Where Have All the Independent Contractor EAs Gone
page 12

Growth Through Business Acquisition
page 18

How to Make the Right Hires When You Don’t Have Many Applicants
page 28

Judge Rejects Allstate’s Request to Dismiss NAPAA’S Lawsuit
page 10
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## Contents

### Feature

<table>
<thead>
<tr>
<th>Page</th>
<th>Title</th>
<th>Author</th>
</tr>
</thead>
<tbody>
<tr>
<td>10</td>
<td>Judge Rejects Allstate’s Request to Dismiss NAPAA’s Lawsuit</td>
<td>DIRK BEAMER</td>
</tr>
<tr>
<td></td>
<td>Denies Restraining Order on Phones but Otherwise Sides with NAPAA</td>
<td></td>
</tr>
<tr>
<td>12</td>
<td>Where Have All the Independent Contractor EAs Gone</td>
<td>RICHARD POPE</td>
</tr>
<tr>
<td>15</td>
<td>Fear and Trepidation</td>
<td></td>
</tr>
<tr>
<td>16</td>
<td>A Deepfake Phone Call Dupes an Employee into Giving Away $35 Million</td>
<td>GENE MARKS</td>
</tr>
<tr>
<td>24</td>
<td>NAPAA Lawsuit Continues to Make Headway</td>
<td></td>
</tr>
</tbody>
</table>

### Sales and Marketing

<table>
<thead>
<tr>
<th>Page</th>
<th>Title</th>
<th>Author</th>
</tr>
</thead>
<tbody>
<tr>
<td>18</td>
<td>Growth Through Business Acquisition: Know the Why and Plan for the How</td>
<td>RICK DENNEN</td>
</tr>
<tr>
<td>20</td>
<td>Intention Versus Impact</td>
<td>DAVID NEUENSWANDER</td>
</tr>
<tr>
<td>21</td>
<td>Don’t Allow Broken Windows to Break Your Agency</td>
<td>BILL GOUGH</td>
</tr>
<tr>
<td>25</td>
<td>Good News!</td>
<td>REX HICKLING</td>
</tr>
<tr>
<td></td>
<td>Consumers Want Agents to Guide Them</td>
<td></td>
</tr>
</tbody>
</table>

### Agency Management

<table>
<thead>
<tr>
<th>Page</th>
<th>Title</th>
<th>Author</th>
</tr>
</thead>
<tbody>
<tr>
<td>26</td>
<td>The Great Opportunity</td>
<td>DOUG COOMBS</td>
</tr>
<tr>
<td></td>
<td>Considerations for Captives Before Declaring Independence</td>
<td></td>
</tr>
<tr>
<td>28</td>
<td>How to Make the Right Hires When You Don’t Have Many Applicants</td>
<td>CAREERPLUG</td>
</tr>
<tr>
<td>30</td>
<td>Open Letter to Insurance Professionals</td>
<td>DAVID COLVIN</td>
</tr>
<tr>
<td>32</td>
<td>What Is Pay Transparency and What Are the Benefits?</td>
<td>PAYCHEX</td>
</tr>
</tbody>
</table>

### Departments

<table>
<thead>
<tr>
<th>Page</th>
<th>Title</th>
</tr>
</thead>
<tbody>
<tr>
<td>6</td>
<td>President’s Message</td>
</tr>
<tr>
<td>8</td>
<td>From the Executive Director</td>
</tr>
<tr>
<td>36</td>
<td>NAPAA Marketplace</td>
</tr>
<tr>
<td>40</td>
<td>Membership Application</td>
</tr>
<tr>
<td>42</td>
<td>NAPAA Leadership</td>
</tr>
</tbody>
</table>
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President’s Message

Making Sense of Shareholder Meeting Information

Claudia Gamache, NAPAA President, CPCU, ARM

Hot off the shareholders’ meeting! Allstate has been able to grow their policyholders. As I understand it, growth is coming from the independent agents who sell for National General. Selling Allstate Life helped pay the $4 billion for the NatGen opportunity. Allstate now has an independent company that can strengthen and build Encompass. E-surance is now operating as Allstate Direct with the insurance brand and at a lower rate than the captive agents, and they are growing. Meanwhile the EAs are barely keeping up. Never mind there are at least 1,000 fewer EAs and 2,700 fewer LSPs.

Allstate is also able to point to all the policyholders coming from phone plans, warranty policies and ID restoration customers and whatever else helps build the customer count.

All these opportunities have built more data for the Arity, capturing the driving habits of our Drivewise and Milewise customers. This data can be sold to competitors to help them with establishing rates. We are a technology company?

Agents were told we would see rate cuts and be in a more competitive position. Now we are facing unprecedented inflation affecting all the components of a claim. The company and agents were already impacted by firings at the company and then labor shortages. Allstate is using contractors to be our first eyes on property losses that then go to inside claims adjusters similar to auto. Time will tell how satisfied our customers are with this change.

The company has promised the stockholders that rate increases are coming and will keep coming to ensure profitability. This will challenge agents that must meet their numbers to keep their rank. Time spent producing new business will now be at least partially diverted to retention.

Seventeen years ago, I came in expecting to be an “insurance agent.” I expected to enjoy working with customers in the final phase of my career. My plan was to be out in 15 years. The company changed. I had and have a different mindset from many agents who came in to be “business owners” with Allstate with a full career ahead of them. Like me, many agents spent a lot of money on our Allstate book. We are customer-focused and very much hands-on everything, especially if we are small. Customers are happy with everything we can control and the efforts we make on their behalf.

The promises of growing to scale never materialized. Every year we know there is a bottom quarter using whatever the measurement is at that time and there is also a top quarter. The fruit went to the top, and I think the boot went to the bottom. Many agents balanced staffing and advertising with their own pay and just like there are those taking home a decent wage, others expected they would see their reward when they retired or sold. That in most cases is not going to happen. It’s unfortunate that any extra income either variable comp or bonus are built with expectations that 30 percent to 40 percent or more agents are expected not to achieve the goals. Management gets credit for the agent achieving VC even if they hit it once.

Instead of helping agents grow, compensation has been cut and will continue to be cut. Your responsibilities, including problem solving, are not limited to accounting, claims, staffing, implementation of new programs, products and technology. You are also bearing the responsibility of agency compliance, expected results and licensing.

The “business owner” fortunately can share tasks and can be more efficient. This insurance agent often has not had the opportunity to expand their office as the rules keep changing for mergers and acquisitions. I applauded the fact that so many agents are successful and having the life they expected. I respect the agents who pride themselves on customer service and profitability regardless of their ability to grow. Those who have the money to build or buy or the ear to know when these opportunities arise are fortunate. You are taking the risk and hopefully have enough time to reap a reward.

Please continue to share your experience and knowledge of what’s happening within Allstate on the blogs. It’s sad to say that this is a main source of information for agents. There is so much information that we otherwise wouldn’t know – things like special megas/elites being invited to purchase emerging agents. I couldn’t tell you who is in either group. The fact that this type of action isn’t public to all just isn’t right.

It makes it harder to plan and know what your next step should be if you are not aware of options, and this can be at any level.

If you are not a member of NAPAA, please join and support your fellow agents and the legal fund.

Claudia has had a long insurance career identifying that underwriting is where she wanted to be. Her formal training was with INA. She started in property underwriting and that skill went with her to AIG where she became a regional manager. She developed a skill for underwriting larger risks using reinsurance. She built on that at CNA as a corporate underwriter, branch underwriting manager, corporate Program Director and Vice President. From CNA she joined an independent agency as a VP. She was exposed to the wholesale and retail side of being an agent including surplus lines. She left that position to buy her Allstate insurance agency.

Claudia has served in numerous board positions for the West Suburban CPCU chapter including President; Insurance Woman in Chicago including President. She’s also served on the board of her office condo and homeowner condo. She has been involved with campaigns against domestic violence and has been on the board for Bridges to a New Day. She helped them get many Helping Hands grants.

Claudia joined NAPAA the same year she became an agency owner. It’s only natural that she would support the organization that supports you.
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And that’s why agents join Smart Choice!
How Important are Trust, Loyalty and Honesty?

Ted Paris, NAPAA Executive Director

It is always difficult to write articles six weeks in advance and have them still be relevant when printed later in the Allstate world of constant, immediate, and continual change. But this is the world we live in today. There are certain things that, no matter what happens, seem to have the same basic importance.

One of those constants is Trust. Others are Loyalty, Honesty, and Confidence in Leadership. All are equally important if one is to have an open and continuous relationship.

I will start with trust. “If you trust someone, you believe that they are honest and sincere and will not deliberately do anything to harm you.” This definition is from the Collins Dictionary. Trust is tantamount in the insurance business. Your clients have to trust that you are doing what is best for them. You are only selling a promise to the client, and the client must trust your company will fulfill that promise. That is pure trust on their part. They also must trust you have their best interest in mind. In exchange for that trust, they allow you to take care of their insurance needs.

As an agent, you need to have trust in the Company you represent – trust that the Company will deliver on the promise to do what is right, trust that they will do what you were told they would do, and trust that it will be a partnership going forward.

The Company actually has two things to do: Fulfill the promise to the client, but also fulfill what was promised to you. Some current agents are comfortable in trusting Allstate, but others are not so sure. The basic core question is, “Do you feel that Allstate deserves your trust? Are they being honest, sincere and not deliberately doing anything to harm you?”

Loyalty is another biggie for most people. As agents, we want our staff to be loyal, as well as our clients. We also want our Company to be loyal to the very people who help build the Company. Loyalty is “a strong feeling of support or allegiance,” according to the Oxford Dictionary. It is also “faithfulness to commitments or obligations.” Finally, Merriam-Webster states it means “faithfulness owed by duty or by a pledge or promise.” There are numerous other definitions that one could choose. What might your definition be?

Sometimes it is easy to forget that loyalty is a two-way street. It’s not fair for one side to demand or expect loyalty while the other party is planning to go in a different way. Loyalty should include both sides doing what is best and fair for all. But that does not always happen. At this time, that appears to many to be the case with Allstate. They demand loyalty from you, and yet, they are investing in many ways to grow the Company that appear in your demise. They want you, the agent, to blindly follow them in this Transformative Growth journey. But what is the end destination? When is the journey over?

Agents have lots of questions that need to be answered in order for all to remain loyal. What we would like to see is for Allstate to show agents loyalty by sharing Transformative Growth stages 4 and 5. A loyal company would do that. How does an agent adequately plan for the future if he/she doesn’t know what the future might bring? Agents need to band together to get these answers.

Honesty is the foundation for trust in a relationship. Without honesty a person cannot have the trust that is necessary for a relationship to function, thrive and move forward. Honesty is a facet of a moral character. It’s being straightforward, it’s being loyal, and it’s being truthful. The Merriam-Webster dictionary defines honesty as “fairness and straightforwardness of conduct” or “adherence to the facts.”

I am not addressing the question of whether Allstate is doing anything that is not allowed by the R3001 EA agreement in any way or manner. I will say, to my mind, that the Company is not being 100% open about their 3-5-10 year plans. And not doing that is causing unrest and uneasiness among the agency force. We would hope that Allstate would share this information more openly. Not sharing is not being 100% honest with the agency force.

I hear all the time “Allstate is getting rid of the agency force” or “Allstate is getting rid of the small agents” or “Allstate is making all these changes so they can sell to another company.” Rumor after rumor after rumor. But in fact, only Allstate top management and the Board of Directors really know the final destination.

This begs the question, “Is Allstate being honest with the agency force when they hold town hall meetings and send out communications without sharing what the future might bring?” It seems to be like the Hollywood movie, “A Few Good Men.” The agents are questioning Allstate like Tom Cruise questioned Jack Nicholson in the courtroom about what happened. The colonel played by Jack Nicholson finally answered, “You want the truth? You can’t handle the truth.” I think agents want the truth and I think they can handle the truth. The Company needs to trust the agency force and share what the future brings. What is in Stage 4 and Stage 5 of Transformative Growth? Agents can handle the truth without a doubt.

