



Transforming Marine Industries with Connected Technology

February 2018

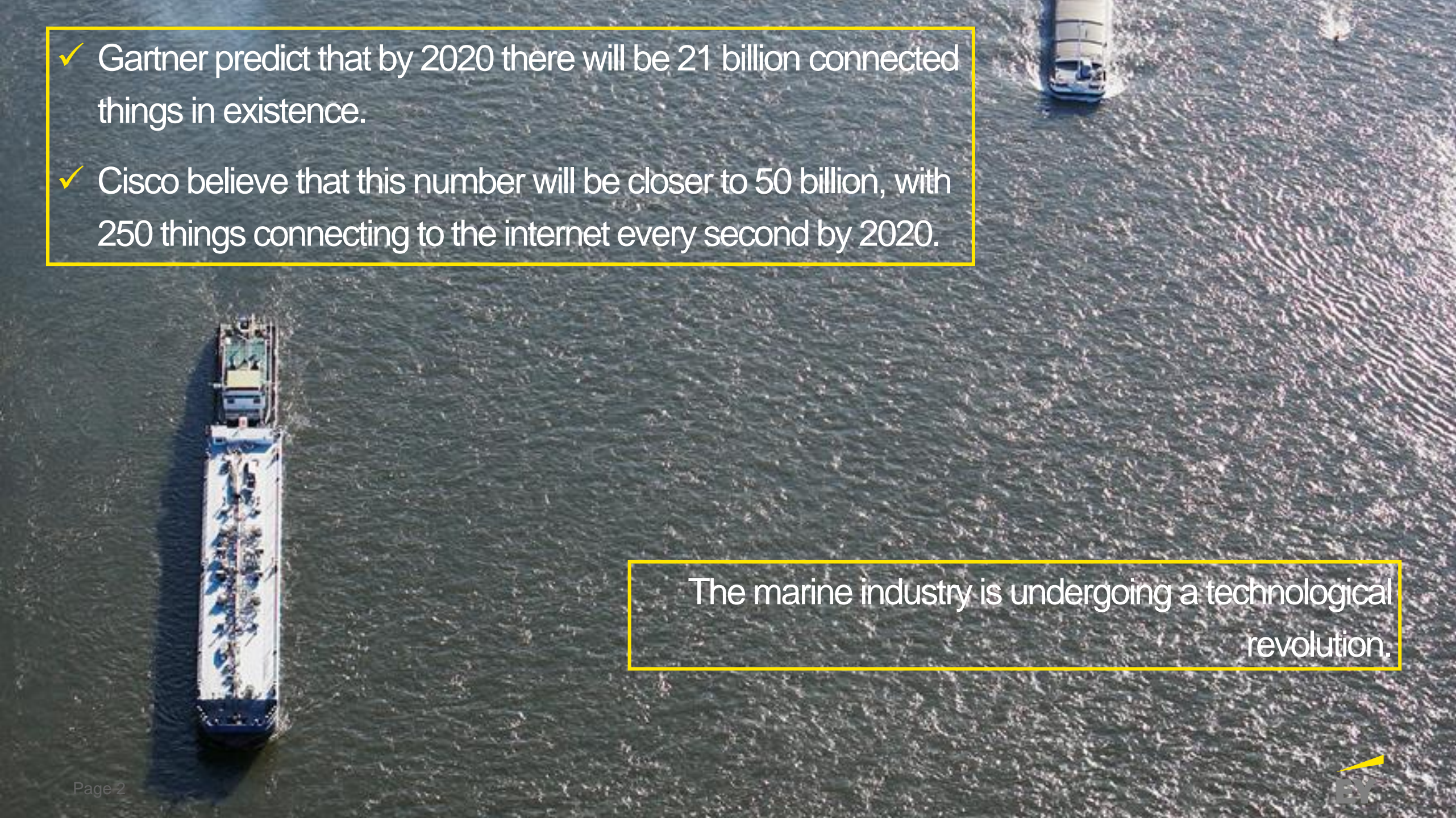
Chris Payne - EY Head of Insurance



The better the question. The better the answer.
The better the world works.

