

# Disrupting the way you think about risk

Specialist insurance that's as agile and adaptable as you are — for the emerging risks you face.



**In an age of disruption, technology companies are consistently at the forefront – either as developers of such innovations, or early major adopters.**

Key developments include:



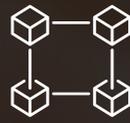
Artificial  
intelligence  
and automation



5G



The internet  
of things



Blockchain



3D printing



Virtual/  
Augmented  
reality



Cloud  
computing and  
virtualisation



Social media

**British tech is growing over one-and-a-half times faster than the rest of the economy adding more than £130 billion to our economy every year.<sup>1</sup>**

However, the concerns are rising equally as fast...



<sup>1</sup><https://www.telegraph.co.uk/technology/2019/06/10/london-tech-week-third-europes-fastest-growing-tech-companies/>

# Major concerns for technology companies



## Data security, privacy and cyber crime

As businesses providing products and services, which inherently create, amplify, and attract cyber risks, tech companies are a high-risk target for cyber criminals. It's no surprise data security and privacy is the number one risk for tech companies.<sup>2</sup>

From hacking remote devices or other operational software systems, to cyber extortion, or potential theft/loss of control, the threats are real and the concern is justified.



## Regulation and compliance – staying up to date

Regulation and compliance is highly complex. But with rapidly evolving data, privacy, and consumer regulation, can tech companies keep up?

Stricter compliance regulations is a key theme that transcends many tech sectors. This market currently faces a very significant challenge in order to plan to address, certify new, and re-certify any existing products to the forthcoming regulations.

<sup>2</sup> Marsh's 2019 CMT Risk Study

# Major concerns for technology companies

(continued)



## Talent and skills shortage

The calibre of people leading and running tech businesses is a key pillar to success. But attracting qualified or suitable talent remains a big challenge.

Rapid IT advancements and soaring demand for qualified experts, coupled with competition from the bigger companies offering high salaries and perks, presents significant challenges in alluring qualified and top talent.



## Investment and expansion

Tech businesses face unique financial challenges because of the high research and development costs associated with proving their business models. The ability to raise funds is critical to growth.

Funding is a major concern during the COVID-19 pandemic. The government's pledged to invest £1.25bn to support the UK's most innovative start-ups.<sup>3</sup> But only 5% of technology start-up funding has gone to firms raising investment for the first time.<sup>4</sup> Businesses must be careful and fully research the Future Fund before applying.



<sup>3</sup> <https://www.ft.com/content/8cca3583-ed1d-4899-8726-594c4e9b7f49>

<sup>4</sup> <https://www.computerweekly.com/news/252483474/Early-stage-startups-struggle-to-secure-funding-during-lockdown>

# Major concerns for technology companies

(continued)



## Protecting intellectual property (IP)

IP is the backbone of many tech companies. Trademarks, patents, copyright or designs are highly valuable assets. Getting a product to market before someone else does is critical.