I was going to end by going into confidence in leadership. But I think I will pass. Way too many people would have way too many opinions. And, besides, how people feel about how the Management team is doing depends on whether they are agents, the company employees, the Board of Directors, or the investment community. We can have this discussion amongst ourselves while enjoying an adult beverage or two.

In this magazine issue, there is important information on the NAPAA lawsuit. The lawsuit is strong. It is moving forward. Please take time to read the article. I would be remiss if I did not ask for your continual help. Go to www.napausa.org/join or www.napausa.org/donate and help us help protect your investment and your future.

Ted began his 30-year career in insurance at Farmers Insurance. There, in his 18 years as a district manager, he personally recruited and trained over 50 scratch agencies. When Ted left Farmers in 2005, his district was the largest in the Indianapolis area and the third largest in the state of Indiana. He continued his insurance career at Allstate, where he owned two agencies in west-central Indiana. He continued to grow the business and in 2005, Allstate recognized Ted for being a top sales producer. Ted retired from Allstate in 2019 to lead the NAPAA team. He returned to his roots of helping agents feel more confident with their business and more able to build a successful team. Ted is married to Carol and they have one daughter, Becca. Ted just turned 65 on March 16th and he still loves to work on all things NAPAA and Allstate.
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Judge Rejects Allstate’s Request to Dismiss NAPAA’S Lawsuit

Denies Restraining Order on Phones but Otherwise Sides with NAPAA

Dirk Beamer

NAPAA scored big wins recently in its Cook County, Illinois lawsuit against Allstate. The presiding judge rejected multiple Allstate arguments to dismiss the lawsuit. She likewise thwarted Allstate’s attempt to divide and conquer by ruling that NAPAA and the individual agent plaintiffs can proceed in a single, consolidated lawsuit.

The Lawsuit

Last year, NAPAA – joined by four former Allstate Agents – filed a lawsuit against Allstate seeking Declaratory Relief, Injunctive Relief, and Monetary Relief. The suit seeks to remedy an extensive list of alleged abuses by Allstate against the agency force in general and the named agents in particular. Here is a brief summary of the claims alleged.

Count I

In the First Count of the complaint, the plaintiffs allege that Allstate maintains a blanket policy against even considering existing agents as potential purchasers of another agent’s book of business. The policy has forced many agents to dispose of their economic interest for far less than market value. NAPAA alleges that this blanket policy deprives agents of their reasonable expectation, which is set forth expressly in the Exclusive Agency Agreement, that they will be able to sell to an objectively qualified buyer.

Count II

In Count Two, NAPAA and the agent plaintiffs challenge Allstate’s expansion of its use of independent agents into territories historically served by Allstate Exclusive Agents. According to the Complaint, Allstate and its EAs have created an implied term in contract through their historic course of dealing whereby Allstate will use Independent Agency Channels only in areas unserved by Exclusive Agents. Allstate has violated this policy through its recent conduct of signing Independent Agents in areas already actively served by EAs, thereby driving down the market opportunity for the EAs.

Count III

NAPAA alleges that Allstate is using its call centers and online resources to “poach” policies from Allstate agents, contrary to agents’ reasonable expectation that, if they have substantive conversations with potential customers, they will have a fair opportunity to bind the business themselves and receive the corresponding, higher commission. The plaintiffs claim in Count Three that Allstate’s predatory practices violate an implied term of the Exclusive Agency Agreement.

Count IV

Of all the recent anti-agent moves from Allstate, none has generated more outrage than its mandate that agents surrender their phone systems and sign-up for AAW. NAPAA challenges this mandate in Count IV, noting that the Exclusive Agency Agreement makes agents – not Allstate – responsible for obtaining and maintaining a phone system.

Counts V-VII

Counts V through VII focus on the claims of three of the individual agent plaintiffs that Allstate wrongfully interfered in their efforts to sell their books of business. The counts allege multiple actions by Allstate management to interfere with or manipulate the agents’ attempts to secure buyers for their agencies.

Count VIII

In Count VIII, the plaintiffs allege that Allstate breached its contractual obligation to act in good faith and fair dealing when it denied Indiana agent Scott Verbarg’s proposed sale to an eligible agent, ostensibly because the buyer had not adopted Integrated Services. According to the Complaint, after costing Verbarg a buyer, Allstate ultimately assigned his book of business to another agent who was not on Integrated Services.

Count IX – XI

In the final three counts of the complaint, the plaintiffs allege that Allstate wrongfully terminated three of the individual agent plaintiffs “for cause,” notwithstanding prior conduct by Allstate that either expressly or impliedly approved the agents’ actions. As a result, the agents suffered monetary damages equal to their expected commission income, plus the additional value their books of business would have netted in a future sale.

Request for Injunctive Relief

When filing the complaint, NAPAA also filed a motion for preliminary injunction,
asking the trial court to temporarily suspend Allstate’s implementation of the AAW conversion until such time as the court could hold a trial and rule on the merits of Count IV of the complaint.

**Allstate’s Motions**

As expected, Allstate filed a motion with the trial judge arguing that the complaint should be dismissed in its entirety. Separately, it asked the judge to sever the individual plaintiffs’ claims from NAPAA’s claims (and from each other), effectively forcing the plaintiffs to increase substantially the cost of litigation. Finally, it filed a brief in opposition to NAPAA’s motion for preliminary injunctive relief.

In its motion to dismiss, Allstate trotted out its often-tried, often-rejected argument that NAPAA lacks standing to speak and act on behalf of its agent members. Allstate seems repeatedly frustrated by its inability to force agency owners to litigate separately, which would cause their financial ruin in the face of Allstate’s massive resources. Fortunately, the court rejected this argument, recognizing NAPAA’s legitimate role in advocating on behalf of its members collectively.

Allstate also argued in its motion that the various, nefarious practices alleged—even if proven true—did not amount to breaches of the Exclusive Agency Agreement. In other words, Allstate wanted to court, without the benefit of a trial on the merits, to rule that Allstate has carte blanche to treat its agents as fairly or unfairly as it sees fit and that its contract with the agents provides them with no protection. Again, the trial court rejected Allstate’s arguments and ruled against Allstate’s request to dismiss.

In its motion to sever and transfer claims, Allstate argued that each of the individual plaintiffs’ claims arose out of a separate and unique fact pattern. Therefore, it reasoned, each required a separate lawsuit. In response, the lawyers for the plaintiffs pointed out that, “Here, all of the claims are based on Allstate breaching the same agreement in some way…. There are questions of fact and law in common among all the Plaintiffs.” The plaintiffs also pointed to the extraordinary efficiency for both the plaintiffs and for the legal system in keeping the claims consolidated in a single lawsuit before a single judge. The court agreed, rejecting Allstate’s motion.

NAPAA did not run the table completely. The trial judge denied its motion for preliminary injunction regarding implementation of AAW. While the court did not rule out the possibility that Allstate’s mandate on phone systems may violate the Exclusive Agency Agreement, it found that, if that is the case, the aggrieved agents will have a claim for money damages against Allstate that will suffice to remedy the injury.

**Conclusion**

Lawsuits rarely move as quickly as the litigants would like. And they can take unexpected turns along the way. NAPAA has come out of the gate strong and cleared its first major hurdle with flying colors. With continued support (both financial and other) from its friends and members, it stands ready to fight the fight and shed the spotlight on Allstate’s increasingly draconian measures.

Dirk Beamer has served the National Association of Professional Allstate Agents (“NAPAA”) as General Counsel since 1999. In that capacity, he has successfully defended NAPAA against a federal internet trespass case brought by Allstate. He also sued Allstate on behalf of NAPAA and its members in a highly publicized federal lawsuit challenging Allstate’s treatment of its agents. In addition to litigation matters, Dirk regularly counsels NAPAA concerning its ongoing business affairs including contract negotiations, management and employment issues, and member concerns. Dirk provides similar services as General Counsel to The United Farmers Agents Association (“UFAA”).

Dirk regularly works with captive insurance agents from across the country, as well as their local attorneys, to handle business issues including purchasing and selling books of business, investigations and disciplinary proceedings with the carrier, employment law and contract litigation.

Dirk graduated from the University of Michigan Law School with honors in 1993. He is licensed to practice in Michigan and Ohio, and he is a member of the State of Michigan Bar Foundation—an honor reserved for less than 5% of the practicing bar in the state. In 2014, Super Lawyers magazine named Dirk one of the Top 50 business lawyers in the state of Michigan. He is a past recipient of the National Association of Professional Allstate Agents President’s Award.

Dirk can be reached at dbeamer@wrightbeamer.com or visit his website at www.wrightbeamer.com/.

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**EXECUTIVE DIRECTOR** continued from page 8.

Indiana. While at Allstate, Ted served on the North Central Regional Advisory Board, and earned numerous awards including the Chairman’s Award, the Leader’s Club Award, the National Conference Award and many Honor Rings. He has been the Executive Director for NAPAA since 2017. He can be contacted at ted.paris@napaausa.org.
Where Have All the Independent Contractor EAs gone?

Anonymous Agent

Allstate’s recent actions concerning the Exclusive Agent (EA) model have an increasing number of Agents more closely evaluating what they once assumed was a mutually beneficial relationship.

Among the incursions into the EA program are:
- the lengthened tenure requirement for the Termination Payment Provision (TPP) from two to five years,
- unilateral increase for the Agency Business Objectives (ABO) quota,
- mandated purchase and use of Allstate Agency Voice (AAV) phone equipment system, and
- the deployment of a plethora of new marketing channels that compete directly with the Exclusive Agent.

These changes are significant in and of themselves, but when combined with Allstate’s newest announcement to slash Agent renewal compensation, even the most conservative-thinking EA has begun to question Allstate’s motives. It might be time for Agents to examine their future as “independent contractors” within the Company’s captive Agent system.

In retrospect, upon the completion of Allstate’s conversion from its Neighborhood Office Agent (NOA) platform to the EA “Independent Contractor” program (a process that concluded by the end of 2000), many Agents cautioned that the “R3001” Independent Contractor Agreement contained a tangle of legalese that would allow Allstate to continue to impose its employee style controls on its newly minted independent contractor sales force.

Today, as Allstate’s actions have begun to merge into a complete package, an increasing number of Agents are beginning to see a concerted methodology in the Company’s treatment of its captive “independent contractor” Agents.

What is unclear is whether the controls are a mechanism to revert the EA agency sales force back to employee status or if the Company’s infringements are actions they deem necessary to achieve the Company’s lofty, but as of yet, unachieved sales goals. Much of Allstate’s tenured sales force would believe the former, especially since CEO Tom Wilson never cared much for most Agents, let alone those who desired to flex their independence. He once called for the “crybaby” Agents to “sell more” instead of complaining about quotas and declining incomes. In this regard, the newest employee-style controls exerted by the Company seem more in line with corralling their wayward entrepreneurs.

However, Allstate’s simultaneous feverish expansion of alternate sales channels and its reduction in renewal compensation seems to indicate that the Company might be equally happy with eliminating its captive EA program in favor of the Company’s compilation of direct sales, in-home agents called Allstate Sales Agents (ASA), Independent Agent (IA) sales, Dealership Agents, and an agent program in development, similar to the defunct NOA program.

How we got here

Before 1999, Allstate marketed insurance through Neighborhood Office Agents. “NOAs” were employees who enjoyed benefits such as pension plans, health insurance, expense reimbursement, and most notably, protections afforded through state and federal employment regulations. Then, as a confluence of events occurred, including a lawsuit from the IRS and Allstate’s conversion of its California Agents to independent contractor status, the Company moved quickly to convert the remaining agency sales force to independent contractor status.

