## LexisNexis<sup>®</sup> Attract<sup>s™</sup> For Business Owners Underwriting

# Score more business.

Find quality small business risks using a predictive model based on non-credit data.

# Business Owner Policies (BOP), a big opportunity with an even bigger need for insights.

89% of all businesses in the U.S. today have fewer than five employees, that's over 28 million businesses-the majority of which require business insurance. The challenge in underwriting profitably on these small policies is to balance policy acquisition and underwriting expenses with accurate risk assessment and pricing. Many of these small businesses do not have established commercial credit files, and those that do may not contain enough relevant data to develop a commercial credit based score.

LexisNexis<sup>®</sup> Attract<sup>™</sup> for business owner underwriting overcomes these challenges by correlating a combination of public records and other noncredit data attributes of business owners, yielding a score that consistently and accurately predicts insurance loss on over 85%\* of BOP policies.



Risk Solutions Insurance



### Why LexisNexis<sup>®</sup> Attract<sup>™</sup>?

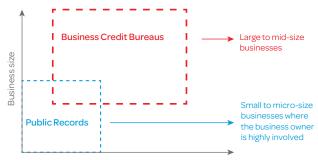
Created over a period of five years using historical public records data on over 650,000 business owners representing over \$1.6 billion in premium, LexisNexis® Attract<sup>SM</sup> for business owners underwriting is specifically designed to predict insurance loss. Leverage this solution to:

- Significantly enhance your level of risk predictability
- Discover new profitable niche segments in the market
- Improve pricing segmentation
- Lower your loss ratio
- Gain risk insights the competition cannot uncover through business credit

# Built on the right data for small business underwriting

As an insurance carrier, you want to use data that is the most predictive for the types of businesses you are underwriting. Generally, that means using commercial credit data from one of the major commercial bureaus. However, in small business, owners tend to use their own personal resources. For these risks, the public record data attributes of the business owner have frequently been found to be predictive of the insurance risk of the business.

#### Resource use varies based on business size



Personal resources / Business resources

The smaller the business, the more it relies on personal resources.

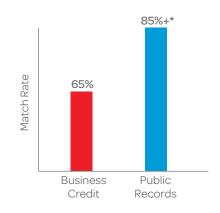


### **Better match rates**

If the use of predictive modeling is important to your underwriting process, you want to maximize the number of scorable matches received. Accurately scoring and segmenting as many risks as possible is key to optimizing profit potential.

The following chart demonstrates the improved match rate of public records data when compared to singlebureau business credit on business owner policies.

#### Public records vs. business credit match rates



Public records return a match over 20% more often than business credit on business owner policies\*.

\*When business owner name and address are provided.

## For more information:

#### Call 800.458.9197 or email insurance.sales@lexisnexis.com

#### About LexisNexis® Risk Solutions

LexisNexis Risk Solutions (www.lexisnexis.com/risk) is a leader in providing essential information that helps customers across all industries and government predict, assess and manage risk. Combining cutting-edge technology, unique data and advanced scoring analytics, we provide products and services that address evolving client needs in the risk sector while upholding the highest standards of security and privacy. LexisNexis Risk Solutions is part of Reed Elsevier, a leading publisher and information provider that serves customers in more than 100 countries with more than 30,000 employees worldwide.

Our insurance solutions assist insurers with automating and improving the performance of critical workflow processes to reduce expenses, improve service and position customers for growth.

LexisNexis Attract for business owners underwriting is not provided by "consumer reporting agencies," as that term is defined in the Fair Credit Reporting Act (15 U.S.C. § 1681, et seq.) ("FCRA") and does not constitute "consumer reports," as that term is defined in the FCRA. Accordingly, LexisNexis Attract for business owners underwriting may not be used in whole or in part as a factor in determining eligibility for credit, insurance, employment or another purpose in connection with which a consumer report may be used under the FCRA. Due to the nature of the origin of public record information, the public records and commercially available data sources used in reports may contain errors. Source data is sometimes reported or entered inaccurately, processed poorly or incorrectly, and is generally not free from defect. This product or service aggregates and reports data, as provided by the public records and commercially available data sources, and is not the source of the data, nor is it a comprehensive compilation of the data. Before relying on any data, it should be independently verified. LexisNexis and the Knowledge Burst logo are registered trademarks of Reed Elsevier Properties Inc., used under license. Copyright © 2014 LexisNexis. Proprietary and Confidential, all rights reserved. NXR04013-0 0114