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A SERIES OF FORTUNATE ACCIDENTS INTERVIEW WITH OSCAR SCOFIELD, CHAIRMAN, SCOTTISH HOLDINGS, INC.

by Richard Jennings

On April 1, 2006, Oscar R. Scofield retired as chairman & CEO of Scottish Re (U.S.). Scofield is widely acknowledged as one of the leading members of the life reinsurance industry, with more than 40 years of experience. Prior to joining Scottish Re, he held senior management positions at General Electric Capital, Transamerica Re and Gen Re. In this interview, he shares with us his thoughts as he looks back on his reinsurance career and forward to what lies in store for him as he enters the next phase of his life.

Scofield is a member of the Board of Regents of Wartburg College, in Waverly, Ohio, where he graduated with a degree in social studies. Wartburg, a nationally recognized four-year liberal arts college of the Evangelical Lutheran Church of America, was a fairly expensive school to go to at the time when Scofield was heading to college. His pastor and mother wanted him to go, so he took a job at Lutheran Mutual Life Insurance Company, as a janitor sweeping floors, to put himself through four years of college. He then proceeded to go to graduate school at the University of Northern Iowa staying close to his night job at Lutheran Mutual.

After finishing at Northern Iowa in February 1964, Scofield was looking to begin teaching high school in the fall when a fortunate accident happened. While sweeping floors at Lutheran Mutual, the medical director, Dr. O.C. Hardwig, asked Scofield about his plans for the future. Scofield said he was planning to hang around until school started in the fall. Dr. Hardwig asked Scofield if he had ever thought about becoming an underwriter. Scofield then learned that underwriters at the time made \$4,800 a year, whereas teachers only made \$4,400, and from that point on he was committed to the insurance business.

Scofield trained as an underwriter at Lutheran Mutual, under the wings of Ron Larson and Paul Scherb. He loved it. In 1967 he moved to Wisconsin



Oscar Scofield

Life Insurance Company in Madison, Wis., as manager of the underwriting department. There he continued with life underwriting, but also added some group life and disability to his expertise.

While living in Madison, he got into the radio business. By day he worked as an underwriter; by night he was known as “Karl London,” on a local rock radio station. Neither employer knew about his other “gig” and he really enjoyed being on the radio. Approaching the age of 30, he was looking to make a determination about which career to focus on.

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Another fortunate accident—he met with George Weir from North American Re who was their reinsurer at the time. Scofield and Weir hit it off, which then led to an offer for Scofield to move to New York. At the time, Scofield had never been on a commercial airliner.

In 1970, he moved to New York, arriving with just a suitcase. It was an exciting time to be at North American Re. They underwrote a lot of celebrities; baseball players for the Mets and the Yankees, and many entertainers. It was an “eye opening” experience. He got to travel with the sales guys and had his eye on doing the same. His boss at the time, Chris Cox, a wonderful boss who has since passed away, said that Oscar was doing such a great job that they couldn’t afford to have him leave underwriting. Then another fortunate accident happened ...

MY LIFE HAS BEEN A SERIES OF FORTUNATE ACCIDENTS. AFTER 40 YEARS IN THE BUSINESS, WHAT STANDS OUT THE MOST ARE THE PEOPLE.

Over cocktails with Gerry Taylor, who was with what was to become General Re, at a Metropolitan Underwriting Discussion Group (MUD) meeting in New York, they discussed the possibility of a position in their Connecticut office. So soon he was off to Connecticut to work with the “two Bobs:” Bob Shepler and Bob Mooney, who were great to work with. In the meantime he got married. When his wife asked what he was going to be doing, he said he wasn’t sure. How much would he be making? Well he wasn’t too sure about that either, but he thought it would be enough.

Scofield found life at General Re to be intoxicating. He was soon moved to Chicago to be in sales. He had never been in sales before and now was handling big ticket deals. From 1972 to 1980 he grew the sales operation, eventually returning to Connecticut in 1980, to create their “Special Treaty” department, which became their financial reinsurance unit. There he worked with Mel Young and Randy Howard, and together they learned an awful lot. At the time IRC Section 820 was around

and they were able to do a lot of “creative” things. In all, Scofield spent more than 15 years with General Reassurance Corporation, the life reinsurance division of General Re. He joined General Re in 1971 and served as vice president through 1983. Scofield left General Re to join GE Capital, where he was president of Monogram Reassurance Corporation, president of Puritain Excess & Surplus Lines Company and vice president and director of Puritan Insurance Group.

