



## RiskBrowser® Online for Wholesale Brokers Aids Westrope in Improved Risk Assessment and Customer Satisfaction

“Recent catastrophes have put an emphasis on the need for better risk management practices. Understanding exposure to catastrophic loss is critical to making solid risk management decisions. RMS was chosen for its position as the market leader with a state-of-the-art catastrophe model that reflects the latest in scientific research and data availability.”

**John Klag**

*EVP and COO, Westrope*

As Westrope continued to grow its national presence, the firm sought an innovative solution that could both improve risk assessment and placement services and offer superior customer service to its clients. To help achieve these goals, Westrope determined that catastrophe modeling capabilities would increase its understanding of the risk associated with the submissions it receives. Westrope selected RiskBrowser® Online for Wholesale Brokers, a hosted solution from RMS tailored to meet the modeling needs of wholesale brokers. After more than a year of using catastrophe modeling results, Westrope is realizing a material impact on its bottom line and benefiting from improved customer satisfaction.



**W E S T R O P E**

### WESTROPE INSURANCE PROFILE

- 140 employees across 8 locations
- Top 7 wholesale broker in the United States

### BUSINESS CHALLENGE

To ensure superior risk assessment and provide a value-added service to its customer base of agents, retail brokers, and insureds, Westrope identified a need to incorporate tools that aid its brokers in understanding and assessing the risk from earthquakes and hurricanes to a submission before seeking a quote from the market. Additionally, the solution needed to be easily accessible to its staff across the U.S. and would ideally have a small IT footprint.

### KEY BENEFITS

- Competitive advantage realized through deeper understanding of catastrophic risk
- Ability to quickly expand business to new regions
- Stronger customer relationships and improved customer satisfaction

“Our adoption of RiskBrowser Online shows our commitment to a cutting edge philosophy that utilizes new technology to stay ahead of our competition and help our agents to effectively compete.”

Brenda Ballard

*Executive Vice President,  
Property Division, Westrope*

## THE CHALLENGE

Westrope is a top 7 wholesale broker in the U.S. and has been in the business for more than 15 years. An open market broker representing in excess of 120 carriers and placing coverages for a wide array of risks, Westrope specializes in property and casualty risk, employing a staff of 140 professionals in 8 offices across the U.S. to serve its clients. Most of Westrope’s business comes in electronically, effectively making it a paperless firm.

Westrope maintains a strong national footprint, but hopes to grow its already significant presence in the Southeast. Westrope is continuing its expansion into Florida with operations that will enhance both small property binding authority capabilities and small brokerage, including wind, to its Southeast retail agency plant. Westrope also intends to expand capabilities to its retailer by adding similar binding authority operations in Texas for wind and into its West Coast offices for earthquake, while continuing to add staff and resources to these territories for larger open brokerage opportunities.

With Westrope’s continued growth and expansion, the company identified the need to continue to differentiate itself in the market, while offering the best level of customer service. They decided to:

- Employ sophisticated modeling capabilities to understand and articulate loss to exposure from catastrophic events like hurricane and earthquake
- Leverage modeling capabilities to inform placement and program participation decisions
- Integrate modeling tools in a seamless method complimentary to existing broker workflows to maintain the productivity of its operations

Traditionally, wholesale brokers have not played a significant role in helping their customers understand losses from catastrophic events. So, Westrope was faced with the dual challenge of embracing the discipline to use modeled loss results to guide risk assessment and participation, and finding the right technology solution that supports a paperless mode of operation.

## THE SOLUTION

Given Westrope’s drive for innovation and market leadership, it engaged with RMS to benefit from RMS’ experience and leadership in the quantification and management of catastrophic risk. While the RiskBrowser® platform is widely used by major carriers to understand catastrophic risk to exposure during the underwriting process, the RiskBrowser® Online platform was specifically designed to cater to the similar but different, risk assessment, reporting, and workflow needs of the wholesale broker community. The platform is hosted and maintained by RMS and accessible to Westrope via a secured Internet connection. An easy-to-use, Microsoft Excel® spreadsheet front end allows for straightforward data entry and reporting. The modeled losses and a complete risk assessment report package are available in Microsoft Excel® and Adobe® PDF formats. To deliver state-of-the-art science with a minimal IT footprint at Westrope, RMS maintains the most up-to-date catastrophe models and data on in-house RMS servers.

“RiskBrowser Online is sophisticated and gives us a way to differentiate ourselves from the competition. It makes us better brokers,”

explains Ryan Pearson, SVP, Property Division at Westrope. "We are able to leverage the risk assessment report to create better sales offerings and points of negotiation."

He adds: "The reports generated for each account are very educational to me as a producer, helping me to understand the key drivers of loss by account and peril. The more we can understand, the better we can do our jobs. Overall, the solution allows us to provide the best level of customer service without being a drain on our resources."

Today, Westrope uses RiskBrowser® Online for Wholesale Brokers to process a growing percentage of the accounts across its seven offices nationwide.

## THE BUSINESS BENEFITS

### 1. RiskBrowser® Online provides an enhanced and previously unavailable view of risk

The Risk Assessment Reports generated by RiskBrowser Online allow Westrope to attain a broad view of the risks to which their locations are exposed. The reports provided include detailed exposure analyses, hazard data analyses, and modeling results. For exposures prone to earthquake risk, for example, Westrope is now armed with valuable information such as probabilities of landslide, and distance to nearest faults.

