



CASE STUDY

Tech Systems, Inc.

Tysons, VA

THE SITUATION

Tech Systems, a thirty-year-old company, suspected their insurance program was overpriced and some risks were uninsured. The existing agent insisted Hartford was the only insurer that would provide coverage in their various states and diverse operations. While the broker was a top ten, they provided no consultative services. Tech Systems' safety and risk management practices were outstanding.



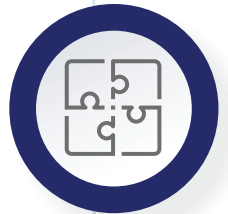
THE CHALLENGES

After interviewing all senior leadership, several large issues became apparent. Both general liability and business auto were misclassified, resulting in high pricing. Workers compensation rates were not discounted despite a good claim history. This coverage had sustained a fatality five years earlier, but it should no longer have affected rate. Absent was coverage for cargo/transit, directors & officers, and cyber.



THE SOLUTIONS

Bankers Insurance built significant interest with pre-selected insurance companies. We circulated a request for proposal to six of them, then interviews were arranged between Tech Systems and underwriting/risk control teams. Beneficial competition proved strong and multiple bids were analyzed. The three strongest options were selected and negotiation of pricing and coverage continued.



THE RESULTS

The most beneficial arrangement was Chubb for the entire insurance package. Their combination of coverage, cost savings, and business services outpaced the competition. They streamlined general liability rating, removed business auto deductibles, and heavily discounted workers compensation pricing. Payment terms of twelve installments with zero finance charges aided cash flow. Total premium savings were \$240,000!