Introduced countrywide in late 1998 as the R3001 Exclusive Agent Independent Contractor Agreement, the Company’s offering gave Agents the ability to sell Allstate insurance as independent contractors with the side benefit of developing a mutually beneficial partnership with their former employer. Allstate presented the new plan to its NOAs as a way for them to offset the loss of their pensions and other significant employee benefits. Also, by switching to the new plan, Agents were told they would have a direct form of ownership in their business including the right to sell or transfer their agencies to anyone, including family members. Agents who chose not to convert to the new “contract” would be offered a buyout package and would be free to go. Agents were told that they were in complete control of their destinies. Gone were the contested quotas, annual reviews, and mandated office hours. The Agents’ former managers would also undergo a conversion and become Market Business Consultants (MBC). MBCs were only there to provide consultation and serve as an interface between agency owners and Allstate management. Agents were told they would be lucky even to see an MBC unless they wanted one. Annual reviews were gone and replaced instead by “checkpoint” meetings. These innocuous gatherings would later mutate into blistering job-ending reviews. However, for a fleeting moment, the salad days of being an Allstate Agent just got better. Only, they didn’t.

Unfortunately, the joy Agents felt operating as independent contractors spanned only one year. Suddenly, by the end of 2000, Allstate had reconstituted all of its employee controls, including a ramped-up barrage of emails that, among other things, contained requirements for compulsory actions and a newly invigorated enforcement of sales quotas. Agents were
called in for full-blown annual reviews to see if they met Allstate’s “Expected Results” quota. Deficiencies were noted, and lack of improvement meant the threat of termination. Where had all the freedom gone for these aspiring entrepreneurs?

**Hiring, then firing, then hiring**

Although Allstate’s return to its employee-style sales program only took a year to complete, the Company’s aggressive termination efforts for failure to meet Allstate’s then quota system, dubbed Recourses for Growth (RFG), did not begin until nine years later in 2009. At that time, Allstate began terminating Agents in earnest. A widely held belief was that the Company had visions of transitioning its sales force away from smaller sales locations into mega sales centers similar to Allstate Canada.

In Canada, after years of marketing through its version of the NOA program, Allstate Canada suddenly fired its Agents en masse and transferred their operations to centralized sales centers. Allstate made deals with some of the prior agency owners and rehired them as managers. A small number of Canadian Agents sued over what they labeled “constructive termination,” and a few prevailed. However, as Allstate USA began to trim its sales force in apparent preparation for implementing the “Canadian Model,” thousands of Agents simply quit. Precise numbers aren’t available, but a frequently touted number of 4,000 Agents were either fired or transitioned away from Allstate, with many of them finding their way into the market as independent agents. Within months, Allstate’s policy count took a hit as their former Agents reconnected with their old clients. Whether it was the excessive culling of Agents that hampered the Company’s plans, or the significant drop in clients, Allstate halted its implementation of the “Canadian Model,” at least for a while.

But this sequence of events left Allstate in a quandary. CEO Tom Wilson desperately needed a sales platform that could meet the aggressive sales goals he promised shareholders. Rather than bolstering his existing agency sales force and providing them with a competitive product, Wilson took a different track. He embarked on a hiring spree based on the Company’s continued use of its misleading slogan of “Be your own boss.” To aid in the hiring frenzy, MBCs became Field Sales Leaders (FSL). These newly converted managers became recruiting machines behind Allstate’s $7,000 to $10,000 hiring bounty.

The speed with which Allstate added agency owners resulted in an alarming number of agents who knew little of the insurance industry, or in some cases, sales. It seemed Allstate only cared if the new hires had the requisite startup capital to open an agency. Worse still, newly hired EAs were rarely, if ever, briefed on the intricate details of the R3001 Agreement until after they signed on the dotted line. There are numerous newly hired EAs who cannot explain the relationship between the Company-controlled supplements and the R3001 Agreement. The direct connection between the two documents was downplayed to the extent that hardly any of the new EAs were aware of the Agency Business Objectives (ABO) quota. And fewer still could explain what TPP was or its importance during the process of selling an agency. To this day Allstate management appears disinclined to rectify this glaring omission.

Despite the hidden pitfalls of the R3001 Agreement, and an increasingly competitive market, newly hired EAs eagerly embraced their roles as fledgling agency owners. Many EAs relied heavily on the promises made in Allstate’s recruitment process and looked forward to the professional partnership with Allstate that would see them through the startup process and beyond. Agents were told that by following Allstate’s prescription for lead generation and agency staffing, success was all but assured. Hopeful EAs embarked on their new careers as independent contractors, while FSLs eagerly helped them “focus” on driving production for auto and life policies. That is until the new entrepreneurs ran out of money buying leads and paying the salaries of unneeded support staff. Then, an EAs FSL would shift into hide and seek mode, leaving the struggling Agent to fend for themselves in their attempt to meet Allstate’s ABO quota. It is uncertain how many agency owners failed this way, but interactions on NAPAA’s social media platform would indicate the number is significant.

**Promise of independence still not delivered**

Although Allstate’s earliest agent programs confined Agents to Sears’s stores or to specific corporate locations, Allstate urged its Agents to look at their client lists as their book of business. Later, as Agents progressed into individual office locations via the NOA program, they were told they had a type of ownership of their client list and were encouraged to hire office staff and operate their offices like the small business owners they were designed to be. NOAs knew that building their book of business meant financial security and that book values extended beyond just a paycheck. Indeed, even though a majority of NOAs never operated under independent contractor status, most willingly embraced that philosophy.

Today, by comparison, most Agents who sell Allstate’s products are hired as independent contractors under the EA program. EAs are guaranteed a type of “ownership interest” in their book of business. Allstate’s extensive recruitment campaign places heavy emphasis on the independence afforded agency owners through the EA program. And as such, EAs are led to believe that operating as independent contractors means that the control they exert upon their book of business is free from corporate influence, unlike their NOA predecessors. EAs are also led to believe that their efforts in building an agency translates to an annuity type payout during their golden years of agency ownership.

Additionally, Agents were promised their “ownership interest” could be easily sold to a family member or to an outside buyer, thus offering a substantial lump sum windfall upon the book’s sale. Unfortunately, little of this is true. Tenured EAs are unable to take their foot off the gas to enjoy the fruits of their labor because to do so invokes the termination process for failure to meet Allstate’s ABO quota requirement. Perhaps worse still is the Company’s frequent manipulation of the process through which Agents must navigate to sell their book of business. Allstate managers have been accused of slow-walking approval for book sales, misleading prospective buyers, and steering book sales to preferred buyers. As of this writing, NAPAA has filed suit against Allstate for interference in several book sales and more.

**Ignore the man behind the curtain**

Where did the promised independence go? Was it ever there? From the perspective of Agents who transitioned from NOA status to EA, it appears that the Company never intended to allow them to shed the bonds of their employee status. By contrast, newly hired EAs are instead indoctrinated into a business relationship that is difficult to understand, and although numerous references are made to independent contractor status, few if any decisions about agency operations are free from Company controls.

During an EAs early stages of agency ownership, the nuanced administration of the corporate mandates is so subtle that resistance from most Agents is at a minimum. As an example, the onboarding process for new EAs is tailored to focus their attention on lead generation and new business production as opposed to compliance. In this regard, FSLs provide the conduit for administering Allstate’s vision for success and not what will land the EA in hot water. FSLs avoid written statements regarding contractual issues such as meeting Allstate’s ABO quota or failing to adhere to other mandates. Recently, however, Allstate has become more direct and demanding in its quest for compliance. Increasingly common are the threatening emails for failure to comply. The most notable example is emails sent to EAs for failing to allow timely implementation of Allstate Agency
Voice. Agents are warned that failure to comply with AAW will result in the removal of binding authority and, ultimately, termination. When management is questioned about corporate mandates, especially AAW, agency owners are directed to a trinity of documents that virtually none of the EAs have read, let alone understand how they relate to one another. They are the Exclusive Agency Independent Contractor Manual, the Allstate Agency Standards Manual, and the Supplement to the R3001 Agreement.

From the R3001 Supplement: “The Supplement for the R3001 Agreement is intended to explain and expand upon the provisions of the R3001 Agreement, which directly refer to the Supplement. The Supplement, the Exclusive Agency Independent Contractor Manual, and the Allstate Agency Standards manual, as they may be amended from time to time, are incorporated as part of the Agreement between the R3001 Agent and the Company.”

This compilation of documents serves as Allstate’s tool to implement a variety of changes, as well as a perceived firewall of protection from challenges to the Company’s use of employee mandates. In essence, the Company’s message is, “You are required to comply, and here is where our power to make the changes comes from.” Clearly, what the EA sees as overstepping of independent contractor boundaries, Allstate sees as its right to alter the relationship with their sales force to achieve their corporate goals. And, with hundreds of modifications under their belt, Allstate has managed to indoctrinate each succession of EAs into a more cohesive employee-style sales force with minimal resistance.

However, as important as these documents are to Allstate in administering their plan, it appears equally important to the Company that Agents do not understand their significance. At least until it is too late. Additionally, there appears to be no standard process for delivery of any of the documents mentioned above, nor any explanation of the importance of any of them to prospective EAs. In fact, in addition to downplaying their significance, many EAs have reported not receiving the Supplement or the Agency Standards Manual until after signing the R3001 Agreement. Still, others note that they accessed these important documents only after they completed onboard training. It is unclear if a single EA has ever been told the importance or the frequency of the changes that can be made to any of the documents. Granted, the onus is on each signatory to a contract to comprehend the language contained therein, but because the R3001 Agreement is intertwined with several other documents, a special amount of care should be taken by Allstate to explain the interaction between each of them. (Supplement, R3001 Agreement, etc.)

It’s what they do, and it’s what they don’t say

Notwithstanding the hundreds of times Allstate utilizes the phrase “independent contractor” in its R3001 EA Agreement, as well as the Supplement to the Agreement, the reality of Allstate’s present-day interactions with EAs belies any semblance of consideration for them as independent contractors. How have EAs come so far from the status of “independent contractor,” ostensibly achieved in 1999, to the restrictions of employee status they operate under today?

One possible answer is that Allstate has purposefully disguised an employee-style employment program and embedded it within a set of legal documents that are difficult for EAs to interpret and understand. Add to this the physical and virtual distance between agency owners, and it becomes plausible that none of the participants in the EA program can effectively compare experiences, let alone at a level that allows them to fully understand the controls being imposed upon them. When describing the progression of controls implemented by Allstate, a frequent analogy is that of the frog in a pot of boiling water. Now that the water is at full boil, few if any “frogs” can escape unharmed. Fewer still can point to the time where Allstate’s mandates overtook their freedoms.

As time progresses, and as the agency owner’s behavior is modified, EAs learn to:
• comply with call forwarding,
• staff offices according to Allstate’s prescribed level,
• implement lead programs,
• modify business plans to achieve the Company’s production quotas (instead of agency owner’s business plan), and most recently,
• purchase and use Allstate’s AAW phone system in replacement of one acquired independently by the Agent.

Are these the keystones of independence? No doubt there are highly successful mega agencies. And to their credit, many smaller agency owners find a way to work within the employee construct administered by Allstate management. However, the divide between these two groups of owners is filled with thousands of failed agencies and millions of dollars invested and lost. At one point, it was estimated that the turnover rate for the EA program approached 50% on a year-over-year basis. The much-guarded ongoing turnover rate is likely a factor in Allstate’s approach to marketing, as they continually explore ways to add new sales representatives and new sales channels.

What Allstate wants

Allstate’s motivation for misclassifying its EAs will remain a secret, but what is clear is that the Company has directly financially benefited through the way it implements its unilateral R3001 Agreement. Companies that use independent contractors free up a tremendous amount of capital, eliminate expenses associated with employee benefits, and eliminate legal obligations to comply with state and federal laws pertaining to the use of employees. By classifying its EAs as independent contractors and, instead, treating them as employees, Allstate enjoys a significant financial advantage over its competitors that have chosen to comply with IRS rules.

