

BUSINESS INTERRUPTION CENTER OF EXCELLENCE



Business interruption (BI) is not just a consequence of property damage — it can be anything that interrupts a business. Fire, machinery breakdown, terrorism, product recall, natural catastrophes, and cyber-attacks have one thing in common — the threat of business interruption.

Marsh has created a BI Center of Excellence (BICoE) built on international collaboration with a focus on education and best practice, innovative product development, and robust claims and risk-mitigation support. Our goal is to help clients feel more comfortable with their BI risk, improve their understanding of the exposures, as well as provide a clear guide to risk-transfer solutions available.

GLOBAL RISKS, GLOBAL NETWORK

Companies do not operate in isolation; they are part of a complex network with multiple stakeholders. Whether the trigger is damage or non-damage at a business' own locations or at a customer or supplier location, new and "disruptive" business practices demand new solutions. Marsh is using its international network of experts to develop new BI solutions, built on the diverse expertise of our global property insurance teams, Marsh Risk Consulting, Marsh Global Analytics, and our service-delivery colleagues.

The BICoE network comprises a council of senior thought leaders drawn from across Marsh. Regional and country BI leaders have developed cross-disciplinary teams conversant with local geographical and market practices, who are connected to BICoE colleagues globally.

THE ADVISOR OF CHOICE

As we work to establish and maintain our position as the advisor of choice in relation to BI risk, the enormity of the project becomes clear. The BICoE is leveraging our global colleague network to support clients in multiple projects across clearly defined work streams.

TRAINING

We recognize the importance of ensuring our colleagues and clients build their own knowledge while having access to sector-specific expertise. We are designing and delivering training programs built on an innovative central platform and tailored by our in-country teams specifically for local market needs.

How can a decision be made on risk transfer if the extent of exposures is unknown? How would you know if insurance is value for money if risks have not been quantified? We need to understand each business as well as understand the solutions.

ANALYSIS

Business interruption cover has evolved in different ways across the many silos of insurance. We work with colleagues across sectors and classes of insurance from marine to aviation and cyber. By providing cross-class gap analysis, we ensure that best practice is shared no matter what the risk nor what market cover is placed in. Using the Marsh Analytics Platform (iMAP), we can dig deeper into the BI data and develop a bespoke approach to this complex risk.

ADVISORY

The potential loss from BI is often far greater than the loss from associated damage to assets. The revenue of a business will vary from year to year depending on performance, growth, external factors, and the competitive landscape. In the current environment it is critical to consider how such changes could impact an organization's exposure to BI. We work with our Forensic Accounting and Claims Services (FACS) teams to develop their advisory work to include input from across the firm.

PLACEMENT

By using a strong base of risk management data and risk knowledge, we put our clients back in the driver's seat for insurance negotiation. We facilitate collaboration between our global placement teams, claims specialists, and insurance markets. We are developing broader wordings, which include cyber BI, non-damage supply chain, and wide area damage extensions that address the changing international risk landscape.

CONTACTS

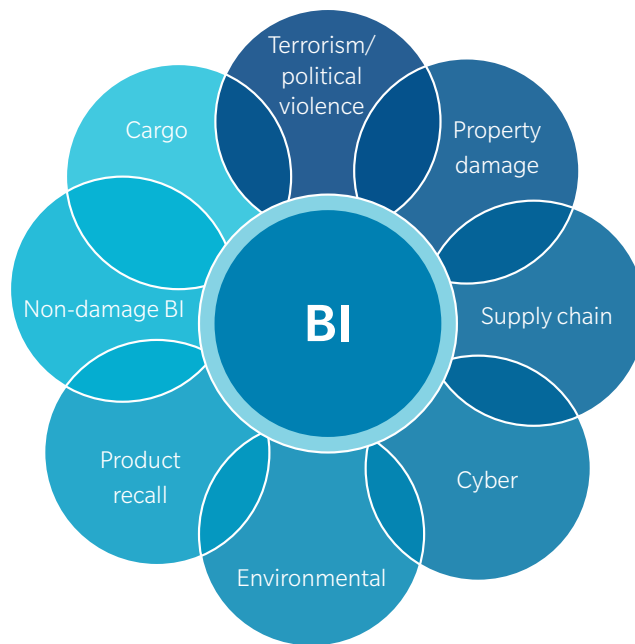
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BICoE AT A GLANCE

- Trains colleagues and clients.
- Establishes a lessons-learned sharing community.
- Provides best practice guidelines and tools.
- Features a global network of experts.
- Improves existing policies.
- Creates innovative new solutions.
- Fosters an optimum claims environment.
- Creates comfort around BI risk.

THE FUTURE OF BI

We view BI through the client's lens. It doesn't necessarily fit into the existing insurance categories, therefore, we need to build an enhanced level of comfort and security with regard to BI risk. We will be improving existing solutions and approaching BI in a way that will reshape the insurance industry.



The information contained herein is based on sources we believe reliable and should be understood to be general risk management and insurance information only. The information is not intended to be taken as advice with respect to any individual situation and cannot be relied upon as such.

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