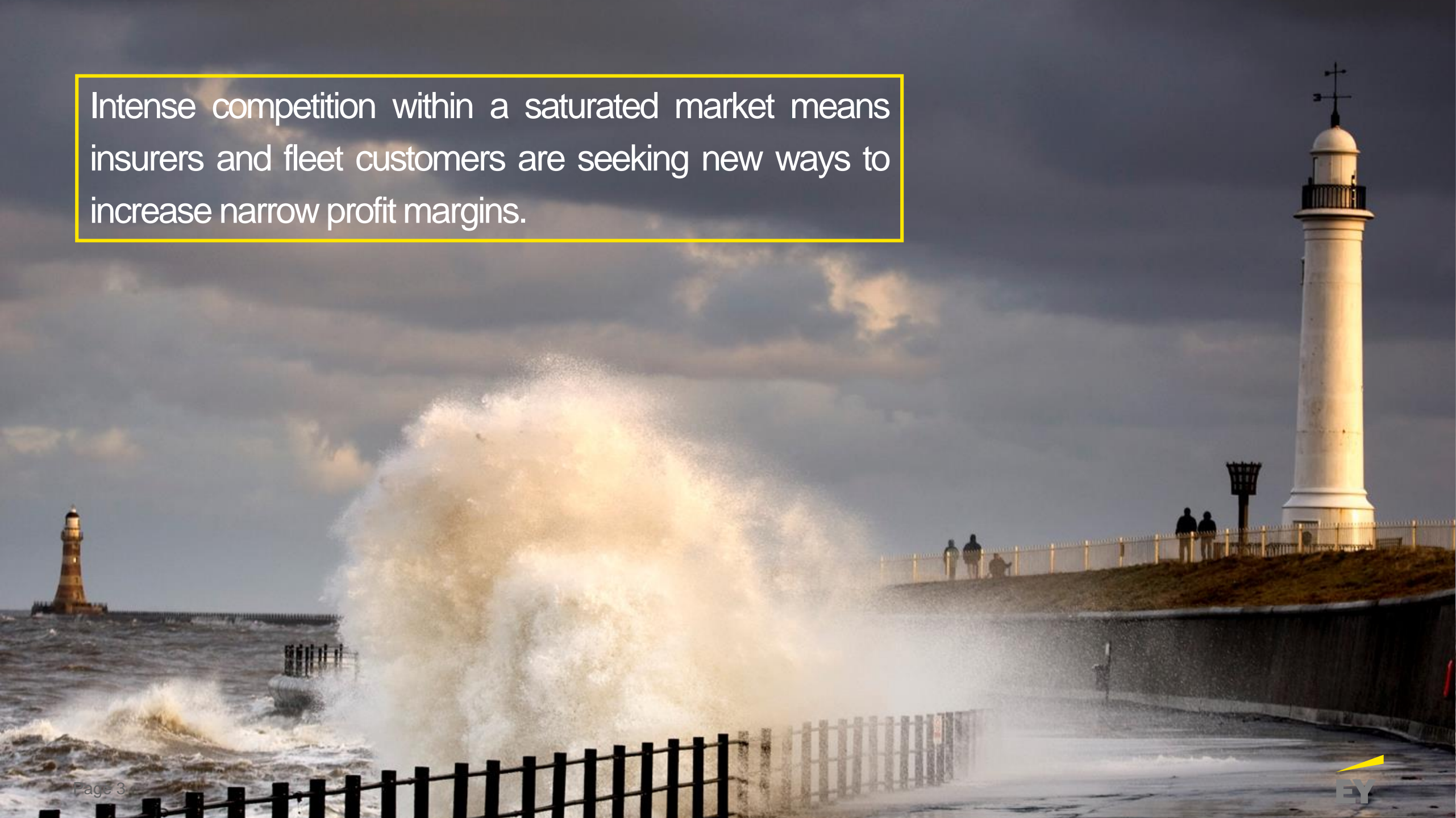


Building a better
working world

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- An aerial photograph of a large cargo ship moving through dark water, leaving a white wake. A smaller boat is visible in the upper right corner. The scene is captured from a high angle, showing the ship's deck and the surrounding water's texture.
- ✓ Gartner predict that by 2020 there will be 21 billion connected things in existence.
 - ✓ Cisco believe that this number will be closer to 50 billion, with 250 things connecting to the internet every second by 2020.

The marine industry is undergoing a technological revolution.

Intense competition within a saturated market means insurers and fleet customers are seeking new ways to increase narrow profit margins.