By comparison, State Farm classifies its agents as independent contractors, and once they complete their three-year “onboarding” process, State Farm Agents do not have quotas, meetings, annual job ending reviews, or mandated office hours. State Farm Agents are allowed the freedom to develop their agencies based on their choice and are not subject to contract changes, as they have a true bilateral contract. State Farm has made occasional alterations to their agent program, each time offering the agent the option to sign the newest contract.

By contrast, Allstate’s frequent unilateral modifications to the R3001 Supplement has resulted in countless changes, not the least of which are the migration from its Resources for Growth quota system to the current Agency Business Objective quota, a mandate to purchase an Allstate developed phone system, and multiple compensation changes, including the upcoming reduction in renewal compensation in 2023.

What agents want

Regardless of agency size or success achieved, at the core of an Allstate agency owner’s business plan should be the ability to determine the course of business that best suits them. As independent contractors, and more specifically because Allstate Agents assume all of the financial risk associated with operating their business, Agents want and deserve the right to self-determine the level and direction of their marketing efforts. This self-direction includes the ability to work at a pace that the EA chooses and the right, at some point, to kick back and enjoy the fruits of their labor. For their part, companies that use independent contractors must accept the inability to control the worker, and therefore their production, as a tradeoff for the financial benefits received. In this regard, among the acceptable remedies a company has for hiring “poorly performing” workers would be to hire additional workers to help the company achieve the desired outcome, alter future hiring practices to better identify desirable workers, or better incentivize its

CONTRACTOR EAs continued on page 19.
Whether it’s a life insurance policy, a new house, a car, or a franchise business, the number one thing that holds us back in life is fear. Fear of making the wrong choice, fear of failure, fear of losing out, fear of the unknown, fear of danger, fear of being cheated or scammed and many other types of fear can paralyze you and keep you from doing many things, both good and bad. Fear affects us all in one way or another and in many situations, what may create fear in one person can create opportunity for another. Fear is not a bad word because fear keeps us alive, it keeps us from walking into traffic and doing other crazy things that harm us.

“Knowledge is the antidote to fear” is a saying that rings true in every good decision that was, has been, or will be made. It is not wise to go into things blindly without knowledge or references. You would not want to go into surgery without knowing a little bit about the surgeon. You would not want to buy a house without an inspection or get married without knowing your future spouse and you would not want to go into a business deal without the facts, figures, and details. “Measure Twice and Cut Once.” “Be Sure you are Right, then go ahead.” These are two remarkably familiar quotes that are loaded with wisdom and experience. Everyone can benefit by heeding this sage advice.

In the world of franchising, we use the word validation. Don’t guess, get the facts. Ask others and get the details. Call existing franchise owners and ask them about their experience with the franchise company. Ask them the questions: “If you had to do it all over again, would you? Are you happy with the franchise company? Are you making the kind of money that you thought you should be making?” These are just some examples of the questions that will lead you to make an informed decision.

We have all heard the sad stories about Uncle Jim and Aunt Myrtle who bought a franchise and lost the farm. When I hear those stories, I always ask, “Did they do their homework? Did they validate and did they do the proper research? Did they follow the training and systems that were part of the franchise? Did they work the business or let the business work them?”

We have all heard the other age-old statement, “There is no free lunch.” That one goes hand in hand with “You get out of it what you put into it.” All are true and all are applicable to any type of business ownership.

Another critical element to success in business ownership is capitalization. There are many stories about lucky people who “fell into it and came out smelling like a rose.” This can be true but not if you run out of working capital first. Sometimes the difference between success and failure could be another $20,000 or another season or another marketing push. These things typically require money and more times than not, if you don’t have it, you are not going to get it.

Trying to get a business up and running on the proverbial “shoestring” is not wise. If you don’t have adequate capital, then you should hold out until you do. There are things available to you, but you may need the help of a good consultant to advise you on these things. Proper capitalization is another one of those things that need to be in line before you jump into something that may affect your life forever. This is something to be concerned about.

In my business as a franchise consultant, I want to discuss fear with my candidates. I want them to be aware of fear and what it can do. As most psychologists and mental health professionals will tell you, you must confront fear and face it head on. Self-awareness is a key ingredient to success or failure. Self-belief goes hand in hand with self-awareness. If you believe in yourself, you can move mountains. If you don’t believe in yourself, then you are doomed to failure. As we have all heard from our early days the wisdom passed down for generations, “The Lord helps those who help themselves.” As the old saying goes, “Be sure you are right, then go ahead.” To do this, however, requires knowledge and we all must work to gain the knowledge that gives us the confidence to go ahead.

So, what scares you? What are you insecure about or most afraid of in life? How are you going to get past that and make decisions that are right for you and your family? Look around you at all the successful, happy people – what do you see? In most cases you see someone who conquered their fear and learned to deal with their challenges and issues. You too can do this.

Give me a call and let’s talk about it.

Richard Pope is a career franchise professional with over 40 years in the business. He has worked corporately at the highest levels with world class franchise companies and has traveled extensively throughout the world. For the past 20 years, Richard has collaborated with individuals interested in franchise business ownership who are afraid of making a mistake and getting into the wrong type of franchise business. Richard educates and helps his candidates navigate the world of franchising and helps them gain the knowledge necessary to make an informed decision. For more information about Richard, please visit www.FranChoice.com, or better yet just pick up the phone and call him.

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“Hi Susan, it’s Gene. Sorry for calling after hours, but I’m travelling. Can you please transfer $35,000 from our business checking account to a new supplier for a deposit on a job? Here’s their banking info…”

Does this sound like a familiar scenario? It should. It’s not uncommon for the owner of a business to call a financial manager and instruct for a money transfer or online payment to be made to a supplier or to a personal account. Is anyone going to question the boss’ request? Usually not.

But what if it’s not the boss? What if it was just someone impersonating the boss? Or, more ominously, what if it was the actual voice of the boss, but manipulated into saying something different? Or that the request was for $35 million?

This is exactly what happened in early 2020 to a Hong Kong bank.

According to a report in Forbes, a manager at the bank got a call from one of the bank’s directors requesting that he make a transfer of $35 million in order to fund an acquisition. However, it wasn’t the director calling. It was a “deepfake” of the director’s voice. And by the time the bank discovered the error, the money was long gone.

Oh, and this isn’t the first time something like this has happened. Forbes also reported that an energy company in the UK fell for a similar ruse in 2019 and lost about $243,000.

“As audio and visual deep fakes represent the fascinating development of 21st century technology, yet they are also potentially incredibly dangerous posing a huge threat to data, money and businesses,” Jake Moore, a cybersecurity expert, told Forbes.

“We are currently on the cusp of malicious actors shifting expertise and resources into using the latest technology to manipulate people who are innocently unaware of the realms of deep fake technology and even their existence.”

What’s even more terrifying is that deep fake technology is easily found online. Just go to sites like Resemble or Descript and then check out how amateur pranksters are creating videos like these that show just how easily we can be fooled into thinking something that we see (and hear) is real, even when it’s not. Now that it’s out there, this technology is increasing being used for blackmail, fraud and identity theft. And it’s likely that audio will be more commonly used than video because, according to Moore, manipulating audio is “easier to orchestrate than making deep fake videos.”

You may think that your business is too small to be impacted, but I don’t think so. That’s because if you’re like most of my clients, you have fewer financial controls than larger organizations and you’re probably increasing your use of online services to pay your bills. And getting a copy of your voice is easy, particularly if you’ve posted company videos on your website, did a public presentation, appeared in the media or got chatty with a “sales representative” on a cold call that’s being recorded without your knowledge. With only a few hours of work, someone can likely dupe your financial manager out of tens of thousands and be gone before you know it.

So what to do? Tighten up your internal controls. Require more than two authorizations for any bank transfers or payments and perhaps three (and at the very least your own) for disbursements over a certain amount, like $5,000. Hire your IT firm or subscribe to tools like KnowBe4 or Mimecast to provide ongoing training for your employees so that they can spot warning signs. (In the case of the Hong Kong bank, fraudulent emails were also sent confirming the deepfake phone call.) Abolish any transactions of a certain size that are authorized by phone unless the person making the request has been called back. Involve your financial managers in large deals early so that they’re more aware of the dollars involved. Because let’s face it: This problem is only going to get worse.

“Manipulating audio, which is easier to orchestrate than making deep fake videos, is only going to increase in volume,” Moore told Forbes. “And without the education and awareness of this new type of attack vector, along with better authentication methods, more businesses are likely to fall victim to very convincing conversations.”

Gene Marks is a CPA and owner of The Marks Group PC, a ten-person technology and financial consulting firm located near Philadelphia founded in 1994.
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Growth Through Business Acquisition
Know the Why and Plan for the How

Rick Dennen, Oak Street Funding

It’s estimated companies will spend some $5 trillion on acquisitions this year. With inflation in play and the Federal Reserve poised to raise interest rates, owners strategically considering growth options this year may be asking themselves, “Is this the right time?”

It’s always easy to find a reason to pump the brakes in business. No one can predict what the Fed will do this spring, next year, or five years from now. Economic predictions and the pundits who make them should not make an agency owner or principal pause. Carefully considering the why and how behind an acquisition-oriented growth strategy is the recipe for success.

Compare a business acquisition to buying a house. How often does a buyer drive by a house for sale, walk in, and say, “Let’s buy it and move in.” The home acquisition steps usually include the buyer discussing and thinking through the pros and cons of location, neighborhood, and home size. Most buyers talk to a realtor and a mortgage lender before they start shopping for a home. Financing is in place or cash is allocated, which puts the buyer in a strong position with the seller.

A similar scenario recently happened to a business owner who was ready to sell their business. There were several buyers buzzing around entertaining an acquisition. One buyer showed up with a term sheet in hand and capital ready to make the purchase. It was powerful to see the deal start to come together with ease because the acquiring business owner had taken financial steps to prepare for growth and had a well-designed strategy.

The buyer had their why and how in place. Here are steps to put your business in that position.

Why do you want to grow through acquisition?

Many businesses make buying other businesses a central element of a strategic growth strategy. Referred to as serial acquirers, they are pros who have mastered the acquisition process. They’ve gotten so good at it that they make it look easy. Reality is an acquisition can be disruptive if there isn’t a well calculated, thought-out process behind it.

Most likely a serial acquirer has quietly reflected on past business, considered long-term growth possibilities, and thought about the options and steps needed to move the business forward. It’s an introspective process. Start by understanding strategically why you want to grow through acquisition.

Often, it’s as simple as knowing that buying another agency can close the gaps within the current business. Think about staff, operations, and geography, for example. Consider where your business is strongest and how an acquisition could complement weaknesses.

• **Staff**: A pro to buying another business could be the fact that adding tenured team members reduces hiring and training time and cost. In the current economic climate, it’s hard to find new hires. An acquisition could add those valuable team members.

• **Technology**: Perhaps another agency implemented new cloud technology that allows teams to work from anywhere. By acquiring the firm, that technology can be integrated across the business instead of taking on implementation from start to finish.

• **Geography**: Perhaps a customer strategy is to become a statewide organization. Instead of opening several new offices, an acquisition strategy could alleviate startup operations in various cities.

A business acquisition isn’t only about the monetary transaction. There are many operational aspects that will be impacted after the deal is done. Foresight and planning make for a smoother transition and integration. Here are a few examples.

Often acquisition discussions result in many closed-door meetings. Closed doors open flood gates to the rumor mill. Without motivated people, a business doesn’t function well. Operating transparently by communicating from start to finish creates trust among the current staff and the potential incoming team. When two business teams come together, it can create a culture clash. Reducing disruption is critical.

