

Sompo International set for further expansion and growth in Europe

Japanese insurer offering fresh capacity in multinational space

👤 Ben Norris & Adrian Ladbury • October 17, 2023



📷 Ralph Brand, Sompo International

Sompo International will continue its recent expansion across continental Europe over the next 12 to 24 months and aims to be present in all the key markets, Ralph Brand, president of continental Europe Insurance told *Commercial Risk Europe* as the European corporate risk and insurance management community gathered for the Ferma Seminar in Antwerp.

Brand said that Sompo International will also further build its offering in the global programmes space, in what remains a relatively limited market. "Larger commercial clients in particular continue to experience insufficient capacity in certain lines of business. And even where there is sufficient capacity, they want and appreciate having choice," said Brand.

Sompo International was created after the Japanese parent group acquired Bermuda-based Endurance Specialty Holdings for \$6.3bn in March 2017. Historically, Sompo's European operations were mainly focused on supporting the local activities of Japanese multinationals. The acquisition of Endurance gave the Tokyo-based group the platform to become a serious player in the multinational market in North America, Europe and across Asia.

Brand was hired in September 2022 from Zurich to lead Sompo's charge in continental Europe. Progress has been impressive, with operations already on the ground in Spain, Italy, Germany and Switzerland, and the recent hire of a country manager for the next planned operation in France.

"To put it simply, our overall goal is for Sompo International to become a leading P&C carrier in continental Europe. For me, 'leading' means that our clients and distribution partners consider Sompo International as a company of choice when it comes to their insurance needs," said Brand.

"The way that we plan to achieve this is by providing expertise, solutions and innovation to the market with solid and reliable capacity as a trusted, long-term oriented partner," he added.

According to research by the Swiss Re Institute, seven of the largest 20 insurance markets in the world are in continental Europe, so the region is incredibly significant, explained Brand.

"I am very optimistic about the progress that Sompo International has made to establish a place in the market, and that we will continue to grow into a leading player in the continental European commercial P&C space," he added.

Sompo is not new to Europe. Sompo International has had operations in continental Europe for over 50 years. But the progress since the start of this year in Europe has been "remarkable", said Brand.

"We received our licence to write primary insurance in Switzerland at the end of Q1. We appointed country managers including many product heads in Spain, Italy, Germany and Switzerland. In addition, we are in advanced stages to open an office in Paris, where we have hired a local country manager and applied for a licence to operate in France, subject to regulatory notifications," he explained.

“In addition to our team development at the country level, we also have been very successful in building a top-notch regional executive team for continental Europe. We have hired exceptionally talented individuals to lead our various product lines, including financial lines and cyber, property and energy, casualty, marine and accident and health. The same is true for other critical executive positions we have filled, spanning claims, distribution, finance, HR, legal, operations and marketing and communications,” said Brand.

The European insurance veteran, who began his career as an apprentice at Allianz Germany in Cologne in 1983, said that Sompo International’s regional leadership team will play an important part in supporting its country operations and growing its business throughout the continental European market.

Sompo International will follow a “dual approach” when it comes to target markets, said Brand.

“On one hand, we are focusing on the large corporate and upper mid-market segment, where we see a significant and immediate need for expertise and reliable capacity. On the other, we are very open to partner with MGAs or similar set-ups to access the broad customer base in the SME space,” he explained.

Brand said that he is particularly proud of the amount of top-quality talent that he and his team have been able to secure in less than a year. “Having the right people in the right places – both within the business and geographically – is absolutely key to long-term sustainable growth and success in our industry. I think that the Sompo International story, our long-term vision, core values and our firm belief in entrepreneurship and local empowerment, is intriguing to many people with the talent that we are looking for,” he said.

“We also believe that we have a very strong value proposition and can bring our expertise both to our clients and throughout our distribution network, allowing us to continue to attract

excellent people as we expand both horizontally and vertically,” he explained.

The next two years will be a busy period for Brand and his team as the growth path continues.

“Our expansion from here will be both horizontally as we move into additional territories in continental Europe, and vertically as we plan to invest further into operations already established. Over the next 12 to 24 months, we plan to have established local operations in every key continental European country. As we continue to invest across continental Europe, we will also further enhance our capabilities in the multinational programme space,” explained Brand.

Asked why a risk manager should consider Sompo International as a key partner, Brand said: “First, I believe there is plenty of space in the continental European commercial P&C market for a company like Sompo International, with strong financials, reliable capacity, deep industry expertise and a long-term aspiration.”

“Second, we believe strongly in local empowerment and that our clients and distribution partners will benefit from this structure. We want our in-country teams, who understand the local markets where they operate, to make the vast majority of decisions without engaging in excessive referral activity,” he added.

Another advantage Sompo has is that it can build its business across continental Europe without any heavy legacy holding it back, Brand suggested.

“In many ways, I am looking at Sompo International in Continental Europe as a start-up, allowing us to develop and deploy the latest technology in areas such as product innovation, administrative and claims services, IT-systems, processes and governance,” he explained.

“This will enhance our value proposition to our clients and distribution partners in terms of efficiency, quality, speed and accuracy, something that especially in the multinational program business will be a significant advantage,” concluded Brand.