

# SECTORWATCH

Digital Underwriting

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# OVERVIEW

7 Mile Advisors, in partnership with Paradigm Partners International, offers advisory services to clients globally in the Insurtech space on capital raising, benchmarking, and M&A. This quarterly Sectorwatch report is a compilation of our findings in the Insurtech space, specifically in relation to Digital Underwriting companies. For additional information please contact one of our industry leads.

The report outlines:

- Industry News & Commentary
- Recent Transactions
- Notable Transactions

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# NEWS WORTH KNOWING

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## InsurTech News

- Lloyd's Selects 11 Insurtechs to Support Its Future-at-Lloyd's Project [[link](#)]
- Quarterly InsurTech Briefing Q2 2019 [[link](#)]
- MetLife Prepares for Second Insurtech Incubator in N.C. [[link](#)]
- Minnesota Insurance Accelerator Announced Five-InsurTech Cohort [[link](#)]
- Insurtech Gateway Launches in Australia [[link](#)]

## Digital Underwriting News

- DataCubes Selected by The Hanover to Leverage Automation in Its Underwriting & Risk Analysis Process [[link](#)]
- Lloyds turns to Trov for InsurTech offering [[link](#)]
- Aspen Insurance Selects Verisk's Mozart Form Composer to Research, Create, and Edit Policy Language [[link](#)]
- Arturo Teams with Hippo for 'Real-Time' Property Info [[link](#)]



## INDUSTRY COMMENTARY

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A significant transition in Insurance underwriting practices are underway and accelerating. This transition is being driven by competitive forces to speed up their risk selection process and to differentiate themselves in their markets and with their distribution systems and customers. New sources of data and digital technology capabilities are increasingly being assessed, tested and implemented to generate new approaches to insurance risk selection. These new digital technology capabilities will bring to insurers real opportunity to improve customer experience significantly and better coordinate and refine pricing policies. Those insurers prioritizing research, testing and implementing of new digital underwriting approaches will be positioned well to meet new and dynamic market and consumer changes.

# RECENT TRANSACTIONS

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**Humn.ai**  
7/10/2019

Lead Investors: InsurTech Gateway Round: 2 Amount: \$1.9m Type: Seed

Humn.ai built Rideshur applies hybrid streaming analytics and blockchain technology to nudge driver behavior and manage losses; enabling insurers to price risk by the moment, delivering convenient, flexible, fair and functional insurance.



**Lemonade**  
7/1/2019

Lead Investors: NA Round: 7 Amount: NA Type: Series D

Lemonade is a licensed insurance carrier that offers homeowners and renters insurance powered by artificial intelligence and behavioral economics. By replacing brokers and bureaucracy with bots and machine learning, Lemonade promises zero paperwork and instant everything.



**NotifAi**  
6/20/2019

Lead Investors: NA Round: 2 Amount: \$1.3m Type: Series A

NotifAi provides enterprise asset protection by leveraging data from sensor networks to reduce risk and increase property owner peace of mind, while delivering actionable data for preventative maintenance with artificial intelligence and machine learning. NotifAi protects homes from water, mold, and appliance related failures or disasters.



**Omniscience**  
5/20/2019

Lead Investors: NA Round: 6 Amount: NA Type: Pre-Seed

Omniscience Corporation provides underwriting automation and risk intelligence. A traditional insurance application could take up to 6 weeks to approve, but with Omniscience, policy and coverage can be provided almost instantly.



**OneDegree**  
5/9/2019

Lead Investors: BitRock Capital Round: 3 Amount: \$30m Type: Series A

OneDegree is a technology company and a digital insurer that fully digitized insurance process end-to-end. It also collaborates with global leaders in insurance and health sectors to deliver new technology and user experience.










**Orora Tech**  
5/1/2019

Lead Investors: EASME - EU Exec. Agency for SMEs Round: 4 Amount: <\$1m Type: Grant

The OroraTech Constellation is able to provide customers with a more accurate model of Earth's land and sea surface temperature than ever before. The data provided by the OroraTech Constellation may also be incorporated into current weather forecasting models in order to increase their accuracy, especially for hyperlocal weather forecasting purposes.







# RECENT TRANSACTIONS

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	<b>Moonshot</b> 4/19/2019	Lead Investors: WI Harper Group   Round: 1   Amount: NA   Type: Venture  Moonshot-Internet is an Insurtech that develops usage-based insurance products and services dedicated to E-Commerce.
	<b>Lemonade</b> 4/11/2019	Lead Investors: Softbank   Round: 6   Amount: \$300m   Type: Series D  Lemonade is a licensed insurance carrier that offers homeowners and renters insurance powered by artificial intelligence and behavioral economics. By replacing brokers and bureaucracy with bots and machine learning, Lemonade promises zero paperwork and instant everything.
	<b>BriteCo</b> 3/20/2019	Lead Investors: Brian Spaly, Jeff Taylor   Round: 1   Amount: \$2m   Type: Seed  BriteCo's cloud-based Appraisal Management System is the gateway to making the jeweler's life easier and more productive—and customers happier and more secure with immediate insurance coverage of their fine jewelry and watches.
	<b>InvestSure</b> 3/5/2019	Lead Investors: NA   Round: 3   Amount: <\$1m   Type: Seed  InvestSure is a tech company providing APIs that enable partner investment platforms to sell its Investment Insurance product to their clients.
	<b>Surefyre</b> 2/28/2019	Lead Investors: Quake Capital Partners   Round: 1   Amount: NA   Type: Pre-Seed  Surefyre is a configurable SaaS platform bringing the efficiency of modern consumer-style Insurtech to the massive market of insurers who do not currently have access. Surefyre's platform makes agent submissions easy, enables instant quoting, drastically lowers technical overhead, and is proven to increase profits.
	<b>Utilant, LLC</b> 2/25/2019	Lead Investors: Auiline Tech. Growth   Round: 1   Amount: NA   Type: Series A  Utilant's Loss Control 360 can streamline your loss control workflow, mitigate risk and increase profits.
	<b>Eusoh</b> 1/22/2019	Lead Investors: NA   Round: 2   Amount: NA   Type: Venture  Eusoh is a new crowd-sharing software platform that provides an affordable and transparent way for consumers to share expenses using scalable technology and the power of community. The platform is designed to avoid the costs of storing and collecting money that burden traditional risk-pooling models.

