

How will we succeed in 2009?

I was talking to one of my agents last week, and he said they'd finished up 2008 in pretty good shape. 10% growth. He wasn't sure how 2009 was going to look, though, and asked me what I was projecting, since I write "nice-to-have" lines of business that he feels the insureds will drop under financial pressure.

Granted it's rare for anyone to require an insured to carry D&O, EPL or even professional liability. (Though I do encourage my agents to educate their insureds to demand proof of professional coverage from their vendors and consultants.)

However, my philosophy is that in bad economic times, coverages that protect ones personal assets against loss due to mismanagement or mistakes are even more important than they usually are. Likelihood of loss grows as litigation increases. Litigation increases as customers, vendors and competitors have their own issues and look for someone to share the burden.

And why in the world would a company drop their D&O coverage and/or their EPL coverage just when they might have to terminate people or are having financial problems? That would be the worst possible time to go bare.

More importantly, I also believe that as people are laid off or employers go under, the resilient self-starters will begin their own businesses as consultants or solo practitioners and they will all need insurance. These people who are forced to stand on their own two feet instead of accepting a paycheck from someone else are our opportunities.

There are also industry segments that continue to grow, or even some industries that thrive during downturns. To the extent we can identify and focus on them, they also provide opportunities.

More diligence, more communication, more education, more effort. All will be needed for 2009 to be a successful year. Challenging? Yes. Attainable? Absolutely.

How do *you* plan to succeed in '09? I'm eager to hear your ideas.