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8th Annual Meeting Agenda

Monday, January 27

1:00 – 5:00 PM	Registration, Networking Lounge Opens, Trade Show Opens
1:00 – 4:00 PM	Dedicated Business Development Time
4:00 – 5:00 PM	Opening General Session Keynote Presentation: Analysis and Outlook for Inflation, Labor, Interest Rates, and Industry-Specific Risks, <i>Shailesh Kumar, The Hartford</i>
5:00 – 6:30 PM	Welcome Reception

Tuesday, January 28

7:30 AM	Breakfast, Registration, Trade Show Opens
9:00 – 10:30 AM	Opening General Session: Welcome – State of the INA Keynote Presentation: 7 Steps to Better Tech, <i>Chris Cline, Agents Council for Technology</i>
11:00 AM	Dedicated Business Development Time, Professional Headshots
12:00 PM	Networking Lunch
1:30 – 2:30 PM	Workshop: Preventing Cyber Incidents and Creating Resilience
2:30 – 3:30 PM	Dedicated Business Development Time, Professional Headshots
3:30 – 4:30 PM	Workshop: Practical Use of AI for Insurance Agents
5:00 – 6:30 PM	Networking Reception

Wednesday, January 29

7:30 AM	Networking Breakfast
9:00 – 10:00 AM	General Session: Maximizing Value in Insurance Agency M&A Transactions, <i>Carey Wallace, Agency Focus</i>
10 AM – 12 PM	Networking and Business Development area available

JOIN US FOR THE 8TH ANNUAL MEETING

January 27-29, 2025 | Phoenix, Arizona



Register with code
ROUGHNOTES
for a \$200 discount.

Who Should Attend

- Senior management and owners of insurance networks
- Insurance carriers, wholesalers, and Program Administrators, with, or seeking distribution with insurance networks
- Industry service providers to networks and carriers

Scan to Register



THE EVOLUTION OF THE INA

A valuable resource for insurance network leaders

By Ray Scotto



When the inaugural meeting of the Insurance Networks Alliance (INA) took place in 2018, attendees approached the gathering with a mix of curiosity and skepticism. Many wondered about the value of discussing industry challenges alongside their competitors.

Fast forward to today, and INA members universally agree that the opportunity to engage with peers has become the organization's most valuable asset. James Bastian, co-founder and chief operating officer at Advantage Partners, Inc., puts it like this: "The INA serves as a robust platform for networking with industry experts."

"It provides us an opportunity to share best practices and stay informed about the latest trends and innovations in the insurance sector," he adds.

"Through my involvement with the INA," says Elizabeth Schenk, regional executive vice president for independent insurance agency network Renaissance, "I've forged strong relationships with friendly competitors, relationships that have proven indispensable."

"The intellectual exchange we engage in collectively enhances the support we offer to independent agents nationwide, regardless of their affiliations," she adds. "In an industry characterized by rapid change, proactive networking with other professionals has never been more crucial."

Mike Strakhov, senior vice president and agency banking market leader at Westfield Bank, says, "It's important

"The INA serves as a robust platform for networking with industry experts."

—James Bastian
Co-Founder and Chief Operating Officer
Advantage Partners, Inc.



to note that the INA isn't a forum for sharing trade secrets; rather, it's a collaborative environment where networks can discuss how to adapt traditional operating models to meet the evolving landscape of our industry.

"We are making significant strides in fostering productive relationships with carriers, service providers, and peers, ultimately increasing the value of insurance networks," he adds.

Conference set

As the INA prepares for its 8th annual meeting this January, membership has grown to more than 40 networks, including nearly all of the top 20 largest, which together account for more than 25% of total written premium in the U.S. property and casualty industry. Additionally, INA members represent over 30,000 independent retail agencies, accounting for almost 75% of all such agencies in the United States.

Today, agents are drawn to network affiliations for far more than just market access. They seek:

- Education and tools designed to enhance revenue and agency value

- Training on the effective use of technology
- Strategic vendor partnerships
- A broader industry perspective for strategic planning

Nicholas Petrocelli, president of ASNOA, says, "At the annual INA conference, our team uncovered a wealth of strategic opportunities. The event unites company leaders from across the nation, creating a unique platform for efficiently connecting with key partners."

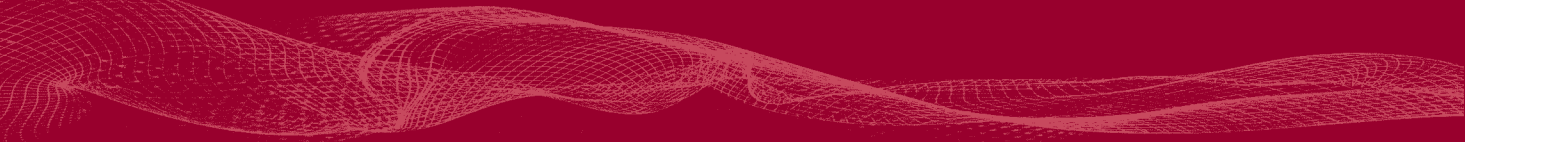
"The participation of top-tier tech vendors provided cutting-edge offerings and insights, facilitating deep and meaningful conversations during networking sessions," he adds. "Overall, the INA conference proved to be an invaluable investment for our business, offering unparalleled access to industry leaders and emerging technologies."

