

Providing Risk Solutions

An Interview with Steve Blakey,
Director and Chief Executive Officer, Starr Aviation Agency, Inc.



Steve Blakey

EDITORS' NOTE In addition to his current post as Chief Executive Officer of Starr Aviation Agency, Inc., Steve Blakey is Chief Executive Officer of Starr Underwriting Agents Limited and Chief Executive Officer of Starr Managing Agents Limited. He has more than 20 years of broad-based insurance experience in areas of underwriting, marketing, claims, finance, reinsurance, and operations and has a solid expertise in all aspects of reinsurance facilities and arrangement. Blakey also possesses extensive knowledge of the aviation market with experience in other product lines, such as trucking, energy, marine, and excess casualty. Blakey is a Certified Public Accountant in the United States and a Chartered Cost and Management Accountant in the United Kingdom.

COMPANY BRIEF Formed in 1961 and headquartered in Atlanta, GA, Starr Aviation is a worldwide underwriter of aviation insurance, providing customized client solutions. Starr Aviation's underwriting, safety, and claims professionals provide clients with resources that exceed industry expectations. Through its affiliates and divisions, Starr Aviation is one of the leading aviation insurance agency groups in the world, with offices located in Atlanta, Phoenix, and London. Starr Aviation policyholders include major national and regional airlines, along with General Aviation operators and Aerospace/Product Manufacturers. All of the company's business is produced by specialized brokers.

What products and services does Starr Aviation provide, and what is your outlook for growth for each?

Our Aviation product lines are comprehensive and are distributed through offices located in the U.S. and U.K. These lines include aircraft hull and line liability, general liability, and workers' compensation coverage for airlines, product manufacturers, repair/overhaul facilities, airports, and a wide variety of general aviation exposures. Along with our experienced underwriting and claims staff, we provide industry-leading safety and loss control services. We see continued growth in new aircraft delivery for both airline and general aviation on a worldwide basis, indicating the industry is expanding.

This is a highly competitive field. Is it challenging to differentiate in this space?

We have a very experienced team of underwriters who understand the risks and exposures, enabling them to provide risk solutions for clients. This knowledge, combined with superior claims service from a claims team averaging 20 years industry experience, differentiates Starr Aviation from the competition. We also offer safety and loss prevention services, which help clients reduce the potential for loss and provide safety training programs. Typically, clients have their own safety departments, with which we work in tandem. This level of expertise and customized service sets Starr Aviation apart from our competitors.

How much is technology impacting the way you operate?

Technology remains at the forefront of our business strategy. We have made a long-term commitment to technology and have developed our own customized applications in-house. Our system calculates premiums automatically and makes it easy to obtain the various alternate limits typically requested in the aviation marketplace. Starr Aviation's technical capabilities enable our underwriters to spend more of their time focusing on the risk and servicing the needs of our clients. This ultimately results in getting the best possible price and terms, at the same time providing superior service to our clients. We see our automation capabilities as a key factor in the future growth opportunities of Starr Aviation.

How critical is it to maintain the broker/client relationship?

The broker/client relationship is extremely critical to Starr Aviation's continued success.

People will do business with those that they trust, like, and respect. The larger clients insist on face-to-face regular meetings with their underwriters. Starr Aviation welcomes those visits. We want a good understanding of the risk, and these visits are important in promoting full understanding of the exposures involved in order for us to obtain not only the best terms, but the best solution for the client.

Is there a close coordination between all the Starr Underwriting Agencies?

Yes. We are a specialty lines aviation group, but the underwriters of each of the Starr Underwriting Agencies are aware of the other agencies' product lines. When our underwriters meet with brokers and their clients, the subject of other coverage often comes up. Consequently, we are able to refer business to our sister companies.

In the next year or two, what areas are you most focused on?

We have a platform that allows us a global presence in all of our specialty agencies, and we're continuing to add different lines. For example, we started writing political risk out of Starr Underwriting Agent's London office. Eventually that platform will give us opportunity to write this coverage out of the U.S. The platforms are there, and we will be expanding in terms of product offerings and personnel over the next few years to ensure continued growth. One area of the business we're not in right now is what I call light aviation business – two-seat or four-seat privately owned aircraft. This is a huge market Starr Aviation will be addressing with an Internet offering in 2009. It's those types of initiatives that will keep us growing long into the future.

What is the focus that you want to address?

In addition to the specialty agency structure, Starr Underwriting Agencies are able to maintain a retention in the business we underwrite via our Lloyd's syndicate [CVS 1919], established in October 2006. Upon gaining experience in the Lloyd's marketplace, Starr Underwriting Agents established its own Lloyd's Managing General Agent [Starr Managing Agents, Ltd.], giving Starr Underwriting Agents the authority to manage CVS 1919 and other syndicates, like Syndicate 2243, which is a syndicate supported by third-party capital. In the future these entities can be used to write direct business as we enhance product development. ●