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Hudson Insurance Group is a specialty insurer that writes business on an admitted basis through Hudson Insurance Company and on a non-admitted basis through Hudson Excess Insurance Company. Hudson Surety provides contract and commercial surety bond products in all 50 states and is Treasury-listed with a current underwriting limitation of \$47,715,000.

Q How has the COVID-19 pandemic changed your business philosophy, your business operations, and your outlook for 2021?

Due to COVID-19, the events over the past nine months have been unprecedented. Many industries will change permanently, and surety is definitely one of them. Despite some firms' advantageous use of PPP funds, the number of quality construction companies will drop, while the focus on construction materials and services will be intensified. The industry may experience a reduction in premium production next year as the various state and municipal budgets tighten due to decreased tax revenue. In addition, original signatures on bonds, powers, indemnity agreements, and other legal documents will be less prevalent. One constant during this season, however, will be underwriting fundamentals, which are timeless. Our surety philosophy and operations will not change due to COVID-19. As a stable carrier with consistent underwriting disciplines, we will continue to look for opportunities through our agency partners to support principals that have a sensible,

long-term game plan and are dedicated to successfully completing their obligations.

Q What are you doing to have effective communications and relationships with bond producers and surety credit clients?

We believe in open and frequent communication with our agency partners and clients. During COVID-19, we have been in constant contact by telephone and video conferencing with our bond producers and clients. We have had meaningful and detailed conversations with our partners to fully understand their needs and foster long-term, mutually beneficial relationships. Technology has helped, and we understand that it doesn't replace the benefits of face-to-face meetings. Due to the pandemic, contractors seem to be more open to the continuity discussion after seeing how fragile the industry can be. A fair amount of our field underwriters and managers are having in-person meetings with clients and producers, utilizing social distancing and PPEs, to discuss upcoming bids and our clients' future operations.

Q With all challenges come opportunities. What opportunities do you see for your industry? For your company? For bond producers? For businesses needing surety credit?

We love the surety industry and our agents and clients. As more experienced professionals retire, we see an opportunity to attract young professionals to surety companies and agencies. This will help ensure the continuity of service and sharing of acquired industry knowledge needed to keep the surety industry thriving. The same can be said for our clients, who also see labor as an important asset on which to focus going into 2021. On the carrier side, one of the things that may make sourcing candidates easier is a more remote workforce due to the pandemic. Although once an industry that required professionals to move to underwrite a certain territory, the current remote working trend, coupled with certain technological advances, may actually allow the surety industry to cast a wider net to attract and retain surety talent. ◀