

## PRESS RELEASE

### Commercial Insurance Broking: A Strategic Review of the World's Top 150 Commercial Non-Life Insurance Brokers

*Finaccord produces the world's first-ever ranking of the top 150 insurance brokers by revenues earned from commercial lines broking*

**London, 19 October 2014** – New research from Finaccord has calculated for the first time a definitive ranking of the world's top 150 broking groups by revenues earned from commercial non-life (P&C) insurance, excluding revenues from personal lines, employee benefits, wholesale insurance and reinsurance. In total, the top 150 brokers earned revenues of USD 28.5 billion from this activity in a global market estimated to have been worth USD 48.5 billion in total in 2013, thereby meaning that they accounted collectively for 58.8% of this total.

Aon was the largest competitor with commercial lines revenues of USD 6.1 billion worldwide in 2013 and it was followed by Marsh at USD 5.1 billion. Overall, and as shown in the following ranking, the top 15 broking groups by this measure together earned revenues of USD 20.9 billion (or 43.1%) of the worldwide total. (Note that OAMPS Insurance Brokers, ranked 15<sup>th</sup> in the following table, was acquired in April 2014 by fifth-placed Arthur J. Gallagher & Co; however, it is included in the table as it still operated independently of any other broking group during 2013 itself).

#### Ranking of top 15 commercial non-life (P&C) insurance brokers by estimated commercial non-life broking revenues, 2013

Rank	Name of brokerage	Revenues (USD million)
1	Aon	6,050.0
2	Marsh	5,100.0
3	Willis	2,050.0
4	Arthur J. Gallagher & Co.	1,220.0
5	Wells Fargo Insurance Services	960.0
6	BB&T Insurance Services	932.0
7	HUB International	932.0
8	JLT Group	878.6
9	Lockton	791.0
10	Gras Savoye	464.7
11	USI Insurance Services	390.4
12	Brown & Brown	382.4
13	Alliant Insurance Services	288.2
14	Towergate	267.7
15	OAMPS Insurance Brokers	210.0

**Source: Global Insurance BrokerBASE**

Finaccord's research also shows that across the world's top 150 commercial non-life insurance broking groups, 67 (44.7%) were headquartered in the US with a further 24 based in the UK, 14 in France, 12 in Germany and eight in Canada.

*“The strong presence of North American brokers in the ranking is primarily due to the huge size of the US and Canadian commercial property and casualty markets and the fact that brokers (including independent agents) dominate distribution in both the US and Canada”, commented Bernd Bergmann, a consultant at Finaccord. “In addition, a number of large brokers in North America are driving their growth through acquisitions while the majority of their counterparts in Europe rely more on organic growth.”*

For the majority of the 150 brokers in the ranking, commercial non-life insurance is the most important source of revenues. In fact, 22 of the 150 groups earned more than 90% of their total revenues from commercial lines in 2013 while for 122 this activity made up at least half of their revenues. In fact, as an unweighted average across all 150 groups, commercial lines broking revenues accounted for 64.4% of total revenues.

*“While most brokers are also active in other areas, including personal insurance, employee benefits, wholesale insurance and reinsurance, their main focus typically lies in selling property and casualty insurance products to commercial customers”, continued Bergmann.*

When ranked according to the proportion of commercial non-life broking revenues secured outside of their home market, Willis came first with a figure of 90% in 2013. It was followed by Howden Broking Group (80%), JLT Group (78%) and RKH Group (74%) meaning that the top four groups by this measure were all UK-based firms. In total, nine groups earned more than 50% of their commercial non-life broking revenues from international markets in 2013.

Finaccord also examined the number of acquisitions made by the 150 groups between January 2012 and June 2014. 61 of the 150 groups had made at least one acquisition relevant to commercial lines broking and ten had made at least ten such acquisitions. On this measure, UK-based Towergate was ranked first with 48 acquisitions, ahead of Arthur J. Gallagher & Co. and HUB International with 43 each, USI Insurance Services with 27 and AssuredPartners with 26.

*“The global ranking may see some important changes in future if competitors such as Arthur J. Gallagher & Co., HUB International and Towergate continue purchasing other brokers at such a rapid pace. In particular, given some of the acquisitions announced recently by Arthur J. Gallagher & Co., which include Noraxis Corporation in Canada and The Oval Group in the UK as well as OAMPS Insurance Brokers, the US-based brokerage may substantially shorten the gap to Willis which is currently ranked third,” concluded Bergmann.*

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Media contact: Amandas Ong, +44 (0) 20 3008 4406, [aong@finaccord.com](mailto:aong@finaccord.com)

**Notes to editors:**

*Finaccord* is a market research, publishing and consulting company specialising in financial services. It provides its clients with insight into and information about major issues in financial services in the UK, Europe and globally, with a particular focus on marketing and distribution topics such as affinity marketing, bancassurance and strategic alliances.

*Global Insurance Broking: A Strategic Review of the World's Top 150 Commercial Non-Life Insurance Brokers* is the first-ever study providing a focused analysis of leading competitors in commercial lines broking worldwide. It leverages Finaccord's unrivalled knowledge of commercial non-life insurance broking across numerous countries to present not only a ranking of broking groups according to their actual or

approximate total revenues generated from commercial lines in 2013 but also a series of analyses that further illustrate their presence in this arena.

Note that it also includes a ranking of the world's top 150 commercial non-life insurance brokers according to their total revenues (including personal lines, employee benefits, wholesale insurance and reinsurance). By this measure, the ranked order of the top 15 in 2013 is as follows: 1) Marsh & McLennan Companies; 2) Aon; 3) Willis; 4) Arthur J. Gallagher & Co.; 5) Wells Fargo Insurance Services; 6) JLT Group; 7) BB&T Insurance Services; 8) Brown & Brown; 9) HUB International; 10) Lockton; 11) April Group; 12) USI Insurance Services; 13) NFP; 14) Gras Savoye; 15) Towergate.