

FINANCIAL REVIEW

Big muscle behind young Interrisk

Lisa Murray
23/06/2004

New insurance broker Interrisk is counting on the clout of its major shareholders - Guinness Peat Group, Washington H Soul Pattinson and Babcock & Brown - to help build its client list.

The broker is capitalised at about \$5million, with each of the three main investors holding a 20 per cent stake.

Interrisk was granted a licence by the corporate regulator last month.

It is targeting medium to large corporate clients, putting it in competition with global players AON, Marsh & McLennan and Willis.

"We think there's room for a niche player," said Bruce Maclean, GPG's director on the Interrisk board. "We can definitely provide leads for them to attract new clients."

Mr Maclean said that after three or five years, GPG hoped the insurance broker would be big enough to consider listing on the stock exchange.

So far, Interrisk has just eight people in Melbourne and Sydney, but chief executive Kevin Heerdegen said the company was opening a Brisbane office in the next two weeks and planned to increase its staff rapidly. Interrisk has set up alliances with independent insurance brokers in Europe and Asia and already has "half a dozen" clients on its books, according to Mr Heerdegen.

So far, the clients have been drawn from the manufacturing, property development and telecommunications sectors.

The broker is the first new entrant to the local market in 20 years. The Financial Services Reform Act, introduced in March, meant its application process was stretched to 4 months.