

## **International Business Earns More Carrier Attention**

U.S.-based businesses continue to expand into foreign markets and the growth drives demand for protections from international exposures. Meanwhile the soft P&C market is burgeoning with carriers angling to grow their international liability programs. Carriers such as **St. Paul Travelers, ACE USA** and **CNA** respond in kind by broadening their offerings with custom-tailored programs. Expect the stiff competition to keep rates flat for another year; however, particularly risky overseas ventures can see some single-digit rate increases depending on a gamut of exposures and criteria specific to this broad and varied class of business.

The growing trend of foreign countries adopting American-styled litigation habits also drives demand for the international exposure coverage. The frequency and severity of foreign product liability lawsuits have increased substantially during the past five years as Europe and other regions become more litigious. However, the differences in the various judicial systems worldwide for the most part have kept super-sized jury awards off the table because many foreign judicial systems don't litigate civil cases before juries.

St. Paul Travelers Global Companion, through its new Global Underwriting Small Business Unit, targets the global economy's newer entrants. The program, launched in April, offers general liability, auto liability, workers comp, employers liability and incidental kidnap for any size U.S.-based businesses that have small or developing international exposures. For the St. Paul Travelers coverage, limits for a typical package - which includes work comp, GL and auto liability - are \$1 million/\$2 million and minimum premium is \$2,500. Most of the Global Underwriting Small Business Unit accounts have a premium less than \$5,000. St. Paul Travelers won't entertain risks located in Afghanistan, Algeria, Azerbaijan, Burundi, Chad, Colombia, Dagestan, Democratic Republic of Congo, Eritrea, Georgia, Guinea, Iran, Iraq, Israel, Lebanon, Liberia, Pakistan, Russia, Rwanda, Sierra Leone, Somalia, Sudan, Tajikistan and Yemen. Most of the policies are issued on the occurrence form, but significant and severe risk protection may be written on the claims-made form.

ACE USA this month is launching ACE International Advantage Express, a version of its International Advantage program that will include foreign voluntary workers' comp coverage for companies that make fewer than 12 overseas trips per year. The ACE International Advantage policy covers the various exposures that occur when U.S. products are exported, employees travel or are permanently located in other countries, and products are sold or serviced outside the United States. ACE USA International & Specialty Group SVP **Andrew MacKinnon** oversees the program, which offers commercial general liability, employers responsibility, executive assistance service and kidnap and extortion coverage. Limits range from \$1 million/\$1 million to \$10 million/\$10 million and minimum premium is \$2,500. Virtually any type of business is eligible, including pharmaceuticals, explosive devices and automobile parts manufacturers. Annual minimum premium for ACE International Advantage Express will be \$1,250.

CNA offers foreign coverage for large and small U.S.-based businesses in conjunction with other policies. In May the carrier expanded its middle-market product appetite with enhanced manufacturing-specific risk control services and increased pricing flexibility. The CNA

international coverage offerings provide products for the small business operator who is just breaking into foreign markets and all the way up to established multinational business conglomerates.

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