

Problem

The company's unique business model and diversification into the construction industry expanded beyond the capabilities of most surety carriers.

Solution

Assurance used its market access to match the engineering company with a surety provider who could support the client's business model.

Results

» \$9.5M contract landed as a result of our new bond program

Midwest Engineering Company

The Story

A Midwest engineering company was unable to find a dedicated bond facility to support its diversification into the construction industry. The company's corporate financial structure was very sound, but unique at the same time; therefore, previous underwriters were comparing the company against ratios developed for businesses in other industries. As a result, the underwriters were not properly assessing the health of the organization and its credit quality. Additionally, the company was pursuing work over an expanded territory that outstretched the capabilities of most surety carriers.

Because Assurance's surety operation is diverse with over 24 surety providers, we were invited to seek out new carrier options for the company. They needed an underwriter with broad experience and less industry specialization. Our market access allowed us to professionally connect the proper underwriter with the client. This change provided sufficient surety credit to support the client's unique business model.

Through the help of Assurance, the client's new bond program was used to land a \$9.5 million contract that had been negotiated with a significant margin. Additionally, the client has since been able to leverage the surety facility to create additional new project opportunities.

Learn how we can help you obtain measurable results. Get in touch with an Assurance Advisor today.

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