Is an acquisition’s end goal to blend the best ideas from each team or for the newly acquired staff to tune into the existing culture? How would that happen? Think about how A-team players will be identified and have a plan to incentivize these staff members to stay. Think about how to find team members with those deep client relationships and figure out how they can proactively assist in client communication while two companies blend. Knowing the answers to these questions will allow a plan to come together that mitigates disruption.

Process integration is another example. Companies have different ways to do things for similar operations. Even if the businesses have the same brand, teams may do things a bit differently. What’s the plan to either merge or train on processes? Will staff have a voice in the conversation or is the decision top-down?

When a business grows geographically, reflecting on not only how teams will merge,
but also how operations structure will seamlessly blend is important. Would the owner of the acquiring business stay on for a pre-negotiated period or would someone from the current team move into a new leadership role?

How will you buy a business?

After carefully considering why you’re ready to grow through acquisition, it may feel like it’s time to head out and do a deal. Finding the right business to purchase can take time. Patience is an asset in this process. Wait for the right fit and owner who is ready to sell.

There are many reasons why a business owner decides to sell. Maybe it’s time to retire, and you can create a succession plan together to ease into the acquisition. In today’s business climate, a business owner may simply be burned out by franchise structure changes and ready to embrace a new career. Some business owners have that entrepreneurial spirit, and once they’ve built a business, they’re ready to move onto the next new challenge.

Without sharing too much information with others in the industry, keep an ear out to find these owners. There are many business conferences where people talk, and someone may share insight into where another business is headed. Have a conversation with a field sales leader who may have insight into where other owners are in their business growth cycle. Knowing what you will want will bring that person or situation your way and having your financing in place can put you in the driver’s seat.

There are many financial sources for acquisition loans. New acquirers often turn to local commercial banks because they have relationships with loan officers. However, these bankers may not be comfortable with the risks associated with an insurance agency acquisition. A traditional loan typically requires tangible collateral. Think about a manufacturer with trucks and equipment. An insurance agency does not have these types of items to provide as collateral, which could result in a loan with higher rates, additional criteria with unfavorable terms, or no loan being approved. The loan approval process takes weeks. If a disappointing decision from the bank is made after that lengthy diligence period, it could also mean asking the seller for an extension period. That could put the deal at risk.

Instead, a specialty lender that works directly with Allstate agencies could be a good option for financing. These lenders have a solid understanding of an agency’s Termination Payment Provision, how agencies are structured and operate, along with a strong familiarity about the nature of income streams. Specialty underwriting teams have a realistic expectation and a full understanding of inherent risks. For example, Oak Street Funding can structure funding for multiple acquisitions based upon future revenues generated by the acquisitions.

If a business owner has the ability and a willingness to offer equity to the seller, it may be an attractive way to fund part or all of the transaction. That’s especially true if the seller’s leadership intends to continue working in the business. Presumably, an agency will be worth more after the acquisition, so there may be additional profits to distribute. Retaining an equity piece will keep the seller aligned with the success of the acquisition. Establishing the post-closing relationship to include an ability to tap into their expertise and business relationships could be a factor to achieving success. When taking this approach, it may be beneficial to engage an independent third-party to provide an objective valuation for the combined agencies.

If a seller is planning to leave the business when the deal closes, find ways to ensure they will continue to take steps to keep the business thriving, such as earnouts. Pay part of the sales price upfront and then make a series of payments based on the acquired agency’s future revenues.

Additional considerations

Our team has worked with several business owners who’ve used acquisition strategies for growth. Here are a few lessons learned.

- Don’t lock yourself into one path for an acquisition. Give yourself room for options by thinking about those “what if” scenarios instead of a strict and exacting vision and plan.
- Be patient and have a defined integration plan. According to Harvard Business Review between 70% and 90% of mergers fail.
- Find a banking partner for long-term growth. Our team finds 30% of lending customers return for funding to make another acquisition. About 50% of our clients return for loan modifications to fuel other business activities.

Growth means change, which can feel daunting for a business owner. Carefully designed and considered, complementary acquisitions can grow staff, expand geographic footprints, and bring people together to create new business growth ideas. Understanding the why and planning for the how can be the key to success.

Rick Dennen is the founder, president & CEO of Indianapolis-based Oak Street Funding, a First Financial Bank company with customized loan products and services for specialty lines of business including certified public accountants, registered investment advisors and insurance agents nationwide.

Oak Street Funding® has been helping insurance agencies nationwide since 2003 with loans for acquisitions, succession, working capital, and debt restructure. To learn more, visit www.oakstreetfunding.com, email osf@oakstreetfunding.com or call 866-625-3863.

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CONTRACTOR EAs continued from page 14.

existing workers to achieve the preferred result.

Perhaps most important to an EA is the need for a bound, glued, and stapled contract that allows for consistency and permanency in their relationship with Allstate. All too often, Agents find themselves wondering what next year’s compensation will be. It is highly disconcerting to have to guess if Allstate will implement new quotas and new mandates, or if there will be an EA program at all. Under the control of Tom Wilson, Allstate Agents cannot plan for more than 90 days at a time and often live in fear of financial ruin. Agents deserve the ability to plan, with certainty, their financial future.

Ironically, if we believe Mr. Wilson, he states he wants larger, more prosperous agencies, but he refuses to give agency owners assurances that the money they invest will be protected.

Imagine the potential for a truly independent EA that feels secure in the ownership of their business. Imagine owning a business that can’t be taken from you with 90 days’ notice. This would truly be a return to the salad days of being an Allstate Agent.
Let’s talk about intention versus impact. You, as a business owner, have intentions of growing your business and motivating your staff to help that come about. Did you know that sometimes our intentions can be great, but our impact can be way off. Today I want to itemize four different things that can impact your agency, your staff, and ultimately your business.

You have a huge impact on the results you get from your staff. The success or failure of your agency rides on your shoulders, but staff does much of the “work”. Therefore, you better be interested in what kind of staff you employ and what kind of results they deliver.

I am about to share with you four things you may be doing that destroy staff productivity. This may hurt a bit to self-examine, but if you are going to go to the next level, hit your numbers, and really excel it is critical to be honest with yourself.

1. Not giving clear expectations

So many times, employers try to hold their staff accountable to expectations they have never clearly established. If you are offering plenty of criticism for underperforming, but do not lay out clear goals you are not delivering with any clarity what is expected.

You cannot look at the numbers at the end of the week or month and be frustrated with your staff if you never itemized what their targets were. Your employees feel it when you are frustrated, but if you never set concise goals in front of them, much of your frustration is self-inflicted. If you want a staff that is motivated to deliver what you want, you have to set clear expectations.

2. Taking all the credit

Insurance is a tough field. Your staff on a daily basis are going to deal with everything from “Can you email me an ID card?” to “Why did my policy go up 3 cents a year!??!” Often it is a thankless business. However, when things go well or the agency has a great week you may get an email from someone at corporate, or even a thankful client. That is a great opportunity to share the credit.

Reply to that email and copy or bcc your staff on it with a brief message along the lines of, “It is because of the great team and the effort they put in day after day here at the office that we’re able to write 30 autos this week….” You will be so surprised by the impact it will have on team morale.

3. Demanding rather than asking

Sounds simple I know. However, every member of your staff has life happening all around them at work and otherwise. You have no idea how far common courtesy can go with your people. You are the boss, they need to do what is expected, but if they don’t do what you ask, they will only begrudgingly do what you demand.

If you feel like you have to make hard line demands for every expectation of one of two things is going on. Either you need to work on your communication skills, or you need to change out an employee (more on this in number 4). Your team is made up of adults; find a way to speak to them the way you would like to spoken to. This will change the entire atmosphere of your office – guaranteed.

4. Not dealing with issues

I am not going to list the issues you may be avoiding, but you know them, and your staff knows them. If you have knowingly or unknowingly instituted the “head in the sand” approach to managing your staff, there is no way you are getting their best.

If there is a personnel problem, deal with it. The stress and strain a bad apple can put on the rest of your staff is overwhelming. You set the tone in your business, don’t allow an issue you don’t want to deal with to stunt your agency growth.

In closing, your staff is the backbone of your business. Work on getting the best out of them by being the best leader you can be. If you are interested in having more time and more business in 2022 than you have had in the past, I can help with that. I’ve partnered with NAPAA to offer a great opportunity to get your time back. Check out my information on the NAPAA website. Here’s to a great rest of 2022!

David Neuenschwander has been helping Allstate agents all over the country grow their book sizes and bonuses for over a decade. For exclusive access to David’s time-tested, proven, ROI-focused growth and marketing strategies visit AgencyGrowthNow.com. His email address is dneuenschwander@aol.com.


What does this have to do with my insurance agency? The brilliance of the theory goes much further than one explanation. It can and should be applied to business too. And it can make a critical difference if businesses, both large and small, will simply take the time and have the courage to notice, and more importantly, take both corrective and preventative action. This can create the best customer experiences.

The theory states that something as small as a broken window does send a message to those who pass by every day. If it is left broken, it signals loudly that the owner is not paying attention or does not care. This means more serious infractions – theft, vandalism, and violent crime – might be condoned as well.

In 1994, Rudy Giuliani, the then newly elected mayor of New York City, put the theory to test. He announced a crackdown to eliminate graffiti on subway cars and move the hookers and pimps out of Times Square to create a more family-friendly environment in Manhattan.

His critics laughed hard, but Rudy and the NYC police department had the last laugh as over the next few years, the numbers of murders, assaults, robberies, and other violent crimes all went down dramatically. And it all started with graffiti on subway cars.

I still hear some of you saying, “Please Bill, tell me what this has to do with me growing my insurance business.”

In my 30+ years of being in the insurance industry, I have visited hundreds of agencies across America. Most of these offices are some of the top producers in our niche. Based on the upkeep of the building, cleanliness of the restrooms, and organization throughout the agency office, I can predict very accurately the performance of an agency.

A dirty bathroom is a broken window. When your client or prospect visits your dirty restroom, this is a direct reflection on you and your business. Ignore this at your own peril.

If we cannot keep our bathrooms neat, grounds kept, carpets clean, walls painted, and desks organized, these are broken windows that send a very bad message to our clients, centers of influence, and prospects.

These bad characteristics take the golden opportunity, as an entrepreneur, of more money, more time off, and less work, and trade it in for the role of a shopkeeper — who is a slave to his business. Basically, you’ve bought yourself a job. At worst — failure and forced sale of the business.

The best-performing insurance agencies on the planet understand our businesses are about solid systems and processes that produce real results. I have labored almost two decades over my 30 plus-year career to build and document in writing, step-by-step (down to the keystroke) the best systems to grow an insurance agency.

Attention to detail and enforcement of doing a process right every time is critical and must be taken seriously to achieve the highest levels of success. For example, if you allow your team members to answer the phone without properly scripting them, they will be answering your phone in any way they choose.

If you allow this to happen, your business phone will be answered with any of the following:

- “Good morning, Allstate, how can I help you?” (Not bad, but we can do better.)
- Worse is, “Allstate, can I help you?”
- or just plain horrible: “Allstate.”

To prevent this broken window, everyone in the agency should answer the phone the same exact way, every time, with no exceptions. Remember what I said earlier about
Your Path to Independent Agency Ownership
SO MUCH MORE
Follow along to watch Jeff Holtman tell how he made the leap from captivity to independence!

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"Prior to Premier, I had the most profitable year I had in captivity and that made me realize I needed to go independent. I had hit the top, and I needed a path where there is no limit."

Jeff Holtman
One of PGI’s up and coming agents
Thank you to all of you who have contributed to the NAPAA legal fund. Your support is helping us to make strides to promote NAPAA’s most important goal of supporting the success of the Allstate EA.

For the latest updates on the lawsuit, be sure to read Dirk Beamer’s article on page 10, “Judge Rejects Allstate’s Request to Dismiss NAPAA’s Lawsuit.”

