



# MDS GROUP

CHRISTOPHE ANTONE  
MDS' NEW DIGITAL DIRECTOR

THIAGO TRISTÃO  
LEADS CORPORATE RISKS IN BRAZIL

BOOMING BRAZIL: INSIGHTS FOR FOREIGN INVESTORS



# **CHRISTOPHE ANTONE**

**DRIVES THE DIGITAL  
TRANSFORMATION AT MDS**



With an eclectic career history in insurance and new technologies, MDS Group's new digital director, Christophe Antone, is bringing his enthusiasm for digital projects to Portugal's leading broker. He firmly believes that as we approach the much-heralded era of digital disruption, the adage 'High-Tech, High-Touch' will gain even more value. In his opinion, the fact that 'machines' can potentially replace or modify certain parts of our supply chain reinforces the necessity of business expertise, collaboration and innovation. He is convinced that the more we resort to using complex systems for certain functions, the greater the need for human intervention to be at the core of the process.

### Passion – a driving force

Christophe enjoys discussing when he first started in insurance, over 20 years ago now, and how much he enjoys the distribution area. Having obtained a diploma in marketing from a business school, he began his career in 1993 as a general agent with AXA Assurances in France. While working with this highly-respected insurer he learned the ropes and perfected his sales methods. When the Internet first appeared in France he had a 'Eureka' moment, which he likes to compare to those truly important occasions in life when you look back years later, you know exactly where you were when they happened. "I can describe exactly where I was and the exhilaration I felt when I saw a search engine for the very first time in my life and realised how it could benefit the insurance business."

Since then, his passion for the web continues. Despite having no specialist programming knowledge, in 1995 he developed France's first online insurance website. "At the time, we were the only ones, which may seem unbelievable today." His recollection of those early days is one of amusement: "The first time we received a quote request form by e-mail, you would have thought we'd discovered

America!" Eager to share his knowledge, he wrote a book aimed at colleagues and peers called "Agents, courtiers, comment vendre sur Internet?" (How to sell on the Internet for agents and brokers), which was published by Editions l'Argus de l'Assurance in 1997. A user's guide for a profession that was discovering the media and its potential. "I was in demand for years to speak on Internet strategies at conferences attended by professionals who were discovering this new distribution channel."

Over the years and in a bid to keep ahead of the competition, Christophe used specialist companies to manage the increasingly complex projects: "In the early days of the Internet I could do just about everything myself. Today however, designing, promoting and maintaining a professional website requires a combination of many specialist skills." For one of his projects, Christophe worked with Capgemini, a leading French consulting and technology company, who offered him a position with its consultancy teams supporting companies in the finance sector. "It was a very intense time and I was doing a lot of computer-related work. Fortunately, my wife, who is also a broker, took care of the operational side of our agency... I was now

doing more in IT development and project management than insurance. The idea of working with one of Europe's 'big five' in the insurance sector seemed an obvious next step and a challenge."

### A new perspective

Christophe reminisces about his years as a consultant in the early 2000s: "When I joined Capgemini, I was able to see things from a completely new perspective and discover a wide range of companies, strategies, organisations and information systems. This was a hugely valuable time for me in terms of acquiring knowledge around methodology, organisation and project management." At the time, Christophe specialised in customer relationship management solutions, providing support for major insurance companies in their customer transformation projects, call centres, back office and distribution networks. "I remember that when it was time to explain to the agent networks that their company had decided to install a new collaborative solution, nobody wanted to go. I was the one always sent into the fray on the pretext that I was fluent in 'general agent lingo' and would manage to survive!"

'MDS Lab' is a space for fully exploring innovative ideas. From the original idea to deployment by way of benchmarking and proof of concept, we have a tool at our disposal that will allow us to exploit the opportunities afforded by the digital age.



Christophe continues: “What is interesting about the arrival of technological change, as we have today with digital, is that by shifting the boundaries and creating opportunities and risks, this evolution forces us to question ourselves about the meaning of things. In other words, if we have new tools and new digital powers, what are we going to use them for? To what end? What are the fundamental principles that will help us use these new capabilities conscientiously?”

In 2006, still fired by his passion for writing, Christophe’s second work, “Organiser le CRM dans l’assurance” (Organising CRM in insurance), was published by Editions L’Argus de l’assurance. As he explains: “For me, the process of writing is inextricably linked to action. We are terribly fond of pigeonholing people but I am both a field man and a broker who needs to get actively involved; I also need to manipulate concepts, play around with ideas and explore. When I have the time, writing is a good way of doing this”.