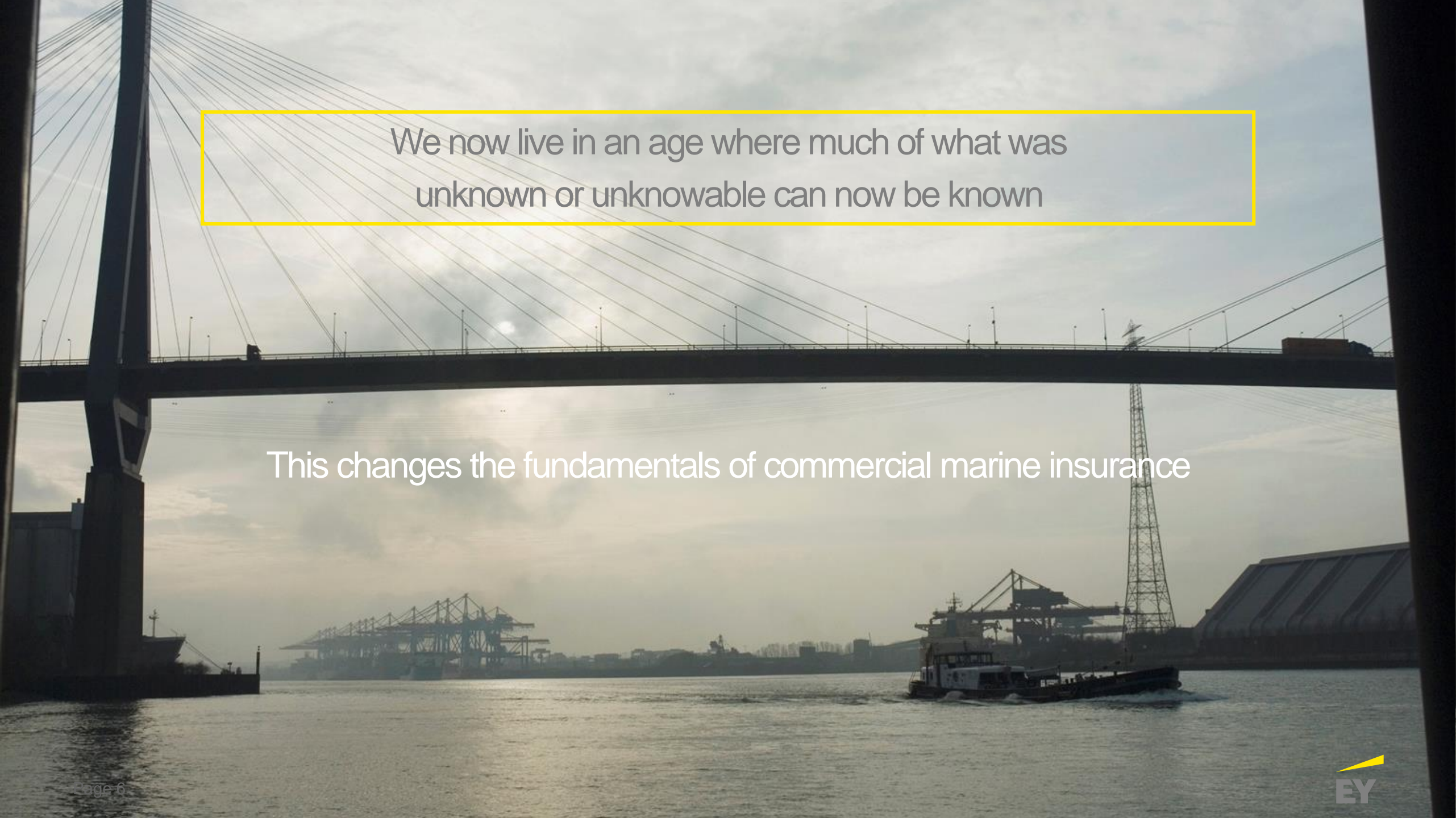


“This worrying downward trend leads to an increasing mismatch between income levels and the marine insurer’s obligation to cover major losses, particularly in light of the trend for larger vessels and greater accumulation of risks in port.”

Source: International Union of Marine Insurance



The New Normal

A photograph of a cable-stayed bridge over a river. The bridge is silhouetted against a cloudy sky. In the background, there are industrial buildings and a tall tower. A boat is visible on the water in the foreground.

We now live in an age where much of what was
unknown or unknowable can now be known

This changes the fundamentals of commercial marine insurance

Behaviour is the New Normal

- ✓ New World: on-line, behavioural data – routes, exposure to cyber threats, crew behaviour, maintenance, cargo, cargo-condition, movements
- ✓ Old World: off-line, demographic data – vessel class, year of build, flag, owner, speed rating

Doing nothing is not an option.



