

Specialized Expertise

Joel Cavaness, President of Risk Placement Services, Inc. and the WSIA (Wholesale & Specialty Insurance Association), said the strength of the surplus lines market is being able to provide innovative solutions for very complex risks. “We have the ability to bring expertise to the market for complex risks and solve problems that otherwise could not get handled in a more traditional environment,” he said. The following are excerpts of an interview.

How is the wholesale, specialty and surplus lines industry performing?

While there are mixed results within the industry, overall things are doing quite well. Everyone seems to be performing at healthy levels with pretty consistent growth staring right in front of them. We had growth of 5.8% in surplus lines direct premium in 2017, which brought it to the highest level ever of almost \$45 billion. We continue to see consistent and fairly substantial growth in our sector.

What are the industry's strengths?

We've shown over a very long period of time our ability to change, to innovate and to be able to react to market conditions that continue to evolve. Many of these placements start in the surplus lines sector because we're able to have freedom of rate, freedom of form and the ability to react quickly while tailoring and customizing coverages. Beyond that, the surplus lines industry provides, from a financial perspective, a very stable environment that can produce good results for the underwriting community. Finally, we're very technical, much more specialized. Our focus on surplus lines continues to narrow so as to be able to provide total expertise in a particular area. Whether that's construction, environmental or executive lines, people today tend to be very narrowly focused in the wholesale industry and the surplus lines industry must be the technical experts that our customers need.

How does WSIA support and enhance the work of its members in the wholesale, specialty and surplus lines industry?

We focus on five key areas. First is networking, making sure that we provide a forum at least twice a year—both at our Annual Marketplace, which is truly a networking function, and also at our Underwriting Summit. We also have an unparalleled education offering that takes people from the very beginning of their career and provides them training all the way through an



- Non-profit association of insurance professionals and specialty market leaders dedicated to the wholesale distribution system.
- Serves more than 740 member firms representing some 1,700 offices and tens of thousands of industry professionals.
- Provides world-class member services serving the entire wholesale, specialty and surplus lines market.

Joel Cavaness

President of Risk Placement Services, Inc. and the WSIA (Wholesale & Specialty Insurance Association)



“We're very proud of what we're able to offer to the industry as a whole, and more specifically to our membership.”

executive program that we've developed out of the University of Virginia. We also focus on legislative and regulatory advocacy for the industry. We've spent a lot of time at the state level and at the federal legislative level trying to make sure that we're staying on top of all the changes going on in the states and in the federal government. Furthermore, we're very involved in talent development and recruitment in the industry with outreach in campus visits and a well managed internship program. Last but not least, we spend a lot of time making sure that we promote the wholesale value proposition, what we are. We provide a lot of market expertise, a lot of creativity and a lot of innovation.