

CloseUp



It might have been one of the most mysterious ads the Insurance Times has ever run – but it certainly drew the crowds to the Close stand at BIBA. Read all about it inside this edition of CloseUp.

News in brief

New products from Close

We have launched some new products to help brokers manage their cash better. Read the details on page 4.

Staff News

Close have a new Head of Broker Sales. See page 3.

Award for Close broker

Congratulations to Close broker Bollington for winning Insurance Age Intermediary of the Year.

Red Nose Day

Staff at Close got fully involved in this year's Red Nose Day (11 March). We were delighted to raise £605 by holding a 'dress-down day', competition and raffle.

Back to basics for brokers

By Tim Wilson, Sales and Marketing Director,
Close Premium Finance

It's spring. It's three months since the FSA's registration deadline came and didn't quite go. Rates are still softening. Compliance costs are still rising. And some brokers are even considering fresh challenges, away from the insurance market.

But for those who are staying, the market is as dynamic and exciting as ever. And every bit as challenging.

It has never been more important for brokers to understand how technology, creative thinking and rigorous business strategy can drive compelling business growth – and, of course, profitability.

Cash management is king. And that's exactly why Close Premium Finance exists. Our commercial challenge is to build a business that helps brokers generate the cash they need to reach their most stretching commercial goals.

How do we do that? Quite simply by aiming to be the best in everything we do. That means digging deep into our technology development budget to make sure that we are quick to market with updates and improvements to i-prompt, our online account management system.

And it means spending as much time as possible asking our brokers what they want from us and then developing the best products and services in the marketplace – first.

So, as you will read in this issue of CloseUp, when brokers told us they wanted more help with their cash management we were quick to help – with a suite of new products that did exactly that.

We believe our approach is paying off for brokers. It was certainly wonderful recognition when Insurance Times named us once again Premium Finance Provider of the Year. That is the 8th time in 11 years.

But of course the truth is we can't succeed in our business without brokers succeeding in their business. And in this edition of CloseUp you will read about one of the great brokers whose business success is marking him out as a leader in the future: Richard Hames of M&DH Insurance, who is building an outstanding reputation in the construction sector from a standing start just two years ago.

Also in this edition you will find out about i-prompt updates, some of the new faces who are joining our growing team, and what happened at this year's BIBA gathering.

As always, your feedback is important and I want to hear from you. So if you have anything at all to say to me and my team – positive or negative – please drop me an email. I look forward to hearing from you.

twilson@closepf.com



Broker file: **M&DH**
 GWP: **>£4 million**
 Founder: **Richard Hames**
 Launched: **December 2002**

One to watch

M&DH Insurance Services has been around for little more than two years, but it's already racing ahead. And the secret of that success? An unremitting focus on developing and delivering outstanding customer service.

Richard Hames is the 32-year-old entrepreneur and M&DH founder whose young team has been so effective in growing their new accounts.

And at the heart of their customer service is an extraordinary '60 Second Promise' to new clients. "When a new client faxes us to confirm they want to proceed with a policy, we make it our promise to fax them back within 60 seconds to confirm it's on cover."

It may sound straightforward enough – but Richard believes it's this kind of efficiency which could shake up the broking industry. "I believe that the industry is facing a massive customer service revolution now. And thanks to technology like i-prompt, brokers can revolutionise the way we service our customers."

Do you have a story about your account management service that made you either happy or unhappy? Then email us at marketing@closepf.com

Richard's spent his 16-year career in insurance. He first worked at General Accident before moving into broking. After building up a network for several years, he decided to leave and set up his own brokerage.

M&DH is already one of the best known names in construction insurance. And it's fast growing, too. It had £3.4 million of premium income last year and expects £5 million this year – impressive for a start-up. In fact, Richard says they are already three years ahead of the business plan.

Richard saw Close as a partner in the business right from the start. "They have been very loyal", he says.

And premium finance has played a very significant role in the business. Close funded £2 million of premiums last year and this could almost double this year. "This really is an incredible time for brokers right now. And when I first started out I thought we'd be able to predict our growth. But the truth is we keep beating all our forecasting – which means the next year could be an even more exciting time for us."

A marketing tip from M&DH

Richard's personal touch even extends online. Visitors to the M&DH website www.mdh-insurance.co.uk can click on a webcam link to see Richard's team in action. "It started out as a bit of a gimmick," says Richard. "But hits to the website have gone through the roof. And I've actually had customers tell me they were reassured by the openness of being able to see us in person."

The account manager's view

When Richard first launched M&DH he set about finding a premium finance partner to give him the deal he wanted. Close was willing to give Richard that support. Account manager Elliott Hayes explains why.

"I knew Richard Hames from his previous job and was impressed with his track record. When I heard about his new venture, I knew we had to do all we could to get behind it."

