Average Adjusters are firmly equipped for hi-tech challenges, declare speakers at Association’s annual dinner

As the Association of Average Adjusters marks its 150th anniversary, members are geared up to deal with the new era of disruptive change in the maritime and insurance sectors, speakers at the Association’s 2019 annual dinner affirmed.

Some 250 adjusters, underwriters, insurance brokers, members of the legal profession and representatives of the London and international shipping community gathered on May 9, 2019, in the illustrious setting of the Lancaster Ballroom at the Savoy Hotel.

While the event is steeped in tradition – the dinner has been a prime fixture in the global marine and legal calendar for 137 years, and since 1967 has almost every year been at the Savoy – practitioners recognised that they must adapt to remain relevant to the community they serve. They said that their keen analytical skills and wealth of experience would potentially be of enormous benefit to their industries at large.

All speakers stressed the importance of the pursuit and the value of expertise which the Association has espoused from day one.

In an after-dinner toast to the Bench and legal profession, Alexander Greene, assistant claims director at Seascope Insurance Services, London, underlined that modern technology, with Artificial Intelligence (AI), “is exponentially expanding and is rapidly infiltrating into our ways of working.”

While the maritime industry was undergoing a sea of change, the roles represented at the event for the time being were somewhat insulated from the powers of industry-wide disruptive technology.

“However, because of this it is highly likely that future professionals with a hi-tech background will be chosen ahead of those with traditional shipping experience for executive positions – are we in the adjusting and legal professions going to be ready for this?” challenged Mr Greene, who is an Associate member of the AAA.

“What will the future General Average Bond be, or will there be a need for one at all? For the legal profession is this a fool-proof means of conducting business and what are the prospective legal pitfalls that might emanate from this?”

Were the legal and adjusting fraternities morphing into cyber-era operators in which the centuries-old ways were obsolete?

Mr Greene instanced a recent case in which the Admiralty Court found that poor passage planning can, under certain circumstances, give rise to an allegation of unseaworthiness and thus denial of payment of general average contributions by cargo Interests. He queried: “Would this be applicable if the planning was done electronically with AI?”
Could this mean that there are slowly widening of areas of unseaworthiness or defences to claims due to faults in the application of AI or cyber technology -- “do we need to be more versatile to adapt to these risks?”

The pace of working had spiked upward. “Standards have changed, and our current tools and smartphones have ushered in a new era and pace of delivery. The service we provide has evolved to an arguably more stressful average norm, inadvertently with pitfalls, a growing issue with what has been aptly coined smartphone slavery.

“We need to keep abreast with what are known as technological innovators who are developing the means to optimise ship operation, fuel efficiencies, the voyage, crew time, how to monitor cargo, streamlined process for ordering supplies and equipment.”

Some asserted that chartering would be fully digitised in five years, followed later by fully autonomous vessels on the high seas. Such developments would require completely new skillsets as services were increasingly focused on cyber-data and AI.

“Shouldn’t we be able to drill down into the minutiae, is the minutiae not the building block of the high level – shouldn’t this be a market effort... imagine what our underwriting peers could do with that information in terms of pricing and tackling repeat offenders. This basic insight on a market level would benefit all the market and not any one individual company’s edge.”

It could be the improved communication with “our wider insurance industry peers that could make marine insurance competitive within realms of reason,” suggested Mr Greene.

Responding, Frank Nolan, president of the Maritime Law Association of the United States, had no quarrel with the outlook, while urging all to keep in mind the principles of uniformity that inspired the creation of the Association in 1867 to buttress the concepts of custom and practice.

“We have something here that is not replicated anywhere else in the world. We have tremendous practitioners: we should be proud of it but we should realise this is something that has to be nurtured.”

Mr Nolan insisted: “There are ways we can facilitate maritime commerce that are something our governments are failing to do.” This meant that the uniform principles were “critical to the survival of the industry we all love.”

Proposing a toast to guests and subscribers, Andrew Slade, head of marine hull, London, at Charles Taylor Adjusting, and a Fellow of the Association said that the Association had 580 subscribers – maritime practitioners, insurance brokers, claims adjusters and lawyers, with a professional interest in maritime affairs – from 26 countries. This was a huge achievement for the Association and highlighted its sustainability. Mr Slade congratulated the five new Fellows who qualified in the latest round of examinations.

Responding on behalf of the guests and subscribers, Jon Hancock, performance management director at Lloyd’s, recounted that the Association of Average Adjusters was initiated by Lloyd’s and the Liverpool Underwriting Association. “As a former marine claims adjuster, I am full of admiration for a group of people who belong to a great profession, highly skilled, highly respected and at the same time retaining the word ‘average.’”

He declared: “We need expertise now more than ever because we have a fight on our hands, to remain relevant for the customers we serve. When they buy insurance, they want to talk to experts who will adjust and pay their claims swiftly.”
It was to the great credit of the Association that it was training members to the highest standards, giving customers and insurers confidence that the claims were in safe hands and would be paid quickly and fairly. “You do a fantastic job, not just an average one,” he told Association members.

Earlier, Willum Richards, chairman of the Association for 2017-2019, proposed the loyal toast.

In addition to Mr Richards, Mr Nolan and Mr Hancock, those at the top table included Joern Groninger, president of the Association Mondiale de Dispacheurs; Stefano Cavallo of Associazione Liquidatori di Avarie Marittime; Vibeke Kofoed of the Nordic Average Adjusters Association; Penny Wood Hill of the Joint Marine Claims Committee; Andrew Bardot secretary and executive officer of the International Group of P&I Clubs; Frank Nolan, president of US Maritime Law Association; the Rt Hon Sir Anthony Evans, arbitrator and former Lord Justice of Appeal; Tony Brain of the Association of Average Adjusters of US and Canada; the Rt Hon Sir David Steel, arbitrator and former Commercial and Admiralty Courts judge; Bjørn Slåtten, average adjuster appointed by the Norwegian government; the Hon Mr Justice Teare, Commercial Court and Admiralty judge; Kiran Khosla of the International Chamber of Shipping; former Supreme Court judge the Rt Hon Lord Clarke of Stone-cum-Ebony; Tim Taylor of Clyde and Co; Andrew Taylor of the British Maritime Law Association; Richard Cornah, incoming chairman of the Association of Average Adjusters; Burkhard Fischer, vice-chairman of the Association of Average Adjusters; and Roger Street, Honorary Fellow.

Note to editors: The Association of Average Adjusters promotes professional principles in the adjustment of marine claims, uniformity of adjusting practice, and the maintenance of high standards of professional conduct. Irrespective of the identity of the instructing party, the average adjuster is bound to act in an impartial and independent manner. The Association plays an important part in London insurance market committees and has strong relationships with international associations and insurance markets.

Please see www.average-adjusters.com