RiskBrowser Online also enables Westrope to advise its clients based on precise data. The application provides quantitative results and comprehensive classifications of the level of risk at a site for hazards such as liquefaction or flooding. Instead of having to rely solely on information that may be incomplete, or in some cases, incorrect, Westrope can take advantage of location-based modeled outputs to inform clients as part of its risk management service offerings.

The analysis outputs are not limited to pure statistics. The application also displays risk assessment metrics using a variety of graphs and diagrams, providing Westrope with a bird's eye view of catastrophe risk exposures. As a result, not only can Westrope gather risk information for specific locations, it is also able to view risk characteristics of the surrounding exposures and perform a portfolio analysis.

*"A property owner in California had a multiple zone earthquake exposure with a variety of occupancies. The insured realized the importance of earthquake coverage but due to economic issues and budget constraints was unable to afford the program he wanted. Using RiskBrowser Online, Westrope was able to identify the driving loss locations in the insured's portfolio. Using this data, Westrope constructed a custom-built program with various location deductible options that allowed the insured to afford coverage."*

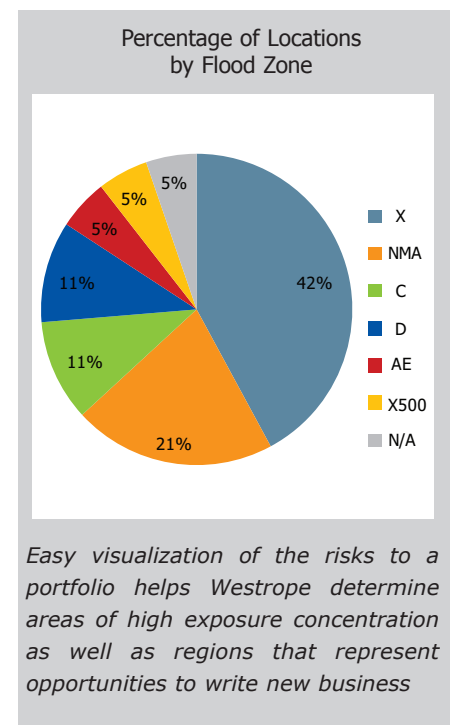
**Bradley Moss**

Vice President, Property Division, Westrope

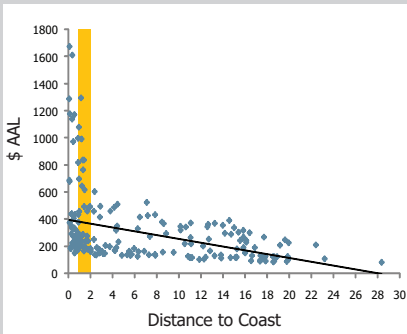
"We realize the market benefits of taking a heightened interest in evaluating the catastrophic loss potential for each portfolio. It's not just about buying coverage, but also in understanding the justification behind it. RiskBrowser helps us articulate this to our customers."

**Ryan Pearson**

Senior Vice President,  
Property Division, Westrope



AAL Variation by Distance to Coast



Hazard analyses such as the variation in AAL by distance to coast for locations at risk from flood allows Westrope to gain insight from analytics, putting them on the same playing field as the underwriter

## 2. Levels the playing field with the underwriter

Utilizing information from risk analytics, many underwriters possess a wealth of information about the risks of potential customers. Before adopting RiskBrowser Online, Westrope had access to a very limited set of information about its clients' exposures. RiskBrowser Online places Westrope on the same playing field as the underwriters. Now, Westrope can more fully leverage its expertise in the insurance market, allowing the company to better match its clients' needs with the capabilities of different insurers while simultaneously helping its retail partners utilize available capacity. Westrope can therefore formulate better points of negotiation and create superior sales offerings.

*"A new high rise office in Los Angeles was just coming off builders risk and the building owner was interested in purchasing earthquake coverage but was unsure on the limit to purchase. Using RiskBrowser Online, Westrope was able to better educate the insured on his exposure and indicate some pricing parameters for each of those options."*

**John Bauer**

Senior Vice President  
Property Division, Westrope

## 3. Enhances clients' decision-making process

As part of Westrope's commitment to providing value-added services to its clients, it offers insightful risk management reports that present a wealth of data in a simple, easy-to-use format. The reports provide clients with an improved understanding of their catastrophic loss exposure, enabling better informed and more solid risk management decisions. Risk management reports display relevant loss information such as the probable maximum loss (PML), average annual loss (AAL) or pure premium, and the standard deviation around the losses. Using this output, Westrope can factor in the underwriting philosophy of carriers, whether aggressive or conservative, by tracking the 100-year, 250-year, or 1000-year PML prior to discussing a placement recommendation with their clients.

Key Losses: U.S. Earthquake Analysis with Earthquake Sprinkler Leakage Coverage (USD)

Return Period	Ground Up Loss (GU)		Deductible Loss		Gross Loss (GR)	
	GU Aggregate Exceedance Probability	Client Loss Aggregate Exceedance Probability	Client Loss Aggregate Exceedance Probability	GR Aggregate Exceedance Probability	GR Aggregate Exceedance Probability	GR Aggregate Exceedance Probability
1,000	506,098,488		1,499,901		202,162,144	
500	411,141,566		1,173,243		200,003,168	
250	311,061,602		1,001,680		199,992,736	
100	176,707,130		999,980		175,436,175	
AAL	6,193,947		120,933		4,822,831	
SD	37,107,820		235,641		24,651,859	
CV	6		2		5	

*The spreadsheet format of RiskBrowser® Online allows Westrope to perform on-the-fly assessments of key loss metrics*