### The business bug

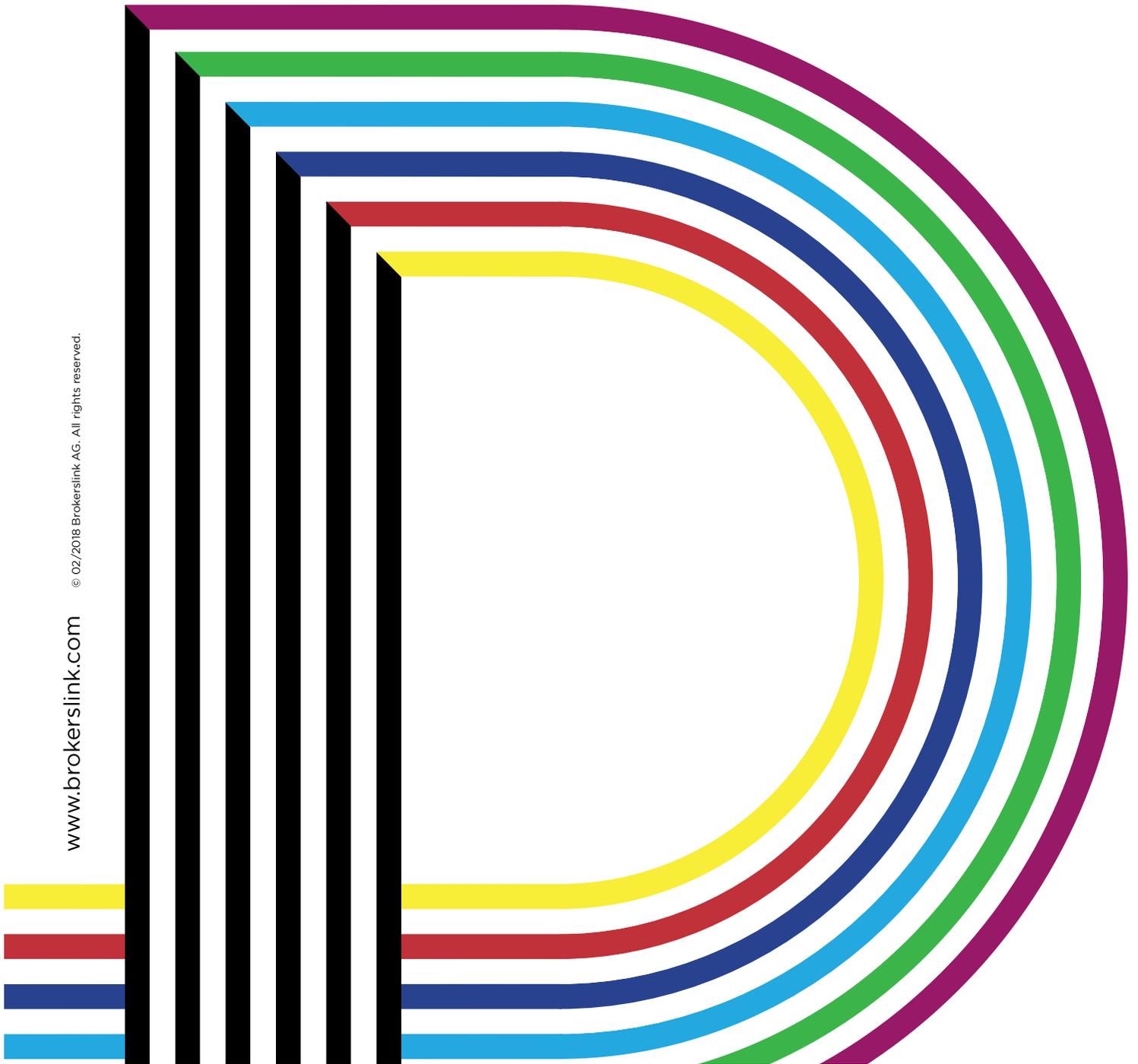
After several years as a CRM consultant for Capgemini, Christophe reignited his passion for business by launching his own freelance strategic insurance consultancy. Alongside this, he and his wife founded a new French broker specialising in affinity solutions. “At the beginning of the 2010s, the social side of the web was growing in importance – many online insurers were still trying to create decent, but classic, websites, at a time when the famous web 2.0 was already churning out all sorts of new uses, marketing and approaches.” Christophe says a common thread running through his various projects is his passion for the way technology can change practices and cause models to evolve, “especially the ones we believed were written in stone”, he quips. “My interest in the new technologies has absolutely nothing to do with their make-up but, rather with the opportunities for change they bring to our business. For me, they are nothing more than a means to serve a variety of ends: strengthening the broker’s role, creating new services, freeing-up

time that can be put to good use by our staff, improving relationships with customers and partners etc. These are the true advantages of the technological avalanche we find ourselves within.”

