

North Carolina 2022 Quarterly P-C Premium Summary – Q2

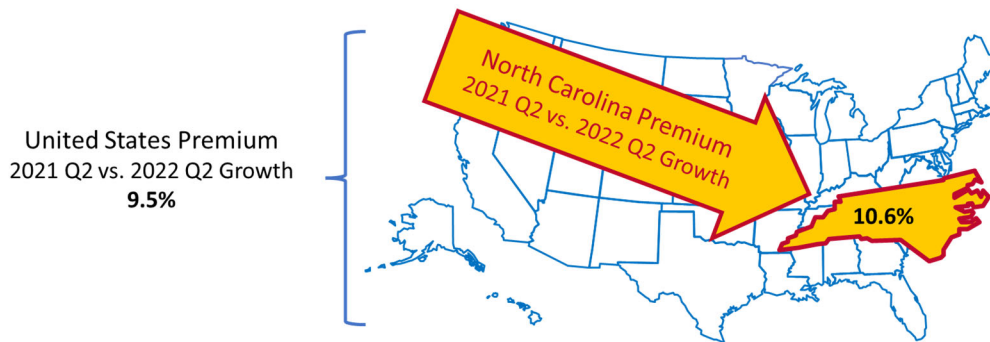


Figure 1

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You are being provided this **North Carolina 2022 Quarterly P-C Premium Summary – Q2** as a benefit of your membership in the Independent Insurance Agents of North Carolina. Quarterly premium data reveals trends to give you, as members, a more “real time” sense of market conditions.

Below are the highlights from the most recent quarterly data.

- Overall Trend: Premiums in North Carolina are growing faster than the United States in the short-term (2021 Q2 vs. 2022 Q2), the medium-term (rolling 12-months) and the long-term (4 years).
- Independent Agent Distribution: One trend is clear from the premium data, and that is that insurers in North Carolina distributing through independent agents are growing premiums faster than those insurers using Direct or Exclusive/Captive distribution styles.
- Surplus Lines: Surplus lines premium growth rates in North Carolina surpass the surplus lines growth rates in the United States in the short-, medium- and long-term. Surplus lines growth rates in North Carolina also greatly exceed the non-surplus lines growth rates in North Carolina.
- 50 Largest Insurers: In North Carolina the 50 largest insurers mostly concentrate on Private Passenger Auto as their biggest premium line. Six in 10 of these insurers rely on independent agents for their distribution.
- 50 Fastest Growing: The Top 50 Fastest growing insurers in Q2 in North Carolina focus on a variety of lines of business with the most common largest line being Other Liability (Occurrence), followed by Workers’ Compensation, Other Liability (Claims-Made) and Commercial Auto. Nine of 10 of these fastest growing insurers choose independent agents.
- Line of Business Trends: In the United States, the line of business growing the fastest in Q2 is Excess Workers’ Compensation, but this is probably an anomaly due to timing and a lower premium volume line of business. Other lines where premiums are growing quickly are Burglary & Theft, and the combined lines of E.C. Perils+Flood+Crop. Notably, Other Liability (Claims-Made) premium growth has slowed in Q2 from its medium- and long-term averages.

More information on the above highlights follows in this **North Carolina 2022 Quarterly P-C Premium Summary – Q2**. This quarterly Summary is intended as a compliment/update to the annual **2021 North Carolina P-C Marketplace Summary** and the quarterly Summary is focused on premium trends only. And, as with the annual Summary, the quarterly Summary uses direct premiums, before reinsurance.

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Quarterly Premiums: North Carolina vs. The United States

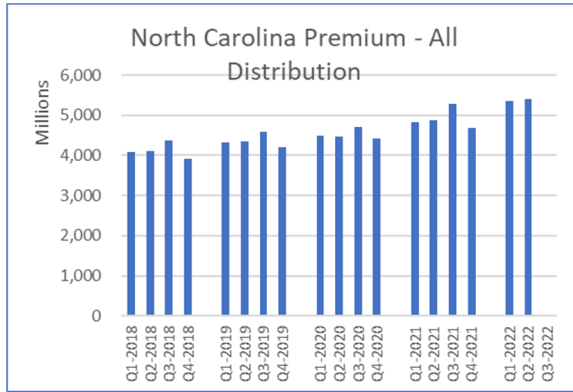


Figure 2

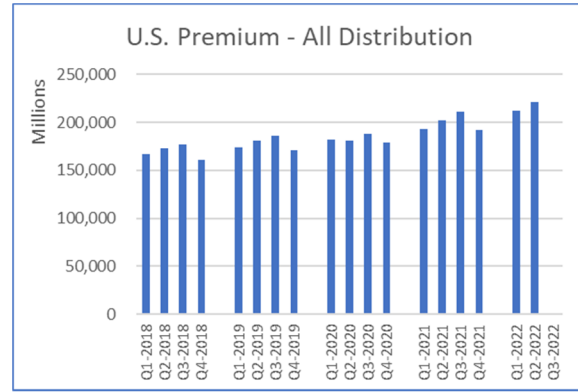


Figure 3

Q2-to-Q2	Rolling	Average
10.6%	9.9%	6.9%
2021 Premium: \$19,676,853,000		

Table 2

Q2-to-Q2	Rolling	Average
9.5%	9.9%	6.1%
2021 Premium: \$798,393,224,000		

Table 3

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Notes:

Quarter-to-quarter premium growth trends can be visually observed in Figure 2 – *North Carolina Premium - All Distribution* and Figure 3 – *U.S. Premium - All Distribution*. The data below the bar charts, Table 2 and Table 3, provide the short-term (Q2-to-Q2), medium-term (Rolling 12-months), and long-term (Average 4 years) growth rates for North Carolina and United States premiums. And, for perspective on the size of the North Carolina P-C insurance marketplace, total premiums for North Carolina and the United States are also provided within Tables 2 and 3. This is the same general approach to the figures and tables taken throughout the rest of this **North Carolina 2022 Quarterly P-C Premium Summary – Q2**. For detailed information on how the short-, medium- and long-term growth percentages are calculated, see *Appendix #1 – Measuring Premium Growth*.