To stay future-ready, networks must equip their agents with essential insights into market trends and

"The intellectual exchange we engage in collectively enhances the support we offer to independent agents nationwide, regardless of their affiliations."

—Elizabeth Schenk
Regional Executive Vice President
Renaissance





“[The INA is] a collaborative environment where networks can discuss how to adapt traditional operating models to meet the evolving landscape of our industry.”

—Mike Strakhov
Senior Vice President and
Agency Banking Market Leader
Westfield Bank



“Overall, the INA conference proved to be an invaluable investment for our business, offering unparalleled access to industry leaders and emerging technologies.”

—Nicholas Petrocelli
President
ASNOA



integral part of INA’s value. The location for the event will be The Sheraton Phoenix Downtown.

Owners and senior management of professionally managed networks, insurance carriers, wholesalers and program administrators seeking distribution with insurance networks, and service providers with solutions for insurance networks can learn more about attending the upcoming meeting at www.networksalliance.com. ■

ensure they leverage available technologies to enhance efficiency, grow their businesses, and increase value.

This focus will take center stage at the upcoming annual Insurance

Networks Alliance meeting, slated for January 27-29 in Phoenix, Arizona. The conference will feature targeted education and, most importantly, peer-to-peer learning—an

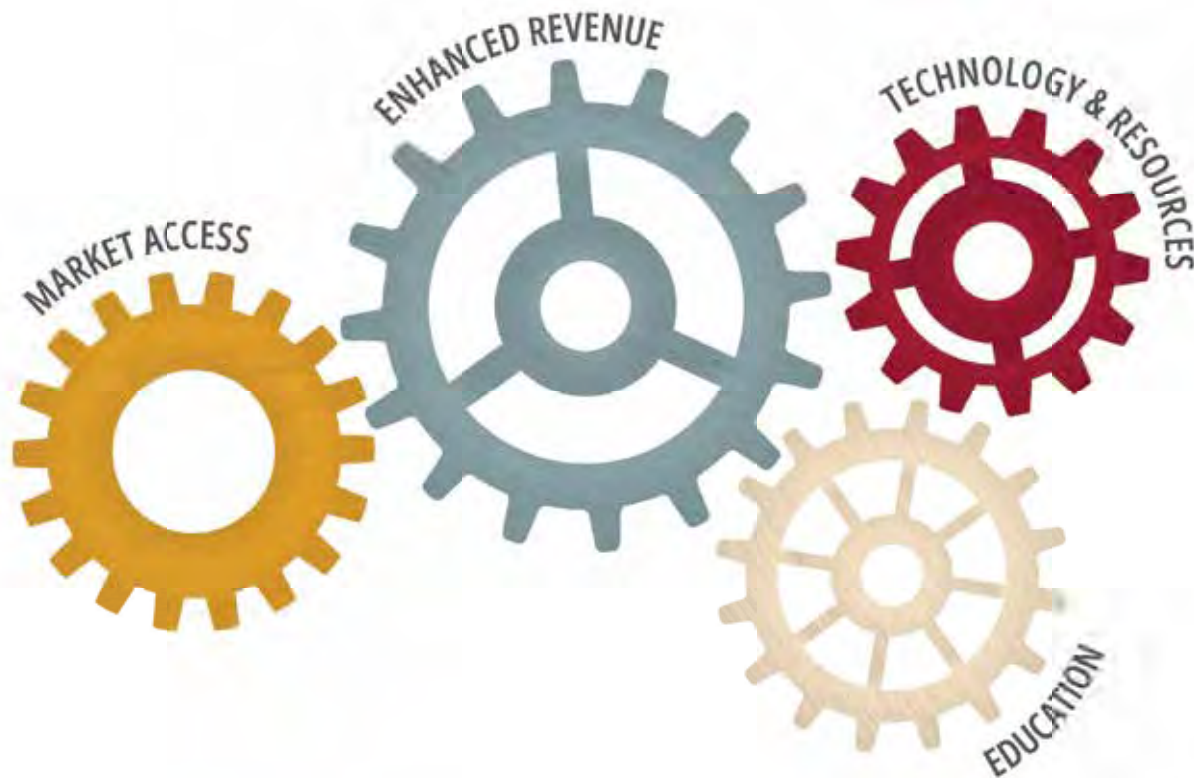
The author

Ray Scotto is executive director of the Insurance Networks Alliance.



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FirstChoice, a MarshBerry Company, caters to insurance agency owners who want to create a path forward through strategic planning, technology resources, marketing tools, education and training, and more to build their business.



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MARSHBERRY
LEARN. IMPROVE. REALIZE.

SUPPORT AND RESOURCES: MORE THAN JUST CARRIERS

Choosing the right insurance network is one of the most critical decisions independent agents can make for their business. At **ASNOA (Agent Support Network of America)**, we aim to innovate the IA experience by integrating collaborative support and advanced systems, with an unwavering commitment to leave an impact on the industry as a whole.

With over two decades of experience, ASNOA has built a reputation for being a trusted partner that delivers results—one where innovation is constant, and growth is limitless.

In this article, we'll explore key factors to consider when selecting an insurance network. By asking the right questions, you'll find a network that sets you up for long-term success.

