

[AIG Is Inching Away From the Brand It Worked Hard to Establish - Oldwick, N.J., Sep 08, 2009 http://tinyurl.com/nldv8n](http://tinyurl.com/nldv8n)

If you could go back in a time machine to around a year ago and ask people in the insurance industry what adjectives they associate with American International Group Inc., you would get some immediate responses: Shrewd. Smart. Savvy.

Ask that same question today, and you might not get such a quick answer. The AIG name was once so respected in the insurance industry that some joked that having an AIG position on your resume carried more weight than an MBA.

- 5 Now, at industry conferences and in earnings conference calls, speakers often step around "AIG" by referring instead to "certain companies who have accepted federal aid" or by saying "some companies recently in the headlines." Ask insurance leaders to comment specifically on how what happened to AIG has impacted the insurance industry, and many will decline to comment at all. The AIG name is a hot potato that few people want to handle.
Before its troubles, AIG might not have been quite a household name -- outside the homes of insurance devotees -- but it certainly
- 10 has nearly universal name recognition now. So much so that it's achieved that undeniable indicator of American fame and/or notoriety (which are increasingly one and the same thing) -- it was often a punch line in comic Jay Leno's nightly monologues. Still, the struggles of the world's largest insurer are hardly a joke. Before AIG's fall from grace last September, AIG had been working hard to grow its brand recognition. AIG cracked BusinessWeek's list of the top 100 global brands for the first time in 2007, coming in 47th overall, the highest of any insurance company, with an estimated brand value of \$7.5 billion.
- 15 It scored a lot of attention when it sponsored the Manchester United Football (soccer to Americans) Club, by placing a prominent white AIG logo on the team's red jerseys. In its annual 2007 annual report, AIG touted its 250 Manchester United-related ad campaigns targeted to reach the club's 83 million fans in 71 countries. Since its woes, AIG has backed away from that deal, which broker Aon quickly snapped up. Also in 2007, before the credit default swaps hit the fan, AIG was ranked 30th -- first among insurance companies -- in Barron's survey of "The World's Most Respected Companies."
- 20 Now some of AIG's insurance operations are trying to distance themselves as far as possible away from the once-venerable AIG name. To quote Hunter S. Thompson, "Pray to God, but row away from the rocks." And some of the companies formerly known as AIG are rowing as fast as they can.
The domestic and international property/casualty operations and high-net-worth personal lines business have been reborn as Chartis. The independent broker/dealer business that was formerly known as AIG Financial Advisors is now Sagepoint Financial Inc.
- 25 AIG moved in November to rebrand its AIG Direct business -- which it later sold to Farmers Group Inc. -- as 21st Century, the name the formerly independent company had when AIG took control.
Also on tap for rebranding are the Asia-Pacific life insurance subsidiaries, under the American International Assurance Co. Ltd. name. In Indonesia, PT AIG Life will be given the new moniker of PT AIA Financial. In Hong Kong, even AIG Tower, in which AIA's office is located, was renamed AIA Central.
- 30 "I never would have imagined that the name AIG would be losing its brand name," said David Pagoumian, chief executive officer of Napco, a New Jersey-based wholesale broker of property insurance for commercial accounts. "With the restructuring and the new name, I think the AIG name will continue to diminish in its brand, but certainly the spirit behind what the company was will continue on." Only time will tell how successful AIG is in helping to establish a fresh identity for its businesses.
What's in a name? A guy named Shakespeare summed up the whole branding issue pretty succinctly: "That which we call a rose by
- 35 any other name would smell as sweet."

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