Distribution Styles and Premiums: IA, Direct and Exclusive/Captive

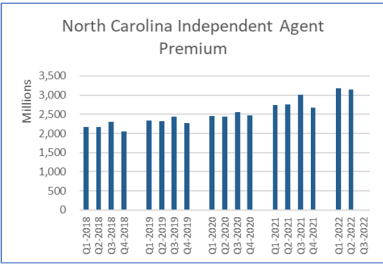


Figure 4

Q2-to-Q2	Rolling	Average
14.6%	14.3%	9.4%
2021 Premium: \$11,161,518,000		

Table 4

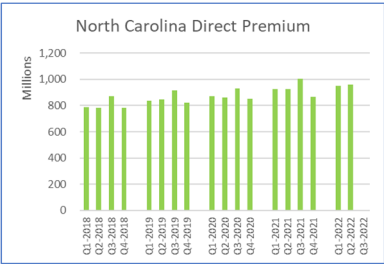


Figure 5

Q2-to-Q2	Rolling	Average
3.9%	4.2%	5.1%
2021 Premium: \$3,717,841,000		

Table 5

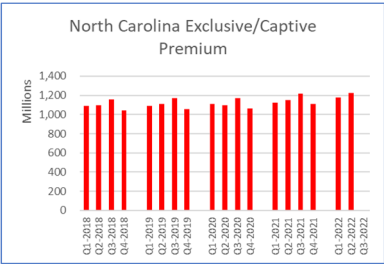


Figure 6

Q2-to-Q2	Rolling	Average
6.6%	5.0%	2.7%
2021 Premium: \$4,598,217,000		

Table 6

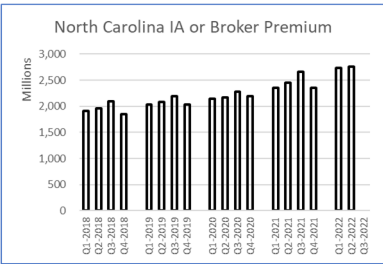


Figure 7

Q2-to-Q2	Rolling	Average
12.7%	13.2%	8.7%
2021 Premium: \$9,817,206,000		

Table 7

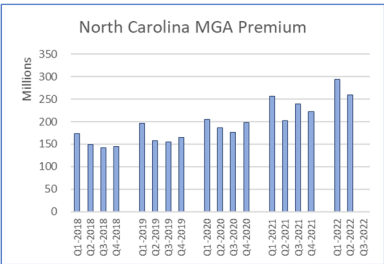


Figure 8

Q2-to-Q2	Rolling	Average
28.2%	21.7%	14.1%
2021 Premium: \$919,162,000		

Table 8

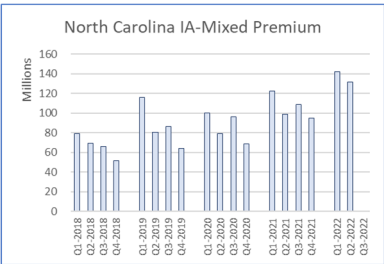


Figure 9

Q2-to-Q2	Rolling	Average
33.3%	23.4%	16.4%
2021 Premium: \$425,150,000		

Table 9

United States Premium Growth-Percentage Comparisons						
United States	Independent Agent	Direct	Exclusive/Captive	IA or Broker	MGA	IA-Mixed
Q2-to-Q2	11.1%	6.4%	8.3%	10.4%	14.8%	13.2%
Rolling	11.7%	6.9%	7.8%	11.4%	15.3%	10.5%
Average	7.3%	6.1%	3.8%	6.7%	9.7%	10.0%

Table 10

Source: © A.M. Best Company — used by permission.

Notes:

Distribution styles shown above are based on insurer “Marketing Types.” Figures and Tables 4-6 show the main distribution styles P-C insurers use to sell their policies. Figures 4-6 visually show the actual quarterly premium dollars for North Carolina Independent Agent distribution, insurers using Direct distribution, and insurers using Exclusive/Captive distribution. Tables 4-6 show the exact percentage growth rates for these distribution styles for North Carolina, and for perspective, the total premiums. Next, shown in Figures and Tables 7-9, are the components of the insurers classified as using Independent Agents, which are insurers using purely IA or Broker, MGAs (also called general agents and wholesalers), and insurers using independent agents with other types of marketing. Table 10 shows the percentage comparisons for the United States. Information on the classification of insurers into distribution styles is contained in *Appendix #2 – Annual vs. Quarterly P-C Summaries*.

Regulation and Premiums: Admitted, E&S and RRGs

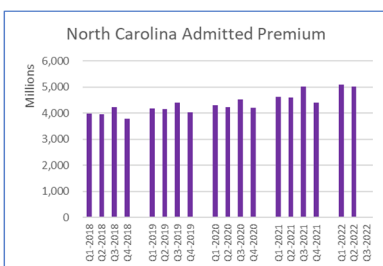


Figure 11

Q2-to-Q2	Rolling	Average
9.5%	8.8%	6.1%
2021 Premium: \$18,620,088,000		

Table 11

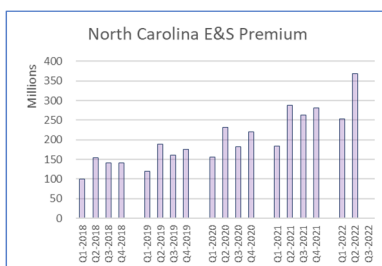


Figure 12

Q2-to-Q2	Rolling	Average
28.5%	33.5%	22.4%
2021 Premium: \$1,015,434,000		

Table 12

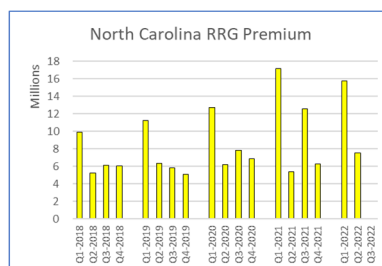


Figure 13

Q2-to-Q2	Rolling	Average
40.5%	13.3%	9.0%
2021 Premium: \$41,331,000		

Table 13

United States Premium Growth- Percentage Comparisons			
United States	Admitted	E&S	RRGs
Q2-to-Q2	8.8%	20.0%	8.8%
Rolling	9.2%	23.4%	4.5%
Average	5.7%	15.1%	3.7%

Table 14

Source: © A.M. Best Company — used by permission.

Notes:

Figures and Tables 11-13 show the North Carolina premiums broken out into the predominant regulatory regime applying to the insurer. The premiums shown in Figures 11-13 are the sum of the individual insurers classified as Admitted, E&S, and Risk Retention Groups. Admitted insurers are the most closely regulated for solvency, rates, and forms and are generally covered by the state guaranty fund. E&S insurers are less regulated and called excess & surplus lines, surplus lines or non-admitted. And Risk Retention Groups are subject to a combination of federal and state rules and regulations and are often referred to as RRGs. The percentage growth rates for North Carolina and each regulatory regime are presented in Tables 11-13 with total premiums applicable. Table 14 shows percentage comparisons for the United States.

It is important to note that for the particular set of data in Figures 11-13, the vertical axis for each bar chart varies in the maximum dollars, as the intent is to show relative changes in premiums and quarterly differences. If a single maximum were used (for example in millions of dollars only), then premium variations would be less visible, or not visible at all.

