

## INSURANCE AND BONDING

# Trisura: Exceptional service ensures surety solutions for a diversity of construction businesses

### STAFF WRITER

– The Ontario Construction Report Special Feature

Founded on the premise that one solution does not meet every need and that exceptional service is required to ensure real solutions, Trisura works with insurance brokers to discover unique and individualized solutions to help their construction clients achieve maximum success.

Chris Kucman, vice-president surety for Ontario, says the brokers Trisura represents work with road builders, general contractors and everyone in between. “We support all types of contractors whose revenues range from a few hundred thousand dollars annually to in excess of \$200 million.”

He says the growing company, who now has a staff of 90 through six offices across Canada, focuses approximately half of its business on surety products. This expertise allows the company to better serve its brokers and their clients, whether they are taking their first surety bond or their hundredth.

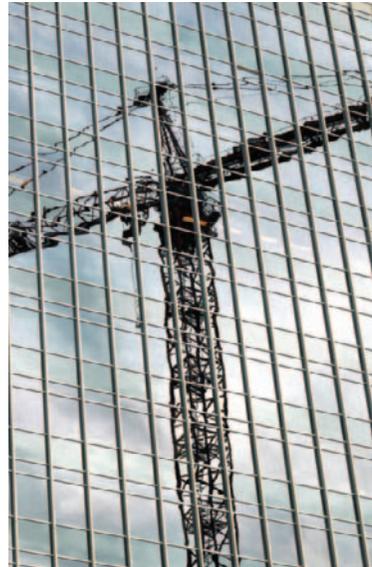
“The industry is changing rapidly,” he said. “Contracts are becoming increasingly complex, projects are larger and are being bundled, more risk is being pushed down to the contractor and timelines are tighter.”

Kucman says this means owners are seeing a greater need than ever to protect themselves with security such as bonding. “Contractors need the advice, expertise and support from their broker and surety in order to differentiate themselves and take advantage of the opportunities that lie ahead.”

Bond purchasers, he says, need to understand the role a surety plays as both a performance guarantee for the owner and a prequalification tool for the contractor. He says surety bonds can also help mitigate potential problems that may come up on site, ensuring issues are resolved more quickly to keep the work moving forward.

While he says there may have been a bit of a shortfall in the past about communicating the value of the surety process, he suspects that it will continue to evolve in the coming years. He also says the surety product, which has essentially remained the same for several decades, will change to meet some of the new demands.

“Owners will be looking for surety products that are more responsive with speed, certainty and response times built in. While contractual disputes can be complicated, we are beginning to see changes that address these concerns and I expect there will be



further evolution in this regard,” he said.

He added that new bond wordings are available (outside of the CCDC bonds) that are endorsed by the industry, and owners just need to educate themselves and adopt the forms as part of their procurement process.

Kucman says the strength of the construction industry over the past 10 to 15 years has provided opportunity for a lot of companies who may not have what it takes to continue that success with the coming changes.

“There are different ways contractors get qualified for surety. Some companies base it on black and white criteria. Trisura looks outside the box, ensuring we understand the clients we support and their specific needs. That individual approach is important in today’s challenging market and can be the difference in helping a company grow and take on the opportunities in order to reach maximum profitability.”

He says it is important for contractors to seek brokers who are experienced in surety and have a good handle on the construction climate. The ability to develop and maintain a long-term relationship is also crucial.

“Surety products have been around a long time and really, the bond itself is not a distinguishing factor when looking to partner with a broker and a surety,” Kucman said. “It is not the lowest price that is important, but rather the value of the relationship and what that means when supporting the client in securing opportunities or helping them get through the tougher times.”