### Portugal, merging ideas with digital

In addition to his consultancy firm, Christophe and family moved to southern Portugal in 2014 to set up a branch of his French broker with the aim of offering insurance solutions to French-speaking expats. At the time he met with the MDS team, who were developing a similar initiative. Christophe looks back on his first meeting with José Manuel Fonseca, Jacqueline Legrand, Ricardo Pinto dos Santos and Carlos Bianchi de Aguiar: “It was in Porto and we were immediately connected. Our business models, which at the time were competitors, turned out to be very complementary and we quickly decided to combine our efforts and, especially our ideas, to secure a position of leadership in the expat market. Over the following months, we also discussed aspects of our strategy and the direction the Group was taking. “The fact I was both broker and fluent in ‘techno-lingo’ gave us the idea for a digital division that would allow us to coordinate the many already ongoing projects and formalise our thinking.” Having ideas and plans is very dear to Christophe’s heart and he explains why: “In the context of current technological growth, having a future strategy is essential for informed decision-making. We are not ‘digital’ because it’s fashionable but, rather, because we think that certain strategic directions produce, or will produce, shared benefits for our staff, customers and partners.” With the recent creation of ‘MDS Lab’, the digital director hopes to involve the entire Group in the innovation process: “The ‘MDS Lab’ is a space for fully exploring innovative ideas. From the original idea to deployment by way of benchmarking and proof of concept, we have a tool at our disposal that will allow us to exploit the opportunities afforded by the digital age.” •

## Broking the future



# THIAGO TRISTÃO

## LEADS CORPORATE RISKS IN BRAZIL



Working in the insurance market since leaving university, Thiago Tristão has built a successful career with a number of high-profile insurers. Having been with MDS Brazil since 2014, he's had the opportunity to immerse himself in the broking sector – another area of the insurance world and something he considers vitally important. MDS is delighted to have welcomed to its ranks a highly experienced professional with a unique outlook.



## A bright future

“In my university days, I did not have a clear idea of what I wanted to do with my degree and so talked to people who were close to me, including family members, to find inspiration. I was impressed by the experience of one of my uncles who chaired the English company, General Accident. He talked about the characteristics of the insurance sector, its challenges, opportunities and above all, its bright future. This influenced my thinking and a few days later, I applied for a position with General Accident, who took me on as a trainee.”

Thiago admits he is still fascinated by the insurance sector, even now. One of the main attractions is its dynamism. A market, conservative in nature yet with innovation at its core and an ability to develop products, services and solutions that meet the evolutionary challenges of a globalised world. “It is a fascinating market,” says Thiago. And he appreciates the social responsibility issues, valuing company sustainability and working to ensure society has a future: “By replacing a loss, insurance helps rebuild companies and brings families and even countries back together. It has become one of the most important economic contributors to our world’s future wellbeing.”

During his career in the insurance sector, Thiago worked for major international companies whose cultures and business strategies were very different to each other and that of Brazil. “I managed teams at Spanish Mapfre, American Liberty and AIG, national Porto Seguro and the German Allianz.” A journey which has given him an in-depth understanding of many aspects of the insurance sector and its product lines: “... from Varejo at Porto Seguro (retail), to Liberty’s middle market and larger risks at Allianz.” Thiago recalls one particularly memorable experience with Allianz: “In September 2014, not long before I left the company, I was ranked first in an internal survey completed by my subordinates. My team named me the best-rated leader throughout Brazil for among many things, my results and management style.”

## The MDS challenge

After 18 years working for insurers, Thiago decided to take up the challenge of joining MDS team and gain experience in the broking world. Having worked with a number of insurers, he believed this would be a wonderful professional opportunity: “MDS is a fast-moving, technically-skilled, excellently-structured company, and through Brokerslink, a global player. Its different Group divisions, such as the reinsurance business with MDS Re and Ed and its engineering and risk management solutions with Herco, were very attractive to me.”

