



Cape Analytics analyses geospatial imagery with image recognition and machine learning to identify detailed physical property features (e.g. roof condition, building footprint)

Clients include XL Catlin and Security First Insurance

What do they offer?

Cape Analytics offers a database of accurate, up-to-date property information that can be queried by (re)insurers via an API or in batch.

Data can be used for multiple purposes:

- **Primary insurance:** Validation of property features at point of quotation, improving quote speed and accuracy
- **Reinsurance:** Portfolio selection and analysis, where Cape Analytics data is input to reinsurers existing CAT models to assess and monitor cedent's portfolios (e.g. number of gable roofs) and to test the quality of the underlying data being used by cedents.

The Oxbow Partners view

Traction: Cape Analytics is establishing itself as one of the leading emerging geospatial analytics providers. It recently agreed a partnership with Tiger Risk, the broker, and Nephila, the alternative capital provider is a client. In October 2016 the business raised \$14m; XL Innovate, XL Catlin's venture arm, is an investor.

Potential: Risk surveying (at point of underwriting and claim) are high cost activities that are ripe for technological enhancement. We see Cape Analytics' proposition as one of a suite of technologies which will help insurers and brokers take cost out in this area. Furthermore, peak capacity management has come into sharp focus with the recent storms in Florida; this is a capability Cape Analytics can help deliver.

The 2018 challenge: The geospatial imagery and analytics space is quickly becoming crowded. It remains to be seen whether the market becomes an oligopoly (similar to catastrophe modelling) or if there will be a range of niche suppliers. Cape Analytics will need to broaden its footprint quickly to be positioned for either scenario.

Year founded: **2014**

FTE: **50**

Investment to date: **\$15m**

Key investors: **XL Innovate, Formation 8, Data Collective**

Public insurance customers: **Security First Insurance, XL Catlin, Nephila**

Revenue growth 2016-2017: **Not disclosed**

2017 revenue band: **>£100k**

Current countries: **US**

HQ: **Mountain View, CA and Munich**

Tech Trend **AI & Data Insight**

Target Insurance Partners **Personal lines**

Reinsurance

“Cape Analytics' solution provides us with instant access to validated property features at the time of quote. Their data and technology have been extremely valuable to our business and improving customer experience”

Werner Kruck,
COO, Security First Insurance

What happens?

- Implementations start with a proof of concept
- Carriers provide Cape Analytics with a cross section of their current book of business
- Cape Analytics returns the book with highlighted discrepancies, additional data and supporting imagery

Key Executives

Ryan Kottenstette CEO & Founder

- Khosla Ventures
- Blue River Tech

Suat Gedikli CTO & Founder

- PhD, Technical University of Munich

Olivier Collignon VP Product & Data

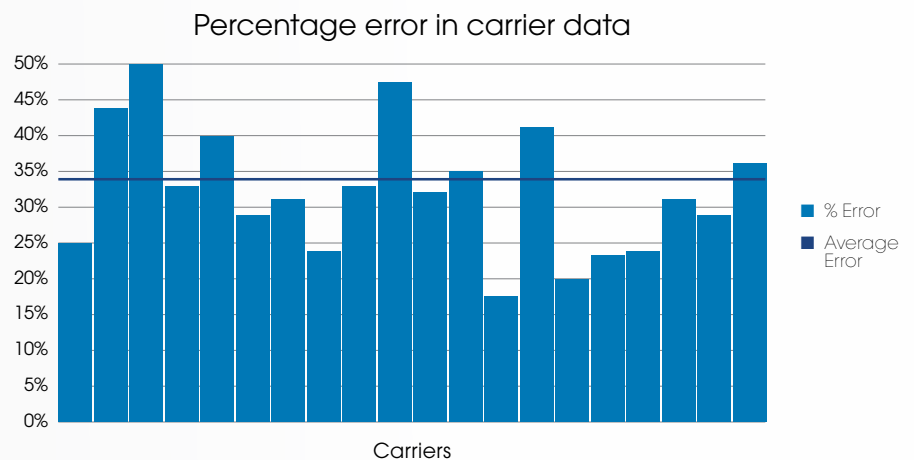
- RMS

Busy Cummings VP Sales

- AIG
- DocuSign (insurance vertical)

Impact

- Cape Analytics has reviewed cross sections of over 50 US insurance carriers' books of business
- On average Cape Analytics finds that over 30% of a carrier's policies are bound with incorrect data



Case Study 1

Client situation: A leading US regional carrier was in the process of evaluating their traditional inspection programme in order to improve efficiency, reduce costs and improve customer experience.

What they did: Cape Analytics provided data allowing the carrier to move to a virtual inspection platform. The insurer also updated their underwriting workflow to automatically triage properties based on roof geometry and roof condition in order to understand which properties were most likely to result in an actionable inspection discovery.

Impact: The insurer reduced inspection spend by over 50% and eliminated customer involvement in scheduling and participating in physical inspections, whilst maintaining underwriting quality.

Case Study 2

Client situation: XL Catlin's reinsurance business wanted to empower their cedents with better data for decision making to help with more accurate reinsurance purchasing and pricing.

What they did: Cape Analytics evaluated the difference in Average Annual Loss for cedent portfolios before and after using Cape Analytics data.

Impact: Using Cape Analytics data resulted in up to +/- 15% change in Average Annual Loss for cedent portfolios. XL Catlin was also able to understand the accuracy and completeness of data in cedent portfolios.

Future Applications

Product expansion:

- Continuously expanding available property features
- Evaluating new use cases in homeowners insurance and new verticals (e.g. commercial insurance and mortgage)