



International Broker Networks or Broker Associations

Alternative: H.W. International GmbH

A member of the H.W.I. Group

,You have a Choice'

As a result of the opening of the European Markets and expansion of the German industry into countries where insurance markets are not very sophisticated and also due to the continuous development of international programs, an increasing number of German companies tend to insure their international subsidiaries within the programs administered in Germany, thus reducing the income for the local servicing brokers.

As soon as the client in a given country is no longer profitable for the broker, local service will decline or even disappear. Only consideration of the worldwide portfolio for each account will guarantee appropriate attention is paid to even the smallest subsidiary.

If the German broker divides his accounts among several brokers in a country, will his influence on each of those brokerage firms be less than when a major portfolio is placed with one broker.

The development in the international broker market shows that 'independent networks' or 'Broker Associations', where brokers or agents – sometimes even several in one country – are supposed to work together, can diverge very quickly.

Because brokers in such independent networks are often not financially interlinked, there is no possibility to influence or control the international partner. It may also be very difficult to judge the professionalism and international experience of each broker firm.

Liabilities are often not clearly defined within the networks. Was there a wrong answer to the right question, were instructions unclear and mistaken, was the terminology used unclear ? Which partner will in the end be the one to pay for the uninsured claim ?

Many brokers or in-house insurance brokers do not have the personnel or know-how to develop international programs. There is often not sufficient capacity to administer and handle the programs abroad; mainly due to language barriers, insufficient knowledge about local markets or there are no connections to local brokers.

When international programs are in place, the German broker usually participates in the local income, thereby financing his expenses for handling the programs.

But is that income in due proportion to the liability exposures ? Is it profitable, in view of the existing client base, to employ an international experienced and trained account executive or account manager ?



H.W. International is the solution:

In most of the important countries, our network is not just an independent affiliation with brokers, but we are represented with our own offices. There are longstanding relationships with brokers in other countries, or relationships with insurance companies, all of which offer competent service for clients of the H.W.I. Group.

The majority of the employees in the Group has an extensive international background and most have been with larger brokerage firms before, therefore bringing with them vast international know-how and experience.

The implementation of the international programs is centrally handled in Cologne, i.e. the servicing broker in Germany is not restricted by time differences, there are no language problems to deal with and we value the entire account, not just the income of each individual office.

All necessary steps during the implementation and the continuous servicing of the international programs and local policies are done in Cologne and the servicing broker does not have to provide any additional personnel for these tasks. In most cases this service will not result in any additional expenses for the German broker or his client, it is being financed by local income.

Our service is flexible and can also include the conceptual design of the international programs, if the broker needs any assistance, or he can negotiate the terms and conditions himself.

H.W.I. guarantees that we will not compete with the servicing and introducing broker.

The responsibility for the international business lies with Corinna Kratz. She gained her international experience not only during her 12 years working for one of the leading German brokerage houses, but also while working with various brokers in the United States for more than 8 years.

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