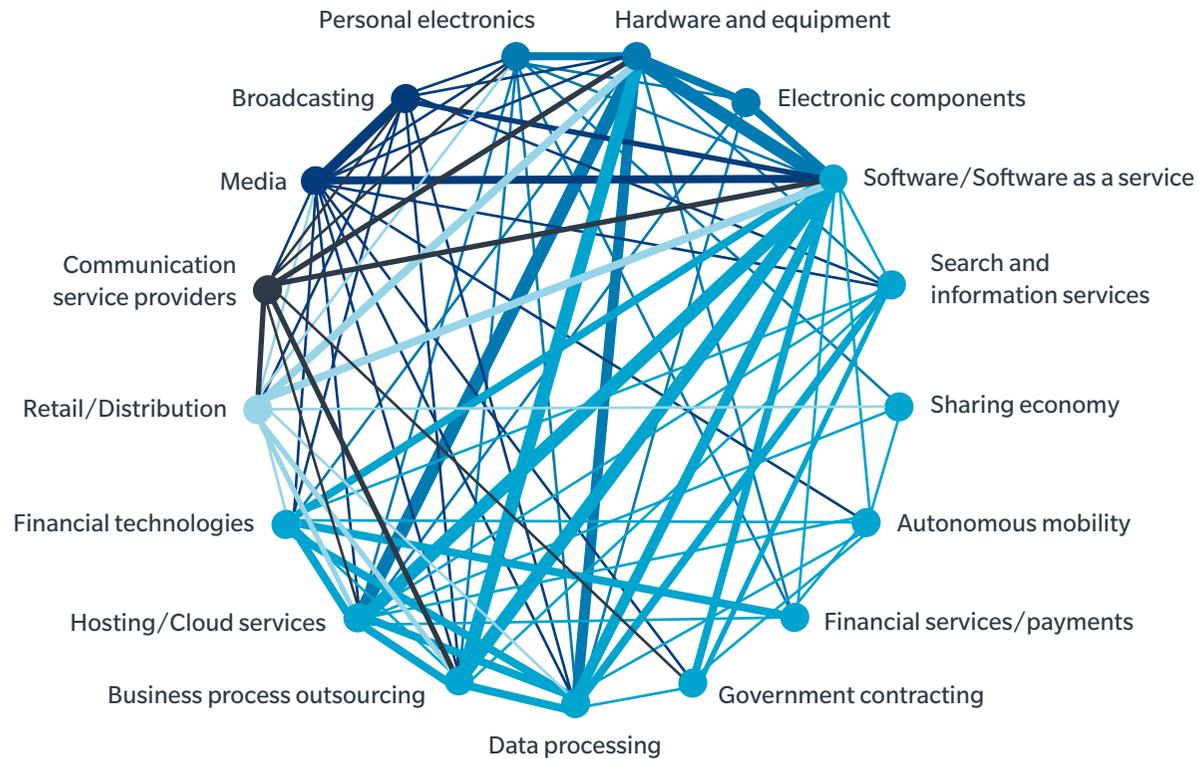
There are concerns over Brexit's impact on IP. It's likely to impact on IP law, practice and procedure, but so much is still unknown. We are in this transition period until 31 December 2020 (this could change) and until then EU law will continue to operate as it does now in the UK.<sup>5</sup>



<sup>5</sup> <https://www.gov.uk/government/news/intellectual-property-and-the-transition-period>

# Interconnected risks

As technology becomes further engrained in society and tech companies continue to innovate, they find themselves operating in multiple sectors (see below).



- **Media**
- **Hardware and Electronic Components**
- **Software and IT Services**
- **E-commerce**
- **Communication Services**

Data processors are no longer just processing data, but are overlapping into software, search and information services, and media. Even hardware and electronic component companies are seeing the value of data, as seen in the overlap in these sectors. The increasing complexity of overlap among tech sectors further demonstrates the need to understand new liabilities and interconnected risks.

**You're at the frontier of emerging risks, pushing boundaries with your business models and disrupting industries. You require tailored advice and customised solutions, which go way beyond the standard.**

That's why we're here to help you and your community thrive. Working harder, going further, and doing more to advise, protect and support you on your journey, wherever that may take you.



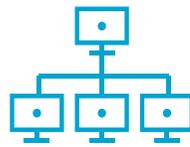
# Bringing the experts together with intelligent insurance solutions for transforming tech businesses.

Insurance shouldn't be painful. After all, it's there to protect you. That's why our personable experts will provide advice, and support in a simple, solution-focused way that works for you. No matter how straightforward or complex your risks are, we'll take care of you, delivering rich insights and effective insurance solutions.



## Dedicated industry practice

Our ability to channel the most appropriate resources and talent for our clients means we can maximise value and develop highly advanced solutions.



## Working across the tech industry

From fin-tech's, to data centres, through to app developers, our genuine interest in the sector enables us to provide wide-reaching advice to our clients.



## Providing education and delivering tangible results

Our primary aim is to add value to clients, taking our extensive knowledge and thought leadership and using this to develop more specific and superior industry solutions, products and services.