All Percentages Compared: Overall, by Distribution, and by Regulation

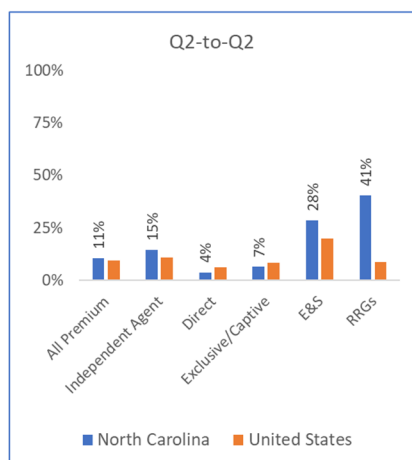


Figure 15

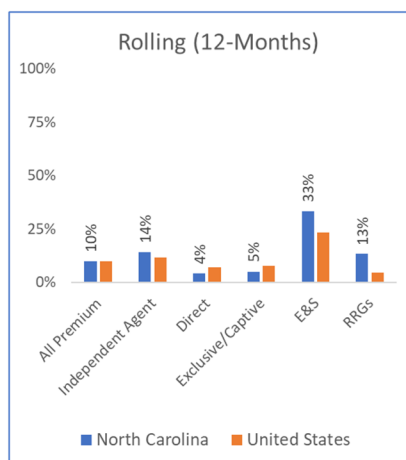


Figure 16

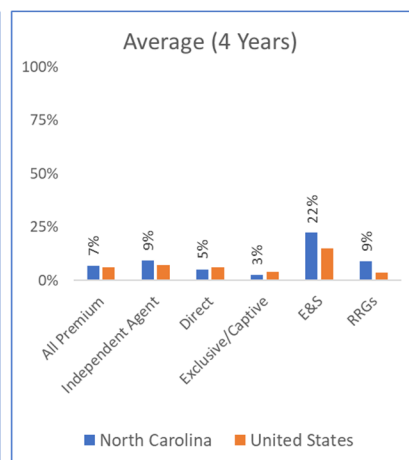


Figure 17

Composite Premium Growth Percentages for Figures 15-17						
All, Distribution or Regulatory Regime	Q2-to-Q2		Rolling (12-Months)		Average (4 Years)	
	North Carolina	U.S.	North Carolina	U.S.	North Carolina	U.S.
All Premium	10.6%	9.5%	9.9%	9.9%	6.9%	6.1%
Independent Agent	14.6%	11.1%	14.3%	11.7%	9.4%	7.3%
IA or Broker	12.7%	10.4%	13.2%	11.4%	8.7%	6.7%
MGA	28.2%	14.8%	21.7%	15.3%	14.1%	9.7%
IA-Mixed	33.3%	13.2%	23.4%	10.5%	16.4%	10.0%
Direct	3.9%	6.4%	4.2%	6.9%	5.1%	6.1%
Capt-Excl	6.6%	8.3%	5.0%	7.8%	2.7%	3.8%
Other	11.1%	7.4%	-2.6%	7.6%	5.6%	4.1%
E&S	28.5%	20.0%	33.5%	23.4%	22.4%	15.1%
RRGs	40.5%	8.8%	13.3%	4.5%	9.0%	3.7%
Admitted	9.5%	8.8%	8.8%	9.2%	6.1%	5.7%

Table 15

Source: © A.M. Best Company — used by permission.

Notes:

Figures 15-17 give a comparison of North Carolina to the United States in a side-by-side manner for all premiums, selected distribution styles, and selected regulatory regimes. Table 15 provides the growth percentages for North Carolina and United States, as more precise percentages are not conducive to display in Figures 15-17. You will also notice that Table 15 contains additional growth percentages for Admitted, IA or Broker, MGA and IA-Mixed.

Top 50: Largest and Fastest Growing Insurers

The following pages contain quarterly data for the 50 largest and fastest growing insurers.

Table 16 – *North Carolina: Top 50 Largest Insurers-Growth, Premiums, Marketing Type, and Biggest Line of Business* is provided to highlight the largest insurers. Table 16 is sorted in descending order of each insurer’s rolling 12-month premium dollars.

Table 17 – *North Carolina: Top 50 Fastest Growing Insurers-Growth, Premiums, Marketing Type, and Biggest Line of Business* is provided to highlight those insurers with the highest growth rates. Table 17 is sorted by the average premium growth rate over the past 4 years.

If a Top 50 largest insurer in Table 16 is also a Top 50 fastest growing insurer seen in Table 17, it is highlighted in Table 16 with **green shading** and **bold text**. At the bottom of Table 16 and Table 17 is the sum-total of all the premiums of all 50 insurers listed, as well as the weighted average of the growth rates.

In both tables attributes and data on each insurer are provided. First is the policy-issuing insurer’s group or fleet, if any. Second is the annualized premiums for the preceding rolling 12-months (4 quarters). Third is the marketing type(s) listed by the insurer. Fourth is the insurer’s largest line of business. Last is the 3 measures of growth in premiums for each insurer.

Take note that the insurers shown are individual policy-issuing insurers, and not broader groups or the brand you might associate with an insurer. Within insurer groups some policy-issuing insurers can grow faster or slower than the overall group, or other insurers in the group. Also, note that the largest line of business for each insurer shown in Table 16 and Table 17 are based on the United States line of business premiums for 2021. The U.S. line of business listed as largest may not be the largest line of business in North Carolina for that insurer, or the largest line in this most recent quarter. The ranking of lines of business for an insurer in North Carolina can be determined from the annual data, but not from the quarterly data.

How to use this information

Look for premium trends regarding competitors, or for the insurers you use. Examine what line of business is most important to the insurer. The fastest growing insurers might be recent competitors formed in the “insurtech” sphere, or insurers in the trade press. Or they might be markets for you to investigate gaining access to through a program administrator, MGA, or via a direct appointment.

North Carolina: Top 50 Largest Insurers-Growth, Premiums, Marketing Type, and Biggest Line of Business