Evaluating the Network's Reputation

First, assess the reputation of the network you're considering. Ensure that you're aligning your business with an organization that is well-respected in the industry. Look for reviews, testimonials, and feedback from current or former agents. This will give you an inside look into what it's like working with the network.

Additionally, assess the network's financial health and stability. A network with a track record of fulfilling commitments to agents and carriers is likely to be reliable. Networks with industry awards or strong affiliations can also provide some assurance of their credibility. A well-established network will offer the support you need without the risk of sudden changes.

The Value of Carrier Access and Product Offerings

Consider the range of carriers and products the network provides access to. Your success will largely depend on the competitiveness of the products you can offer to clients. Does the network provide a variety of personal, commercial, and specialty lines? Are its carriers partners financially stable and reputable?

Some networks offer partnerships with specialized institutions. Make sure the network's carrier relationships align with your target market's needs. The more diverse/competitive the product offerings, the better equipped you'll be to serve your clients.

Understanding Costs and Membership Requirements

Joining an insurance network is an investment in your future, but it's essential to understand the costs involved. While there are often startup fees or membership dues, networks typically offer a variety of benefits, such as marketing support, technology, and access to leads, that can justify the costs.

However, it's important to do your due diligence. Make sure you have a clear understanding of any ongoing financial commitments, including quotas or performance benchmarks that are necessary to maintain your membership. Ask about hidden fees or additional costs that could impact your profitability.

Support and Resources: More Than Just Carriers

A good network is much more than just a group of carriers. Many networks offer a variety of resources to help independent agents streamline operations and grow their business.

Some networks also provide ongoing training, mentorship, or financing options to help agents expand. For example, Live Oak Bank and Westfield Bank offer specialized financing solutions that can support growth and acquisition strategies, helping agents achieve their business goals faster.

When evaluating a network, ensure that the support provided aligns with your needs and will help you grow.

Compensation Structures and Financial Considerations

Before joining a network, clarify how commissions, bonuses, and incentives are distributed. Understanding the compensation structure will help you determine if the network aligns with your goals. Consider commission rates, bonuses or incentive programs, and how compensation disputes are handled. Have a clear understanding of your earning potential and any conditions that may impact your bottom line.

Geographic Reach and Expansion Opportunities

Another important factor to consider is the geographic footprint of the network. Some networks have a regional focus, while others offer nationwide coverage. If your agency operates in multiple states or you're planning to expand, ensure that the network's carrier relationships cover your desired markets. Understanding the network's reach will help you gauge whether it can support your long-term growth plans.

Contract Terms and Exit Policies

Business relationships evolve over time, and it's important to know what to expect if you ever decide to leave a network. Review the contract carefully, paying close attention to any exclusivity clauses, non-compete agreements, or exit fees.

Understand who owns the client relationships and data. Some networks may impose restrictions on this, so clarify what happens if you leave. The last thing you want is to be caught off guard by unexpected fees or limitations.

Maintaining Your Independence

Finally, evaluate how much autonomy you'll retain within the network. Many agents prefer to control their business decisions, branding, and client relationships, even while benefiting from network resources.

Ask if the network lets you operate under your own brand or if you'll be required to use theirs. Clarify whether you can independently choose carriers and products and what control you'll have over pricing, coverage, and service decisions.

Maintaining independence while benefiting from a network's resources can be the best of both worlds, but it's important to ensure that your vision aligns with the network's terms.

Final Thoughts

Joining a network is a big decision, choosing the right one can make all the difference. From a wide range of carrier access to transparent costs and comprehensive support, ASNOA is the network that helps you achieve your business goals.

Take the next step in your journey by choosing a network that puts your success first. With ASNOA, you'll have the tools, resources, and partners you need to thrive while maintaining their independence. ■

ASNOA®

Agent Support Network of America | grow@asnoa.com | asnoa.com

WHAT QUESTIONS SHOULD YOU ASK *when you consider joining an* INSURANCE NETWORK

*Will I actually own my
own clients and policies?*

*Is there actually
onboarding?*

*Will I be able to leave
when I want?*

*do I actually get
paid ALL my
bonuses?*

asnoa.com/questions

An Interview With Iroquois' Leadership



Laurie Branch
CEO



Matt Ward
Executive Officer

How is 2024 playing out for Iroquois so far?

Matt Ward: 2024 is shaping up to be another successful year for our 2800+ Member Agencies, our carrier partners and Iroquois. By working together, we continue to produce profitable premium growth for our carrier partners, which generates outsized commission and contingency revenue for our Members. Year-to-date, we're up 16% in premium, agency commissions are up 15% and contingency revenue is up 18%. That's the win-win-win we work so hard to achieve by performance that drives mutual success year after year.

Laurie Branch: What's remarkable about our 2024 performance, from my perspective, is delivering the win-win-win in such difficult industry conditions. Double-digit growth and outperforming on loss ratio is nothing new for Iroquois. Doing it in the midst of the worst hard market in 40 years is extraordinary. It's been difficult for many of our Members and carrier partners, but we're making it better by working together.

Matt Ward: To Laurie's point, we are working together to produce over \$600 million of new business with our carrier partners despite hard market headwinds. By working together, we earn record-breaking contingency revenue despite the negative impacts of weather, inflation and legal system abuse. As hard as the market has been, we're navigating the challenges and maximizing the opportunities now and are as bullish as ever on the short-term and long-term future of our network.