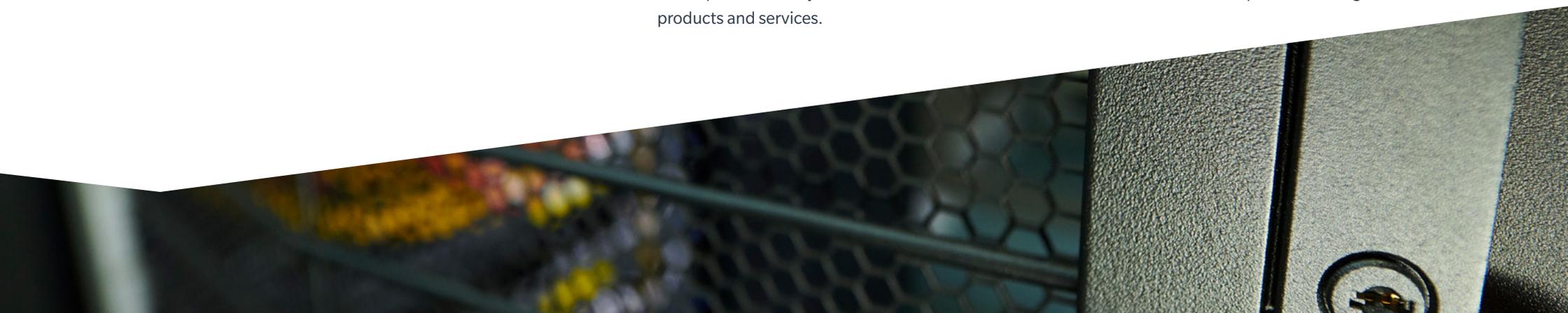
## Confidence

Ensuring risk management and insurance programmes are fit for purpose, flexible, and able to cater for rapidly evolving risks, closing the gap between identifying a risk and mitigating it.



## Cost control and efficiency

Ensuring the total cost of risk/ economic cost of risk is controlled and minimised, taking into account the challenges of complexity, globalisation, the changing legal landscape, and disruptive technologies.



# Deep focus in critical tech sectors

## We work with:

Technology		
Information technology software and IT services	Hardware and components	Other technology
Data and business process outsourcing, fin tech, med-tech (Data and transaction processing)	Semiconductors (Fabless, integrated device manufacturers (IDM), printed circuit boards (PCB), outsourced semiconductor assembly and tests (OSAT), foundries, thin-film transistor (TFT)/liquid crystal-display (LCD), and solar)	Telecommunications services, data centres, passive infrastructure and cables (Telecommunications services, data centres)
IT services and software (Cloud computing, enterprise system integrators)	Consumer electrics	Network equipment manufacturers and services
E-commerce, on demand and sharing economy	Hardware, automated and electrical equipment	
Internet services and social media	Technology manufacturing (Electronic manufacturing services (EMS), original design manufacturers (ODMs), original equipment manufacturers (OEMs), components, testing)	
Software, gaming and consumer applications (software, apps, entertainment)		
Data and information services		
Highly dynamic, disruptive and/or evolving technology companies		

## We will work with you to:

- Optimise your risk finance strategy
- Minimise your total cost of risk
- Determine risk priorities
- Help you identify, categorise, quantify, and manage risk
- Structure risk transfer solutions designed to respond to your business objectives and provide contract certainty.