North Carolina Largest Insurers		Group	Premium (\$000)	Marketing Type	Largest Line of Business (U.S. Total)	Average Growth	Rolling Growth	Q2-to-Q2 Growth
1	North Carolina Farm Bureau Mutual Ins Co	North Carolina Farm Bureau Ins Group	\$1,335,028	Exclusive/Captive Agent	All Private Passenger Auto	5%	4%	5%
2	State Farm Mutual Automobile Ins Co	State Farm Group	\$1,070,384	Exclusive/Captive Agent	All Private Passenger Auto	3%	6%	6%
3	Government Employees Insurance Company	Berkshire Hathaway Insurance Group	\$738,436	Direct Response	All Private Passenger Auto	9%	15%	11%
4	State Farm Fire and Casualty Company	State Farm Group	\$662,144	Exclusive/Captive Agent	Homeowners Mult Peril	5%	9%	10%
5	Progressive Southeastern Insurance Co	Progressive Insurance Group	\$623,225	Independent Agency	All Private Passenger Auto	21%	24%	11%
6	Integon Indemnity Corporation	Allstate Insurance Group	\$475,024	Independent Agency	All Private Passenger Auto	12%	15%	13%
7	Erie Insurance Exchange	Erie Insurance Group	\$449,768	Independent Agency	All Private Passenger Auto	0%	2%	3%
8	Progressive Premier Ins Co of Illinois	Progressive Insurance Group	\$406,049	Direct Response	All Private Passenger Auto	19%	15%	16%
9	Allstate Property and Casualty Ins Co	Allstate Insurance Group	\$396,253	Exclusive/Captive Agent	All Private Passenger Auto	6%	7%	16%
10	United Services Automobile Association	USAA Group	\$382,739	Direct Response	All Private Passenger Auto	5%	3%	3%
11	GEICO Indemnity Company	Berkshire Hathaway Insurance Group	\$320,031	Direct Response	All Private Passenger Auto	7%	9%	0%
12	USAA Casualty Insurance Company	USAA Group	\$288,428	Direct Response	All Private Passenger Auto	7%	6%	5%
13	Nationwide Mutual Insurance Company	Nationwide Group	\$287,040	Exclusive/Captive Agent	All Private Passenger Auto	-6%	-4%	-1%
14	Nationwide General Insurance Company	Nationwide Group	\$279,675	Direct Response	All Private Passenger Auto	-7%	-9%	-2%
15	Owners Insurance Company	Auto-Owners Insurance Group	\$259,091	Independent Agency	All Private Passenger Auto	13%	14%	14%
16	Cincinnati Insurance Company	The Cincinnati Insurance Companies	\$253,063	Independent Agency	Commercial Multiple Peril (Total)	4%	5%	8%
17	Erie Insurance Company	Erie Insurance Group	\$252,335	Independent Agency	Homeowners Mult Peril	22%	21%	23%
18	Auto-Owners Insurance Company	Auto-Owners Insurance Group	\$204,947	Independent Agency	Homeowners Mult Peril	7%	10%	10%
19	Nationwide Property & Casualty Ins Co	Nationwide Group	\$195,819	Exclusive/Captive Agent	All Private Passenger Auto	-1%	45%	52%
20	USAA General Indemnity Company	USAA Group	\$191,215	Direct Response	All Private Passenger Auto	4%	1%	0%
21	Allstate Indemnity Company	Allstate Insurance Group	\$190,335	Exclusive/Captive Agent	All Private Passenger Auto	-7%	-11%	-11%
22	LM Insurance Corporation	Liberty Mutual Insurance Companies	\$180,578	Direct Response	Workers' Compensation	9%	5%	18%
23	Integon Preferred Insurance Company	Allstate Insurance Group	\$177,608	Independent Agency	All Private Passenger Auto	14%	8%	12%
24	Zurich American Insurance Company	Zurich Insurance US PC Group	\$163,934	Independent Agency	Workers' Compensation	9%	4%	17%
25	Nationwide Insurance Company of America	Nationwide Group	\$154,329	Independent Agency	All Private Passenger Auto	50%	30%	21%
26	Continental Casualty Company	CNA Insurance Companies	\$152,011	Independent Agency	Inland Marine	2%	2%	1%
27	National Union Fire Ins Co Pittsburgh PA	American International Group	\$150,991	Broker	Other Liab (Claims-made)	5%	13%	-2%
28	Integon General Insurance Corporation	Allstate Insurance Group	\$147,711	Independent Agency	All Private Passenger Auto	6%	11%	31%
29	Liberty Insurance Underwriters, Inc.	Liberty Mutual Insurance Companies	\$146,627	Exclusive/Captive Agent, Direct Response	Inland Marine	4%	7%	4%
30	Liberty Mutual Fire Insurance Company	Liberty Mutual Insurance Companies	\$143,490	Direct Response	All Private Passenger Auto	6%	24%	40%
31	Builders Mutual Insurance Company	Builders Mutual Insurance Group	\$134,861	Independent Agency	Workers' Compensation	3%	8%	12%
32	Travelers Property Casualty Co of Amer	Travelers Group	\$133,991	Independent Agency	Other Liab (Occurrence)	10%	18%	36%
33	ACE American Insurance Company	Chubb INA Group	\$128,197	Independent Agency	Commercial Multiple Peril (Total)	5%	21%	12%
34	Pennsylvania National Mutual Cas Ins Co	Penn National Insurance Companies	\$125,423	Independent Agency	All Private Passenger Auto	3%	2%	4%
35	Federal Insurance Company	Chubb INA Group	\$121,464	Independent Agency	Other Liab (Claims-made)	7%	11%	15%
36	Foremost Insurance Co Grand Rapids, MI	Farmers Insurance Group	\$118,596	Independent Agency	Homeowners Mult Peril	8%	12%	12%
37	Allstate Insurance Company	Allstate Insurance Group	\$117,770	Exclusive/Captive Agent	All Private Passenger Auto	-4%	-2%	6%
38	First Protective Insurance Company	...	\$115,125	Managing General Agent	Homeowners Mult Peril	14%	11%	10%
39	Garrison Property and Casualty Ins Co	USAA Group	\$110,755	Direct Response	All Private Passenger Auto	10%	8%	6%
40	Amica Mutual Insurance Company	Amica Mutual Group	\$104,424	Direct Response	All Private Passenger Auto	4%	15%	30%
41	Factory Mutual Insurance Company	FM Global Group	\$101,485	Direct Response, Broker	Allied Lines	9%	15%	0%
42	Rural Community Insurance Company	Zurich Insurance US PC Group	\$101,235	Managing General Agent	Mult Peril Crop		36%	L.T. -100%
43	Peak Property and Casualty Ins Corp	Sentry Insurance Group	\$98,057	Independent Agency	All Private Passenger Auto	1%	-6%	1%
44	Integon National Insurance Company	Allstate Insurance Group	\$91,381	Independent Agency	All Private Passenger Auto	-21%	-8%	-19%
45	NAU Country Insurance Company	QBE North America Insurance Group	\$91,203	Independent Agency	Mult Peril Crop	-1%	53%	3%
46	Travelers Casualty and Surety Co of Amer	Travelers Group	\$87,418	Independent Agency	Other Liab (Claims-made)	11%	10%	32%
47	American Bankers Insurance Co of Florida	Assurant P&C Group	\$86,333	Independent Agency	Other Liab (Occurrence)	2%	5%	2%
48	American Strategic Insurance Corp.	Progressive Insurance Group	\$78,166	Independent Agency	Homeowners Mult Peril	24%	45%	65%
49	ACE Property and Casualty Insurance Co	Chubb INA Group	\$77,630	Independent Agency	Mult Peril Crop	28%	35%	61%
50	Arch Insurance Company	Arch Insurance Group	\$77,046	Broker	Other Liab (Claims-made)	8%	8%	-25%
N/A	Top 50 Total Premium or Average Growth	N/A	\$12,778,868	N/A	N/A	7%	10%	10%

Table 16 | Source: © A.M. Best Company — used by permission | "*" indicates a zero (\$0) or negative quarterly premium figure in one or more quarters

North Carolina: Top 50 Fastest Growing Insurers-Growth, Premiums, Marketing Type, and Biggest Line of Business

