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Darwin Professional Underwriters Q3 2007 Earnings Call Transcript

Question-and-Answer Session

Operator

Thank you. (Operator Instructions). And your first question will come from the line of Matt Carletti of Fox-Pitt Kelton. Please proceed.

Matt Carletti - Fox-Pitt Kelton

Good morning.

Jack Sennott

Good morning, Matt.

Matt Carletti - Fox-Pitt Kelton

Hey Jack, I was hoping that you could give me rate changes by line. I heard the average was down 11, but little bit more granularity?

Jack Sennott

I will give you third quarter first and then year-to-date?

Matt Carletti - Fox-Pitt Kelton

Great.

Jack Sennott

So, medical for the third quarter was 10.1% down.

Matt Carletti - Fox-Pitt Kelton

Okay.

Jack Sennott

E&O 12.1% down, D&O 10.9% down and averaged 11%. Year-to-date, medical down 9.1%; E&O down 11.7%; D&O down 11.3% that averages 10.6%.

Matt Carletti - Fox-Pitt Kelton

All right, great. Wonderful. And then a broader picture question, just as you look out to say '08 and '09, what part of the business, right now what programs do you see as the most promising areas for growth for Darwin?

Stephen Sills

I will take that. We are continually looking for small business and that comes in a couple of areas. It comes in different sorts of errors and omissions classes, or any sort of programs that we see that people are handling out there, that they may want to find a new home for. We believe that the technology we have will make it easier for people to do business with us, and we are just relentlessly driving to grow that small business. But, as you could see, it's hard replacing six figure accounts with four figure accounts.

Matt Carletti - Fox-Pitt Kelton

Great. Thank you very much.

Operator

And your next question will come from the line of Charles Gates with Credit Suisse.

Charles Gates - Credit Suisse

Hi, good morning.

Jack Sennott

Hi, Charlie.

Charles Gates - Credit Suisse

My first question could, one of you elaborate on the general liability business, that you are beginning to write?

Stephen Sills

Yeah, I can make a comment on that. We've started the program by the name of Short Line Railroads, and that's our kind of toe in the water in that business. We've always had a very tiny bit of it, because we pick up the umbrella business when we write hospital business. The trip and fall case that happens in the hospital and then what maybe happens to the patients. But this is the first move into specialty casualty business, and as we've pointed out, we are looking for opportunities to grow in the specialty casualty business.

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