
Hartford CEO Comments on VAs Clarified

By Editor Test *Wed, Apr 14, 2010*

"Guaranteed income in our view is the emerging business opportunity in the annuity space," said Liam McGee.

In a news report that Retirement Income Journal reprinted last week, comments by Hartford Financial's CEO about the company's commitment to variable annuity sales were incomplete. In his comments during Hartford's recent Investor Day, chairman, president & CEO Liam McGee said:

"But I do want to comment on annuities. First of all, we believe that annuities are an important part of our wealth management franchise.

"We've recently introduced our new Personal Retirement Manager variable annuity, which balances guaranteed income with asset growth. The product is grounded on the principles of low cost for the customer, simplicity for the customer, and a focus on guaranteed income.

"For the reasons that I mentioned earlier, what's happened to consumers of all types over the last couple of years, guaranteed income in our view is the emerging business opportunity in the annuity space. The product has been well received by our distribution partners.

"We're still completing getting licensing and authorization in some states including some of the larger states. We expect to see sales traction in the subsequent few quarters.

"But to be clear about our expectations, John (Walters) and I are targeting \$5 billion in total annuity sales by the year 2012. Never again will we have a concentration in any product at The Hartford, whether it be annuities or anything else, of the size the VA was.

"This will be an appropriately sized, appropriate return business that we think is going to focus on that emerging trend that I described, guaranteed retirement income. It's going to allow us now to appeal to a broader target audience as opposed to the traditional annuity market."

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