

# BULLETIN

## Body Repair Division



Reference No: BRD 08-17

Date issued: 22/03/2017

### Breaking news-Hollard Buys US Insurance Giant's Local Business

Dear BRD Member,

US insurer Progressive Direct has abandoned its foray into the Australian motor market, selling its local business to The Hollard Insurance Company.

Under the deal announced this morning, Hollard will acquire the Ohio-based Progressive's portfolio of insurance policies in Australia.

Progressive Direct, one of the world's largest vehicle insurers, moved into the highly competitive Australian market in December 2014, saying its "low-cost, price-competitive online sales/claims model" would suit the local market. But despite TV marketing based on its unique US model and some innovative offerings, the company has not been a significant player in Australia.

The deal is expected to be completed in the fourth quarter of this year.

PD Insurance Agency (PDIA), a new company created and partly owned by Hollard and Progressive's Australia Country Manager Simon Lindsay "and others", will be the authorised agent servicing Progressive's Australian policies until the transfer to Hollard, and will start operating on 31 March 2017.

The agreement allows Hollard and PDIA rights to use the Progressive brand in connection with car insurance in Australia until 2020.

Hollard CEO and Executive Director Richard Enthoven says his company's business philosophy is founded on investing in and partnering with brands, brand partners and underwriting agencies for the long-term.

"In just seven years, Progressive has grown a successful online car insurance business and we look forward to working with Simon and PDIA to grow the business further."

More details will be distributed to members as they come to hand.

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