What's in the cards for 2025?

Laurie Branch: The biggest change for us will be launching our new name. Although the Iroquois name has been a great identity for us for nearly 50 years, it was time to make the change to do a better job of telling who we are rather than what we are. Back in the late 1970s and 1980s, no one in the industry knew

what a 'network' was, and we used our name to help us explain this revolutionary concept. As all middle schoolers in New York State learn, the Iroquois were a group of five, then six First People Nations that were completely independent but who came together for trading opportunities and defensive needs. That concept was incredibly appealing to independent agencies in the 1980s. They were enduring a very hard market, and the relationship between carriers and agencies had become adversarial – they felt like they desperately needed the strength of numbers and size to survive but were unwilling to give up their independence to get it. The Iroquois Group answered this need extremely well.

However, now the concept of a network is more well understood in the industry, and we realized we had an opportunity to let our name describe who we are and how we operate. We have chosen a name that highlights both our commitment to strong financial and relational foundations and our quest to help our Members reach new heights of success.

Were there any changes in ownership that led to the name change?

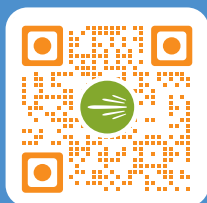
Matt Ward: Absolutely not. Our name has changed, but nothing else has: we are the same independent family-owned organization with no outside investors. We have the same people and the same commitment to creating win-win-win partnerships for our Members and carrier partners. As I have mentioned in past interviews, we have set up a family trust to hold the stock of the founders so that we can continue to operate as a 'family business.' This has tremendous advantages for our Members, carriers and stakeholders. We don't have to answer to shareholders or investors who are anxious for quarterly or annual returns. That freedom allows us to think in terms of building for future generations rather than the next three to five years. It also allows us to put ourselves last in the win-win-win equation that we work so hard to achieve for our Members, carrier partners and Iroquois.

Experts at Building **WIN-WIN-WIN** Partnerships



Agents, carrier partners and Iroquois have been winning together for 47 years.

- ✓ Win more new business through optimized markets.
- ✓ Increase profit-sharing revenue with enhanced incentives for profitable growth.
- ✓ Grow top-line commission revenue.
- ✓ Build equity value while remaining 100% independent.



Learn how.
IroquoisGroup.com

 **IROQUOIS**®



Unlock New Opportunities.

Keep Your Independence.

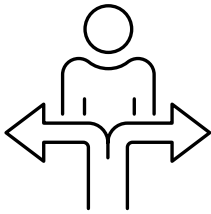
At ISU Steadfast, we empower independent insurance agencies to thrive, protecting your autonomy while offering you the resources needed to grow.





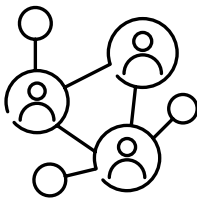
Financial incentives

Unlock financial incentives that drive profitability. With no volume or loss ratio minimums, your agency can turn growth directly into rewards.



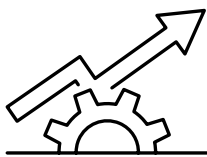
Expanded market access

As a full member of ISU Steadfast, you have access to over 60 top-rated commercial and personal lines carriers and you receive 100% commissions. Expand your offerings and deliver the best value and coverage options to your clients.



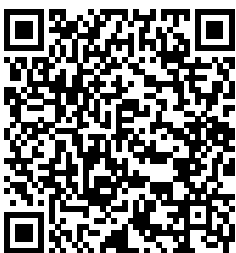
Collaborative community of members

Connect, learn, and grow together. Work directly with dedicated regional managers, build relationships with high-performing peers, and discover new ways to succeed alongside forward-thinking business owners.



Operate your business, your way

Retain control over your client relationships, existing carrier appointments and contracts. None of our services or solutions are mandatory and there are no exit penalties or non-competes.



Discover the strength of ISU Steadfast

Local capabilities combined with the international expertise of Steadfast Group. Contact us today to learn how your independent agency can benefit from joining a network built for growth, independence, and success.

www.isusteadfast.com

One Keystone. One Mission.

A Unified Vision for a Brighter Future.

On July 3, 2024, Keystone Insurers Group and Keystone Agency Partners (KAP) combined to deliver something the industry has yet to see – a broker owned network. Driven by a shared vision to create something great, we brought together our strengths, expertise, and passion.

Our mission is clear: **Empowering agencies to protect their community and ensure a lasting legacy.** This guiding principle drives everything we do, from delivering exceptional results to innovating and making a meaningful impact in our local communities.

Bringing Keystone together as one represents our commitment to deliver exceptional results and foster growth and success for our independent agents. By working together, Keystone creates impact that resonates throughout the industry and beyond.

As our combined organization looks to the future, we are poised to harness its collective strength, drive and innovation to push the boundaries of what's possible. Keystone's legacy will live on, and its impact will be felt for generations to come. The power of One Keystone is our promise to pursue excellence and make a difference in every life we touch.

Patrick Kinney
CEO | Keystone

WHAT THE FUTURE WILL LOOK LIKE:

Resources: We will continue to invest in the development of cutting-edge resources that empower our agencies to grow and succeed. We will enhance our technology platforms, expand our training and education resources, and provide access to expert advice and information. Our agencies will have the tools and support they need to streamline their operations, improve their efficiency, and deliver exceptional results to their clients. We're also nurturing a culture where sharing knowledge and collaborating on best practices isn't just encouraged—it's a way of life.

