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Chicago-Based Ryan Specialty Expands International Reach With Acquisition of Lloyd's Insurer Jubilee

Chicago-based broker Ryan Specialty Group LLC said it has agreed to acquire all of the share capital of Jubilee Group Holdings Ltd., a specialist Lloyd's insurer.

The sale, for an undisclosed amount, is subject to approval by Lloyd's and the U.K. Financial Services Authority.

"Jubilee is a strategically important acquisition for RSG," said Chairman and Chief Executive Patrick G. Ryan in a statement. "It provides us with direct access to the Lloyd's market and represents a key cornerstone of our strategy to provide specialty expertise and commitment to insurance underwriters, brokers and agents across a single, unique platform."

Jubilee Group owns Jubilee Managing Agency Ltd. and the distribution and administration businesses of Lutine Assurance Services Ltd., Jubilee Service Solutions Ltd. and Amsterdam-based Jubilee Europe BV.

Ryan Specialty said it doesn't intend to acquire the existing corporate members for the three Jubilee syndicates -- 779, 5820 and 1231. Syndicate 779 writes group life business. Syndicate 5820 writes global property, terrorism, accident and health and affinity and special risks.

Last year, Jubilee merged its motor Syndicate 1231 with 5820.

"The Jubilee team has a strong track record of delivering results over a number of underwriting cycles," said Johnny Rowell, the managing director of Ryan Specialty Group responsible for Europe, in a statement. Rowell added that Jubilee is expected to be "a significant contributor to our effort to introduce and support new products and programs in the London and European markets in a meaningful way."

Andreas Loucaides, CEO of Jubilee Managing Agency, said the acquisition is in line with Jubilee's strategy of growth and diversification. "Our market position and experienced team and the considerable investment made in key areas such as Solvency II has enabled the business to grow and respond to market opportunities," he said in a statement.

Loucaides added that Jubilee "provides a robust Lloyd's platform" for Ryan Specialty to expand.

Three months ago, Jubilee announced it appointed JLT Advisory Ltd. to carry out a review of its business and to consider "a number of options to facilitate future growth" (BestWire, Feb. 15, 2011).

The group said at the time that its "market position, the strength of the operations and excellent team mean it frequently attracts interest and approaches from organizations and in some cases this naturally leads to speculation about the business."

JLT Advisory is a specialist consultancy within broker Jardine Lloyd Thompson Group plc, with a focus on the insurance sector.

Ryan Specialty Group has made a number of recent expansion moves. In April it acquired American E&S Insurance Brokers from Wells Fargo Insurance Services.

In February the group announced the launch of Texas-based Technical Risk Underwriters, a specialty managing general underwriter focused on complex construction and property risks (BestWire, Feb. 14, 2011).

Also in February, the group announced the acquisition of Concord Specialty Risk Inc., a managing general underwriter and consultant. In December, Ryan Specialty's wholesale brokerage unit acquired Oakbridge Insurance Services.

Ryan Specialty Group was founded by Ryan in February 2010 as the holding company for ThinkRisk, an errors and omissions specialist started by Ryan after his retirement as chairman and CEO of Aon Corp., the global insurance broker he also founded (BestWire, Feb. 10, 2010).

(By David Pilla, international editor, BestWeek: David.Pilla@ambest.com)

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