North Carolina Fastest Growing Insurers		Group	Premium (\$000)	Marketing Type	Largest Line of Business (U.S. Total)	Average Growth	Rolling Growth	Q2-to-Q2 Growth
1	AIU Insurance Company	American International Group	\$6,622	Broker	Workers' Compensation	166%	25%	65%
2	Frontline Insurance Unlimited Company	...	\$4,097	Managing General Agent	Commercial Multiple Peril (Total)	152%	61%	51%
3	Century Surety Company	AmeriTrust Group	\$5,940	General Agent, Broker	Other Liab (Occurrence)	146%	48%	51%
4	Hudson Excess Insurance Company	Fairfax Financial (USA) Group	\$10,788	Broker, Managing General Agent	Other Liab (Occurrence)	131%	40%	14%
5	The Gray Casualty & Surety Company	...	\$210	Independent Agency	Surety	126%	54%	95%
6	United Educators Ins, a Reciprocal RRG	...	\$4,224	Broker, Independent Agency	Other Liab (Occurrence)	109%	18%	6%
7	Truck Insurance Exchange	Farmers Insurance Group	\$1,087	Exclusive/Captive Agent	Commercial Multiple Peril (Total)	108%	G.T. +200%	G.T. +200%
8	GuideOne National Insurance Company	GuideOne Insurance Companies	\$4,099	Managing General Agent	Other Liab (Occurrence)	107%	42%	74%
9	Republic-Vanguard Insurance Company	AmTrust Group	\$1,066	Independent Agency	Other Liab (Claims-made)	100%	1%	26%
10	North Pointe Insurance Company	QBE North America Insurance Group	\$1,025	Independent Agency	Workers' Compensation	100%	G.T. +200%	L.T. -100%
11	Samsung F & M Insurance Co, Ltd USB	...	\$528	Broker	Commercial Multiple Peril (Total)	96%	G.T. +200%	G.T. +200%
12	Clear Blue Insurance Company	Clear Blue Insurance Group	\$5,152	Managing General Agent	All Commercial Auto	96%	53%	75%
13	SafePort Insurance Company	IAT Insurance Group	\$19,943	Independent Agency	Homeowners Mult Peril	93%	47%	37%
14	County Hall Insurance Company Inc. A RRG	...	\$108	Not Available	All Commercial Auto	90%	17%	-25%
15	Liberty Surplus Insurance Corporation	Liberty Mutual Insurance Companies	\$23,754	Direct Response	Other Liab (Claims-made)	89%	43%	57%
16	Universal Fire & Casualty Insurance Co	Universal Shield Insurance Group	\$428	Independent Agency	Other Liab (Claims-made)	89%	115%	-15%
17	American Safety Insurance Company	American Southern Group	\$1,295	Independent Agency	All Commercial Auto	89%	-4%	-4%
18	Everest Premier Insurance Company	Everest Re U.S. Group	\$1,539	Independent Agency	Workers' Compensation	82%	-38%	-4%
19	MedChoice Risk Retention Group, Inc.	Physicians Insurance Mutual Group	\$919	Managing General Agent	Medical Professional Liability	80%	-2%	G.T. +200%
20	Intrepid Insurance Company	W. R. Berkley Insurance Group	\$3,607	Direct Response, Independent Agency	Commercial Multiple Peril (Total)	80%	56%	G.T. +200%
21	Merchants National Insurance Company	Merchants Insurance Group	\$1,310	Independent Agency, Bank	Other Liab (Occurrence)	79%	-21%	19%
22	Mid-Continent Excess and Surplus Ins Co	Great American P & C Insurance Group	\$85	Independent Agency	Other Liab (Occurrence)	76%	G.T. +200%	G.T. +200%
23	Berkshire Hathaway Direct Insurance Co	Berkshire Hathaway Insurance Group	\$8,617	Independent Agency, Direct Response	Workers' Compensation	75%	105%	94%
24	Clear Blue Specialty Insurance Company	Clear Blue Insurance Group	\$1,449	Managing General Agent	Other Liab (Occurrence)	74%	43%	12%
25	United Fire & Casualty Company	United Fire & Casualty Group	\$898	Independent Agency	All Commercial Auto	73%	141%	76%
26	Benchmark Insurance Company	Benchmark Insurance Group	\$8,826	Managing General Agent, Direct Response	Workers' Compensation	72%	13%	-8%
27	Pacific Employers Insurance Company	Chubb INA Group	\$723	Independent Agency	Homeowners Mult Peril	72%	136%	-25%
28	Milford Casualty Insurance Company	AmTrust Group	\$2,149	Independent Agency	All Commercial Auto	71%	114%	116%
29	Peelus Insurance Company	Argo Group	\$3,046	General Agent, Broker	Other Liab (Occurrence)	69%	47%	93%
30	Swiss Re Corporate Solutions Premier Ins	Swiss Reinsurance Group	\$356	Independent Agency	Surety	68%	197%	G.T. +200%
31	United Casualty and Surety Insurance Co	...	\$182	Independent Agency	Surety	68%	G.T. +200%	G.T. +200%
32	Midvale Indemnity Company	American Family Insurance Group	\$3,938	Other	Commercial Multiple Peril (Total)	66%	G.T. +200%	G.T. +200%
33	Plaza Insurance Company	Liberty Mutual Insurance Companies	\$861	Independent Agency, Broker	Workers' Compensation	65%	G.T. +200%	L.T. -100%
34	Frank Winston Crum Insurance Company	...	\$2,675	Managing General Agent, Direct Response	Workers' Compensation	64%	G.T. +200%	143%
35	Old Republic Union Insurance Company	Old Republic Insurance Group	\$7,335	Independent Agency	Other Liab (Occurrence)	59%	124%	G.T. +200%
36	Federated Reserve Insurance Company	Federated Mutual Group	\$11,098	Exclusive/Captive Agent	Workers' Compensation	59%	12%	12%
37	Kinsale Insurance Company	...	\$12,906	Broker	Other Liab (Occurrence)	58%	51%	54%
38	Professional Solutions Ins Co	NCMIC Group	\$469	Broker, General Agent	Other Liab (Claims-made)	58%	24%	32%
39	Infinity Insurance Company	Kemper PC Companies	\$13,285	Independent Agency	All Private Passenger Auto	58%	G.T. +200%	30%
40	Preferred Physicians Med RRG, Mut Ins Co	ProAssurance Group	\$789	Direct Response	Medical Professional Liability	58%	60%	-80%
41	Clear Spring Property & Casualty Company	Group 1001 Property and Casualty Group	\$3,455	Broker	Workers' Compensation	57%	13%	5%
42	American Select Insurance Company	Westfield Group	\$3,048	Independent Agency	All Private Passenger Auto	56%	32%	70%
43	North Light Specialty Insurance Company	Allstate Insurance Group	\$5,825	Managing General Agent	All Commercial Auto	56%	G.T. +200%	G.T. +200%
44	StarStone Specialty Insurance Company	Core Specialty Insurance Group	\$9,540	Independent Agency	Fire	56%	38%	13%
45	Everest Indemnity Insurance Company	Everest Re U.S. Group	\$31,017	Independent Agency	Allied Lines	56%	G.T. +200%	G.T. +200%
46	Colony Specialty Insurance Company	Argo Group	\$2,045	General Agent, Broker	Inland Marine	55%	G.T. +200%	102%
47	Safety Specialty Insurance Company	Tokio Marine US PC Group	\$5,432	Broker, General Agent	Homeowners Mult Peril	52%	51%	20%
48	Coverys Specialty Insurance Company	Coverys Companies	\$4,288	Independent Agency, Broker	Medical Professional Liability	51%	134%	-26%
49	Pacific Insurance Company, Limited	Hartford Insurance Group	\$1,405	Independent Agency	Other Liab (Claims-made)	51%	9%	0%
50	Swiss Re Corporate Solutions Elite Ins	Swiss Reinsurance Group	\$6,727	Broker	Fire	51%	G.T. +200%	G.T. +200%
N/A	Top 50 Total Premium or Average Growth	N/A	\$250,210	N/A	N/A	78%	35%	30%

Table 17 | Source: © A.M. Best Company — used by permission | "*" indicates a zero (\$0) or negative quarterly premium figure in one or more quarters

United States: Lines of Business Growth Rates

LINES OF BUSINESS GROWTH PERCENTAGES – UNITED STATES

What follows in Figures 18-20 is United States line of business growth rate percentages. Data is not available quarterly for lines of business on a state-specific basis. While not perfectly representative of line of business trends in North Carolina, United States data is useful for North Carolina agents to know, as generally there is a strong correlation in each state to United States line of business trends.

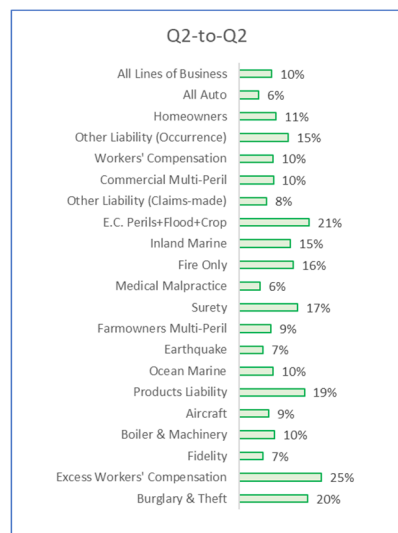


Figure 18

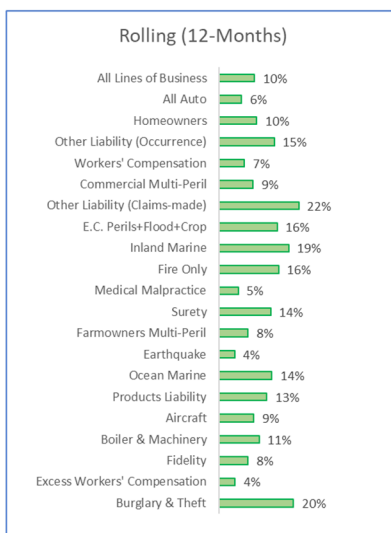


Figure 19

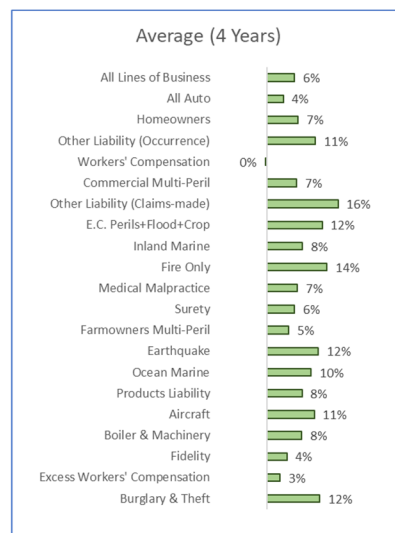


Figure 20

Source: © A.M. Best Company — used by permission.

