Tom Allen
Risk Management Expert

BRILLIANT INNOVATOR
Tom Allen was a brilliant and eccentric innovator in risk management. He was globally renowned in his field and is credited with applying the tools of corporate finance and econometrics to risk management in the 1970s.

He pioneered the use of cash flow programs for corporate clients, which generated tremendous growth in the use of captive insurance. His risk management alternatives gave clients more choice and control over the management of risks and helped elevate the profession of risk management.

He co-authored with Richard M. Duvall A Theoretical and Practical Approach to Risk Management, which is widely used by risk managers today. He received a Ph.D. from the University of Florida and taught at the University of Tennessee. Allen worked for the brokerage firm of Ingram, Armstrong & Wallace, later acquired by Willis, and did a stint at Fred. S. James, acquired by Sedgwick and eventually Marsh. He later launched a consulting firm specializing in reinsurance. Allen died in 1996.

Gramm-Leach-Bliley Act
Changed the Terrain

The Gramm-Leach-Bliley Act changed the landscape of the U.S. financial services sector by breaking down decades of barriers preventing banking, securities and insurance from consolidating.

The GLB Act reaffirmed the antitrust McCarran-Ferguson Act and reserved areas of authority over banks’ insurance sales for state insurance regulators. GLB also included an important provision on producer licensing reform.

Skeptics said The Council-backed provision would never get through Congress, but they were wrong. Passage led to the states adopting an NAIC reciprocal licensing model for non-resident producers, which today is the status quo.

But that not the end of the story.

The Council is pressing Congress to enact a federal agent/broker licensing clearinghouse, NARAB II, where producers can secure an interstate “passport” for multistate licensing.

Karen Farris
Chairman, Roach Howard Smith & Barton; Former Chairman, Assurex Global

BARRIER BUSTER
Karen Farris has been breaking new ground for decades and is now passing her knowledge to younger women in the field as an advocate and mentor.

Farris launched the Technology, Life Sciences & Media Practice Group at Roach Howard Smith & Barton and served as president, CEO and chairman of the firm. She became RHS&B’s first female shareholder, was the first woman to chair Assurex Global, and was the first female president of the Independent Insurance Agents of Dallas.

Under her leadership, RHS&B tripled in size and is now one of the leading brokerages in Texas. She successfully guided the firm through an internal perpetuation and put in place a leadership team to keep it privately held. She serves on many civic and professional boards with multiple honors and awards to her name.

“Karen is a true pioneer as a female leader in our industry,” says Tom Hughston, CEO of RHS&B. In recognition of her contributions, the agency established a scholarship in her name.

Ted Kelly
Retired CEO, Liberty Mutual; Chairman, Liberty Mutual (retiring end of June 2013)

A BROGUE AND BUSINESS SENSE
Ted Kelly started his career at Liberty Mutual and led it for 13 years, emerging as a civic and business leader in Boston, more than quadrupling the insurer’s annual revenue during his tenure. He accomplished that partly through an aggressive expansion abroad, partly through major p-c acquisitions at home, including the $6.2 billion 2008 deal for Safeco.

“Insurance is a middle-class product,” Kelly held as a mantra, noting that 50% of new premium dollars would come from the middle-class boom taking place in emerging markets.

Under Kelly, Liberty Mutual grew in its community relations, becoming the Independence Day sponsor for the Boston Pops fireworks extravaganza. The Ireland-born Ph.D. (MIT) has a list of activities and appointments too long to detail, but highlights include being a fellow of the Society of Actuaries, chairing the Boston Symphony Orchestra and the Alliance of American Insurers, and serving as a director on multiple companies and organizations.

Kevin Kelley
CEO, Ironshore; Former CEO, Lexington

“FIND OPPORTUNITY AND GO FOR IT!” —Kevin Kelley, on his growth strategy

Kevin Kelley has run two huge specialty lines insurers and has mentored rising industry stars. He also knows how to write business, turning in a 66% increase in his own numbers from 2009 to 2010, in the midst of the worst U.S. financial crisis in 75 years.

He started as a senior underwriter at Lexington in 1975 and rose to the top, leading it to become the largest E&S lines insurer in the world. He left in 2008 to captain two-year-old Ironshore Insurance as CEO, succeeding founding CEO Bob Deutsch, who called Kelley “one of the most talented insurance executives in the last two decades.”

Kelley is a lifelong Northeasterner and a noted philanthropist. His long history of community service includes, among many others, the board of trustees of Caritas-Saint Elizabeth’s Medical Center in Boston; advisory board to the dean of Boston University School of Management; and board of overseers of St. John’s University School of Risk Management in New York.

AS PART OF THE COUNCIL’S 100TH ANNIVERSARY, each 2013 issue of Leader’s Edge will list some of the most influential industry players and events during the last century. All have had an impact on our industry. All were nominated by members, carriers and others. A special thanks to Jack Bogardus, retired chairman and CEO of Alexander & Alexander and author of Spreading the Risk, for his help in identifying many of the pioneers.
From above left: Ryan Specialty Group, Elizabeth McDaid, The Council, The Council

Published in Leader’s Edge, May 2013. “Copyright of The Council of Insurance Agents & Brokers, Leader’s Edge. All rights reserved.
Under license from The Council of Insurance Agents & Brokers.” This file is for web posting only; may not be e-mailed or used for commercial reprints.
Provided by The Reprint Outsource, 717-394-7350