

## IRISH BROKER TALKS TO NEW IRELAND

Jan 18, 2012

### Irish Broker talks to New Ireland's Managing Director Sean Casey



WELCOME SEAN AND THANKS FOR JOINING US HERE AT IRISH BROKER AT THE START OF 2012. THE YEAR GONE BY WAS CHALLENGING FOR MANY, HOW WAS IT FOR NEW IRELAND?

Thanks Paul, it's a pleasure to be here and firstly I would like to take the opportunity to wish you and your readers a Happy New Year. Certainly 2011 was a challenging year for both life companies and brokers. Preliminary industry statistics show that the new business market suffered its fourth consecutive year of decline with sales down some 5%-10%.

*"Against that backdrop, I am pleased that New Ireland's sales in the independent intermediary market have actually increased by 10% and I am very appreciative of the tremendous support that the broker community continues to show towards New Ireland."*

### WHAT WERE THE HIGHLIGHTS OF THE YEAR FROM YOUR PERSPECTIVE?

I think for all of us it was a year of relentless challenge. A Greek bond crisis in the early part of the year was swiftly followed by an Irish bond crisis in the middle of the year, before an equity market slide over the summer preceded a full blown Eurozone crisis towards year end. At times, it seemed hard to be able to keep up with the pace of the change. And of course there were very significant developments in the local market with the announcement by the Government in relation to the sale of Irish Life and the restructuring decisions signalled by Aviva. Certainly for financial advisors, the volatile conditions created a climate when financial advice was never at such a premium.

### HOW DID NEW IRELAND RESPOND TO THE DIFFERENT CHALLENGES?

Well life has to go on and we in New Ireland decided to concentrate on the things we could influence rather than worry about global external factors. So for us the last year was all about working with brokers and their customers and in particular trying to make sense of the emerging economic realities. Our two investment conferences attracted very large attendances and our speakers from State Street, Newton Investment, the London Business School and the ESRI brought great depth and experience to bear in their presentations. We received very good feedback from brokers that they appreciated New Ireland hosting these events so we will look to do something similar in 2012.



## AND IN A YEAR WHEN IT WAS MORE DIFFICULT THAN EVER FOR BROKERS TO MAINTAIN THEIR INCOMES, HOW HAS NEW IRELAND SHOWN ITS SUPPORT?

The independent intermediary market is the most important market for New Ireland and we are committed to supporting our partners in the insurance market. We have tried to do this in a number of ways and product innovation has been a key factor. Our new Pension Plus contract absorbs the cost of the pension levy for new customers as we found that the levy was proving a major deterrent to writing pensions business. And of course our Life Choice protection contract offers a unique set of protection benefits and we have now added a further enhancement by introducing convertible mortgage protection up to the level of the original rather than the current sum assured.

*"In addition, all businesses are focussing on their costs and we are determined to introduce new technology at every stage to allow a more efficient process for the broker and the customer."*

During 2011 we introduced a range of online quotations for existing business, an online quotation system for annuity new business and our pipeline "app" which has been very well received. We will continue with a range of new technology in the first half of the year, starting with a roll out of a new corporate pension online capability in the Spring.



## WHERE DO YOU SEE THE STOCK MARKETS IN 2012?

Now there's a question! We have seen our customers look for security in the current market and we have tried to meet that demand, most recently with our cash based 5 Year product offering 5.35% pa secure return. Where customers have looked for stock market exposure, we have offered a measured approach either with our absolute



return fund, the very successful BNY Mellon Global Real Return Fund, or funds with clear downside protection such as our Protected Assets Fund. And now to answer your question! "After 30 years in the business, I can say with confidence that I simply do not know - however it does seem right that customers should look to protect against adverse outcomes given the very precarious position of the global economy."

#### HOW DO YOU SEE 2012 SHAPING UP FOR THE LIFE INSURANCE INDUSTRY IN IRELAND?

The year ahead feels like another tough year where we will all have to dig in and battle through with our customers. Unfortunately fiscal austerity is going to continue in one shape or other and the consequent removal of spending power from the economy impacts our customers and our businesses. However, having survived four years and the majority of the fiscal adjustment, I am confident that New Ireland and its broker partners will come through this together. New Ireland's only market is the Irish market; we are an Irish company and proud of that and we will be very supportive of our broker colleagues. It is clear to me that the market in Ireland is going to witness further restructuring and brokers are aware of this and increasingly are gravitating towards strong companies like New Ireland.

#### ....AND IN THAT CONTEXT, ANY UPDATE ON YOUR OWN SALE?

The sale of New Ireland is likely to be a matter for late 2013 or early 2014 rather than something for the current year; so no reason for us to be distracted from the day job. Rest assured that the broker community will be the first to hear of any developments in this area.

#### AND FINALLY SEAN, THANKS FOR TALKING TO IRISH BROKER AND ANY MESSAGES FOR OUR READERS?

Well everyone in New Ireland wants to build a company we will all be proud of. We want to build our company in Ireland with our partners and our customers. Our most important partners are our broker colleagues and in that respect "Ní neart go cur le chéile".

*"New Ireland has great confidence about the future and it is a pleasure to know that we will only be successful if we are successful together - we would not have it any other way!" Sean Casey.*