Growth: We are poised for significant growth in the years to come, driven by our commitment to innovation, excellence, and customer satisfaction. We will continue to expand our footprint through strategic partnerships, while also investing in organic growth initiatives that drive new business and revenue streams. Our focus remains on our mission and values, ensuring that as we grow, we also enrich the communities we serve.

Carrier Relations: Our future is closely tied to our carrier relationships. We will deepen our partnerships with existing carriers, while also working to expand our reach to new markets and providers. Our collective strength and expertise position us to negotiate better terms and bring more competitive products to the table, fulfilling the evolving needs of our clients. Our vision is clear: to be the preferred partner for carriers eager to grow, and the best possible advocate for our agencies.

Together, we are One Keystone—united in our mission, committed to innovation, and dedicated to impacting lives for the better.





KEYSTONE[®]

Partners helping **partners.**

Patrick Kinney and members of the leadership team shared Keystone's vision and the purpose behind our strategic direction with our community during the annual National Conference.

Don't Miss This Highlight: See Patrick share Keystone's mission and get insights from our attendee survey.



<https://lp.keystoneinsgrp.com/one-keystone>

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This does not constitute an offer to sell a franchise in any state in which the Keystone Insurers Group franchise is not registered.

STRATEGIC AGENCY PARTNERS

Unlocking Your Agency's Potential

Progression as an independent insurance agent may take on many meanings depending on which agency you ask. To many, this may mean securing their agency's future by joining a larger conglomerate, while others are trying to find the right avenue to remaining independent. Enter: Strategic Agency Partners. Our innovative organization is designed specifically to empower independent insurance agencies, providing them with the resources and collaboration needed to navigate today's complex market, all while remaining independent and with 100% ownership of their operation.

Understanding the Challenges

Independent insurance agencies often struggle with limited resources, lack of market access, and rising operational costs. Additionally, the rapid digital transformation demands that agencies adapt quickly or risk losing their competitive edge. Many agencies find themselves in a constant battle to keep pace with technology, marketing, and customer service standards set by larger firms.

Moreover, attracting and retaining top talent in an industry that is increasingly tech-driven presents another significant challenge. Independent agencies may also find it difficult to scale their operations or expand their offerings without the backing of a larger organization. In this context,

joining a network like Strategic Agency Partners can be a game-changer.

The Strategic Agency Partners Advantage

Strategic Agency Partners (SAP) works tirelessly to provide customized solutions that our very own membership asks for. Our members ask, we answer. In the last two years, SAP has put together tailored programs exclusive to our members to take advantage of. Our list of benefits includes: being a preferred partner with Vertafore, which provides members with agency management discounts and services; group health benefits to take care of our members' employees and their families; a retirement management specialist to help with perpetuation and planning; discounts with the industry's leading insurtech solutions provider, Zywave; and a robust E&O program with Utica National.

Joining Strategic Agency Partners is more than just a membership; it's an investment in the future of your agency. In a market filled with challenges, SAP stands out as a beacon of support and opportunity. By leveraging the resources, community, and expertise offered by SAP, independent insurance agencies can not only survive but thrive. In this ever-evolving landscape, the right partnership can make all the difference. Discover how becoming a member of Strategic Agency Partners can elevate your agency to new heights. ■



John Tiene
Managing Director



STRATEGIC AGENCY PARTNERS



STRATEGIC AGENCY PARTNERS



STRENGTH IN PARTNERSHIP

TAKE ADVANTAGE OF OUR NETWORK'S SCALE

- Maximize Profit Sharing
- Strengthen Carrier Relationships
- Focus On Organic Growth Goals
- Create Additional Revenue Outlets For Your Agency
- No Annual Planning With Individual Insurers

OUR MEMBERS ASK. SAP ANSWERS.



E&O Program by
Utica National



Group Health
Benefits



Preferred Partner
Discounts with Vertafore



Partnership with Zywave
for Member Discounts

TOGETHER, WE'RE STRONGER INDIVIDUALLY



CONTACT US

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856-829-8639

VOLDICO

Voldico is a network of independent insurance agencies joined together to create a more streamlined operation. When joined with Voldico, independent agencies have the ability to gain access to top national and regional carriers alongside the opportunity to receive operational support, customer service, and claims support. By unloading the day-to-day operations from an agency, they're given the opportunity to focus on the growth and development of their business.

Agencies looking to join an independent insurance network have similar needs and Voldico was created to fill those voids. When coming to Voldico, agencies are able to join and keep their existing brand or can opt-in for the fully branded model where more support is offered.

Access More Insurance Carriers

As an independent agency, it is important to help customers find the best insurance products available, but it is not possible without options. Voldico helps agents gain access to a greater number of well-known and trusted insurance carriers so those options are available to their customers.

- **Streamline Backroom Operations**

Agencies should run like a well-oiled machine so the agents can focus on selling insurance and providing outstanding customer service. Voldico is able to provide full operational support, including payroll system

management, data entry, customer service and claims center, accounting, profit/loss reports, monthly reports, acquisition and conversions strategies, and management services.

