



TRISURA®

## Trisura, Born to Run...

**Someday girl I don't know when we're gonna get to that place  
Where we really want to go and we'll walk in the sun  
But til then tramps like us baby we were born to run**

**Bruce Springsteen, 1975**

The Boss released his rock anthem as part of the Born to Run album shortly before I entered high school and I saw him in concert for the first time soon after. His show lasted nearly 4 hours and the appeal was immense and instantaneous. I was forever hooked and he has been my favourite rock and roller of all time ever since.

I saw his show last Sunday evening again for the umpteenth time over the past 35 years, this one in my hometown of Hamilton, and was fortunate in that my three teenage sons attended with me. Bruce and the E Street Band were at their best and we thoroughly enjoyed the event. As he engaged with the audience and worked an appreciative crowd, I began to think about the remarkable success and "big business" he and his band have become over a 40 year plus career.

In fact, I started to think about some of the characteristics and traits consistently employed by Bruce that are indeed similar to those demonstrated by great businesses. Here's what I believe:

First and foremost, Bruce creates exceptional experiences for his customers. Bruce understands what his fans need and want from him, and he consistently delivers night after night. No other band on the planet comes close to his now legendary 3 hour plus without a break shows. He engages with his customers better than anyone else, he speaks to his fans, invites them on stage and allows them to help select the song list for the night. If you have never seen him live, and even if you don't really appreciate his music, do yourself a favour and see just one concert. You won't be disappointed.

Second, Bruce approaches his business with both passion and hard work. Sure, talent is a critical ingredient of success, but link that with both passion for what you do and why you do it, and good old fashioned hard work, and you have an unbeatable combination. In business, passion and hard work trumps smart but lazy every day of the week.

Third, Bruce demonstrates a relentless quest for continuous improvement. Good is just not good enough. Indeed this pursuit of perfection nearly destroyed Bruce and the band financially in the early days as they took seemingly forever to record and launch their albums, and businesses have to embrace and balance the need for speed of delivery. But Bruce's quest for perfection and continuous improvement reminds me of another great leader and company; the late Steve Jobs and Apple.

Fourth, both Bruce and the band have demonstrated a remarkable ability to adapt to challenges, change and even tragedy. One doesn't survive in business for 40 plus years without this trait. The culture of the E Street Band is so strong that despite losing 2 of its founding members in the past 5 years the show has gone on. The replacements fit in, adopt the culture of the band and they never miss a beat. Remarkably, in every concert, Bruce selects songs posted on signs from the crowd for the band to play. The band has to be ready to perform whatever song Bruce selects, and not all of them are actually his own. Virtually every other band plays a prescribed set list night after night on their tours with little deviation. With Bruce, every show is unique, and the band has to be ready for a challenge. How many companies are that well prepared?

The final thought that crossed my mind that evening was of the team of people (18 in this concert) making up the band. As Jim Collins stated in Good to Great, the best leaders ensure they get the right people on the bus, the wrong ones off, and the right people in the right seats on the bus. In business, like in a band, everyone has their role to play, and if the team works together in harmony, amazing things can happen. If not, the consequences can be disastrous. In the early years, Bruce made changes and made mistakes, but once he settled on who was on the team and what seat they occupied, success was virtually guaranteed and they transformed from good to great.

As you can tell I am a fan, not just of his music, but of his leadership style and the way he runs his business. Bruce Springsteen and the E Street Band truly were born to run.

We are trying to build Trisura the same way, to be born to run, and please allow me to share with you some of the exciting initiatives (for us anyway) we have in play:

First, by now I am sure you have heard about our upgrade from AM Best to A- (excellent), primarily because we have been telling everyone we see. This is great news for Trisura as it puts us on a level playing field with virtually all insurers, including the global Goliaths, and it removes one of the few barbs they were able to throw our way in the early days of our company. I think we now have them worried and exactly where we want them!

We have opened a Halifax branch and two of our up and coming underwriters, Shane Roney (Corporate Risk) and Andy Cartwright (Surety) are transferring from Toronto this week. We have enjoyed excellent support from our brokers in Atlantic Canada since opening our business and this move will provide them with even better service going forward.

We have enhanced our Corporate Risk product suite through a partnership with IDT911 and now offer data breach and identity theft restoration coverage.

You may recall we have increased our capacity in our surety lines and can now handle contractors with annual revenues in the several hundred million range. Please don't assume a contractor exceeds our reach, and if you have significant opportunities please talk to us first.

Our appetite for program business continues to grow and we are having tremendous success in adding association business most often led by Professional Liability coverages, sometimes in conjunction with GL and Property components as well.

Our broker portal continues to gain traction and we have over a dozen programs that are fully rated, quoted, bound and paid for on line, with another 8 programs in our development queue. We expect to write over \$2 million in annualized premium through the portal in 2012 and as much as \$5 million in 2013, primarily in Professional Liability and Commercial Surety. Please contact your underwriter to find out more about our appetite and capabilities.

Speaking of premium, we are growing our business at 20% year over year and expect to write well in excess of \$60 million this year. Our capital base is growing rapidly as well and we are approaching \$50 million in equity. Thank you very much for your continued and unwavering support of our company. We could not do it without you, our brokers.

We have also continued to grow our team, our band, and we now stand at 70 full time employees strong.

We have created a new position, VP Strategic Initiatives, and are pleased to announce that Sandra Henkel has joined us from the executive team of a recently acquired insurer. Sandra will be focusing her efforts on developing and driving our long term marketing strategy, working with our leadership team on implementation of our Broker Strategic Initiative (BSI – our effort to better understand the needs of our brokers and delivering on them) and leading our strategic goal of developing at least \$10 million in new annual business in lines we currently are not writing by 2016.

In our Toronto Surety operation, we added Michael Lanzilotta as a senior underwriter earlier in the year, and on the Corporate Risk side added underwriter Michael Kalakauskas. Both have brought significant tangible experience to our team and have hit the ground running for us.

We have also increased our commitment to our systems team, in part due to the success of our broker portal, with the addition of Samuel Leakemariam and Evan Gamble here in Toronto.

In Vancouver, we have reinforced our team considerably with the additions of Peter Williams (surety underwriter), Clint McDonald (surety financial analyst) and Maria Luongo (office administrator).

In order to serve our brokers and your clients better, we have also added a claims assistant, Claudia Erban to our claims team in order to ensure our response time is the best in the industry.

We have continued to invest in our business and are building Trisura for even greater success in the future. We are trying to create an exceptional experience for our brokers and all stakeholders in our business. We are working passionately and tirelessly to improve our service to you. We are relentlessly looking for ways to do the business better. We are built to adapt to changing circumstances and are prepared for whatever the future brings. And we have built a team that I am incredibly proud of, one that works well together in a true spirit of cooperation and collaboration and has some fun along the way.

I hope Bruce would be proud. After all, it's not every day an insurance company is modeled after a rock and roll band. Trisura, like Bruce Springsteen and the E Street Band, was truly born to run. Come watch us. I hope you enjoy the show.

Best regards,

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