Today, Thiago says this was a good decision: “We are an extremely flexible company that follows high standards of professionalism and competence. This allows us to compete with any player out there.”

Thiago cites a number of MDS highlights: “The turnaround of the Rio de Janeiro operation, repositioning MDS in the insurance sector and regaining the trust of our customer portfolio and, of equal importance, bringing back the glint in my team’s eye after accomplishing significant goals, like securing important clients and major events such as the 2016 Olympics.”

At MDS, Thiago leads a 72-strong team. At the heart of his success is the spirit of teamwork and cooperation. “These are undoubtedly the key factors. Our success over the past few years is due to a technically-savvy, competent and experienced team who are very knowledgeable about the insurance market. We are among the top brokers in the country for volume of managed premium and our speedy processes and high technical proficiency help us stay ahead of the pack.”

## The Brazilian market

The greatest challenge for the Brazilian insurance market is to balance a need to raise premiums and fees (and so address recent local and world deficits) with companies who, due to the current economic climate, may not have the financial capacity to pay. MDS Brazil’s strategy to sustain growth

in this context includes working more closely with customers, utilising their resources, sharing its risk-management expertise, minimizing the possible risk of loss through effective programmes and managing clients’ operations.

“In the current climate, it is increasingly urgent to redesign policies and risk-management programmes to optimize coverage and control the operation as a whole. In Property & Casualty, Herco, thanks to its technical capability and experience across various industries, has played a significant role. In health insurance, we act through a highly-skilled technical and medical team that puts together detailed studies on meeting client needs and for new clients, we design and offer alternative products for national emerging risks such as Cyber, Weather Risks, Credit Insurance and others. In addition, we take advantage of our relationship with Brokerslink members who extend our product portfolio.”

Over the next five years, Thiago says the insurance sector will face huge challenges, particularly those posed by political and economic issues. This will however, generate opportunities.

## The personal view

First-born son of a Rio de Janeiro family, Thiago spends his free time with his family, especially his three-year-olds who “not only fill my daily life with joy but have also replaced the gym,” he says, jokingly. “I also like to travel locally and play sports like volleyball and tennis with friends.”

With a wealth of experience in the insurance sector and a lengthy journey through the corporate world, the motto for this executive has to come from writer, teacher and administrative consultant Peter Drucker, the ‘father’ of modern management: “There is the risk you cannot afford to take and there is the risk you cannot afford not to take.” •

# MDS NEWS



## The only Portuguese speaking Lloyd's Broker

MDS was recently registered as a Lloyd's broker – such status opens doors to the largest specialised insurance market in the world, ensuring access to professionals renowned for their management of emerging and complex risks. This means MDS can now directly place a wide range of more challenging risks, such as environmental, cyber, natural disasters or major industrial, without having to rely on foreign broker intervention. MDS is the only Portuguese-speaking broker among 258 that work with Lloyd's of London worldwide and says it has contributed to 'history in the making', not only for the insurance sector but also for the Portuguese economy.

Juan Arsuaga, president and CEO of Lloyd's Iberia comments: "It is a pleasure to announce MDS as our sole Portuguese Lloyd's broker. Lloyd's places all its risks through intermediaries; alongside our 258 brokers, we have 99 syndicates and 3,859 coverholders in more than 200 territories. MDS will now be able to help the Portuguese market find insurance solutions, particularly when a large capacity or solid financial ratings are required or when dealing with highly specialised risks. We wish MDS the greatest success and hope it will give us continued access and the ability to work with the Portuguese insurance and reinsurance market."