NAPAA came into existence in 1990 as the Neighborhood Office Agents Club and changed its name to the National Association of Professional Allstate Agents in 1998. Much of what NAPAA did early on was related to smaller issues and impediments to the daily operations of an agent’s business. However, NAPAA was increasingly besieged with agent’s concerns over Allstate’s changes to their business environment and more.

This lawsuit is turning that tide. After the judge ruled that NAPAA did indeed have standing to bring the claims against Allstate on behalf of its members, Ted Paris, NAPAA’s Executive Director, said: “It is critical that our members understand that NAPAA exists in order to help support them in multiple ways – and one important way is by ensuring that Allstate is living up to the terms of its contract with agents. The judge’s ruling enables NAPAA to continue this fight for agents’ interests.”

By joining together, we have shown we have power. The presiding judge in the lawsuit has since struck down Allstate’s attempts to force agency owners to litigate separately.

The Bopp Law Firm continues to deliver. In the law firm’s press release, the lead counsel, James Bopp, Jr. spoke to the importance of our fight: “We are thrilled that we can continue to fight for what is right in this case. Contracts mean something, and powerful, large corporations do not have the right to violate their contracts.”

To be clear, NAPAA does not want to harm Allstate. The lawsuit does not claim monetary damages. In keeping with our goal of providing support for the success of our members, we brought the lawsuit to stop Allstate from harming them, and by extension, every Allstate agent. And this is why every agent has an interest in this “fight.”

NAPAA’s lawsuit continues. We have more battles to fight as we work for you. We invite you to contribute to NAPAA’s success by donating to the legal fund. Make sure to watch out for updates in the Direct Express newsletter.

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Bill Gough is a former Allstate Insurance Agency Owner, Allstate Hall of Fame Member, Entrepreneur, Business and Success Coach, Marketing Expert, Author, Speaker, and Philanthropist.

Bill began his career in 1984 with Allstate working in a booth at Sears Department Store. He primarily dedicates himself to giving back and helping others achieve success since the loss of his 23-year-old son, Lil’ Bill, in 2007.

In 2008, Bill founded BGI Systems, a company created to teach other insurance agency owners the very best, proven sales techniques, systems, and processes he learned throughout his career. It’s Bill’s vision that insurance agency owners across the country can achieve and exceed the same success he experienced. To reach Bill, please contact Amanda Fall at Support@BGISystems.com.
Good News!
Consumers Want Agents to Guide Them

Rex Hickling

Customers enjoy all these different mediums depending on what their call to action is as well as individual preferences. In addition, with each and every medium, the customer will always need an easy exit door to a human being given the complexity of some online solutions and phone menus, etc. Close your eyes, and you each have your own horror experience of this across a broad array of products far from insurance.

So again, the dial points to agents! Agents who can provide choices but also that are savvy in the multiple mediums of customer engagement and understanding customers – not a one size fits all approach. The challenge here becomes one of having a matrix of four generations of customers with potentially seven different mediums and deciding in what situation they want to engage you, and/or use self-service, and/or start something but perhaps not finish it because they realize it was more challenging than they thought.

Ultimately, they just want to get a hold of you in a way that is faster, simpler, easier. The Amazon effect perhaps. Plus, a good price. What then about value? In our case this means protection and service!

So, how do you get up to speed and build out what you need for you and your staff to please your customer base and still drive home value and protection with the price being in the ballpark? You study, you investigate opportunities. You talk to the right people at the right companies. There are indeed strong headwinds. But the savvy sailor can navigate them to his or her advantage.

Rex Hickling is President at Premier Group Insurance, Inc., a leading Independent P&I Agency Owner Group of more than 500 agencies coast to coast and a leading writer of Auto-Home-Business insurance in the United States. Not to sound like an info-commer- cial, but from technology, to improving sales in differ- ing demographics, to making agencies more profitable, that is what we do. To reply to this article, respond to owenyourtomorrow@pgiagents.com. We’ll then Click Call, Text, Video you as you prefer. Rex can be reached directly at RexH@PGIAgents.com.

2022 is upon us! How about some good news! Turns out all the hubbub about insuretech, which has gotten really crazy on many levels — especially with high valuations while awash in a sea of red ink for many of them — has given way to a dose of reality! Many of the insuretech unicorns are now looking to have distribution channels not only direct to consumer, but also in the agency channel.

That’s right! Turns out, after all, they’ve come to the realization that people do want it faster, simpler, easier, but they also want to do business with someone in their backyard. An actual person who can give them the counsel, choices, education, understanding, and hand holding that agencies do day in and day out that goes way beyond a call center and algorithmic metric.

No one does that better than a living breathing agency in the customer’s backyard especially an agency who can give them choices and carriers and products, and one who is increasingly staying in touch with the customers life changes and is part of the fabric of the community.

While an agent’s local stature is a strong and noble one, this good news does not mean, however, that it is an easy task. Our customers today span 4+ generations from X to Y to Z and to the Baby Boomers. Their needs and characteristics can differ increasingly, both protection needs, and increasingly in the area of how they want to engage with you and your staff.

When I first got in the business in the 80s, customers would come to you or call you. Eventually clicking dominated with the more destined popularity of the internet in the 90s and still today, which includes website engagement, social media, email, etc. And nowadays there’s chat-bots, texting, and video. All have their place, and all are important.
The Great Opportunity
Considerations for Captives Before Declaring Independence

Doug Coombs

The American workplace is changing. Countless articles about The Great Resignation, The Great Reshuffling and The Great Retirement dot the media landscape, all pointing to trends that are reshaping how people work and from where. For insurance agents, this is also the time of The Great Opportunity. It’s a chance for captive agents to take a clear-eyed view of the industry and determine what the next chapter of their career might look like. It’s also an opportunity to examine the potential advantages of becoming—voluntarily or otherwise— independent agents.

As captives, insurance agents are locked into a set pool of insurance products and pricing determined by one insurance carrier. This also puts limits on the agent’s potential earnings. Meanwhile, independent insurance agents can work with multiple carriers and their products, specializing in areas of potential growth and exercising autonomy over the products and clients with whom they work, as well as their income potential.

Additionally, many captives may find the choice made for them. In 2021, Nationwide released all its captive agents as part of a cost-cutting measure. The good news for those agents? According to PropertyCasualty360, these newly independent agents increased net written premiums by 35%. There is an expectation other carriers will follow suit in 2022 and beyond. As such, now is the ideal time for captive agents to consider their options and potentially declare their independence.

Opportunity Abounds
The acceleration of the work-from-anywhere concept and the technology tools that became commonplace with it have significantly reduced the barrier to entry for former captive agents seeking to branch out and open their own independent insurance agencies. The idea that an agent must be local or only meet face-to-face with clients and prospects is seen as outdated. This opens up new opportunities for independent agents to offer products in multiple states. Further, the proliferation of no- and low-cost apps, video conferencing platforms and digital presentation tools have leveled the playing field and created an environment where savvy, well-connected and motivated agents can pursue a wealth of business growth opportunities with minimal overhead.

Challenges Remain
However, like any new business, there are challenges to consider and overcome. While starting a business is sometimes considered liberating, the reality is the obligations and responsibilities are often more than most people realize. Especially in the early phases of launching an insurance agency, the ins-and-outs of financial management, business development, account management, resource investment and evaluation, marketing and tax obligations can be considerable. Those seeking to launch their own agency should consider the following:

- Who is in your professional contact network?
- What is the reality of your reputation within your community?
- Based on the clients you have or intend to have, do you have access to carriers that can support their needs?
- What technologies will you need to ensure not only the smooth operation of your agency, but also the ease of access your clients will require?
- How will you drive growth and profitable results?
- Given the pace of technology and industry disruption, how will you ensure your agency will have the ability to adapt and change with the industry?

The Road to Independence
One of the clearest paths to a successful new agency launch, especially for captives who find themselves out on their own for perhaps the first time, is to join an agency network. Doing so can often help to drive revenue and help stabilize a new agency in its earliest phases of development with tools, knowledge sharing, resources, referrals and training. For example, between 2019 and 2021, SIAA, the largest agency alliance in the country, helped 1,138 transitioning agents successfully open their own agencies.

The benefits of joining a network came into greater focus during the height of the pandemic. As independent agents were forced to change the way in which they worked, networks like SIAA were able to support and advise these agencies in adoption of new technologies and best practices for working with clients at a distance. Not only did these networks support the ability of agents to continue to sell insurance products as well as retain clients, they provided guidance on the marketing and management of insurance agencies in a time of tremendous industry disruption and technological change. Partnering with a large group that offers a more experienced team and greater resources is the ideal way to overcome the challenges most common to a start-up agency. It means the agency owner isn’t alone. There are mentors to advise and guide. Technology training resources are available. And guidance is available for everything from building a mailing list to creating a marketing campaign to introduce the new agency to its target audiences.

Choosing a Path
It’s important to consider all options before joining any specific group. Understanding the options and one’s own strengths and weaknesses as an entrepreneur are important. A thoughtful Strengths, Weaknesses, Opportunities and Threats, or SWOT Analysis, can help any would-be entrepreneur make practical and realistic decisions about starting a business and choosing where to align that business. Joining a group can also complement and strengthen a small business, but knowing which group best suits the needs of a nascent insurance agency can be a key factor in that agency’s success or failure.

There are essentially three models in the industry to help you grow your business: insurance aggregators, clusters and networks.

OPPORTUNITY continued on page 29.
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If you’re a business owner, then you’ve faced many challenges over the last couple of years. Recruitment and retention have been big concerns in every industry, and the applicant shortage and recruiting difficulties are projected to continue into the rest of 2022.

At CareerPlug, we are committed to making hiring easier for our clients, many of whom are concerned by seemingly shrinking applicant pools and the impact lower applicant count has on their ability to make the right hires.

Getting hiring right matters even more when you don’t have as many applicants to choose from, but we believe that a lower applicant count doesn’t have to negatively affect a business’s hiring process.

Let’s look at five helpful tips to help you make the right hires even during times of low applicant flow.

1. **Shift your mindset**

First things first, when it comes to hiring from a smaller applicant pool, you’ve got to understand that fewer applicants isn’t necessarily a bad thing. It can be really frustrating when you’re not seeing as many applicants as you used to for your open roles, but really, when it comes to hiring, it’s quality over quantity!

We’ve heard from clients who used to receive 50 applicants for every job posting. Now, they only receive 20 or 30 applicants. They see this as a cause for concern because the volume isn’t as high as it was before. But remember: the purpose of a hiring process isn’t to collect the most applicants, but rather to identify the right hire for the role.

You don’t need 50 people applying to your jobs, you just need one right candidate. Adopting this mindset can make hiring less stressful and help you focus on the right things. For example, you could improve your candidate evaluation methods so that you can confidently make hiring decisions no matter how many applicants you have.

Consider this — we found that out of 82% of applications that come from a job board, only 1.3% of hires come from those applications. This means that sometimes more applicants just creates more work for you! Having to weed through a large number of applicants can actually slow down your recruiting process, making it take longer to get to the right candidate.

2. **Hire for growth potential**

You may be hiring for a role that has pretty specific requirements. In some cases, it may be necessary to wait months for the right person with the right experience to come along. However, in many instances, the right candidate may not have held the exact same position previously, and that’s ok!

Just because a candidate doesn’t have direct experience in the role you’re looking to fill doesn’t mean they aren’t equipped to do the job. Think about the soft skills you need on your team and hire for those.

When reviewing resumes or conducting interviews, look for a candidate who has a history of growth and taking on challenges. Here are some questions we ask at CareerPlug to measure growth potential and get a feel for a candidate’s career trajectory:

- Tell me about a time when you knew less than others about a topic or task. What did you do to get up to speed?
- Tell me about a time when you went beyond your manager’s expectations to get the job done.
- When did you take on new responsibilities in your role? What or who initiated this change?

3. **Always be hiring**

The worst time to be looking for the right candidate is when you have an open role that you needed filled yesterday! Passive recruiting year-round makes it easier to find
people to fill open roles when they come up unexpectedly. Always look out for talented people, and keep in touch with other applicants from the past.