Individual Lines of Business – United States

Provided on the following pages, for greater insights on each line of business beyond growth rates, is a breakout view of quarterly premiums for each line of business, with the 3 measures of growth: short-term (Q2-to-Q2), medium-term (Rolling 12-Months), and long-term (Average 4 Years). Total premiums for 2021 for each line of business are also provided under each figure.

For perspective, all lines of business are combined and shown together in Figure 21 – *Premium: All Lines of Business* and its corresponding Table 21. It is provided as a base-line reference for each line of business breakouts that follow in Figures and Tables 22-43.

Figures and Tables 22-42 give premium data for the various lines of business that agents focus on, as reported quarterly. The lines of business are listed in order of highest total premiums in dollars (All Auto) to least (International). Following the agent-focused lines of business, listed last as Figure 43, is Non-Agent Lines combined. Non-agent lines include smaller lines independent agents do not focus on, such as credit, dental, medical supplement, and warranties.

All Lines Premium – For Perspective

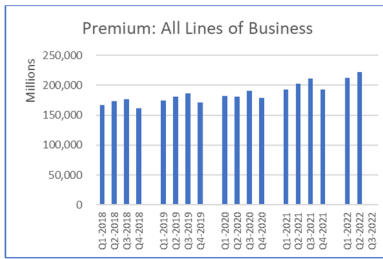


Figure 21

Q2-to-Q2	Rolling	Average
9.7%	9.6%	6.2%
2021 Premium: \$798,901,643,000		

Table 21

Line of Business Breakout

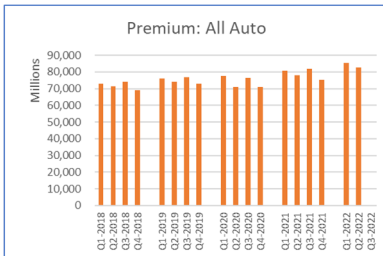


Figure 22

Q2-to-Q2	Rolling	Average
5.8%	6.1%	3.7%
2021 Premium: \$315,597,054,000		

Table 22

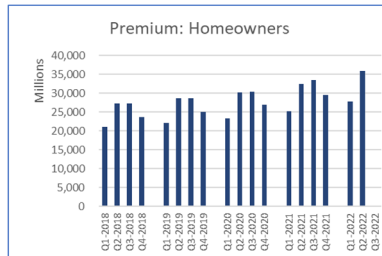


Figure 23

Q2-to-Q2	Rolling	Average
10.9%	10.2%	7.0%
2021 Premium: \$120,440,928,000		

Table 23

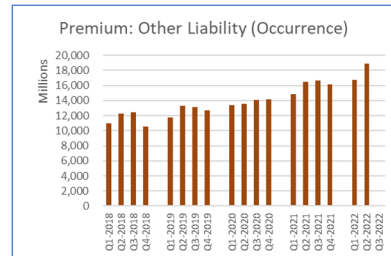


Figure 24

Q2-to-Q2	Rolling	Average
14.6%	15.0%	10.9%
2021 Premium: \$64,099,512,000		

Table 24

Line of Business Breakout

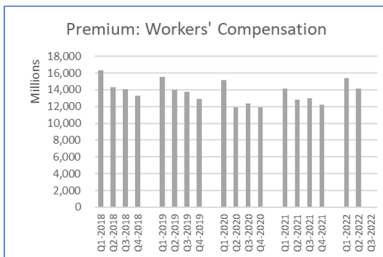


Figure 25

Q2-to-Q2	Rolling	Average
10.1%	6.8%	-0.3%
2021 Premium: \$52,248,287,000		

Table 25

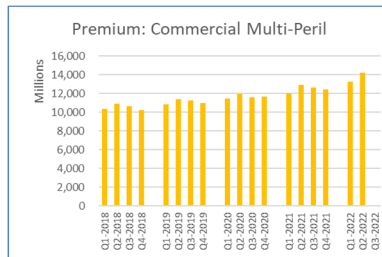


Figure 26

Q2-to-Q2	Rolling	Average
10.2%	9.2%	6.7%
2021 Premium: \$49,961,427,000		

Table 26

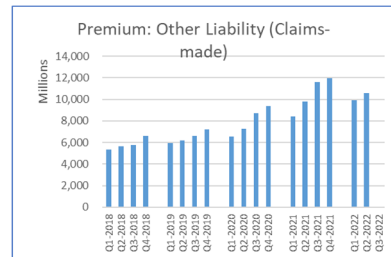


Figure 27

Q2-to-Q2	Rolling	Average
8.1%	21.6%	16.1%
2021 Premium: \$41,736,418,000		

Table 27

Line of Business Breakout

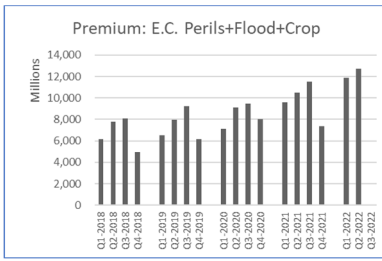


Figure 28

Q2-to-Q2	Rolling	Average
20.9%	15.7%	12.5%
2021 Premium: \$38,997,517,000		

Table 28

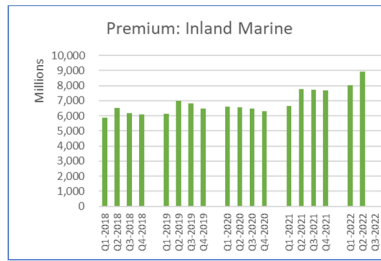


Figure 29

Q2-to-Q2	Rolling	Average
15.3%	18.9%	8.0%
2021 Premium: \$29,813,382,000		

Table 29

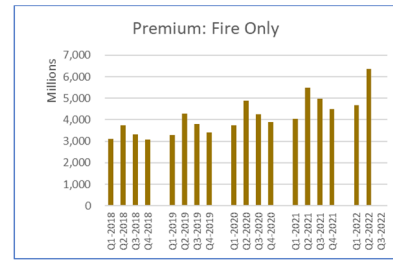


Figure 30

Q2-to-Q2	Rolling	Average
16.2%	16.1%	13.5%
2021 Premium: \$18,969,783,000		

Table 30

Line of Business Breakout

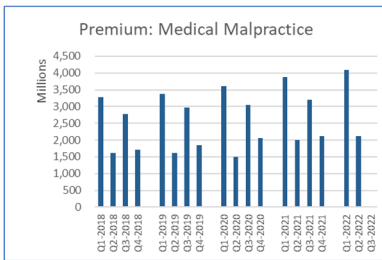


Figure 31

Q2-to-Q2	Rolling	Average
6.1%	5.2%	6.8%
2021 Premium: \$11,200,292,000		

Table 31

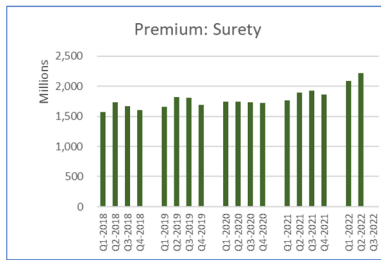


Figure 32

Q2-to-Q2	Rolling	Average
17.3%	14.0%	6.2%