- **Retain Complete Ownership of the Agency**

Independent agencies want to remain independent and joining Voldico does not change that. Agency members retain full ownership of their book of business and complete control of their office.

- **Pay Zero Membership Fees**

Voldico makes money when member agents make money. Commission splits are what Voldico thrives on, which makes the relationship between the agency and Voldico that much more important.

- **Customized Perpetuation Planning**

For those agencies looking towards the next chapter of their lives, Voldico offers fully customizable perpetuation planning.

Whether agents coming to Voldico are looking for the full system of support or simply more options for placing business, Voldico's goal is to create a longstanding, lucrative relationship with the agency. As of 2022, Voldico has relationships with over 140 agencies, across 26 states. "Being able to build this company from the ground up has been such a rewarding experience. Building strong carrier relationships and agency relationships is our main focus and if we keep with those foundations, there's no telling how our business can evolve and grow," Jerry Vollmer, Voldico Owner and CEO.

To learn more about Voldico, visit [Voldico.com](https://voldico.com) or call 866-341-2674. ■



KEEP UP TO
90%
OF YOUR COMMISSIONS

MORE FOR YOU
MORE FOR YOUR CUSTOMERS

With Voldico as your agency's partner, you will **RETAIN 100% OWNERSHIP**, experience **NO JOINING FEE**, access the nation's **TOP INSURANCE CARRIERS**, and yes, you **KEEP UP TO 90% OF YOUR COMMISSIONS** because after all, it's your business. We're just here to help.

One conversation is all it takes to see why we're better together. **CALL US TODAY!**



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BOOSTING M&A VALUE

The importance of having a sound strategy in place—and what that entails

By Lori Widmer

When the insurance industry exited 2023, the consensus was that, in terms of mergers and acquisitions, the year had ended on a rather sluggish note. According to Bain & Company data, for instance, deal value grew by 2% but was dampened by an 8% drop in deal volume. A Deloitte M&A outlook report echoes Bain's: fewer transactions across the board.

That was then. What has 2024 delivered so far? "I think it's busier than ever," says Carey Wallace, founder and consultant with Agency Focus, an independent insurance agency consulting firm. "There are more people considering the questions, 'Is now the time?' 'Is it the right time for me to exit?'"

"And I think those agencies that have invested in their infrastructure are well positioned to grow by acquisition. There's actually more activity now than I've ever seen."

Why so much activity now? Wallace cites a few factors: First, a significant number of agency owners are at or beyond retirement age. Second, in an environment of ballooning innovation, many agency owners may not want to invest in technology and retool their agency processes at this late stage.

"I think it's more of the state of the market and the state of the forces inside market" that are keeping some agency owners from innovating, Wallace says. In this hard market, she adds, the focus remains on retaining business and attracting new talent.

However, the double-edged sword in the scenario is that, in order to attract talent, agencies should be innovating and adopting newer tech solutions. "I have a twenty-five-year-old daughter," Wallace explains. "If she were going to choose between two agencies and one had the technology to tell her where to start and how to

be successful, and the other did not, where do you think she's going?"

It's not merely a focus on attracting talent. Wallace says that in a competitive market, agencies need to be attracting buyers, as well. "When interest rates were low, there were a lot of buyers" which meant that agencies didn't have to work as hard to attract one. However, when interest rates are higher, buyers "are far more thorough in their due diligence."

Those agencies that are incredibly well run, she says, will fare much better in the marketplace. Not that agencies won't find a buyer, but Wallace believes they won't be able to command the same price if there is a question about profitability, future performance or soundness of the investment.

Building a more attractive package

If it sounds like agencies should have a strategy in place before trying to find a deal, that's because they should. "You have to think with the end in mind," Wallace explains. "What am I trying to do? Am I trying to transition internally? Am I trying to transition externally? Am I trying to get to the highest profitability? Am I picking the right carriers? Am I picking the right niches? Am I picking the right partners?" Having an end goal makes the job of prepping the business for sale much more lucrative, she says.

With a goal in place, Wallace suggests reviewing the agency. "Look at your business and understand what decisions you can make now that will reap benefits, rather than waiting or letting the buyer do that."

She cites the example of staffing. Making long-overdue staffing changes prior to going on the market means that the value of the agency increases. The more efficient and profitable the business before any sale, the better the value of the agency, she says.

Another area to concentrate on is growth. "Growth and profitability are the two main drivers of the value of a business. Look at your weaknesses and try to strengthen them."

One thing an agency can do, Wallace says, is develop a niche. "A niche gives agencies the potential to be far more efficient and selective in what they invest in." A niche can narrow down the selection of tech solutions, for example, because the needs are



"Many sellers want to take care of their people first and foremost. They want to get the right price for their agency, but they want to do that while making sure they take care of their customers and the people who work for them."

—Carey Wallace
Founder and Consultant
Agency Focus

more specific. Exclusivity to carriers or programs can increase the agency's value and profitability.

However, niche business comes with a caveat. Selling a niche agency means that the pool of buyers is smaller. "Bigger buyers are going to be very interested in you, but peer-to-peer might not be, as they may not have the expertise to continue high performance in a particular niche," she adds.