For our clients, we recommend always having a passive job posting up – this is a job posted only to your careers page (not job boards) with a status of “Accepting for Future Openings.” A job of this type indicates that you are passively recruiting and will reach out to candidates when an opening becomes available.

Passive recruiting helps you keep more candidates in your hiring pipeline, which gives you more options when it’s time to make those important hires.

4. Provide a great candidate experience

A positive candidate experience is always important, even more so in a competitive job market where qualified candidates will have many options. Having a smaller applicant pool is an opportunity to treat every applicant like a person instead of a number and to provide excellent and timely communication throughout the hiring process.

Candidate experience is important because it can make or break a candidate’s decision to accept your job offer which is especially important when there are fewer candidates to choose from. Based on our research in our annual Candidate Experience Report, 80% of candidates said a positive candidate experience influenced their decision to accept an offer.

A great candidate experience, as well as being a great place to work, will also have a positive impact on your employer brand. This will make it easier to attract and hire those top choice candidates.

5. Use an ATS to make hiring easier

An applicant tracking system (ATS) like CareerPlug can help you with many parts of the hiring process. An ATS can help your job posts get more visibility and can help you craft job descriptions that attract more candidates. It can also help you evaluate candidates quickly and consistently through every step of the hiring process.

An ATS can also help you keep up with every applicant more easily so that no one slips through the cracks. For example, CareerPlug offers text recruiting so employers can move applicants through the hiring process quickly, which is also important when working with a limited number of applicants.

Remember: Quality Over Quantity

Though having fewer applicants to choose from can feel challenging, applicant quality matters much more than quantity. Focus on providing a great experience to the candidates you do have and hire for growth potential when you can. It can also be a good idea to implement passive recruiting which can be done easily through an ATS like CareerPlug. And when you’re actively hiring? An ATS can help you move applicants through your hiring process more efficiently, helping you make those right hires sooner.

Next steps

One of the biggest challenges of running a business is attracting and hiring the right people. That’s why NAPAA has partnered with CareerPlug to help make hiring and developing the right people easier for you! Every NAPAA member receives a free CareerPlug account that comes with a branded careers page, pre-built job templates, and a configured hiring process. Activate your free account today at https://www.careerplug.com/request-a-demo-association/

OPPORTUNITY continued from page 26.

Insurance aggregators provide access to carriers, aggregate premium and sometimes offer additional compensation. Aggregators do not provide support services or tools. Generally, this relationship is based on the volume of new policies you can write.

Clusters are groups of agents blending their individual books of business into a larger book to drive higher commissions or profit sharing. Members maintain ownership of their agencies and accounts, and all operations remain separate. The purpose of most clusters is to benefit from carrier volumes and increase income. Clusters present risk to the members as agents can sell or exit the group entirely, which can limit growth.

Networks serve as holistic solutions for agents. Due to their large volume of business, networks are a growing distribution channel. Insurance Journal magazine reported in its Top 20 Agency Partnerships edition that “Agency partnerships and networks continue to grow in strength and numbers as independent agencies, large and small, look to these groups for greater market access, valuable services and the sharing of ideas that can take their agencies to the next level of growth.”

Understanding these groups, and the carriers with whom they work, is vital. Newly independent agents will need to understand the group’s geographic reach, how commissions work, the agency’s ability to continue both carrier and client relationships if it opts to leave the group, the group’s financial performance and other services or resources offered to members.

Independence and entrepreneurship are hard-won. However, with the right tools and partners, a new insurance agency owner can offer a variety of insurance products across a range of carriers while also nurturing the new business and its staff on the road to stability and success. And that is the real value of declaring one’s independence.

Doug Coombs is chief marketing officer for SIAA (Strategic Insurance Agency Alliance), the largest and original network of independent insurance agencies. In addition to maintaining responsibility for all marketing and communications at SIAA, Doug has authored numerous articles for industry publications and hosts the podcast “Insurance Agents Talk Shop.”
Open Letter to Insurance Professionals

David Colvin

Do you remember the day you launched your insurance career? As I look back on the last 33 years of working in this industry, change has and will be constant. One must know how to adapt to the ever-changing landscape in our space. I’ve had the honor and privilege of working with thousands of small business owners, Fortune 500 companies, and licensed property and casualty agents in both the captive and independent channels. Thank you, Mr. Bill Knapp, for taking a chance on a young professional back in the day who was looking for a job and was able to make insurance a lifelong career!

It’s been a wild ride, but I wouldn’t change it for a minute! Would you change yours?

Why did you become a property and casualty small business owner? Was it to enjoy unlimited earnings? Possibly the freedom to be your own boss? Or maybe control your own destiny? Or because you wanted options?

Think back to that special day when you launched your insurance career. You’ve just launched a small business that for the most part will remain recession free and provide you with the opportunity for unlimited residual income. You may remember that you received the best-in-class trainings and support, and super competitive rates and commissions. You also enjoyed a successful conversion rate, and you built a strong foundation for a successful small business. You may have hired your first or second ever employee. You’re a small business owner! Congratulations!

Then, reality may have hit you like a ton of bricks! You may have returned to your office after multiple weeks of training at a regional or corporate office and being away from the family. You’re sitting in your corporate-branded office at your desk asking yourself, “What did I just do?” Then you realize – You are the rainmaker and the only rainmaker! No one is going to do it for you.

You utilize the tools and life experiences you’ve developed to sell your first policies to family, friends and colleagues and your list of 300-500 known contacts. You realize that not everyone wants to buy insurance from you and your team! You are an entrepreneur; you don’t let this stop you – you power through because you are the one and only rainmaker! You learn to leverage the national brand you represent; you gain more confidence in your presentations and – you’re beginning to understand that darn billing cycle.

You’ve established yourself and your small business as the trusted advisor for all things insurance related; your footprint is growing, and you’ve established your brand as the go-to-agent in your community. You are now building your “pipeline” and beginning to “sell.” You are learning “retention” methods daily, you’ve assimilated to best business practices regarding “operations,” and you’re establishing your “insurance carrier relationships.”

You’ve established yourself as the rainmaker and you know the winds of change are coming. We fast forward 7, 15, 23 years and you are now a trusted and valued member of your local community. You’ve raised your family locally, participated in outings, sponsorships, and you are the trusted insurance agent for your community. Heck, you just might be that agent on the corner of X and Y. Not to mention, you’ve hired a few folks along the way and helped them to enjoy a better life as well.

What is the life event that might cause you to consider the independent channel? It can be anything and everything! It could be a personal life event, your independent contract is changed or modified, your income is adjusted (not in your favor), and/or the company you’ve partnered with is unable to meet profitability requirements set forth by “The Board.” At the end of the day, yes, you work for yourself, your family and clients. Then like a ton of bricks, you realize you work for the company even though you’re an independent contractor.

The Crossroads of Change

In our industry, we must ask ourselves, “Are you happy with the direction in which your company is headed?” If you cannot answer with an emphatic “Yes” to that, then you owe it to yourself and your family to take up the task and research every opportunity that may be out there for you in the captive, independent or franchisee channels. Change can be uncomfortable, but everyone knows in our vocation that change is constant. What you need to make sure of is that the change occurs on your terms instead of “keeping the shareholders happy” and having that change forced upon you with no recourse.

The decision is yours; it always has been. The question for you to consider is, “When am I ready to make a change?” It can take a long time to get to where you need to be for it to come at a rapid-fire pace all depending on what stage of change you are personally experiencing. For most, it’s not an easy or rapid-fire decision.
When You Have Options as a Small Business Owner/Independent Contractor

What is your next move? You’ve built a wonderful life for yourself, your family and team members, and you’ve committed yourself to providing the best possible customer experience. You and your team are valued, trusted members of the community – you’re at a crossroads. Perhaps you’ve reached the pinnacle and your full potential in your current situation. Or your current situation is preventing you from realizing your true desired level of success.

• **Option 1:** Do you reset your agency to adapt to your current situation? Meaning, do you retool the agency to do what the company wants of you? Commit even more resources into new sales in the form of buying leads? Strengthen your network of lead sources, hire additional staff and reimagine yourself to be a “Manager of the Sales Machine?” If so, set a budget for this, and see where you are in a year.

• **Option 2:** Own your Plan B and ask, what does that look like for you?

As a small business owner, you owe it to yourself, your family, team members and customers to explore the plethora of opportunities in our space for the “Life after Captivity,” but a very important decision you will need to consider during this path is deciding whether to remain in the insurance profession, and/or finding the like-minded partner that will be there by your side in your journey towards success in your Plan B career. Without the right partnership, you could find yourself fraying in the winds of change with little to no support. Or even worse, you align with a partner that treats you like a production number and asks that you consider how you will satisfy the Board.

In closing, you have more options than ever before as a small business owner. If you are seeking a Plan B option in your future, I encourage you to look to the Independent Agency Channel and begin your research today!

David Colvin is the National Business Development Manager for Premier Group Insurance and Agency and Owner Operator of Americas Best Insurance Companies LLC. Premier, established in 1999, is one of the largest and fastest growing Top 100 P&C Agencies nationwide. Premier provides our agency partners with so much more than market access to over 227 national, regional and local insurance companies in Personal, Commercial and Surplus Lines. To explore The Premier Difference and so much more, don’t hesitate to contact David Colvin and his Team of Business Development Managers/Agency Owners for your confidential consultation. You can reach David at davidc@pgiagents.com.

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### Become a NAPAA Member Today

NAPAA Membership is open to:
- Current or Retired Allstate Insurance Agents
- Agency Staff
- Allstate Financial Specialists

Members receive: DirectExpress Weekly Newsletter; Continuing Education Subsidy; E&O Deductible Subsidy; Towing Service Discount; Group Dental, Health, and Vision Plans; New Member Referral Program; Numerous Discounts on Business-Related Services; Help Buying/Selling Agencies; and Member-to-Member Referrals.

Associate Membership is open to:
- Licensed Staff of a current NAPAA Member

Associate Members receive: DirectExpress Weekly Newsletter; Continuing Education Subsidy; Towing Service Discount; and Group Dental, Health, and Vision Plans

Dues may be paid annually, or monthly by automatic withdrawal (EFT) from your checking account.

Learn more about benefits of NAPAA membership and join today at: [https://napaausa.org/membership/join/](https://napaausa.org/membership/join/)
Today's workforce is more mobile than ever, and employers must work harder to retain and develop loyal team members. A strong focus on pay transparency can give employers the edge they need to attract and retain talent.

Many employees are focused on pay gaps and pay transparency more than ever before. To remain competitive in today’s hiring landscape, employers may choose to foster open dialogue around the topic of pay transparency and help employees understand how the company’s compensation plans apply to them.

What Is Pay Transparency?
Pay transparency is the practice of openly and proactively sharing information on organizational compensation practices, including pay rates for specific positions, pay increases, bonuses or commission structures, benefits, retirement plans, or any other specifics about pay. This information may be shared voluntarily on a company’s website, in job listings, or upon request, although pay transparency may be required under certain circumstances in specific jurisdictions.

Pay transparency isn’t necessarily an all-or-nothing approach, and companies may have different degrees of transparency to which they feel comfortable sharing publicly. Companies may choose to share pay ranges or general guidelines for pay based on position, seniority, length of service, and other factors. With full transparency, companies may share the specific pay rates for every employee in the organization. While there are certainly valid reasons for a company to keep individual pay figures private, more progressive organizations are moving toward full transparency as a show of good faith to employees looking for fair and equitable pay.

The Rise of Pay Transparency Laws
Equal pay laws exist in nearly every state, but laws that require companies to provide pay transparency are still a new trend. However, increased demand by employees and a continued push toward pay equity across the board are leading toward increased support for disclosure of at least some pay information.