2021 Premium: \$7,438,314,000		

Table 32

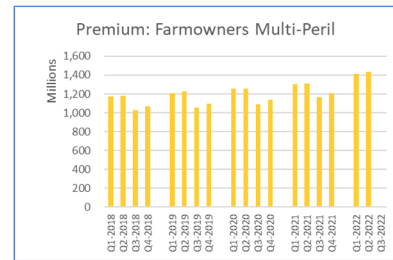


Figure 33

Q2-to-Q2	Rolling	Average
9.5%	7.8%	4.9%
2021 Premium: \$4,979,524,000		

Table 33

Line of Business Breakout

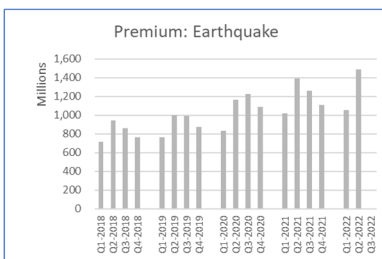


Figure 34

Q2-to-Q2	Rolling	Average
7.1%	4.2%	11.6%
2021 Premium: \$4,775,865,000		

Table 34

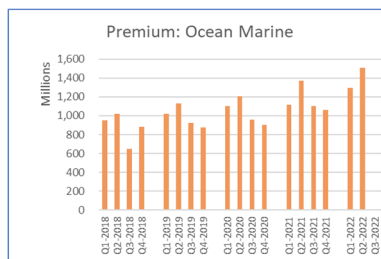


Figure 35

Q2-to-Q2	Rolling	Average
10.1%	14.3%	10.0%
2021 Premium: \$4,653,098,000		

Table 35

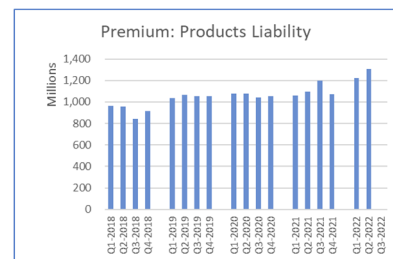


Figure 36

Q2-to-Q2	Rolling	Average
19.4%	12.9%	7.9%
2021 Premium: \$4,425,492,000		

Table 36

Line of Business Breakout

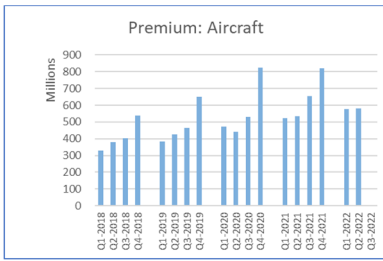


Figure 37

Q2-to-Q2	Rolling	Average
8.8%	9.4%	10.7%
2021 Premium: \$2,530,476,000		

Table 37

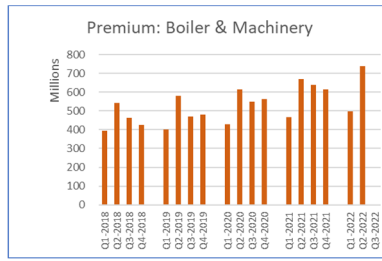


Figure 38

Q2-to-Q2	Rolling	Average
10.5%	10.9%	7.9%
2021 Premium: \$2,392,002,000		

Table 38

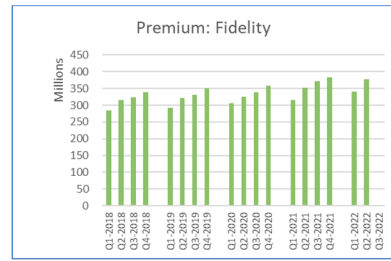


Figure 39

Q2-to-Q2	Rolling	Average
7.1%	7.8%	4.5%
2021 Premium: \$1,421,935,000		

Table 39

Line of Business Breakout

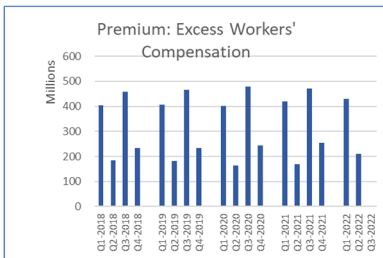


Figure 40

Q2-to-Q2	Rolling	Average
24.6%	4.3%	3.0%
2021 Premium: \$1,313,620,000		

Table 40

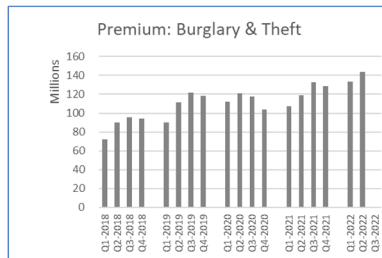


Figure 41

Q2-to-Q2	Rolling	Average
20.4%	20.1%	11.9%
2021 Premium: \$487,870,000		

Table 41

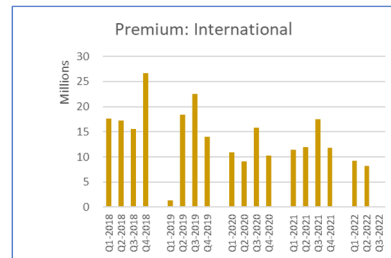


Figure 42

Q2-to-Q2	Rolling	Average
-32.2%	-5.6%	-18.4%
2021 Premium: \$52,650,000		

Table 42

Line of Business Breakout

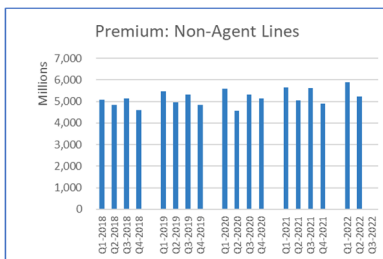


Figure 43

Q2-to-Q2	Rolling	Average
3.4%	2.3%	1.9%
2021 Premium: \$21,231,528,000		

Table 43

Source: © A.M. Best Company — used by permission.

Appendix #1 – Measuring Premium Growth

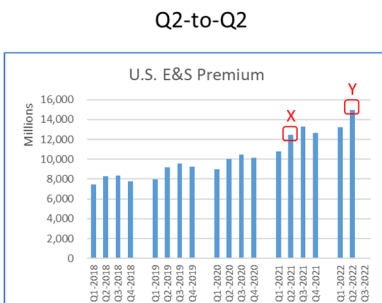
Premium growth rates are tracked and measured in 3 ways in the **North Carolina 2022-Quarterly P-C Premium Summary – Q2**.

The three measures of growth are: Q2-to-Q2, Rolling (12-Months), and Average (4 Years). Three measures are provided because either a short-, medium-, or long-term percentage measure may be the most useful.

- Short-Term: Q2-to-Q2 growth rates tend to be the most volatile but are the most current.
- Medium-Term: Rolling 12-months is a bit more stable but still current.
- Long-Term: Average (4 Years) is still current but the most stable and useful for assessing longer-term trends.

As with the **2021 North Carolina P-C Marketplace Summary**, this **North Carolina 2022 Quarterly P-C Premium Summary – Q2** uses P-C industry data on the direct insurance business, before reinsurance. As independent agents, this is the marketplace experience for the business we place for our clients. So, premiums used throughout this quarterly Summary are direct premiums, not net premiums or gross premiums. Also, as the quarterly Summary is focused on insurance policy trends in each quarter, written premiums, not earned premiums, are used.

