

David Brand, Hannover Life Re (UK)'s new MD



On 1st March 2003 David Brand took over from Peter Savill as Managing Director of Hannover Life Re (UK). His appointment brings to fruition a longstanding succession plan and assures the continuity of the company's successful evolution since inception back in 1984. David has been on board for all but four of the 19 years of the company's existence – first as Skandia Re (UK) then, since 1998, as part of the Hannover Group. He is in every sense Peter's natural successor.

In the following article we talk to David about the background to his appointment and his plans for the company. We asked him first about the challenge of his new role as MD.

'Don't expect to see any dramatic changes,' David says. 'Naturally, there will be one or two shifts in emphasis here and there. No two individuals have an identical management style; but I think our clients will recognise a high degree of continuity from Peter's time as managing director. I strongly believe that Peter has done a fantastic job in running this company so successfully over the last 19 years. He's a tough act to follow, of course,

but having served as a senior member of the management team for well over a decade now, I see it as a natural progression both for me and for the company, and I relish the opportunity to continue building on the solid foundations put in place under Peter's leadership.'

David identifies its open management style as one of the key strengths behind the company's success to date. The ethos at Hannover Life Re (UK) has always been a distinctly inclusive and team-oriented approach. There has been a tradition of leadership by consensus taking in a wide range of views. 'I think this is part of the reason why we have been able to attract so many top quality people and assemble a team that has real strength in depth. I firmly intend to continue this approach over the coming years, having seen how effective and empowering it has been in practice. I like to take a hands-off approach wherever possible and give people the space and the opportunity to develop as far as their abilities and their commitment will take them.'

We asked how David's responsibilities will change in his new position. 'My role going forward obviously involves a lot of additional responsibilities, particularly in terms of liaison with our shareholders at the Hannover Group and with regulatory bodies such as the FSA. On the other hand, I feel that the MD is still an important part of our marketing team, so I certainly won't be losing contact with the marketing side of things. I think this reflects a general view within Hannover Life Re around the world, where the CEO of each of the

subsidiaries has a strong marketing background and keeps very much in touch with this aspect of the business. On the financial side of things my previous experience will stand me in good stead: although I have worked primarily on marketing and pricing for the past four years, I was previously responsible for the financial aspect of the company for over a decade as Appointed Actuary.'

David is looking forward to taking over as Hannover Life Re (UK)'s main point of contact with the Hannover Group in Germany. 'Right from the start, the group has been incredibly supportive of us in the UK. They have always been keen to delegate a high degree of strategic and operational responsibility, and are always there to help wherever needed. It has made a huge difference having a strong parent behind us who is genuinely committed to the life reinsurance market. Straightaway we found that, with the world's fifth largest reinsurer behind us, we were suddenly a credible partner for companies who might not have taken us seriously before.'

'At the time of the takeover we were transacting premiums of under £20m. With the group's encouragement and support, we have grown that to £76 million in 2002. We have achieved all of this organically, expanding and augmenting our original successful team to meet client needs as the book of business grew. By remaining focused on our core activities with a strong and supportive parent behind us, we have reaped the benefits of concentrating fully on what we do best: the risk business of reinsurance.'

Continues over page.



The truly enlightened reassurer

We asked David how the company's strategy is likely to develop under his direction. 'Our core strategy has always been, and will remain, to work closely with our clients on a long-term partnership basis: assisting them with product development, pricing, underwriting, and providing the full range of support they require. I also strongly believe that any ongoing business partnership must be founded on profitability for both parties. I believe our clients are more supportive of this proposition than they might have been a few years ago, when life reinsurers were perhaps competing even more fiercely for business than they are now. Of course we still want to be competitive, but there is a strong recognition now that we must also operate profitably.'

David also stresses the vital importance of client service in his thinking going forward. 'I am acutely aware that sustaining long-term partnerships depends on doing what you say you are going to do – when you say you are going to do it. Whatever else happens, I believe it is critical that we continue to provide this level of service. Though you can never afford to rest on your laurels, we receive a lot of positive feedback on our ability to respond in a timely fashion to client requests. If a client comes to us with a request needed by a certain date, then we will do whatever it takes to achieve this. It is absolutely fundamental and essential to deliver on the commitments you make. I believe the quality of the service we provide to our clients is one of our key strengths.'

'There's been criticism of reinsurers in the past that they come and tell life companies what they can do for them - but they don't really listen to what the company is actually asking for. To anybody selling that's the worst thing you can do. We need to listen to our clients, and provide the type and standard of services they are looking for. I believe you have to be ready to go the extra mile to support clients with whom you have a longstanding relationship. We recognise the value of longstanding relationships and concentrate on providing real added value wherever we can.'

Hannover Life Re has grown significantly in the UK in recent years. We asked David about the company's future expansion plans. 'As the business has grown since becoming part of the Hannover Group, we have significantly increased the number of people in our UK operation. We have been able to grow our team across a number of specific technical areas, allowing us to provide effective support to our clients on a broad front. We now have a very good mix of skills, and I don't envisage growing our staff numbers substantially over the next few years, although we do still have ambitious plans to continue growing our business. We have been fortunate in having a very stable team, which provides us with a significant edge over some of our competitors.'

'We have achieved the necessary scale of operations to be truly effective as a partner to our clients, and most life companies seem more confident dealing with us now we are larger and more established. An additional advantage is our ability to draw on the Hannover Group's expertise worldwide. Having an international perspective can be highly instructive. When we have seen problems arise in one particular market around the world – for example disability income protection in Australia – we can help our clients take precautions to avoid similar pitfalls in the UK. The import and export of knowledge contributes significantly to the overall strength of the group, and I believe Hannover Life Re (UK) itself has won a great deal of respect within the Group.'

In addition to his role within Hannover Life Re (UK) David is an active member of Council for the Institute of Actuaries having been elected in 2000. He has been involved in the education side of the Institute for many years and is currently a member of the team implementing a new education syllabus due out in 2005.

In his leisure time David is a keen tennis player and also a 'long suffering' Spurs fan and White Hart Lane season ticket holder.

David explains his priorities for the future development of Hannover Life Re's business in the UK: 'We still aim to expand our client base here, and further enhance our position amongst the UK's leading life reassurers. We will not be looking to capture market share at the expense of profitability. There are still companies out there with whom we would like to be doing business, but our priority is to service our existing clients to the best of our abilities rather than pursuing growth for its own sake.'

'It goes without saying that our clients are the most important thing to us. Without them we wouldn't be in business. Although the number of life companies has contracted considerably over recent years, virtually all of our major clients are all still transacting new business. In the current environment there are many major issues to confront – low investment yields, market consolidation and uncertainty over future distribution channels. Simply remaining profitable is a challenge in itself. My ambition for Hannover Life Re (UK) is to provide the most effective assistance we can to help our clients achieve this and to grow their businesses based on sound business planning, strategy and market awareness. We prosper when our clients prosper.'

Future Seminars

Senior Underwriter's Seminar
Tuesday 8th April 2003.

Product Development Seminar
Thursday 5th June 2003.

If you would like to find out more information please go to www.hannoverlifere.co.uk or contact uk.marketing@hannover-re.com.

We hope you enjoy In Focus and we welcome your feedback. Please forward any comments to Kirsteen Grant. If you wish to be added to our mailing list contact Kirsteen on 01344 846833 or email uk.marketing@hannover-re.com.

Published by:

Hannover Life Reassurance (UK) Ltd

Hannover House,
Virginia Water,
Surrey GU25 4AA

Tel: 01344 845282
Fax: 01344 845383

www.hannoverlifere.co.uk

Registered in England 1752067.