MARKEL

July 8, 2016

Ms. Susan M. Cosper
Technical Director
File Reference No. 2016-230
Financial Accounting Standards Board
401 Merritt 7
P.O. Box 5116
Norwalk, CT 06856-5116

Dear Ms. Cosper:

Markel Corporation (Markel) is a diverse financial holding company serving a variety of niche markets. Our principal business markets and underwrites specialty insurance products. We also own interests in various industrial and service businesses that operate outside of the specialty insurance marketplace. We are a publicly traded company (NYSE: MKL) with total assets of approximately $26 billion and market capital of approximately $13 billion. Our growth strategy has historically focused on acquisitions. In our insurance operations, gross written premiums over the last 20 years increased from approximately $400 million in 1995 to $4.6 billion in 2015. Our non-insurance operations are primarily conducted through Markel Ventures, a wholly-owned subsidiary of Markel. Since its inception in late 2005, Markel Ventures acquired 16 businesses and grew its revenues from $75 million in 2006 to over $1 billion in 2015. As of December 31, 2015, total assets included goodwill of $1.2 billion, of which approximately $800 million was held by reporting units in our insurance operations and approximately $400 million was held by reporting units in our non-insurance operations.

We appreciate the opportunity to comment on the FASB's Proposed Accounting Standards Update: Intangibles – Goodwill and Other (Topic 350), *Simplifying the Accounting for Goodwill Impairment*. We offer the following responses to certain questions on which comment was requested in the proposed Update:

Question 1: Do you agree with the proposed amendments to eliminate Step 2 from the goodwill impairment test? Why or why not?

We continue to support the FASB in their efforts to simplify U.S. GAAP and agree with the proposed amendments to eliminate Step 2 from the goodwill impairment test. Performing a Step 2 calculation under the existing guidance requires significant time and resources, both internal and external. For most of our reporting units, we would not expect an impairment charge calculated under Step 1, as proposed, to be significantly different from an impairment charge calculated under Step 2. As a result, we do not believe the additional cost and complexity associated with performing Step 2 of the goodwill impairment test is justified.

Questions 6: Do you agree that the proposed guidance to remove Step 2 from the goodwill impairment test should be applied prospectively?

We agree that the proposed guidance should be applied prospectively.

Question 7: How much time would be necessary to adopt the amendments in this proposed Update? Should early adoption be permitted? Would the amount of time needed to apply the proposed amendments by entities other than public business entities be different from the amount of time needed by public business entities?

We do not anticipate a significant amount of time would be necessary to adopt the amendments in the proposed Update and believe early adoption should be permitted. However, as different entities have different dates at which they perform their annual assessment of goodwill, the timing of issuance of the standard should be considered relative to the effective date to allow adequate preparation time for adoption. We would not anticipate the time needed to apply the proposed amendments would differ between public business entities and non-public business entities but would not take exception to different effective dates for public and non-public business entities.

Question 8: Would the proposed amendments meet the Board's objective of reducing the cost of the subsequent accounting for goodwill while maintaining the usefulness of the information provided to users of financial statements? Why or why not?

Yes, as noted in paragraph BC13, calculating impairment by comparing the carrying amount of a reporting unit with its fair value in many cases could result in a less precise amount of goodwill impairment. However, we agree that the most useful information to a user of the financial statements is whether an impairment charge is warranted, not the precise amount of the impairment.

Question 9: Are there additional changes that should be made to the subsequent accounting for goodwill to meet this objective, including changes that might be considered in Phase 2 of the Board's project?

We support the Board's initiative to consider further changes to the subsequent accounting for goodwill, including amortization of goodwill.

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Thank you for your consideration of our comments on these matters. If you have questions or would like to discuss our comments further, please contact me at (804) 527-7724.

Sincerely,

Nora N. Crouch

Nora N. Crouch
Chief Accounting Officer