## Providing solutions for:

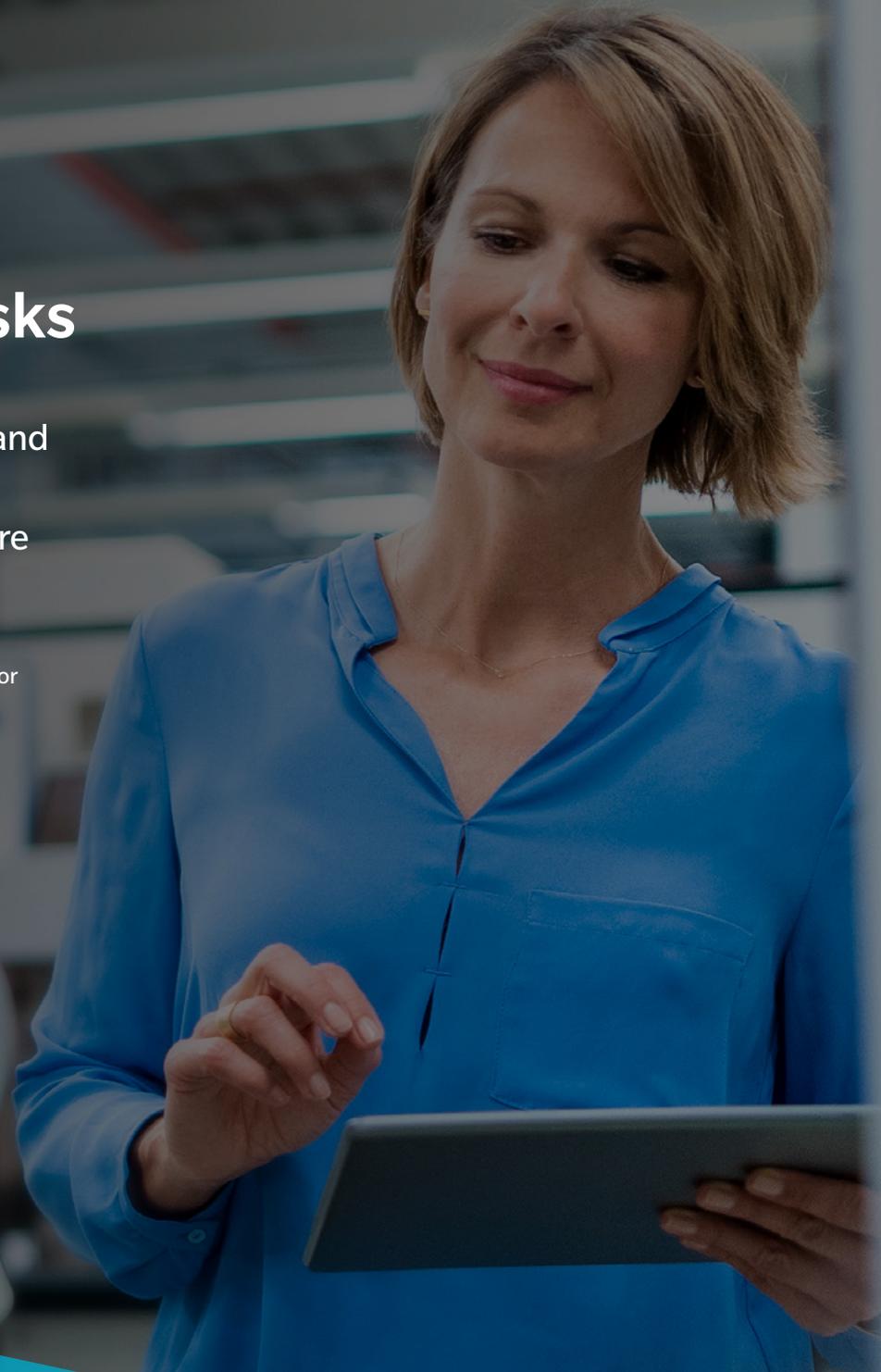
- Physical assets and business interruption
- Technology, and cyber
- Security, and credit
- Financial and management liability
- Production and contingency
- Liability
- People and human capital
- Mergers and acquisitions.



## Combatting your activity risks

As the lines between physical and digital blur, new and more acute risks must be quantified and managed. Liabilities in a digital world are less clear, and risks are more complex.

Our flexible approach combined with our passion and knowledge for the tech sector enables us to advise across the entire spectrum of risk services, including specific projects, risk categories, or challenges.



# Agile insurance consultants protecting the innovators of tomorrow

## Meet our technology specialists



### Fiona Barker

Leeds

[fiona.barker@marshcommercial.co.uk](mailto:fiona.barker@marshcommercial.co.uk)

As a technical specialist in the technology and cyber insurance sector, Fiona has extensive knowledge on sector specific risks, the financial impact of cybercrime, privacy events and online liability – working with you to mitigate your business risks.



### Adam Jeffs

Thames Valley

[adam.jeffs@marshcommercial.co.uk](mailto:adam.jeffs@marshcommercial.co.uk)

An experienced tech and cyber specialist with 20 years working in the industry supporting a wide variety of clients. From software programmers and SEO, to game developers and fin-techs – Adam is there to support your business.



### Chris Rankin

Dundee

[christopher.rankin@marshcommercial.co.uk](mailto:christopher.rankin@marshcommercial.co.uk)

Chris helps technology and fin-tech clients manage risk by delivering insurance solutions that add value to them. With over 20 years' experience in the insurance industry, Chris is a safe pair of hands to work with your business.

