

Shahar Group fulfills a vision by establishing a water damage management company with "Republic"



By Nehorai Nativ*

■ Water damages in U.S. estimated at US\$ 8 billion ■ The Shahar Group is conducting negotiations with a view to offering similar services in Western Europe in 2008

In 2008, the **Shahar Group** turned its vision into reality. Shahar, a service provider to the leading insurance companies in Israel has penetrated the American insurance market. The Group established a company in the U.S. – the **U.S. Home Team** – together with **Republic** - an American insurance company owned by **Delek Capital**. The company is jointly owned by Shahar, Republic and other US insurance companies. Last year, in a special issue of **The Policy** (issue 1065, May 13), Shahar announced its intentions to develop the new enterprise, with the goal of establishing a company to provide outsourcing services to insurance companies for water damage claims in the United States and Eastern Europe. As part of the program, the U.S. Home Team was established earlier this year.

Initially, the company will operate in Texas, where Republic does the majority of its business. According to agreements reached between the companies, Shahar will initially contribute its cumulative knowledge and experience on all matters pertaining to managing water damage claims and Republic will contribute its experience in the American insurance market.

The company is conducting a pilot and conducted various market surveys during 2007, which led to a joint decision to commence offering the service in February 2008. Water damage claims in the U.S. are estimated at US\$ 8 billion

per year. The Shahar Group anticipates that the joint company will achieve sales exceeding US\$ 100 million within 3 years.

Guy Hoffman was appointed as the CEO of the joint company. Hoffman is an American citizen and a resident of Dallas who previously served as the CEO of a number of large start-up companies, one of which was acquired by **Google**.

Nehorai Nativ, Chairman of the Shahar Group said: "We are presenting the American market with a claims management method that the Shahar Group has developed and that has been in successful operation for approx. 20 years. Shahar's extensive experience is enhanced by information management systems and the advanced knowledge that the Group has developed. Penetrating the American market is another milestone in fulfilling the company's vision of becoming the leader in the field of water damage claims management, in the international arena as well."

The Shahar Group is conducting negotiations towards offering a similar service in 2008, in Western Europe. Inter-alia, the company is interested in examining the possibility of collaborating with an insurance company, with the goal of promoting projects, including handling plumbing damage claims.

The Shahar Group currently provides service solutions in a number of areas –

vehicle and roads, plumbing damages, private healthcare, tourism and recently, as mentioned, the company entered the American market and established the U.S. Home Team. Shahar provides services to approx. 1,000,000 households and to another 300,000 customers in the vehicle and towing services sectors.

Last year Shahar also led a significant improvement to the Israeli tourism industry, with its special "Pre-flight to your doorstep" service for **EI Al**, which enables passengers to conduct all of the security checks and check-in at home and arrive directly at passport control fifty minutes prior to the flight. Shahar works exclusively in Israel in this field and it will commence working in New York in July, followed by other countries worldwide.

Shahar is also active in a new niche in Israel, the apartment rental market, with its new product - Rent Guarantee. This service is a innovative concept, where the company is offering a new product in conjunction with a credit card company to the apartment rental market that includes a comprehensive solution: a service and maintenance call center for tenants together with a guaranteed rent payment system for landlords - an innovative solution, which to date has not been addressed by any other entity in the housing industry.

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