

# Swiss Re and Crawford & Company: Strategic Alliance in Loss Adjusting and Claims Management

27 Sep 1996 CET Press Release

Swiss Re has signed a provisional agreement with Crawford & Company, Atlanta, to establish a joint venture company Crawford-THG Ltd. Crawford & Company will hold 60% of the new company and Swiss Re will hold 40%, reflecting the proportion of capital contributed to the venture by the two partners. In a prior step, Swiss Re's Thomas Howell Group (THG) will sell THG Americas to Crawford and Company for an amount of US\$ 9 million. Subject to the approval of the regulatory authorities, signature of the final agreement is foreseen for the middle of December 1996, so that Crawford-THG Ltd. can begin operations on 1 January 1997. Crawford & Company will assume management responsibility for Crawford-THG Ltd.

The Thomas Howell Group, bought by Swiss Re in 1988, and mainly active in loss adjusting and claims management in the field of large property risks, made a loss of around US\$ 6 million in 1995, on turnover of approximately US\$ 114 million. This result was largely due to restructuring costs. In 1995, Crawford & Company booked a profit of US\$ 36 million on turnover of US\$ 607.5 million. Crawford's claims services in the liability, accident and health areas will complement the THG product range.

Under Crawford-THG Ltd., the world-wide Loss Adjusting and Claims Management activities (excluding the USA) of Crawford & Company and the Thomas Howell Group will be combined, with a planned turnover of around US\$ 200 million. The potential for synergies by way of this planned amalgamation is significant. The whole of the US business of the two companies will be concentrated in Crawford Company. A strategic co-operation agreement will ensure a co-ordinated market approach and will guarantee a comprehensive, world-wide service to clients.

With this transaction, Swiss Re improves its range of services on offer in the field of Loss Adjusting and Claims Management considerably. Crawford & Company, the most important company in the field world-wide, is quoted on the New York Stock Exchange and employs around 8 000 people.

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