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### **ISO Launches PCS-Canada, an Independent Canadian Catastrophe Loss Information Service**

*PCS-Canada service will provide insurers, reinsurers, brokers, and other stakeholders with Canadian catastrophe information to ensure better risk management for natural and man-made catastrophes*

JERSEY CITY, N.J., March 16, 2010 — ISO has been working with Toronto based MSA Research Inc. to bring Property Claim Services® (PCS®) to Canada.

A new independent service named PCS-Canada ([www.pcs-canada.com](http://www.pcs-canada.com)) enables primary insurance companies, reinsurers, brokers, and others to receive, for the first time, industrywide data about Canadian catastrophes, including man-made and extreme weather events. The eventual availability of historical catastrophe data will assist insurers in setting more accurate reserves, improve benchmarking, enhance data quality for modeling purposes, promote reinsurance transactional efficiencies, and fine-tune catastrophe response plans.

The PCS-Canada service enables insurance companies to benchmark their claims against industry averages and assist in ensuring the adequate purchase of reinsurance coverage. According to ISO, PCS-Canada service allows the Canadian insurance/reinsurance industry to present a standardized approach for collecting and disseminating catastrophe loss data for broader analysis and potentially increase the availability of alternative reinsurance products, such as catastrophe bonds and other insurance-linked capital market instruments.

PCS-Canada service is based on a similar system that ISO manages in the United States. ISO's catastrophe risk service is run by its PCS unit, which has identified catastrophe events and compiled insured property loss estimates for U.S. insurers and reinsurers since 1949.

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“Insurers need reliable catastrophe information to make underwriting and reinsurance decisions,” said Gary Kerney, assistant vice president of ISO’s PCS unit. “Since the Canadian property/casualty insurance industry lacked a single, comprehensive catastrophe claims service, many insurers have relied on their own or incomplete industry catastrophe loss data as the basis for their underwriting, loss reserving, and reinsurance decisions.”

“This new information will be critical in assisting the industry to identify public policy recommendations for government as we call for more investment in adaptive measures to reduce the growing vulnerabilities related to extreme weather events,” said Don Forgeron, president and CEO, Insurance Bureau of Canada (IBC).

“The Canadian insurance industry has been experiencing an ever-increasing frequency of extreme and costly weather events,” said Joel Baker, CEO of MSA Research Inc. “The PCS-Canada service will enable insurers, reinsurers, and others to benefit from a robust collection of data and refined analysis about such events and loss trends. Our goal is to create a catastrophe service for the Canadian market that works similarly to — and as successfully as — the U.S. PCS unit. We have been consulting with industry leaders on establishing this service for many months now, and the response has been extremely positive. We are encouraged further that we are launching this service with the support of the IBC and the Institute for Catastrophic Loss Reduction (ICLR) and with the endorsement of the Reinsurance Research Council (RRC). We plan to work closely with all stakeholders to ensure that PCS-Canada service brings value to the industry,” added Baker.

“Canadian reinsurers welcome the development of transparent and reliable catastrophe loss information, as it will support ongoing efforts to adjust catastrophe models and is likely to stimulate product innovation in Canada,” said Jean-Jacques Henchoz, president and CEO of Swiss Re (Canada), reinforcing the sentiments of the RRC.

“The international trend of more frequent and larger catastrophe losses has not left Canada untouched. Indeed, 2009 marked one of the worst years in recent memory for insured losses due to natural catastrophes in Canada. As a \$43 billion-plus industry — the seventh largest property/casualty market in the world — it is increasingly important for Canadian insurers to have access to the tools and data they need to plan and make better decisions against the backdrop of a growing number of increasingly complex catastrophe losses in the country,” said Paul Kovacs, executive director of ICLR.

### **About ISO**

Since 1971, ISO has been a leading source of information about property/casualty insurance risk. For a broad spectrum of commercial and personal lines of insurance, the company provides statistical, actuarial, underwriting, and claims information; policy language; information about specific locations; fraud-identification tools; and technical services. ISO serves insurers, reinsurers, agents and brokers, insurance regulators, risk managers, and other participants in the property/casualty insurance marketplace. ISO is a subsidiary of Verisk Analytics.

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**About MSA Research Inc.**

Founded in 2003, MSA is an independent, Canadian-owned analytical research firm focused on the Canadian insurance industry. MSA is the dominant provider of financial information relating to Canadian insurers. MSA also organizes two prominent industry events, the National Insurance Conference of Canada (NICC) and the Canadian Insurance Financial Forum (CIFF).

**About IBC**

Insurance Bureau of Canada (IBC) is the national industry association representing Canada's private home, car, and business insurers. Its member companies represent 90 percent of the property/casualty (P&C) insurance market in Canada. The P&C insurance industry employs more than 110,000 Canadians; pays more than \$6 billion in taxes to the federal, provincial, and municipal governments; and has a total premium base of \$43 billion.

**About ICLR**

Established in 1998 by Canada's property/casualty insurers, the Institute for Catastrophic Loss Reduction (ICLR) is an independent, not-for-profit research institute based in Toronto and at the University of Western Ontario in London, Canada. ICLR is a center of excellence for disaster loss prevention research and education. ICLR's research staff is internationally recognized for pioneering work in a number of fields, including wind and seismic engineering, atmospheric sciences, water resources engineering, and economics. Multidisciplinary research is a foundation for ICLR's work to build communities more resilient to disasters.

**About RRC**

The Reinsurance Research Council (RRC) is an organization representing the majority of professional property/casualty reinsurers registered in Canada. The RRC conducts research into all lines of property/casualty reinsurance, presenting the view of members where appropriate and providing liaison with governments, the primary insurance market, and other interested parties.