



The specialist's specialist

Five Minutes with William Jewett, President and CEO of Endurance Worldwide Reinsurance Operations

This has been a relatively uneventful year for the industry. Everyone was girding for the big hurricane event, which never came, so now the concern is rate softening. How does Endurance size up this marketplace?

There has been and will continue to be softening of rates, but I don't envision a doom and gloom scenario. On the contrary, this environment provides opportunities for us because we have positioned ourselves as a diversified and specialized reinsurer. This is our chance to show the industry what that means. In this climate, we'll see who has the best people, who can differentiate good risk from bad, and who will produce results.

So in a year that people are saying will separate the men from the boys...

I believe Endurance Reinsurance will make significant progress toward our goal of being the best specialty reinsurer in the world.

Based on what metric?

Ultimately, it's measured by our financial performance. Perhaps most significant, however, would be recognition of that position by our clients, brokers, competitors, and other stakeholders.

Endurance recently reorganized itself. Does that better position you in the market?

Yes, as we grew into new markets we organized geographically. We have businesses in the U.S., Bermuda and U.K. writing both insurance and reinsurance, and

we managed geocentrically. Now we are planning to open offices in Switzerland and in Asia, and are organized worldwide along insurance and reinsurance, with a shared services platform for some operational functions. I am responsible for worldwide reinsurance. While the prior operating model worked fine through our formative years, we moved to align ourselves along global business lines for three primary reasons. We are now better aligned with our clients, better positioned to leverage our global resources, and more closely oriented around the product lines and types of solutions that we offer. It's a win for all parties, especially for our clients and brokers.

What are some of Endurance's other strengths heading into 2008 and beyond?

Over the past five years we have attracted top-quality people who are each experts in their specialty fields. The same is true of our clients. They think like we do. They want to be the smartest and the best. Our strong track record reflects the quality of our people which has enabled us to better understand our clients and build very strong relationships. In a soft market, that serves as a buffer. It's not the only solution we bring to the table, and it doesn't diminish the competition, but it is a strength that Endurance Worldwide Reinsurance will build on going forward. It's our foundation and inherent in our culture.

What does the playing field look like now for Endurance Reinsurance?

The same as it does for every reinsurer. There is competition in every category. Some lines of business will be a little more resilient – some of the more specialized lines, some of the tougher classes. But we're well-positioned for the market, and we are prepared to make business and underwriting decisions and manage our capital in ways to optimize our positioning in any market. We view the challenging marketplace as a positive.

How so?

Ultimately a soft market benefits a company like Endurance because our mindset has always been to be "lean and mean." As suggested before, this market will differentiate companies – we will see who has the most sustainable business model, the best execution, the best underwriting, the most discipline. There's no culture shock for us in a softening market. We will develop new ways to bring value to our clients and brokers and tailor programs to their needs. We pride ourselves on being adaptable – we believe that we can make positive, sustainable returns in any environment. The bottom line, and it is about the bottom line, is that there will continue to be opportunities in this market and we will find them. We have the people and the products, a solid client base, and we are very good at what we do. And we will get even better.