



**COMMERCIAL LINES  
HARD MARKET**

**The  
Richards Group**  
FINANCIAL, INSURANCE & HR SOLUTIONS

As we help our clients navigate a complex insurance environment, we wanted to connect with you to provide more information, recommendations and outline how we can help.

### **What is an Insurance “Hard Market”?**

Inflation is impacting every facet of your business, along with supply chain issues, increased production costs and a challenging staffing environment. Insurance premiums are on the rise for the same reasons, as well as more frequent and severe weather events, higher lawsuit settlements, and rising interest rates. Consequently, we are in a sustained “hard market” environment.

A hard market is defined as a period where premiums are increasing more than 5%, carriers are becoming more selective about what types of businesses they retain or write, and may also reduce or limit available coverage.

### **The challenge – and how TRG can help.**

While hard markets are cyclical, we don’t know how long this one will last so we hope to work with you to find ways to reduce risk, review coverage options and limit the pricing impact to your business. Unlike prior hard markets, this one has already demonstrated unique restrictions in coverage and carrier capacity due to tightening reinsurance markets—reinsurance is insurance that the insurers need to ensure claims can be paid in the face of catastrophic losses.

### **In response, The Richards Group is committed to:**

- Continuously monitor market conditions
- Maintain a broad choice of carriers & brokers to maximize options for our clients
- Evaluate risk management opportunities and resources to help reduce your risk and subsequently minimize premium increases
- Pro-actively review and analyze renewals to identify areas for improvement

### **What can you do?**

As premiums rise and insurers become more restrictive, you may be tempted to cut back on coverage or eliminate certain policies. Please have a conversation with us prior to making any decisions so you avoid the serious financial hardship an uncovered claim can present. Please contact us to schedule a time to review your current policies and we’ll help you find the right balance between coverage and cost for your business.

### **Who we are.**

As an independent agent, we are not tied to any one insurer. The Richards Group has long-standing and well-respected relationships with the vast majority of commercial insurers and rely upon those relationships to help support our clients during trying times.

We greatly appreciate your trust in our firm, and we will work hard to continue to earn it through this hard market cycle.