- ✓ Behaviour is key to understanding risk.
- ✓ Data holds the key to behaviour.
- ✓ Once you understand the data, you can understand the risk



Marine risk management is about to undergo a seismic change

Today

Risk assessed and priced on historic declared, articulated behaviour

Tomorrow

Risk assessed and priced based on live observed and predicted behaviour



Analytics and new data sources to identify previously unknown pools of profit




Live exposure monitoring of assets across the globe



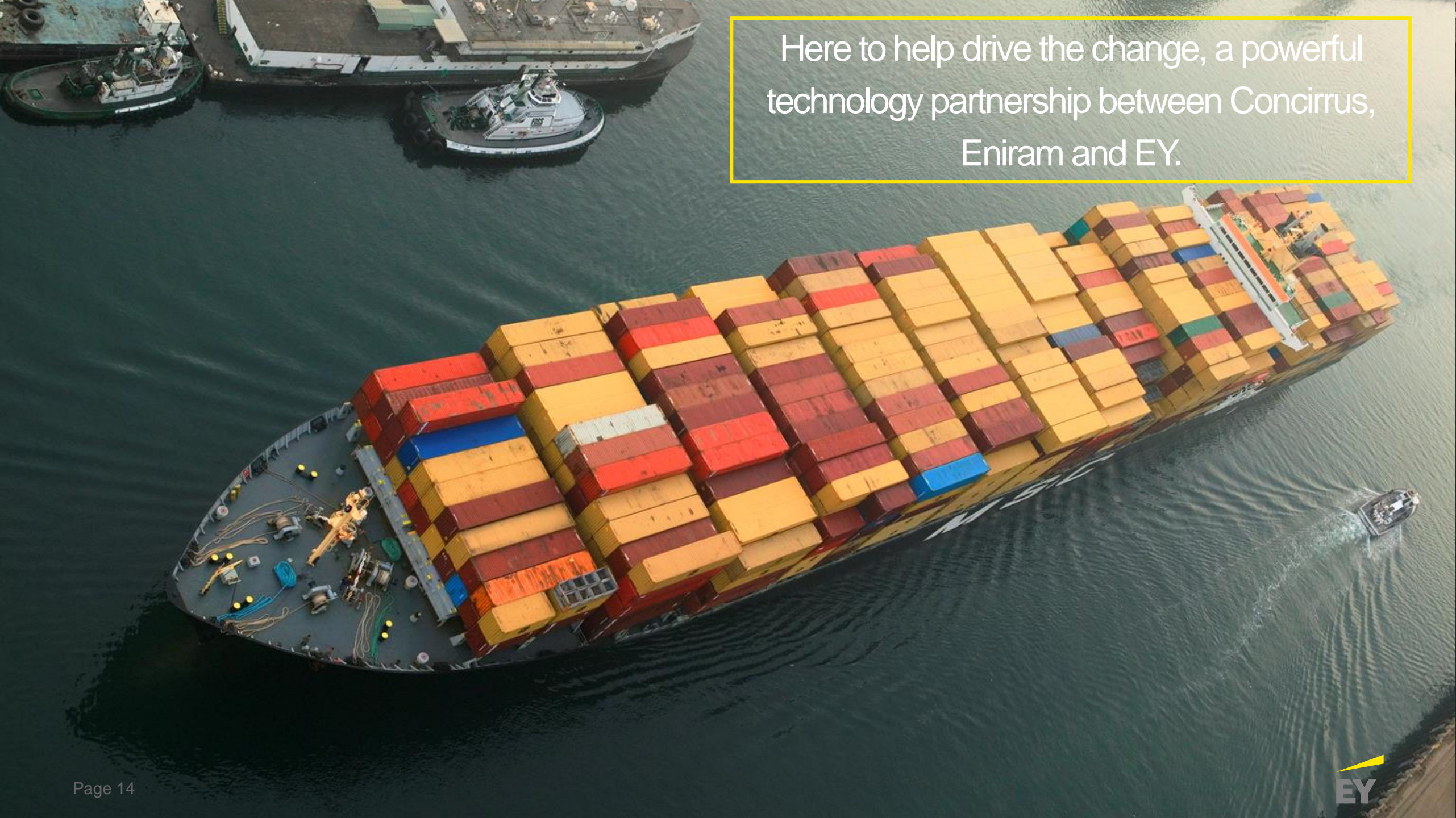
Active risk management of assets and claims based on live and predicted behaviour

A collaborative relationship between insurers and fleet customers resulting in safer behavior and reduced losses.



An aerial photograph of a ship's wake in the ocean. The ship's hull is visible on the right side, with a white upper section and a red lower section. The wake is a large, white, foamy trail of water. On the right side of the hull, there is a vertical scale of numbers from 19 to 39. A yellow rectangular box is overlaid on the left side of the image, containing the text "The future belongs to those who own it".

The future belongs to
those who own it



Here to help drive the change, a powerful technology partnership between Concirrus, Eniram and EY.

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The better the question. The better the answer. The better the world works.