## Jorge Luzzi to lead Apogeris



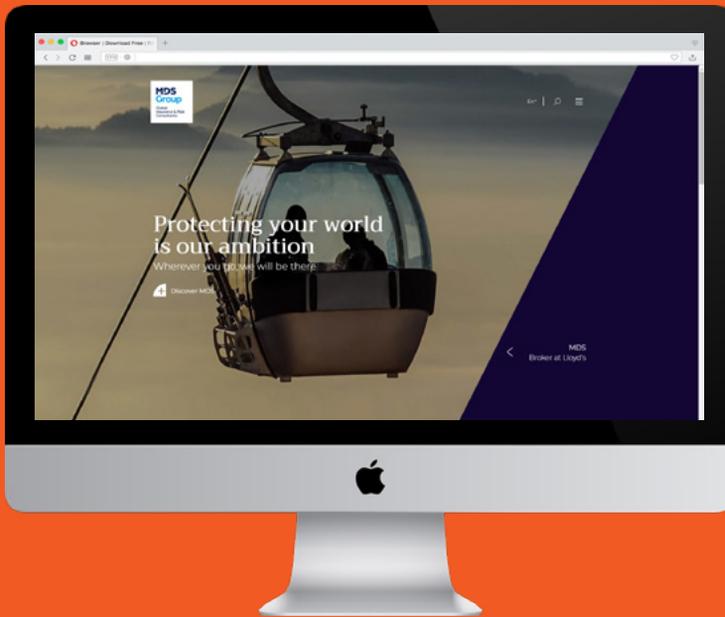
One of the greatest risk management specialists in the world, Jorge Luzzi, has become the new president of the Portuguese Association of Risk Management and Insurance (APOGERIS). His tenure began in May 2017. Established in 2002 under the guidance of MDS Group CEO, José Manuel Fonseca, who was president until then, APOGERIS endeavours to promote the disciplines and application of risk management and insurance in the corporate world and wider society. Among initiatives developed by APOGERIS was the organization of the 2005 FERMA Forum – the largest risk management forum ever held in Portugal and attended by 1,500 people from over 20 countries. Jorge is also chairman of Herco Global, an MDS Group company that specialises in risk consultancy, and heads the risk management teams at Brokerslink.



## Beatriz Cabral appointed Head of Marketing and Human Resources in Brazil



In November 2017, Beatriz Cabral became head of the newly-created Marketing and HR department at MDS Brazil. This new role and function will strengthen the company's identity in Brazil and support internal cooperation and collaboration among its group companies. Beatriz joined MDS in 2014 as Marketing, Communication and Organizational Development manager.



## New corporate website

MDS Group has launched a new corporate website, confirming its leading position in the insurance market and continued investment in innovation and technology.

The website is part of a project to increase the Group's presence in the digital world, explore new communication opportunities, bring MDS closer to customers and further develop its business.

Described as dynamic and user-friendly with a totally responsive design that suits any device, the site promotes the Group's global offerings and showcases its international reach and scale, with dedicated pages for each area of expertise and specific companies.

In addition, it shares its team's expertise and their specialist areas via opinion articles and promotion of the Group's FULLCOVER magazine – all important ways to share knowledge.

This site is the first in a project to redesign a number of local websites, namely in Portugal, Brazil and Angola, which address the needs of each market and bring MDS closer to existing as well as potential customers.

Visit the new website at: [www.mdsinsure.com](http://www.mdsinsure.com).

## José Manuel Fonseca, MDS Group CEO, takes on additional executive leadership role in Brazil



In September 2017 José Manuel Fonseca, MDS Group CEO, took on additional executive leadership role at MDS Brazil, replacing Hélio Novaes, who had served as CEO since 2010. MDS Brazil is going through a vibrant growth period with a strategy to take the lead in its specialist practice areas, and as a result,

has strengthened its national presence and customer relationships by opening new branch offices with additional staff.

This expanding operation benefits from the MDS Group's resources and global reputation enabling MDS Brazil to establish itself as a leader in the Brazilian market.



## MDS celebrates Taylor's 325<sup>th</sup> anniversary

MDS celebrated Taylor's 325<sup>th</sup> anniversary of the first time Port was shipped from Portugal to England by supporting sailor Ricardo Diniz in his journey from the Gaia pier in Portugal to London on the sailboat #TAYLOR 325.

The sailor had a 30-litre cask of Taylor's Port which he delivered to London, from the same pier where, 325 years ago, Taylor's sent its first shipment to the English market.



## MDS at 12<sup>th</sup> Brazilian Risk Management Summit

In August 2017 MDS participated in the 12<sup>th</sup> Brazilian Risk Management Summit. Organised by the Brazilian Risk Management Association (ABGR), the São Paulo event was attended by more than 2,600 international specialists who were keen to discuss the biggest challenges in risk management today.

Gustavo Quintão, Head of Health and Benefits at MDS Brazil, delivered an address focusing on 'risk management and benefits contract negotiation', highlighting the importance of corporate investment in risk management and how it increases competitiveness and productivity. He pointed out that, by taking advantage of the opportunities created by technology and artificial intelligence and using data analysis, it is now possible to predict serious cases and complications in chronic illness, preventing future claims.

