
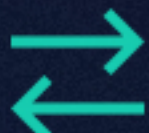


Hyundai
Marine & Fire Insurance




HAWAIIAN
HURRICANE
GROUP



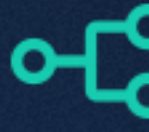
Operations

USA - Korea




Websites

hyundaiinsuranceusa.com
hawaiianhurricane.com



Lines

Commercial Property, Hurricane,
Personal, All Other Peril



Employees

100 - 500

Efficient use of machine learning in underwriting and distribution helps partners double down on growth opportunities

Holding more than \$12.7 billion USD in direct written premium globally, Hyundai Insurance has continued to invest in its presence in the United States. Critical to this strategy has been their MGA partner, Hawaiian Hurricane Group, led by industry veteran Steve Doucette. After 30 years at the helm of US P&C leaders like Milwaukee Insurance Group and Great Northwest Insurance, Doucette characterizes Hyundai’s US opportunity this way:

“Our feeling has been that the insurance industry is using yesterday’s information and skill sets to solve today’s problems. Federato’s Risk Ops solution brought us a whole different way of looking at an industry that has tons of data but struggles with how to appropriately use and integrate it.”

Steve Doucette
CEO + FOUNDER

Key benefits of Risk Ops

More efficient growth	Improved return on reinsurance	Decreased marketing cost	Maximized producer productivity	New lines of business
Portfolio-aware underwriting maximized the risk-reward equation with every new policy.	Proactively reducing the coefficient of variability provided a distinct advantage at the negotiating table.	Faced with new, larger market entrants, the organization capitalized on existing market knowledge.	Combining appetite + winnability data gave brokers consistent visibility into where to spend time	Increased underwriting confidence allowed a new All Other Peril product to launch in record time.



01. Framing the challenge

Hyundai and Hawaiian Hurricane have seen significant growth in their existing programs. Critical to their continued success in 2021 and beyond were:

- ✓ Continuing to compete with larger US household names
- ✓ Maintaining controls around considerable cat exposures

With plans to further invest in growth in 2021, the team engaged Federato in June 2020, hoping the Risk Ops platform could accelerate existing strategies and tactics.



03. The Solution

By taking advantage of Federato's advanced federated architecture and Risk Ops platform, Hyundai and Hawaiian Hurricane integrated their policy administration data with existing cat models and 3rd party data sources.

Together, these resources enabled them to **take advantage of machine learned dynamic optimization to maximize premium** subject to existing rate goals, appetite restrictions, and cat accumulation constraints.

By providing a proactive "punch list" view of in-appetite accounts where Hyundai + Hawaiian Hurricane had a distinct pricing advantage, brokers were able to target marketing efforts while underwriting avoided adverse selection issues.



02. Getting started

The Federato implementation process started with a comprehensive deep dive into the existing approach. **Hyundai + Hawaiian Hurricane** had a unique understanding of distribution dynamics in their target markets. Equally important was their proprietary approach to underwriting cat exposures that made this book of business attractive to reinsurance partners.

The challenge? The team needed a way to incorporate frequent shifts in appetite into their distribution channels to minimize accumulations without harming relationships.



04. Outcomes

Hyundai and Hawaiian Hurricane continue to use the Risk Ops solution in production. Federato's systems power both core underwriting + distribution program efforts. To date, the solution has **helped to increase growth while decreasing reinsurance costs** through improved confidence in the group's cat strategy. In addition, the Risk Ops approach has played a key role in launching a new line of business for 2021.

"The whole idea of Risk Ops just opens up new ways of thinking. It's not just marketing or underwriting or actuarial – I can make an impact across all of it. It just blows me away that our company can use this tool to breakaway from the competition."

Steve Doucette
CEO + FOUNDER

Federatō

Federato is an underwriting platform for P&C insurance providers that uses a collaborative, real-time approach to coordinate risk selection and proactively safeguard your portfolio. Learn more about our Risk Ops solutions [here](#)

Contact us at **812-455-5538** or schedule at [federato.ai](#)