"Other premium finance providers were wary of M&DH's start-up status. But we were able to step in, offer some sensible rates and help them get going. We stood behind them when no-one else would."

"Of course, we can all see it was the right decision now. The business is going from strength to strength and premium finance is a very significant part of that growth – but i-prompt is also helping him to push his customer service promise to a new level."

Close wins 'Premium Finance Provider of the Year' – again!

Close Premium Finance has yet again won the prestigious title 'Premium Finance Provider of the Year' at the 2004 Insurance Times awards.

This is the eighth year Close has won since the awards were launched in 1993. The title is hugely significant in the insurance community because it is awarded on the basis of votes from brokers themselves.

Close Chief Executive Bob Golden was delighted. "This is wonderful recognition of the hard work my team put in to our service for brokers. And it is proof that we really are helping make our brokers' lives easier and more profitable."

The final result was announced on Friday 3 December 2004 to a packed house at the Hilton Birmingham Metropole, where hundreds of industry figures had gathered to celebrate one of the most important awards of the year.

So why did we win again? We like to think it's down to a combination of our great people, our top-notch technology and our innovative new products...



Premium Finance Provider of the Year 2004

People

My account manager

What makes a good account manager? What should they do and what should they not do to best serve the broker? We asked Jeremy Howard of Henley Risk Management, a general commercial lines broker in Ipswich, for his views.

"My account manager is Stiaan Scheepers, a lively South African.

For me, the most important thing I need from my account manager is their availability. Stiaan is always on his mobile. And if he's not, he returns my calls quickly.

I know it's not rocket science but it is so vital.

If I ask Stiaan for something, I know he'll actually action it. And if a problem arises, Stiaan won't always have an answer there and then but he'll get one. And sort it all out.

It's interesting that you ask what an account manager shouldn't do. They shouldn't be popping their head round the door every week.

I value the service but I'm too busy to be pestered with sales pitches all the time.

Stiaan knows this and respects it. But equally, I do need to know about any important updates or personnel changes and he makes sure I do.

We used to get our premium finance from one of Close's competitors. But then we discovered i-prompt and it was light years ahead. It's quick and easy and there are very few hiccups, really.

And with Stiaan as our point of contact, and the right commercial terms of course, it was an easy decision to do a three year exclusive deal with Close.

All in all, it's a smooth relationship and we're very happy."



Staff news

New Head of Broker Sales appointed

Steve Taylor has been appointed as Head of Broker Sales at Close. He will be reporting to Sales and Marketing Director, Tim Wilson.

His primary focus is to manage Close's national field sales force, helping them to service more than 3,000 brokers and maximising business levels transacted with Close.

Steve is highly experienced in account management. Before joining Close in 1999 as Commercial Development Manager, he was a director of a privately owned premium finance company and, before that, he was a senior corporate relationship manager with Lloyds TSB.

Commenting on Steve's appointment, Tim Wilson said: "We have benefited greatly from Steve's commercial experience. Taking charge of our national sales force is a logical progression for him. He'll do a great job of making sure our brokers are getting the most out of us."

Technology

Closer to technology

By Jon Cattle

Who says running a premium finance business is just about lending money? These days it's as much about exploiting technology.

We know it's an incredibly challenging time for brokers. So any technology has either got to add revenue, reduce costs or help you improve your customer service. And we believe it's our duty to deliver on all three of those benefits.

i-prompt has been at the core of our offering since 1999. And it's going from strength to strength. But it's doing so because we have been listening to you.

The truth is: premium finance providers are only going to help brokers once we understand the processes underlying your businesses. If we can find ways of improving those processes then we'll be doing our job.

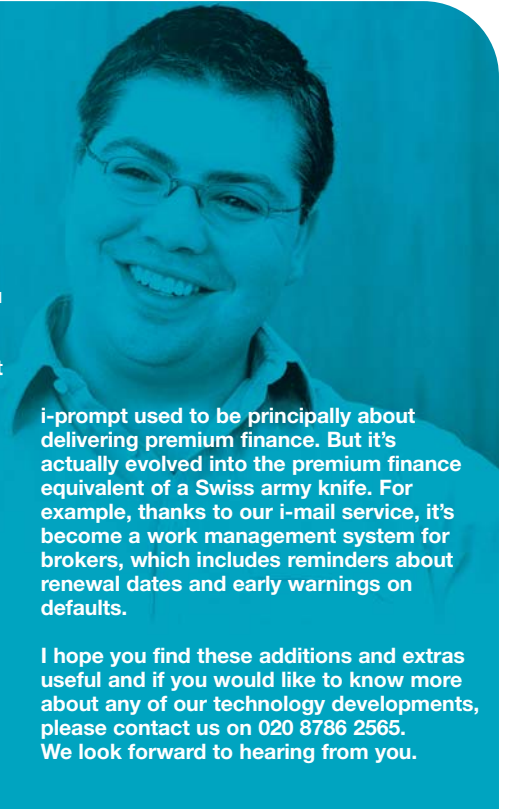
In the last few months we have been holding focus meetings with some of you. We wanted to find out how we can help you increase the profitability of your business. The results have been very useful and have allowed us to keep on re-inventing i-prompt and improving the way it works.