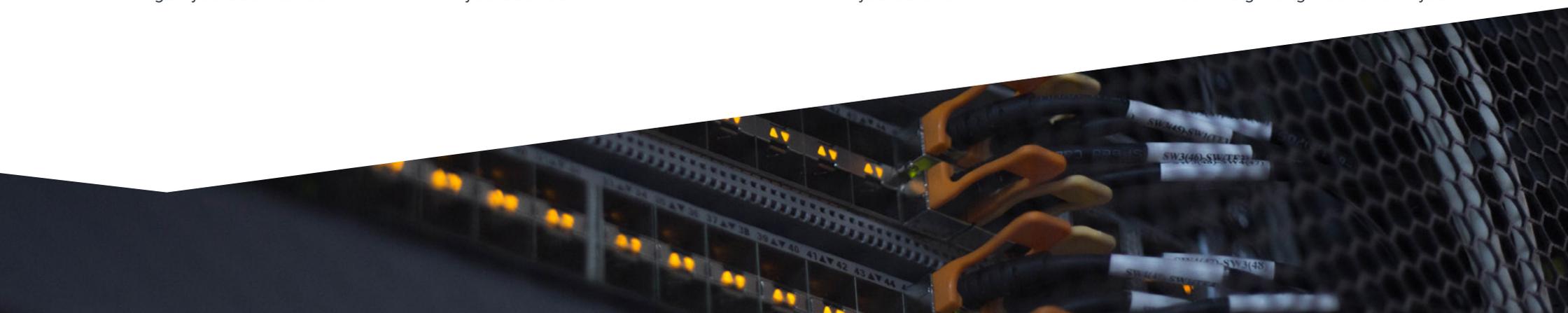


### Lee Gwilliam

Thames Valley

[lee.gwilliam@marshcommercial.co.uk](mailto:lee.gwilliam@marshcommercial.co.uk)

Providing innovative solutions to new and emerging risks in the technology sector. Lee has a significant network to deliver your business comprehensive solutions by getting to know your business at a strategic level and delivering the right outcome for you.



# National coverage, local and digital relationships



## Specialist

We work with over 2,500+ technology clients across the UK.



## Expert

Protecting start-ups through to market leaders.



## Consultative

We're here to advise and support your tech business through transformation and growth.



## Committed

Your community matters to us – because we're part of it.



## Capable

Access to insurance and risk services as part of one of the world's largest brokers.

# Global thought leadership, local delivery

Education, knowledge, and information sharing from the whole Marsh and McLennan family to keep you informed.

## **Economy 4.0 – Risk considerations for a new era in Communications, Media, and Technology**

Risk considerations for a new era in Communications, Media, and Technology (CMT), examines risks and opportunities for CMT companies amid the emergence of Economy 4.0.

<https://www.marsh.com/uk/insights/research/gig-economy-risk-considerations-for-a-new-era-in-cmt.html>

## **The Communications Media and Technology risk study 2019**

Marsh's 2019 CMT Risk Study examines the survey responses of more than 175 CMT sector risk professionals to the risks and challenges they face.

<https://www.marsh.com/uk/insights/research/2019-cmt-risk-study.html>

## **Internet of Things (IoT): Limitless connections – and ways to fail**

This report explores the key risks and opportunities created by the ever-increasing use and prominence of IoT technology for CMT.

<https://www.marsh.com/uk/insights/research/internet-of-thingslimitless-connections-and-ways-to-fail.html>



Email, social media, face to face, or zoom;

**when you reach out, we'll be there to connect.**

For more information visit:

**[marshcommercial.co.uk/for-business/technology](https://marshcommercial.co.uk/for-business/technology)**



**Chartered**

**This is a marketing communication.**

The information contained herein is based on sources we believe reliable and should be understood to be general risk management and insurance information only. The information is not intended to be taken as advice with respect to any individual situation and cannot be relied upon as such.

Marsh Commercial is a trading name of Jelf Insurance Brokers Ltd is authorised and regulated by the Financial Conduct Authority (FCA). Not all products and services offered are regulated by the FCA (for details see [marshcommercial.co.uk/info/terms](https://marshcommercial.co.uk/info/terms)). Registered in England and Wales number 0837227. Registered Office: 1 Tower Place West, London EC3R 5BU. MC200722553

Copyright © 2020 Marsh Commercial. All rights reserved.

