



Protecting Value Through **Strong Relationships**

Client service and strong relationships are hallmarks of mutual ownership and, at FM Global, the needs of the client and those of the company are closely aligned. We work together on shared objectives to minimize risk to the client's property and business operations. FM Global aligns itself closely to the needs and business objectives of its policyholders, and delivers value by building relationships, reducing risk, and providing a consistent level of service at client facilities throughout the world. The following profile, excerpted from the FM Global 2004 Annual Report, illustrates how the strong relationship between FM Global and the BIC Group has proven valuable to both companies.





*Jeff Bruneau, global risk manager,
on BIC's strong alliance
with FM Global to reduce loss:*

Consistent delivery of services

When you look at our program in the United States over the past 25 years, we have developed a sensible approach to property loss prevention. We have seen the success of our efforts—so when we placed the entire program with FM Global, it was a matter of extending what we did in the United States to other parts of the world. As BIC began consolidating its manufacturing operations, it became even more critical to protect our facilities to the greatest extent possible. Such protection is essential to our business and our commitment to our customers.

Having 100 percent of the property insurance with FM Global makes sense for us because we are dealing with one company and one philosophy, which makes my job easier. We know a lot about FM Global, having worked with them for such a long period of time, and FM Global has taken the time to understand BIC's manufacturing operations. That helps to create the healthy dynamic that exists between our two companies.

Cost-effective risk improvement

What BIC values most from FM Global is the property loss prevention services and engineering. To us, FM Global is more than an insurer; they are our property loss prevention partner.

FM Global makes every effort to find cost-effective solutions and is respectful of BIC's budgetary process. Together, we look at the big picture and say, "What is our priority? And, what is the most reasonable and efficient way to address the issue at hand?"

We begin by creating a plan of action. In many locations, that plan can take more than three or four years to complete, and we budget accordingly. It is a pragmatic way of addressing property loss prevention, which helps us focus on what we need to do and

A client of FM Global's in the United States for 25 years, the BIC Group has a long-standing commitment to loss prevention. Several years ago, BIC—one of the most recognizable brands in the world—expanded its relationship with FM Global, and, today, FM Global insures 100 percent of BIC's property portfolio. Global Risk Manager Jeff Bruneau works methodically with his FM Global client servicing team and local management at BIC's 24 manufacturing facilities throughout the world to develop an understanding of the unique challenges at each location and devise practical solutions to protect those properties from costly losses.

gives us the ability to fund the capital expense. FM Global's engineers know what we are trying to achieve and are familiar with the issues we face. While, at times, there can be some differences of opinion, we are always able to arrive at solutions that make sense from both perspectives, taking into account local manufacturing needs.

A shared philosophy

As a company, we involve employees directly in decisions made in the day-to-day operations of the business. That philosophy was established by our founder, Marcel Bich. FM Global supports this mind-set and helps us to find solutions that are consistent with this general philosophy. Whenever visiting a location, we make every effort to create a healthy exchange of ideas and keep the lines of communication open within our organization. In order to have a successful loss prevention program, the local manager has to buy into—and be comfortable with—the action plan. After all, it is the local BIC manager who best knows the challenges confronting that facility. With FM Global playing a vital role in BIC's property loss prevention efforts, our goal is to make sure the manufacturing manager and the FM Global engineer also have a strong relationship. To ensure that outcome, we ask the FM Global engineer to understand the business, meet the people and develop a close working relationship.

A resource for project development

We encourage our factory managers to think of FM Global as a resource to help them any time renovations, additions or new construction are being considered. We realize if we work with FM Global during the planning of the project, we will be able to meet our manufacturing needs and better protect our locations.

BIC's objective is to keep the company operating, and to continuously improve its loss profile. We have seen significant progress over the past five years because of increased awareness in property loss prevention engineering. At our facilities, BIC managers are asking the right type of questions and are aware of what is needed to be a world-class organization from a property loss prevention perspective.

BIC Group

BIC Group, based in Clichy, France, is a leading manufacturer and distributor of stationery products, lighters and shavers in more than 160 countries around the world. For more than 50 years, BIC has provided high-quality, affordable products to consumers everywhere. BIC's in-depth understanding of each market allows it to offer products that respond to the needs and expectations of local consumers, and build productive relationships with its partners, from large distribution chains to curbside newsstands. Through these myriad efforts, BIC has become one of the most recognized brands in the world.

Occupancy: BIC's operations include 24 manufacturing facilities, as well as numerous sales and distribution locations. BIC's products include writing instruments; markers for coloring and drawing; correction products, such as the BIC® Wite-Out™ and Tipp Ex™ brands; lighters, which include classic and electronic pocket lighters and multipurpose models; shavers for men and women; and a range of sport products that include windsurfing boards and kayaks.

Company size: BIC employs more than 8,500 people in 65 locations around the world. In 2004, the BIC Group reported sales revenue of approximately US\$1.7 billion. More than 22 million BIC stationery products, four million lighters and 11 million shavers are used every day throughout the world.



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