GE relocated him to Johnston, R.I., which was a nice place to raise a family. Then another fortunate accident took place. He remembers talking to Towers, Perrin, Forster & Crosby (TPF&C) at the time about how GE was planning to grow the business, and how they were looking to make an acquisition, but the potential targets, General Re and ERC, weren’t for sale. Before leaving he was told that it wasn’t a sure thing that ERC couldn’t be sold. ERC was owned at the time by Getty Oil, and he was given the name of the person to speak to there. He decided to follow up on that lead and a year later the deal was done. ERC was sold and the Rhode Island operation was moved to Kansas City.

In 1986, he was approached by his old mentor Bob Shepler to see if he would consider coming back to General Re. After talking to them, he found out that the company wasn’t doing that well, so he decided to help them out. He returned to General Re in 1986 as president, chief executive officer and director. He was charged with helping rebuild the company and turn things around. He was successful in returning the company to a profitable status and eventually positioning the company to be sold. The company became Life Re Corporation which eventually became part of Swiss Re.

In February 1989, Scofield was named vice president—sales, Transamerica Reinsurance, and chairman of Osborn Laboratories, an insurance testing services lab. In 1994, he helped Stan Johnson of Kanawha Insurance Group roll out their long-term care product initiative on a national basis.

Around that time he was called on by Peter Chapman, a former teacher of his and good

personal friend, to go into consulting together. Together they co-founded Chapfield Corporation, a licensed reinsurance intermediary and consulting firm. One of their potential clients was Scottish Re, and he got to know Scott Wilkomm very well. This turned out to be yet another very fortunate accident, since this resulted in Scofield being invited to join Scottish Re as a consultant until they decided what they were going to do with their U.S. companies.

Scofield joined Scottish Re (U.S.) Inc., then a wholly-owned subsidiary of Scottish Annuity & Life Holdings Ltd., on Sept. 18, 2000 as chief operating officer. The rest, as they say, is history. Scofield stayed with Scottish Re, becoming chairman and CEO in 2002, and witnessed their explosive growth to become one of the leading life reinsurance companies today. Scofield will remain as a nonexecutive board member serving as chairman of Scottish Re U.S., Scottish Holdings Inc., and Scottish Re Life Corporation.

Scofield chose his 65th birthday, April 1, 2006, as his retirement date. As he looks back on his busy and successful career, he observes that he hasn't had much time to do what he wanted to do outside of work. So now, in his retirement, he will have the time to do some of that. His board duties will keep him busy for approximately 50 to 100 days a year, and he also has a consulting company, Eisenach Reinsurance Services. The name comes from the City of Eisenach, Germany, where Wartburg Castle is located, after whom his former college is named. It was there that St. Katherine became the first social worker, and Martin Luther translated the New Testament into German.

"My life has been a series of fortunate accidents," says Scofield. "After 40 years in the business, what stands out the most are the people. There are still 15 to 20 of us from the Gen Re days who still get together once a year; it's hard to believe. We tell the same stories every year. Of course, Joe Kolodney can't remember most of them, but he never forgets the punch line."

Over the years, the more things change, the more things stay the same. In the early days, the business was about 99 percent on a YRT basis. Ceded

business was written up on cession cards. The transformation of the business has been significant, but at the heart of all of this is a personal relationship. Scofield remembers a time when they couldn't get a client to sign a treaty for more than two and a half years. Nowadays that wouldn't be allowed to happen. He remembers when his mentor, Bob Shepler, told him they had a billion in force. They considered the figure to be unfathomably large, and brainstormed about the idea of an advertising campaign to promote their tremendous size. Now, some reinsurers, including Scottish Re, are a thousand times larger.

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When asked what advice he would pass along to new and aspiring actuaries, Scofield said to be prepared to make yourself over several times during your career. He has had to do that a few times himself and has benefited from the experience.

In addition to his Board of Regents duties with Wartburg College, Scofield also works with undergraduate students at Appalachian College, mentoring them before entering the working world. He recently escorted several of them on a trip to the United Kingdom.

He is also an avid motorcycle fan, and member of the Board of Directors of the American Motorcycle Heritage Foundation, which is responsible for directing operations of the Motorcycle Hall Of Fame. He is looking forward to soon taking delivery of a new BMW motorcycle from his son's dealership. The path ahead of him is an open road and he is looking forward to not having to wake up and check his e-mail first thing in the morning. ✨



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