

Bespoke and effective

In an industry where everything seems to be going large, it's a great time to be a smaller player, say Tony Weller of Citadel Risk, and Mike Palmer, CRS UK.

As merger and acquisition (M&A) activity continues to dominate the market, the benefits of being a small, niche reinsurer are evident.

While the larger players battle it out for a place in the competition, smaller players continue to provide a more personal and flexible service, as Tony Weller and Mike Palmer explain.

"There is a lot of consolidation going on and it's giving less and less choice to people who have reinsurance requirements. For smaller clients, to have someone who provides a different and more personal service is still desired," says Weller.

Palmer adds: "There are also those people who don't want to be leveraged with the bigger clients; an independent client doesn't want to be pushed around by the bigger brokers."

For Citadel, a niche, A-rated Bermudian reinsurance carrier, US insurance carrier and provider of back office services to the sector, this is an approach that they hold close to their own business.

"Smaller clients often feel intimidated by larger organisations. They encounter people with very sophisticated knowledge within the industry and they see it as quite daunting. We just want to be personable about it," says Weller.

"Start-up clients, for example, appreciate that if we see they're getting themselves organised more slowly than they thought, we might go easier on the minimum deposit premiums, which is something that comes from a smaller, more personal service.

"When we know and trust the client we can be more flexible with terms than the bigger players."



Tony Weller



Mike Palmer

Palmer adds: "A lot of bigger companies will have a model that things need to fit within, whereas if a client requests something from us, we'll do our best to satisfy their need. We're lucky with the wide range of tools in our toolbox and being able to structure things in the way we want."

It is this approach to business that has led the company to its current level of success, and the welcoming of new business, something that Citadel will focus on at the Baden-Baden conference. ■

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