

Software provider seeks to build client base after profit turnaround

By Jessica Pothering

Software provider Insurecom is now considering itself “open for business” after achieving profit crossover in 2008.

While the company confirmed that it no longer had any external debt on the balance sheet, it did not report an exact profit sum. Insurecom said it was expecting to reach £5m revenue in 2009, and had already signed contracts for 70% of this amount. It added that it was aiming for a 40% increase in new contracts in the coming year.

Phillip Walter, chief executive officer at the provider, said it had adopted a different view to development than most other players in the market.

He said: “We realised that the industry would continue to change, especially with the regulatory push from the Financial Services Authority. We saw a huge opportunity because we felt that the other big players in the market were not investing in new technology; they were simply updating or adding to old systems.”

Between 2005 and 2008, Insurecom made a £8m investment to build its software applications from scratch.

Mr Walter attributed Insurecom’s current success to its investments, strategy planning and flagship application, agencyPlus. The product was designed for medium to large UK brokers and allows companies to fully migrate post-consolidation data onto one system, eliminating the need for multiple software systems. In addition, it was built with the capability of automatically running compliance rules in the system’s background.

While it took four years for Insurecom to develop its current product offering, Mr Walter said its willingness to accept an initial loss had given it an advantage in the current climate. “With the credit crunch, it will be very difficult for companies to get funding needed to build new applications if they haven’t already secured it. Anyone trying to play catch up will find it much harder to do so,” he added.

With changes in the broker market as well, Mr Walter said the company was well-positioned to grow. “With consolida-



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tion slowing in the market, companies will now have to focus on business efficiency. Insurecom’s applications do everything in one system, including pulling in data from other systems.”

The provider has signed 700 broker clients to exclusively use its software, and will seek to hire a new sales team with a background in commercial broking shortly.