



Press Release

ELEMENT and INTEC are developing insurance solutions for second-hand car dealers

The first jointly developed product reduces the financial risk of second-hand car dealers undertaking warranty commitments towards customers.

More than 15,000 trade policies are expected to be sold during the first year alone.

Berlin, 14 March 2019 – ELEMENT, the white-label product factory for insurance, and INTEC are setting up a strategic partnership. INTEC AG has been a leading expert in product and market guarantees for second-hand cars for over 40 years. The two companies are jointly developing insurance solutions for second-hand car dealers, offered through the service platform 'Carbee' of INTEC. The first insurance is now available, insuring dealers should certain parts of a vehicle cease to function within the warranty period. This means that if dealers give their customers a warranty, the resulting financial risk is significantly lower for them. Further B2B products will follow soon, with similar insurances for motorbikes and mobile homes being first off the line.

'Warranty commitments are an important sales argument, yet they are often risk-prone for dealers in the second-hand car market. Working together with ELEMENT, we have found a practical solution which significantly minimises the dealer's financial risk,' comments Markus Müller, Chairman of INTEC AG. 'It was important for us to create a product that is legally sound and which can be quickly implemented in a way that suits our customers. Working in partnership with ELEMENT, we managed to do all of this, creating a future-proof digital product within a very short period of time.'

As a provider of white-label insurance products, ELEMENT focuses on the creation of new, specially tailored insurance solutions within record time – using a proprietary product platform and its own in-house insurance specialists. INTEC AG, in turn, has one of the most technologically advanced product and claims handling platforms in the industry. This made it possible to develop innovative products for such a highly specific target group within a matter of weeks.

'We are confident that, together with INTEC, we'll be standard setters in this industry. This year alone we're expecting our newly launched insurance product to generate the sale of over 15,000 trade policies,' says Christian Macht, Chief Representative of ELEMENT Insurance AG. 'Our plan is that these products will not be the end of the story. Working together with INTEC, we want to develop further products for the second-hand car market and the range of financial risks that it involves. We can see considerable potential here.'

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About INTEC

Founded in 1974, INTEC AG sells service products that focus on vehicle warranties. Until now, the warranties have been for second-hand vehicles, components and parts.

The family enterprise was set up as a GmbH, a limited company under German law. Its success factors are its proximity to car dealers, fast and flexible support for claims and the personal commitment of its management to its customers.

In 2005 the company started to expand its operations. In particular, this concerned its sales activities, so that INTEC AG now has a nationwide sales force throughout Germany. INTEC AG offers warranties for all vehicle types, even including light trucks up to 7.5 tonnes. The product range is geared towards the open market (private to private), brand dealers and independent second-hand car dealers. The main focus of the business is currently on passenger cars (80%) and second-hand car dealers.

The firm was converted into a family-managed shareholding company in 2009. It has been expanding and is currently employing 15 people at the head office and 13 as sales reps. It has been successful in preserving and even increasing the quality of its customer service. This has been confirmed in a survey by the publishing company marktintern, which puts car warranty providers to the test at two-year intervals. INTEC AG came top among 16 in the surveys of 2007, 2009, 2011 and 2013. In 2013 it achieved its best result, 1.42. In 2015 INTEC came third, and in 2017 second.

About ELEMENT

ELEMENT Insurance AG is one of the leading white-label product factories for insurance and a leader in insurance digitalisation. It is the first young company licensed by the German Federal Financial Supervisory Authority (*Bundesanstalt für Finanzdienstleistungsaufsicht*) as a direct insurer for non-life insurance, which enables ELEMENT to act as a risk carrier, including claims settlement, in 28 countries across Europe. Founded in March 2017, ELEMENT offers a unique technology platform ('Insurance as a Platform') with a focus on the B2B2X value chain: ELEMENT develops for its more than fifteen partners from various industries – from e-commerce to established insurers – custom-made, innovative white-label insurance products at record speed. These products are then marketed by the partners under their own brand. ELEMENT has its headquarters in Berlin. End of 2018, ELEMENT closed the Series A with a total of EUR 29 Million in investment.

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