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## Liverpool Victoria to buy ABC Insurance

Liverpool Victoria on Wednesday unveiled plans to invest £150m and create 500 jobs in expanding its general insurance business as it announced it would buy a start-up insurer founded by John O'Roarke and Peter Horton who created Churchill Insurance.

The UK's largest friendly society announced it would pay an undisclosed sum for ABC Insurance Solutions Ltd which started last year to focus on motor, small business and home insurance but which has not started writing premiums yet.

Liverpool Victoria, which has 2.4m customers, plans to integrate ABC into its general insurance business which already offers motor and household insurance to 1.2m policyholders.

Mr O'Roarke will become head of Liverpool Victoria's insurance business and aims to develop it into a top five general insurer in selected markets by 2011.

Mr O'Roarke is well known in the insurance business and helped found Churchill which was sold to Royal Bank of Scotland in 2003. He quit as chief operating officer of Royal Bank of Scotland Insurance last year.

Liverpool Victoria's expansion into insurance is the first significant move by Mike Rodgers, a former Barclays executive, who joined as chief executive of Liverpool Victoria earlier this year.

Mr Rogers was headhunted to replace Malcolm Berryman who left the 163-year-old friendly society last year amidst concerns at results.

Liverpool Victoria, which has assets of £8bn, has already moved a long way from its roots as an industrial insurer with door-to-door sales staff. The society has switched emphasis in a series of acquisitions including general insurer Frizzell.

However, it still has no branches, relying on independent financial advisers, affinity deals and direct sales for new business.

Mr Rodgers said general insurance was a key component of Liverpool Victoria's growth strategy.

He said: "We are delighted to have acquired such a talented team. General insurance is a key component of our growth strategy."

John O'Roarke said Liverpool Victoria had great untapped potential in insurance.

"There is a genuine opportunity for a mutual insurer to win customers' hearts and minds with a truly competitive offering," he said.

Liverpool Victoria plans to broaden its distribution of insurance products including selling products through brokers.

[Fenchurch Advisory Partners](#), the boutique with Sir Peter Middleton former chairman of Barclays on its board, acted as financial adviser to ABC in the sale.