## MDS continues its strategic expansion in Brazil

MDS Brazil welcomed 2018 by expanding its business and opening three new offices in Recife, Salvador and Belo Horizonte.

The regions have high growth potential and these branches enable MDS to share its expertise, establish closer working relationships with clients and meet the needs of the business community.

In an increasingly dynamic and demanding insurance market, this investment is a logical step forward, following the MDS strategy to focus on innovation and deliver services which bring the business closer to customers.

## Thomas Tescaro appointed Head of Retail in Brazil



With nearly 20 years' insurance sector experience and a degree in business administration and software engineering, Thomaz Tescaro is the new Head of Retail at MDS Brazil.

He has worked with major financial corporations including Alelo, Santander and Itaú (Garantec) and between 2012 and 2015 was affinity manager at MDS. Thomaz is now back with the company and his goal is to enhance customer service in retail and affinity projects.

# BOOMING BRAZIL

## INSIGHTS FOR FOREIGN INVESTORS

BY SAMUEL MARTINS AND VICTOR GARIBALDI

The Brazilian insurance market is in a state of permanent evolution. Within some areas, cultural and market maturity issues means penetration has not yet reached its full potential. However, for property and life protection, where cover should be taken without question, there's room to reach the same penetration level as other countries. Global insurers have recognised this and seized on the new business development potential in Brazil to offer new products and increase their market share.

Pricing is a challenge in Brazil. Factors such as violence and political or economic instability drive up costs. This leads to clients failing to buy insurance or they opt for policies with limited cover. This is where brokers have an essential role; by supplying clear and objective information, they can help clients better understand the wide range of risks they're exposed to.

Another area where brokers add significant value in the Brazilian market is their ability to tailor products to address the needs of each specific client. Not only do they ensure global products meet the legal and regulatory frameworks of their country but they also help customers

choose the most cost-effective, needs-orientated protection packages.

For Samuel Martins, international account executive at MDS Brazil and responsible for managing global programmes for Brokerslink partners, the next two years will be intense for the sector as a whole. He comments: "We're seeing slow signs of an economic recovery which means we are less of a risk to international investors. For this we can breathe a sigh of relief. While the election period and a change in government generate uncertainty, in general, I believe we will see a growth in different sectors as we move forward."



## Global factors

In Brazil, the insurance market is also impacted by global factors; political and economic crises, terrorism, environmental issues, new technologies and cyber risk. MDS Brazil has recognised however that, after the damage caused by the 2014 economic crisis, a new cycle has begun, with confidence returning and foreign investors again taking an interest in the country.

As a result, the insurance market must develop policies that meet the needs of all companies and comply with Brazilian legislation which, in many cases, represents a significant challenge. In some cases, there is no insurance solution in place to reduce the impact of a particular risk on a business so demand is forcing specialists to develop new innovative solutions as quickly as they can.

For example, the political scandals that gripped Brazil over the past few years affected global risk management and, as a consequence, exposure to image and reputation now appears in a significant number of policies. Demand is highest from the industry and service sectors.

Such matters of image and reputation should be key elements within senior executive and professional protection policies. Samuel states: “The demand for D&O insurance, for example, has grown considerably over the last couple of years. I believe this momentum will continue, especially when you consider the level of demand from multinational corporations in the country.”

Renewable energy businesses also create opportunities for MDS to stand out from the competition and offer innovative solutions, particularly as Brazilian bureaucracy and legislation in this sector requires a trained eye to anticipate non-apparent risk. Local specialists are therefore indispensable, as off-the-shelf solutions do not provide the flexibility that’s needed here.

New and disruptive technologies represent another challenge for brokers. For example, offering insurance to a drone company wishing to operate locally requires specialist knowledge; Brazilian legislation does not regulate this specific technology.

With MDS being part of Brokerslink, it is able to connect and share insights

with brokers from different backgrounds. This enables MDS to offer a wider range of protection and services, meeting the specific needs of each customer and ensuring access to international insurance, reinsurance and risk management programmes. All are developed in coordination with national specialists in each country, guaranteeing a local, personal service.

Samuel concludes: “The role played by MDS within Brokerslink allows us to create meaningful international partnerships and consolidate privileged access to highly specialised services. This enhances the solutions we deliver to market and makes us stand out at a challenging time where ever more customised services are in demand.”

