the insurance community."



Laura Tesoriero

Managing Principal
EPIC, Jersey City, N.J.

She Owns the Details

Laura Tesoriero has made a reputation for herself for coming up with creative ways of looking at an organization's risk profile and delivering the best insurance solution. This skill came into its own for one client that was facing punitive terms from its carrier if the company decided not to bind all its programs with that carrier.

Tesoriero carried out extensive research with both internal and external sources, and presented contract language as a strategy to obtain the best outcome for her client's renewal. This creative thinking helped the client with its larger carrier relationships and design, and it was consequently able to bind beneficial programs.

The client said: "Laura's communication style and customer service level is professional and concise. Her emails outline all the details I need to make informed decisions, including high-level observations, comments on structure, pricing, coverage, goals/solutions and recommendations.

"She is always available to answer any questions or take a phone call, even if just to brainstorm ideas, market feedback or strategy with me. She helps to put insurance-speak into relatable terms that ultimately help me with my internal reporting. She also helps to manage the details associated with our thousands of certificates and auto ID cards."

Another client said that "Laura is a highly creative person and is great at coming up with different ways to look at things. She is just a great partner and someone who you can bounce ideas off."