

A photograph of a paper mill showing large rolls of paper being processed by machinery. The machinery consists of several large rollers and a complex frame of metal supports. The paper is a light, off-white color and is being fed through the rollers. The background is a bright, slightly hazy light, possibly from a window or a large light source. The overall scene is industrial and focused on the manufacturing process of paper.

Manufacturing BENCHMARK REPORT

Key Findings



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Key Findings

Manufacturing Benchmark Report

This benchmark study represents our third annual survey of the purchasing habits of manufacturers that are insured through our Partner Firms. It includes data from over 1,000 manufacturing companies of various sizes and specialties.

The survey presented several interesting observations that represent a changing insurance marketplace.

Property Insurance

- There was significant variability in the relationship between revenue and property values, driven by business specialty.
- Property rates have increased 37 percent on average compared to last year.
- Property deductibles have increased across all revenue sizes compared to last year.
- Property deductibles increased as the total insured value increased.



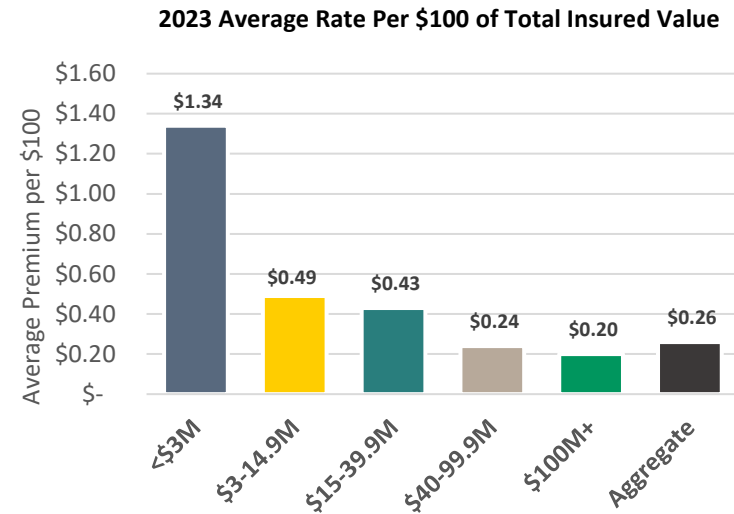
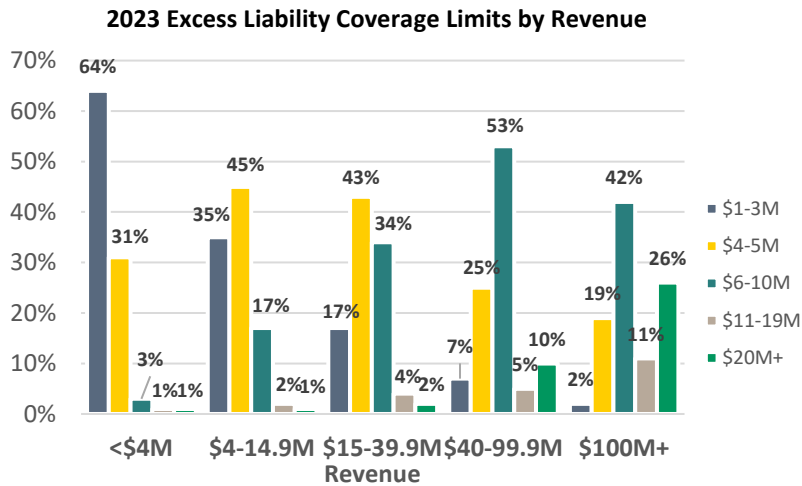
General and Excess Liability Insurance

- General liability rates increased 18 percent on average compared to last year's survey. Small firms experienced much higher liability rates than large firms.
- Larger organizations tended to purchase significantly higher excess liability limits than smaller ones.
- Excess liability limits decreased on average compared to last year and were significantly lower than we expected for larger manufacturers.
- The average excess liability premium per million of coverage limit has increased by 24 percent compared to last year.

Ancillary Coverages

- The percentage of firms purchasing directors and officers liability coverage has increased compared to last year's survey, as have the limits purchased.
- D&O premiums increased 37 percent on average compared to last year.
- The percentages of firms purchasing manufacturer's errors and omissions coverage and environmental impairment liability both declined substantially compared to last year.
- The percentage of firms purchasing cyber liability coverage decreased significantly compared to last year's survey.

The report includes many graphs, such as those below, that aid in the interpretation of data.



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