# RECENT TRANSACTIONS

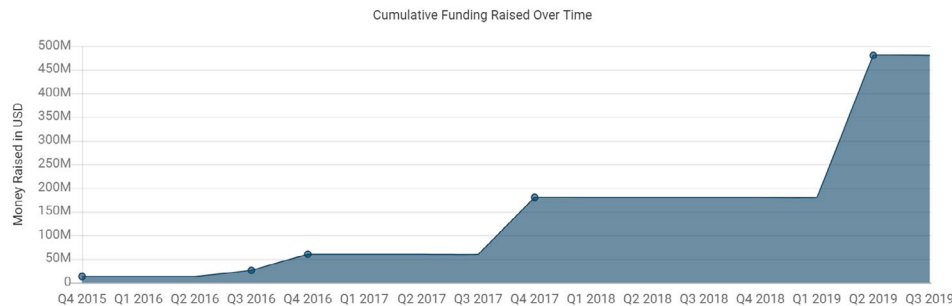
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	<b>Huckleberry</b> 1/16/2019	Lead Investors: D. Rusenko, J. Yap, J. Mateen   Round: 2   Amount: \$4m   Type: Seed	Huckleberry Insurance Services is a licensed insurance producer. Over the last decade, software has replaced most paper-based business management systems – from accounting, to tax preparation, to payments. But commercial insurance is still bought and managed almost entirely offline, in a process that can involve layers of bureaucracy and take weeks to complete. Huckleberry is on a mission to give small business owners back that time.
	<b>Just Auto</b> 1/15/2019	Lead Investors: MA   Round: 1   Amount: <\$1m   Type: Pre-Seed	Just Auto provides auto insurance that is “more just”. Instead of rates being set by who you are - your age, zipcode and marital status - your rate is set by how you drive. This means that for the first time, there is a real financial incentive for people to make smart driving decisions. Unsafe driving doesn't lead to the possibility of an accident, it leads to the certainty of paying more on your insurance.
	<b>Glow</b> 1/1/2019	Lead Investors: Costanoa Ventures, Freestyle Cap.   Round: 1   Amount: \$6.5m   Type: Seed	Glow facilitates direct workers' comp sales backed by Chubb.
	<b>Orora Tech</b> 1/1/2019	Lead Investors: ConActiity KG   Round: 3   Amount: NA   Type: Seed	The OroraTech Constellation is able to provide customers with a more accurate model of Earth's land and sea surface temperature than ever before. The data provided by the OroraTech Constellation may also be incorporated into current weather forecasting models in order to increase their accuracy, especially for hyperlocal weather forecasting purposes.
	<b>Healthy Health</b> 1/1/2019	Lead Investors: Founders Factory   Round: 4   Amount: NA   Type: Seed	Healthy Health makes health assessments digital by comparing the data a user has shared with them to their pool of data, predicting risks for 800+ medical conditions. Healthy Health works with multiple industries that are able to save money by switching to a fast, precise and cheap alternative to traditional Health Assessments, such as Insurance underwriting, employee benefits and others.
	<b>Meteo Protect</b> 1/1/2019	Lead Investors: NA   Round: 3   Amount: \$4.6m   Type: Debt Financing	Meteo Protect is the expert in Parametric Insurance, enabling insurers to provide Weather-based coverage globally.

# NOTABLE TRANSACTIONS

| **Lemonade + Softbank** - AI-driven insurer, Lemonade, raised \$300m in a series D round led by Softbank, that reportedly values the company at more than \$2b. Other investors include Germany's Allianz, General Catalyst, GV (formerly known as Google Ventures), Israel-based OurCrowd, and Thrive Capital. The company has raised \$480m to date. According to crunchbase.com, "Lemonade claims it's built a system that collects 100x more data than traditional carriers, giving it the ability to generate predictive data that can help improve underwriting and pricing. It operates contrary to traditional insurance models, charging a fixed percentage as a flat fee."

*cumulative funding raised over time*



| **OneDegree + BitRock Capital** - Hong Kong-based Insurtech startup, OneDegree, secured \$30m in Series A funding from fintech-focused BitRock Capital. BitRock Capital backed by warehouse operator GLP. Other investors included Cyberport Macro Fund, Cathay Venture, and other existing investors. As this was the company's first capital raise, total funding to date is \$30m. BitRock plans to use the proceeds to scale its digital platform faster, launch new products in Hong Kong, and scout for growth opportunities as part of the "Greater Bay Area" initiative.

# THANK YOU

Visit [7mileadvisors.com](https://7mileadvisors.com) for additional resources.

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