Then there's technology. Should an agency adopt new technology before an acquisition deal is sought? "If you're an agency owner, you need to know your timeline," says Wallace. Technology is not immediately implemented, and it often requires a cultural shift within the agency. New processes and procedures need to be worked out, and there needs to

be enough time to actually launch and get staff up to speed.

In any scenario, sellers—and buyers—should be sure to communicate their priorities. Many times, the culture is the biggest factor to consider, not price. "Many sellers want to take care of their people first and foremost. They want to get the right price for their agency, but they want to do that while making sure they take care of their customers and the people who work for them."

For buyers, Wallace says they should be flexible in negotiations and meet the sellers where they are. Also, "If a buyer wants to be a strong acquirer, they need to get their own financial strength in order."

Another line item for buyers: Know what will strengthen your agency. "Don't buy an agency that's

“When interest rates were low, there were a lot of buyers” which meant that agencies didn’t have to work as hard to attract a buyer. However, when interest rates are higher, buyers “are far more thorough in their due diligence.”

—Carey Wallace

going to exacerbate your weaknesses. Know what your profile is and make sure that any potential acquisition will round out your agency.”

The agency network angle

Wallace highly recommends agencies become part of an agency network. However, not all agency networks are created equal. The network, she says, should allow you to operate efficiently through various services and resources.

The right network, she says, “can make you a much more competitive buyer because you’ve got access to

great markets, strong commission structures, and contingency opportunities that would not exist on your own in some cases. You also will have access to resources that can improve your agency’s efficiency and therefore your agency’s profitability.”

Networks should not prohibit agencies from having the freedom to consider different buyers or otherwise limit the ability to sell. “Not all networks have the same kind of contract, not all networks have the same kind of structure, and some take ownership in your book or have a first right of refusal to purchase the agency. It’s important to understand all of

the terms of the contract that you’re under, not sign it and forget it.”

For both buyers and sellers, understanding what each brings to the M&A deal is an essential first step. Matching cultures and understanding operations and how the deal will impact customers and employees going forward is a balancing act, but Wallace thinks the more transparency at the outset, the more satisfying the transaction can be for both sides.

Using the strength of an agency network can be a differentiator and create a win-win situation for both parties as well as ensure a smooth transition and ultimately a better outcome.

Wallace will be sharing her insight on these and other M&A and agency network-related topics at the upcoming Insurance Networks Alliance annual meeting in January. For more information, visit bit.ly/INA_MA. ■

The author

Lori Widmer is a Philadelphia-based writer and editor who specializes in insurance and risk management.

“Don’t buy an agency that’s going to exacerbate your weaknesses. Know what your profile is and make sure that any potential acquisition will round out your agency.”

—Carey Wallace





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As appeared in Rough Notes Magazine in November 2023.

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IMPLEMENTING THE RIGHT TECH: A PRIMER

Providing customers with the right tools, resources and experiences can amplify an independent agent's value

By Lori Widmer

It seems that for years there have been those forecasting the demise of independent agents and brokers. The growth of direct writers, mergers and acquisitions (M&A), and increasing customer demands were some of the trends most often cited.

More recently, as Chris Cline, executive director of IIABA's Agents Council for Technology, puts it, "We were a few years into the proliferation of insurtech and untold billions of dollars of external capital attached to the notion that traditional agencies and insurers weren't offering the services that today's consumer needed and could be easily disintermediated." And a very real number of new tech-first entrants into the industry seems committed to displacing many traditional businesses.

How times have changed.

What a pandemic and a digital evolution did to the industry was reveal the fact that independent agents and brokers

were not going away. Moreover, they were gaining strength and competing with intent. Cline says the proof of independent agency strength is in the numbers; the number of independent agencies grew from 36,000 in 2018 to 40,000 in 2022. "And the IIABA 2024 study supports the strength of the channel," he adds.

Some of this strength seems to be coming from a bit of recoiling in the merger and acquisition activity, says Cline, which he says could be the reason why there is a significant number of new startups. "Through this proliferation of M&A, we've now seen sellers who have gotten through their ear-nouts and their non-compete and non-solicitations, and maybe realize that they're happier as an entrepreneur running the business than as an employee of a very large firm."

Still, that's just part of the reason. Perhaps a larger factor is the explosive evolution of technology within insurance, driven by solutions that make it possible for small agencies

and brokers to compete with captives, direct-to-consumer solutions, and the larger firms. Technology, in Cline's view, has enhanced the agent's ability to reach customers and deliver meaningful value to even younger generations of customers on a more personal level.

In complex times, he notes, there tends to be a flight to quality, and that's where independent agents and brokers have the upper hand. Already delivering personalized customer service, agents are leveraging tech to improve the overall customer experience as well as interactions with carrier partners.

"All generations, even digital native consumer bases, really want to make educated decisions" and a tech-savvy agency, he says, can help ease that decision-making process while offering more efficient and timely service. Providing such tools and resources and experiences, he says, really amplifies the value that the independent agent can bring.

Embracing a tech process

What those tools are, he says, matters. But technology is only a piece of the equation. As more independent agents and brokers adopt tech solutions, Cline says it's critical to understand what kind of technology is out there, how it can enhance your operations, what within your operations needs fixing, and what new capabilities you would like to add.