The issue of integrating i-prompt with the existing systems providers has been a priority for us. Double-keying data, in particular, has long been a particular bug bear for you. And rightly so.

This is why we have been working hard with top suppliers like Acturis, Sirius, SSP, Datamatters, CDL, Sectorsnet and insur-E to work towards seamlessly integrated systems. For example, i-prompt is now included in the latest release of insur-E.tam and the roll-out is well under way.

i-prompt used to be principally about delivering premium finance. But it's actually evolved into the premium finance equivalent of a Swiss army knife. For example, thanks to our i-mail service, it's become a work management system for brokers, which includes reminders about renewal dates and early warnings on defaults.

I hope you find these additions and extras useful and if you would like to know more about any of our technology developments, please contact us on 020 8786 2565. We look forward to hearing from you.



Innovation

Close make cash management a breeze

When brokers told us they wanted more help with their cash management, we knew we had to act.

And at this year's BIBA, we launched four new products that will help brokers by easing refunds, increasing the speed of payments and facilitating growth.

- Faster payment of premiums

Faster premium payments are vital to cash management, which is why Close has launched its new 14 day product. This product gives brokers faster premium payments, which means easier and more effective cash management.

- Delayed debiting

Another easy to use product is the delayed debiting facility, which gives brokers more time to chase up refunds from defaulting customers. Those extra 30 days can really help as they give you a little more time to talk to your insurer and claim back your money.

- Twice monthly settlement of bordereaux payments

Close has looked at other ways of getting premiums to brokers more quickly – the new twice monthly bordereaux payments seem the perfect solution. This facility ensures brokers have access to their money more regularly, promoting stronger cash flow.

- Business development assistance

And to assist brokers improve their overall businesses, Close is happy to discuss wider financial assistance to growing brokers.

All of these products are easy to set up and flexible to use and are available, subject to approval, to new and existing brokers. And these are just some of the ways that Close is helping its brokers.

Tim Wilson, Sales and Marketing Director at Close, says: "Helping brokers manage their cash more effectively is what we're all about. These four new products let us go that extra mile. And they are four new reasons why brokers should turn to Close to help them grow their businesses."

To find out more, just speak to your account manager or call Allan Oliver on 020 8339 6247 or email him at aoliver@closepf.com



BIBA 2005: A gamble for many



"A bit of fun was on the cards at this year's BIBA"

Brokers can generally expect a hard sell at the annual BIBA gathering. But this year Close was going to make sure the insurance broking world would have some fun.

Our mysterious ads, which appeared in the Insurance Times in the run up to BIBA, had alluded to something out of the ordinary. And on the opening night we finally revealed our stylish exhibition stand: with cocktails a plenty and a full scale blackjack table. We like to do things differently, after all no-one else is Close.

"We wanted a draw and that's what we got", said Steven Howell, our New Business Director. "The opening night on Wednesday was fantastic. There was a really relaxed party atmosphere. Our stand was busy for the full three hours – with people drinking cocktails and playing blackjack."

In fact, we'd served over 600 cocktails by the close of the event!



"Managing risk: BIBA goes enjoy a flutter at Close's blackjack table"

Of course, the fun aside, meeting brokers was the real reason for being there. Steven and his new business managers manned the stand and explained to brokers the benefits of doing business with Close and how we can help to solve their problems.

"I was talking to one broker who doesn't offer premium finance at the moment", commented Steven, "and it soon became apparent that this added service might well generate another £100,000 of revenue for him."

"We also chose this year's BIBA to launch some new cash management products. So there was plenty to talk about."

Many of our existing brokers also attended the event. And some of our account managers were there to say hello and invite them over for a cocktail and a flutter.

Congratulations to Roger Bailey of Premier Care Insurance Brokers. He notched up a cool £75,000 on the blackjack and therefore won himself a Tom Tom Go satellite navigation kit.



"A rare moment of peace and quiet at Close's stylish BIBA stand"

Jeff McCracken, our Commercial Development Manager, used the event to catch up with the systems providers face-to-face. "All the providers have been here over the last three days. And we are now working with virtually all of them. They see it as added value for their customers to offer premium finance. Which is why we are doing the deals to integrate with them."

"Integration is also a great incentive to the software house to get a new version of their software out. And Close can often assist brokers with the associated costs of upgrading – either through increased override or loans."