Figures 44-46 below visually show what each percentage conveys, followed by the mathematical formula for computing the growth rate. Figure 44 shows Q2-to-Q2, Figure 45 the Rolling 12-Months, and Figure 46 shows Average 4-Years. United States E&S data is used as an illustration of the calculations, based on the data in the bar charts.

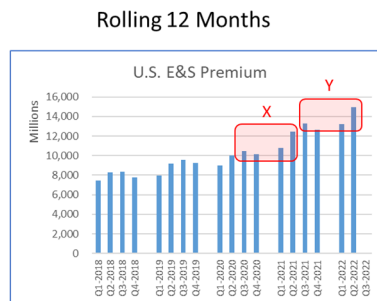


"Q2-to-Q2" Percentage Change Formula

$$= \frac{(Y - X)}{X}$$

$$= \frac{(14,975M - 12,478M)}{12,478M} = 20.0\%$$

Figure 44

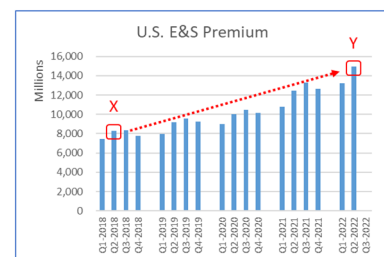


"Rolling" Percentage Change Formula

$$= \frac{(Y - X)}{X}$$

$$= \frac{(54,128M - 43,877M)}{43,877M} = 23.4\%$$

Figure 456



"Average" Percentage Change Formula

$$= \text{Slope of Line (Annualized)}$$

$$= (\text{EXP} \left(\frac{\text{LN} \left(\frac{14,975M}{8,263M} \right)}{16} \right) - 1) * 4 = 15.1\%$$

Figure 46

Appendix #2 – Annual vs. Quarterly P-C Summaries

There are several important differences in the annual **2021 North Carolina P-C Marketplace Summary** vs. the **North Carolina 2022 Quarterly P-C Premium Summary – Q2**. Those are differences in how lines of business are reported, differences in some premium totals, and differences in the number of years covered. There is also one important similarity between the annual Summary and quarterly Summary. That similarity is how insurers are categorized into distribution styles.

Lines of Business Differences

The lines of business reported by insurers in annual statutory statements are more numerous and detailed than the lines of business reported in quarterly reports. This results in a difference in how lines of business are handled in the annual **2021 North Carolina P-C Marketplace Summary** vs. the **North Carolina 2022 Quarterly P-C Premium Summary – Q2**. For example, in the State’s annual Summary automobile data is able to be segregated into both commercial and private passenger automobile. In the quarterly Summary, however, commercial and private passenger automobile are combined. Below is a chart that provides a comparison between the treatment of lines of business in the annual vs. the quarterly Summaries. The annual Summary lines of business are listed alphabetically.

Annual P-C Marketplace Summary Treatment	Quarterly P-C Premium Summary Treatment
Accident & Health	In "Non-Agent Lines"
Aggregate Write-ins	In "Non-Agent Lines"
Aircraft (all perils)	Aircraft (all perils)
All Commercial Auto	All Auto
All Private Passenger Auto	All Auto
Allied Perils Only	In "E.C. Perils+Flood+Crop"
Boiler & Machinery	Boiler & Machinery
Burglary & Theft	Burglary & Theft
Commercial Multi-Peril	Commercial Multi-Peril
Credit	In "Non-Agent Lines"
Earthquake	Earthquake
Excess Workers' Comp	Excess Workers' Compensation
Farmowners Multi-Peril	Farmowners Multi-Peril
Federal Flood	In "E.C. Perils+Flood+Crop"
Fidelity	Fidelity
Financial Guaranty	In "Non-Agent Lines"
Fire Peril Only	Fire Only
Homeowners Multi-Peril	Homeowners
Inland Marine	Inland Marine
International	International
Medical Malpractice	Medical Malpractice
Mortgage Guaranty	In "Non-Agent Lines"
Multi-Peril Crop	In "E.C. Perils+Flood+Crop"
Ocean Marine	Ocean Marine
Other Liability (Claims-made)	Other Liability (Claims-made)
Other Liability (Occurrence)	Other Liability (Occurrence)
Private Crop	In "E.C. Perils+Flood+Crop"
Private Flood	In "E.C. Perils+Flood+Crop"
Products Liability	Products Liability
Surety	Surety
Warranty	In "Non-Agent Lines"
Workers' Compensation	Workers' Compensation

Total Premium Differences

A detail-oriented reader may notice some slight differences in premium totals between the what is reported in the **2021 North Carolina P-C Marketplace Summary** vs. the **North Carolina 2022-Quarterly P-C Premium Summary – Q2**. The reason is that in annual statutory statements insurers provide a page that is known as Statutory Page 14. This Page 14 provides premium data and a convenient premium total for each of the 50 states and the District of Columbia.

With the quarterly reports there is no Statutory Page 14. Instead, to get to premium totals for each insurer each quarter, a different page called Schedule T is used. That page only provides a total premium that includes the 50 states and the District of Columbia, plus United States territories, Canada and alien jurisdictions. The addition of the United States territories, Canada and alien jurisdictions in the total adds about 1.5% to the total premiums.

For clarity, below are the total premiums in the United States for all lines of business from the annual **2021 North Carolina P-C Marketplace Summary**, and the aggregation of the 4 quarters of the same year from the **North Carolina 2022 Quarterly P-C Premium Summary – Q2**.

All Lines of Business	2021 Annual Summary (Statutory Page 14)	Quarterly Summaries (Schedule T)	Difference (*)
United States	\$785,288,646,000	\$798,849,370,000	\$13,560,724,000 (1.5%)

(*) Difference is premiums in Alien jurisdictions (40%), Canada (33%), Puerto Rico (20%) and remainder Guam, U.S. Virgin Islands and Northern Mariana Islands.

Time Period Differences

In the annual **2021 North Carolina P-C Marketplace Summary** the most recent 5 years of data are presented. The **North Carolina 2022-Quarterly P-C Premium Summary – Q2** uses the most recent 4 years and any additional quarters in the current year.

Distribution Styles Similarities

The same approach to classifications of insurers by distribution style is used in the **North Carolina 2022-Quarterly P-C Premium Summary – Q2** as in the annual **2021 North Carolina P-C Marketplace Summary**. As with the annual Summary, there are 6 classifications of insurers into distribution styles. They are listed below. The annual Summary contains more information on the classification of insurers, based on reported Marketing types. Interested readers should refer to the annual Summary and its *Appendix #2: Distribution Style Classifications*. Just like in the annual Summary, this quarterly Summary classifies insurers who generally distribute through Independent Agents as the combination of insurers distributing through IA or Broker, MGA, and IA-Mixed.

1. IA or Broker
2. MGA
3. IA-Mixed
4. Direct
5. Exclusive/Captive
6. Other Distribution

Analysis Provided by Real Insurance Solutions Consulting

This **North Carolina 2022-Quarterly P-C Premium Summary – Q2** has provided the reader with both visual and numeric presentations of the North Carolina P-C premium data for the most recent quarter in the current year, 2022. It is a benefit of your membership with the Independent Insurance Agents of North Carolina. All questions and comments, or need for further analysis, are welcomed at the contact information below.

Real Insurance Solutions Consulting, LLC

Paul A. Buse, Principal

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