Cline, whose presentation, *7 Steps to Better Tech Decisions*, will be part of the January 2025 Insurance Networks Alliance meeting, says that agents and brokers should be more intentional when considering a tech solution. The first step, according to Cline: "Slow down to speed up. You're okay to pause. Wrap your arms around what you want your agency to be in the next three to five years." He suggests addressing the following:

- How much do you want to grow?
- Do you want to expand locations?
- What is your desired mix of business?
- What is your target employee?
- Are you a buyer or a seller?
- How large a geographic scope do you intend to reach?

"The answers to these questions create very different, but very viable and healthy options that allow an agency to be successful. But they each require different technology," Cline says.

Therefore, getting your strategy right is key, he says. "A strategy doesn't have to be super-complex." It should take into account those issues that are already presenting a challenge and/or enhance an agency's capabilities, and



"All generations, even digital native consumer bases, really want to make educated decisions."

—Chris Cline
Executive Director
Agents Council for Technology

the tech solution should address resolving that issue.

While innovation and experimentation is important, focusing your strategy will help mitigate the risks that can come from being sold on bells and whistles without considering if the solution is going to fix a defined challenge. It's easy, he says, to get enamored with solutions at conferences, social media, or hearing about an agency that may be trying to solve for something different. However, if the solution doesn't address the real goals of your agency, it can lead to wasted money, frustrated staff and customers, and potentially create more problems than it fixes.

That's where employee feedback is essential. Cline recommends that employees be consulted on workflows, processes, and what challenges them. "Bring your staff in. Talk about the pain points. Are they consistent, and if they are, is it because you may not be utilizing your current tech solutions to their fullest. Maybe your processes aren't consistent. Maybe teammates are doing tasks differently. Maybe teammates aren't up to date on training."

Consulting employees also helps bring them on board early and show that you're supporting their needs. That will give you deeper insight into what you need to fix as well as start creating buy-in to change with your team, he says. "Perhaps as important as anything we've discussed is keeping your team involved throughout the process. Do not underestimate the need for a real change management effort and helping your employees understand why you're making these changes," Cline reiterated.

Only after you determine what problems you're attempting to solve or what new capabilities you're looking to add should you be contacting any vendors, says Cline. Once that

determination has been made, you can have far more intentional and meaningful conversations with potential new solution providers. You can also use this work to ask current providers for updates on their capabilities. It's possible you already have a solution in house and aren't using it to its fullest potential, he says.

Once it's time to look for those providers who have the tools and resources you need to solve that issue, Cline cautions that vendors should be carefully vetted. "Does the company's brand align with yours? Are they in the space you're hoping to fix? How long have they been in business?" He also suggests understanding how the tech solution will integrate with your current systems. "If it solves one thing and creates another problem, what did you really get?"

Support, too, is an important component. Cline talks with members to reiterate that once a product is purchased, buyers should know "what this is going to look like, 90 days after when the dust has settled. What does ongoing support look like? What are the service level agreements for uptime and responses to questions?" In fact, far too little time is spent in these areas, he says.

Choosing the right tech solution can take time and require a more intentional review of the operations of your organization. Yet, if an independent agent or broker wants to provide a more consumer-facing experience, tech solutions can give the independent community a way to add value and compete with intention. ■

The author

Lori Widmer is a Philadelphia-based writer and editor who specializes in insurance and risk management.



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"Westfield Bank's focus on the independent agency space is what sets us apart from the competition," says Mike Wagar, SVP, agency banking and specialty lines leader at Westfield Bank. "Our focus on insurance demonstrates Westfield Bank's understanding of and commitment to the industry."

Westfield Bank's dedicated insurance agency banking team offers multiple services designed for insurance agents and brokers, including loan products, full-service treasury management, premium finance operations, and full-service private and consumer banking.

Wagar also notes that insurance agencies who work with Westfield Bank also benefit from gaining a true strategic, consultative partnership.

"Having a team of bankers with years of experience focused on insurance is an invaluable resource to our clients," he adds. "Our team has developed relationships across the insurance industry with consultants and other influencers, and we relish the opportunity to bring those parties together."

Westfield Bank recently expanded its agency team, as the bank acquired three top producers. The new hires include Mike Strakhov, serving in the role of SVP, agency banking market leader as well as Morgan Harriss and Ross Haskett, each serving in the role of VP, agency banking commercial loan officer.

"This is another example of Westfield Bank's dedication to agencies and our broader commitment to serving the industry. Our depth of experience continually strengthens our competitive position and expands our capabilities and relationships, creating new opportunities for the agencies we serve," says Wagar.

From its years of working with a variety of independent agencies, Westfield Bank recognizes that no two are alike. Each individual agency has its own culture, goals, and strategies, and the same is true for insurance agency networks.

Westfield Bank has built strong relationships with agency networks by providing a consultative approach, offering strategic guidance in banking matters. "We help network members navigate the complexities of running and growing their agencies, whether it's cash management, bringing on new producers, or perpetuation planning," Wagar says.

When it comes to the Insurance Network Alliance (INA), Westfield Bank sees a unique opportunity to share its expertise and education with a wide audience of firms. INA has a vast membership of networks and its respective member agencies can benefit from expert advice regarding growing their book, improving operations, and achieving their goals.

"Every network strives to provide value to its members, and they look for partners who can help deliver that value," Wagar says. "Westfield Bank's broad experience allows our team to understand the diverse needs of different agencies and provide resources that align with each network's goals." ■

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