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Mobile tech market soars 154%

IT INSURANCE SERVICES, the electronic equipment insurance specialist, has produced its annual report on mobile technology showing a 154% leap in the market.

“The notebook market is firing, with shipments rising by 154% in the second quarter of 2005 to reach a total of 330,000 units, with a sales value of around \$500 million,” said Tony Mitchell, ITIS managing director.

“Laptops are increasingly being preferred to PCs due to convenience, lower prices, favorable tax treatment and the increasing use of wireless networks.”

He quoted a recent article in Sydney’s Sun Herald featuring the \$4,500 school bag, containing a notebook computer, iPod, flash drive, mobile phone and personal organiser.

In the consumer market, 48.7% of all PCs sold were laptops.

He said that in the past 7 years ITIS, with Chubb Insurance as the insurer, had provided insurance for more than \$170 million worth of laptops in the education sector alone, where accidental damage and theft claims were running at more than \$4 million a year.

AD claims had consistently accounted for around 9 out of every 10 claims.

In the non-consumer sector, a recent survey of 199 large companies showed that 58% had experienced laptop theft during 2004, against 53% for the previous year.

“Mobile technology now ranks as one of the most valuable assets people own and they like dealing with a specialist who understands the technology and can get them up and running very quickly after a loss,” he said.

“Our \$100 excess, network of repairers, speedy service and Chubb’s claims payment philosophy all help to create a good experience at claim time.”

In addition to the massive growth in laptops, new devices were hitting the market.

iPods, PDAs such as Blackberries, GPS devices and the maturing of 3G services were creating a huge insurance market with high frequency claims.

“This market is not well catered for by traditional ISR or BusPack policies that generally limit cover to inside the home or office and these types of policies tend to have much

higher deductibles,” Mr Mitchell said.

He believed that the current growth in mobile devices would continue. An increasing number of brokers were using ITIS for this asset class given its unique characteristics.

He expected “to stay busy on the claims side as these assets are prime targets for theft and are also easily damaged”.