BIBA 2005 was a great success. It took a lot of planning to pull off. But we were very pleased with our presence there this year and we are already looking forward to next year's gathering.

Operational updates and reminders

New i-prompt helpdesk launched

A new i-prompt helpdesk has been launched, providing an improved service to our brokers and internal colleagues alike. The helpdesk team now handles all i-prompt queries – everything from training and support to taking down your suggestions for enhancements and improvements.

Do you have an i-prompt question? Then you can reach the helpdesk on 0870 607 8120.

Quotations to clients with past defaults

We can now provide finance to clients who we might have had to reject in the past because of their poor payment history. This new i-prompt service will allow you to finance more loans through us.

We will have to increase the rate appropriately because of the increased risk of default or non-payment on these loans. But everything is automatic and you will be made aware of this increase if one of your clients falls into this category.

Minimum credit charge

The minimum credit charge remains unchanged at £35. But to make life easier, i-prompt now automatically calculates a rate designed to meet the £35 minimum charge. So if the loan premium is too low, the net rate will be increased accordingly.

This change will have no impact on your ability to add an override. You can continue to add your override as before.

Relaying good news from Ireland

Close Premium Finance Ireland is the country's number one provider of premium finance. So it's good news for Ireland's brokers that we have joined forces with the largest supplier of back office systems, Relay Business Software. Close and Relay will shortly be launching a fully integrated real time premium finance platform for all users of Relay's WorkCentre systems.

And more good news, we're preparing a newsletter specifically for our Ireland brokers. If you have an office in Ireland that could benefit from receiving this newsletter, please contact your account manager or email your request to CPFI@closepf.com

i-mail enhancements

i-mail Phase 2 was rolled out on 18th March. It introduced an automated messaging service that automatically sends the following messages to your i-mail box:



Paperwork reminders – daily reminders advise you of any outstanding paperwork.

Paperwork received messages – daily messages are sent when we have received paperwork from your clients.

Redemption quote messages – a message is sent when a client of yours has requested a redemption quote from us.

Renewal reminder messages – this message notifies you of all loans due for renewal three weeks prior to and one week after the renewal date.

In addition, your i-prompt administrator is now able to select who receives these messages and make sure you never miss new i-mails by enabling email or text message notification. You can also forward messages to colleagues and print file copies for your client files.

Attention personal lines brokers – new dedicated helpline for your clients

We are now running a dedicated helpline for your personal lines clients. The number is **0870 990 7967**.

The existing helpline number, **0870 243 0026**, is now reserved just for brokers. So both you and your clients should get a quicker response to your queries from now on.

Bringing distance marketing Closer

A new EU Directive on Distance Marketing (DMD) which covers consumer debt (CCA governed loans) dictates that clients have the option to cancel their loan during a cooling-off period. To meet both CCA and the new DMD requirements, we are changing our stationery so that welcome packs for new clients include pre-contract information (including information on their right to cancel their loan with us) as well as the usual welcome letter and a copy of the Running Account Credit Agreement (RACA). In addition, we are amending the lay-out of our forms (not the content) to comply with the 'form and content' changes required by the CCA. Subsequently, i-prompt users will see changes to the forms they print off whilst brokers using paper forms will be sent updated stationery in the next month.

The EU Directive on Distance Marketing of Consumer Financial Services comes into effect from 31st May and applies to all companies selling financial services at a distance (whether online or by telephone, fax or post).

The dissolution of Parliament also means that the remainder of the Consumer Credit Bill will not be debated now and may fall totally, depending on the results of the election. This could mean further changes to our stationery or procedures but we will keep you informed.

FSA approval streamlines broker set-up process

FSA approval seemed a long and tedious road for many brokers. But it has brought some benefits for new brokers and for existing brokers who are expanding their business. The FSA approval process has resulted in Close streamlining our broker administration procedures with less information and paperwork required for the set up and verification of new brokers. So setting up new broker agencies with Close is now quicker and easier. Music to everyone's ears.

And please remember...

...to ensure your customers read our full terms and conditions and know who is providing their credit.

...not to advise customers to stop paying direct debits when insurance policies are cancelled.

Calendar competition

Remember our monthly calendar competition where you can win £250 of Red Letter Days vouchers?

We have received over 50 entries each month and 3 winners have already received their vouchers – Daniel Beeson of Regal Cover won January's prize, February's winner was Lorraine Mayhew of TH Insurance and the winner for March was Shaun Turner of The Bartlett Group.

Would you like to know what Close can do for your broking business? Why not speak to your account manager or give Allan Oliver at Close a call on 020 8339 6247 and find out?

Close Premium Finance
21st Floor, Tolworth Tower,
Ewell Road, Tolworth,
Surbiton, Surrey KT6 7EL

T 0870 241 3418
F 0870 241 3419
E marketing@closepf.com
www.closepf.com