



**Worldwide  
Facilities®, LLC**



### **Excess Capacity: Responding to Underwriter & Carrier Challenges**

Over the past few years, the commercial property market has experienced some of the costliest catastrophic loss events, including multiple wildfires that collectively caused an excess of \$125 billion in total insured damages.

As a result, the property insurance market has experienced significant rate increases, as well as reduced writing capacity and greater restrictions on coverage. Occurring primarily in catastrophic exposed risks, general liability, and umbrella and excess liability, these changes are due in part to large losses, stricter underwriting, and a hardening market.

To best respond to mounting underwriting and carrier challenges, it's important for brokers to work closely with clients, conducting comprehensive risk assessments to identify potential vulnerabilities in the business' operations and supply chain to help minimize exposures, maximize coverage and reduce insurance costs.

At Worldwide Facilities, we provide nationwide excess capacity coverage for all risks and excess and surplus lines property exposures, including named windstorm, flood, earthquake, and equipment breakdown. Despite widespread premium increases and capacity limit reductions in property excess capacity coverage, we're writing coverage for a wide range of target property exposures in a variety of business sectors. The following are just a few of our recent successes.

- A lead manufacturer obtained a \$40 million limit in coverage with a \$10 million excess layer. Layer premium with Worldwide:\$175,000. Direct premium savings: \$200,000.
- A food processor obtained a \$50 million limit in coverage with a \$50 million excess layer. Layer premium with Worldwide:\$295,000. Direct premium savings: \$130,000.
- An alternative wood manufacturer obtained a \$15 million limit in coverage with a \$5 million excess layer. Layer premium with Worldwide: \$100,000. Direct premium savings: \$45,000.
- A metal manufacturer obtained a \$20 million limit in coverage with a \$5 million excess layer. Layer premium with Worldwide:\$125,000. Direct premium savings:\$50,000.

As we continue this challenging property market in 2020, providing significant total account limits remains complicated. At Worldwide Facilities, we are providing meaningful excess capacity limits with single carrier solutions. This is proving to be more competitive compared to multiple carrier layering approaches, due to minimum premiums and frictional costs of these layers.

**Have questions? Talk with a team leader!**

Best Regards,

EAST COAST LEADERSHIP TEAM  
Worldwide Facilities, LLC

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