## The local market

An important aspect to consider when developing a global insurance programme is local legislation. Brazil, like so many others, is a non-admitted country which means it is necessary to issue a local policy to cover risk on national territory. The few exceptions are oil and aeronautical risk.

Victor Garibaldi, International Business Partner at MDS, reminds that world programmes must comply with the country’s terms and conditions and so policies must be issued locally: “In some cases, in order to meet the programme’s specific terms and cover needs, MDS provides local insurers and regulators with the solutions.”

Victor also reveals that MDS takes a corporate risk management approach when underwriting insurance: “Our engineering experts give substantial support to customers in assessing their needs and developing policies to reduce, control and transfer risks.”

To Garibaldi, this sort of work is fundamental to ensure policies cover the quantified risk. The insurance policy is then an accurate reflection of the policyholder’s internal risk control mechanisms, giving the client the necessary peace of mind.

Victor also points out this particular approach puts the broker ahead of the competition in several areas: “Our methodology, which is embedded across

## Samuel Martins International Account Executive at MDS Brazil



Samuel Martins has a degree in actuarial science, focusing on general business, from Dorset College, Ireland. He joined the insurance market seven years ago working for Metlife, specialising in employee benefit products. He then moved to Seguros Martins & Bononi, focusing on executive projects to streamline operational management and in 2015, joined MDS Brazil. Samuel is currently an international accounts executive, responsible for managing global programmes for Brokerslink partners.



An important aspect to consider when developing a global insurance programme is local legislation. Brazil, like so many others, is a non-admitted country which means it is necessary to issue a local policy to cover risk on national territory. The few exceptions are oil and aeronautical risk.

the business, puts MDS at the top of the class when it comes to insuring property, liability, transportation and financial risk etc.”

When discussing reinsurance in Brazil, Victor explains that, since Complementary Law 126 was introduced in 2007 – opening up a reinsurance market, which until then was virtually monopolised by the Brazilian Reinsurance Institute (IRB) – it has undergone significant evolution. Different classes of reinsurer have been identified, along with offer and retention preferences for each class.

He says: “This 10-year evolution is a direct consequence of Law 126. Not only has the reinsurance market become more competitive, but it has introduced more products and cover with new underwriting dynamics. New players coming into the market also extended the product portfolio.”

### Healthcare

One of the market’s most important sectors is health insurance. Victor explains that Law 9.656 introduced in 1998, regulated healthcare plans: “The current level of cover provided by healthcare plans in Brazil is governed by the National Health Agency (ANS), which sets out what procedures and examinations etc the plans must include.”

To Victor, the corporate sector is one of the most significant niches within the health insurance market and tailoring services for human resources managers is key to remaining competitive: “MDS Brazil offers consultancy services to companies using a unique tool to help HR develop and deliver flexible benefit programmes with policies suitable for each employee. In addition, features such as our concierge doctor, second opinion and workplace medicine services, among others, ensure we are taking the lead in the management of company benefit programmes.”

He points out that Brazil, much like other countries around the world, now deals with an aging population. While this positively reflects improving standards of living and new healthcare technologies, the impact on increasing claims and plan costs is driving up insurer costs.

Victor adds that what’s happening in the country poses a major challenge to MDS – there’s a need to use new strategies to develop tailored solutions for each client and reduce costs.

He concludes: “There is no such thing as a formula. We have to study each customer, their population profile and plan use, not just the company healthcare plan, but their overall benefits package. Then we can develop the most fitting solution that reduces costs while at the same time, reassures the end user their benefits have improved.” •

### Victor Garibaldi International Business Partner at MDS Brazil



Victor Garibaldi has more than 13 years’ experience in the insurance sector. He has worked for companies such as Allianz and ACE and has extensive knowledge in underwriting Property & Casualty, energy, engineering and aeronautical risks. He is also experienced in developing risk inspection and risk management programmes and creating global reinsurance programmes.

Victor has regularly given presentations at FERMA, ALARYS and the Brazilian Risk Management Association (ABGR) conferences. He joined MDS in 2009, building a client base through bancassurance, partnership and affinity distribution channels.

Victor also has employee benefits experience, including health management, actuarial studies and eligibility criteria. He has a degree in mechanical engineering and a post-graduate degree in business administration, having spent four years in the auto and ammunition industries.