At the federal level, the National Labor Relations Act protects employee discussions of wages preventing employers from establishing a policy to prohibit employees from discussing working conditions including pay, with other employees.

Several states require private employers to provide pay ranges for a position to employees or applicants under certain conditions. For example, some employers in Colorado must include the wage rate or range for the role in the job posting. It is currently one of 20 U.S. states that have some pay transparency legislation in place for employees.

To ensure your business complies with all applicable legislation concerning wages, start by reviewing the laws for each state in which you operate. Many of these laws also prohibit employers from asking employees about previous pay history, as these questions may lead to unfairly low pay. To avoid accidentally violating these provisions, it can be helpful to remove these types of questions from any interview guides or standard practices.

How Employee Compensation and Pay Transparency Can Benefit Your Business
Being transparent about how your company pays employees can help you in more ways than complying with applicable state and federal laws. Once your transparency plan is in place, it can aid in your recruiting and retention efforts, help your HR team
avoid surprises concerning pay, and improve your company culture. The efforts required to develop additional pay transparency can ultimately lead to operational efficiencies that keep your employees happier and help improve your bottom line.

**Weed Out Candidates Looking for Out-of-Budget Salaries**

The recruiting and talent acquisition process can be costly for any business, and the best companies recognize that high turnover and constant recruiting lead to additional expenses on several levels. Time, money, and energy invested in recruiting a candidate who ultimately decides to take their skills elsewhere is a drain on the company’s bottom line. To avoid this mismatch from the start, organizations can set clear expectations from the beginning. This creates a win-win scenario where companies don’t waste their time on candidates who will never accept an offer within the budget, and candidates can decide to go through the hiring process more willingly knowing that the potential pay, if offered the position, will be financially in line with their expectations. Transparency in job ads and early candidate screenings can help ensure a successful interview process.

**No Surprises for Your HR Team**

Even if your company is not fully on the pay transparency bandwagon, your competitors may already be disclosing this valuable information to job candidates. Potential new hires can research information on competitive pay and company culture in minutes, allowing them to come armed with a plethora of market data and negotiating power. Your HR team should stay informed of the competitive landscape to avoid being blindsided in interviews; no one wants to discover they’re the lowest-paying business in the industry by losing out on a well-informed, stellar candidate.

**Open the Door to Improved Company Culture**

Embracing transparency can provide an important opportunity for companies to ensure that their overall compensation policies are fair and equitable, which can lead to improved company culture. By gathering the pay data needed to improve your company’s transparency, you can compare both internal and external pay rates to ensure that pay is equitable across gender, race, ethnicity, positions, and locations.

Providing this additional transparency can also help you appeal to tech-savvy workers who demand access to information and feel empowered when it is readily available. This proactive transparency can help you build trust with employees across generational, gender, and racial lines to foster a sense of openness and equality. By demonstrating that your organization can gracefully navigate a sensitive topic like compensation, your employees may serve as advocates for a positive company culture that helps you attract other qualified employees.

**Possible Challenges with Pay Transparency**

Even if top management means well by sharing company pay information, there can be challenges if this additional transparency is not communicated well from the beginning. Company leaders should be thoughtful about how much information to disclose, how it might be received by employees, and what information should preface a pay reveal. Employees could feel slighted if your organization is still working to identify and eliminate pay gaps, as additional pay transparency could make those gaps even more obvious. Even if pay gaps aren’t an issue, pay transparency can be confusing or frustrating to employees if there is no clear policy in place for how pay rates are determined. Without a clear pay policy, employees may arbitrarily assume one on their own that could inaccurately imply favoritism to certain work groups or employee types. To avoid these potential challenges, be sure to review your policy with legal counsel and consider outlining the company’s pay policy in company documentation such as an employee handbook — and keeping it updated. Be sure managers are complying with the policy and look to communicate pay-related decisions sensitively and thoughtfully.

**Start Utilizing Pay Transparency Today**

While there are some potential challenges to increasing pay transparency within your organization, the benefits of increased trust among your employees and improved company culture can certainly make it worth the effort to overcome such challenges. Pay transparency is also an increasingly useful hiring and retention tool. Providing clear and transparent pay policies may be a requirement in your jurisdiction, but it can also be an effective way to demonstrate your commitment to fair and equitable pay across your organization.

**How Paychex Can Help**

If you’re looking to hire and retain top talent in today’s competitive labor market, Paychex is here to help. With Paychex, you’ll have access to a dedicated HR professional who can help you implement effective hiring, onboarding and employee engagement strategies that can set your business up for even greater success.

Looking for more up to the minute articles? Check out paychex.com/worx today! For specialized NAPAA member benefits on payroll and HR, contact Paychex at 844-846-7827 and mention code 5699. Paychex, Inc. is a national provider of cost-effective payroll and HR services trusted by more than 600,000 businesses. NAPAA members save 25% on Paychex payroll processing and 15% on HR setup fees. For more information, visit www.paychex.com/allstate.
**ARIZONA**

Flagstaff
The Halstead Agency
928.380.6357
cbhd36@gmail.com
Asking Price: Negotiable
PIF: $3,800 Premium: $3,800,000
Number of Staff: 3
Number of Licensed Staff: 3
NAPAA Member: Yes

60+ year award-winning established agency. Longstanding loss ratios below 40%, high retention rates, and cross-sales. Beautiful and inexpensive office location in a vibrant downtown location. Rare and very unique opportunity to own a thriving business in a highly desirable mountain town. Mild seasons and natural beauty make for extensive outdoor living, with activities like skiing, hiking, hiking, and dining. Town boasts a diverse population, a major university, and a vibrant arts community.

**TR Pfits Insurance Group, Inc.**
928.279.8994
tris22@napaa@gmail.com
Asking Price: $700,000
PIF: 2643 Premium: $3,056,000
Number of Staff: 2
Number of Licensed Staff: 2
NAPAA Member: Yes

Time to retire. 24 yr agent in the same location for 20 yrs. 1000 sq ft suite in a prime location. Building located on the main street through town. 2 licensed support staff. One is bilingual.

**Angie Whitesides**
928-753-9229
angieweese66@gmail.com
928-753-5229
Angie Whitesides
Kingman

Town. 2 licensed support staff. One is bilingual.

**CALIFORNIA**

Los Angeles

Los Angeles Agency
288-863-0340
patrice@energypartners.com
Asking Price: $849,000
PIF: 1638
Premium: $3,600,000
Number of Staff: 2
Number of Licensed Staff: 2
NAPAA Member: Yes

Family-owned, second-generation, agency consisting of a preferred auto/homeowner customer base with high retention and loyal customer base. Agency is nestled at the base of the Santa Monica mountains. A well-distributed book of business with the potential to increase revenues through new, renewal and brokered commissions in an exceedingly desirable neighborhood. A complete operation with tenured staff, significant bonus opportunity and undeniable earning potential.

**Ontario**

Barajas Insurance Agency
760.989.9922
aracelih@allstate.com
Asking Price: TBD
PIF: $1,500,000
Number of Staff: 3
Number of Licensed Staff: 3
NAPAA Member: Yes

Turnkey office, ECP eligible, 2 yrs left on an office lease, Loss Ratio 50%, 88% retention. Please do not call the office for details, I may be reached at 760-989-9922 or via email: aracelih@allstate.com for additional information. Thank you!

**San Diego**

Allstate Agency
858.671.2200
mikemaynil@gmail.com
Asking Price: $400,000/OBO Negotiable
PIF: 1160 Premium: $1,703,566
NAPAA Member: Yes

Career agent with 32 years of experience and 21 years with Allstate ready to retire. Longstanding agency with that as low loss ratio and very high retention. Kingman is growing on a daily basis with endless possibilities for a new business. Office central is located across the street from the post office.

**Maricopa County**

Samm Business Marketing
855-306-8627
nicolesammconsulting.com
Asking Price: $1,550,000
PIF: 3735 Premium: $3.5M
Number of Staff: 4
Number of Licensed Staff: 4
NAPAA Member: Yes

$3.5M Allstate book of business in Maricopa County, AZ. Good loss ratio and retention. Full staff. Call SAMM today for nda and more info: 855-306-8627

**Visalia**

Napov Insurance Agency
559-303-1773
marknavo@allstate.com
Asking Price: TBD
PIF: 2211 Premium: $3,411,496
Number of Staff: 3
Number of Licensed Staff: 2
NAPAA Member: Yes

49 year agent ready to sell. The office has been in the same location for 36 years and is located in a prime location at one of the busiest intersections in Visalia. Turnkey operation ready to operate. All office furnishings and equipment are included in the asking price. Agent is willing to finance.

**Westlake Village**

Uddell Family Insurance Services, Inc.
818.991.2800
Asking Price: $1,000,000
PIF: 2200 Premium: $4,300,000
Number of Staff: 2
Number of Licensed Staff: 1
NAPAA Member: Yes

Est. 1973, Original agent HOF Member, 2nd Gen. Owner. Retention 90%, Auto 12MM L/R 37%, Total P/C 12MML/R 30%, LSP 20 years Exp. Located right on the border of N. Los Angeles County and Ventura County. WLV is a great area and has low rent costs.

**COLORADO**

Aurora

Allstate Agency
720-902-5200
GChitwood@G-Forceac.com
Asking Price: $800,000
PIF: 1600 Premium: $3,375,928
Number of Staff: 1.5
Number of Licensed Staff: 1.5
NAPAA Member: No

Established $3.4 million earned premium agency. Highly desirable location in Arapahoe County.

**Simi Valley**

Robert Ives
805.657.5142
xrtec23@aol.com
Asking Price: TBD
PIF: 1723 Premium: $2,100,000
Number of Staff: 1 (18 Years)
Number of Licensed Staff: 1
NAPAA Member: No

**Denver**

Insure All Financial Services, Inc, dba Charlotte Gonzales
720.533.8402
cgonzales@allstate.com
Asking Price: $450,000
PIF: 1325 Premium: $1,850,000
Number of Staff: 2
Number of Licensed Staff: 2
NAPAA Member: Yes

20-year-old scratch agency with 92% P&C retention and 98% life retention. 24-month loss ratio 38%. Bilingual agency. Agent wishes to retire. Longmont is located 30 miles north of the Denver/ Boulder area and the population is booming – over 94,000. PPC Loan (an Allstate approved lender) has already approved up to $615,000 for a qualified buyer! PPC Loan underwriter stated, “this is a great agency to purchase!”

**Loveland**

Allstate Agency
720.779.1500
GChitwood@G-Forceac.com
Asking Price: $800,000
Premium: $3.4M
Number of Staff: 3
Number of Licensed Staff: 3
NAPAA Member: Yes

7+ years established agency with 3 experienced staff who are familiar with the customers and books.
**DELAWARE**

**Seaford**
DeSanctis Ins. Agency, LLC
302.632.7024
docdlk@hotmail.com

*Agencies for Sale*

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**FLORIDA**

**Spring Hill**

Veres Insurance
727.967.3438
Billveres@allstate.com

*Agencies for Sale*

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**GEORGIA**

**Atlanta**

Samm Business Marketing – S Atlanta, GA
678-223-7397

*Agencies for Sale*

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**ILINOIS**

**Aurora**

(Western Suburbs of Chicago)
Harvey A Goodwin
630-604-7077
harvey@411@xool.com

*Agencies for Sale*

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**INDIANA**

**Evansville, South Bend, Carmel**

The Tod Wilson Agencies
812-457-0089
todwilson11@gmail.com

*Agencies for Sale*

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**IOWA**

Ottumwa
Wellbrenner Inc.
641-777-6560 Cell
chadley08@yahoo.com

*Agencies for Sale*

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**Chicago**

Allstate Agency
847.594.2664
danielhicks2010@gmail.com

*Agencies for Sale*

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**Chicago (South Suburbs)**

Allstate Agency
cjenterprises1972@gmail.com

*Agencies for Sale*

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Agencies for Sale

KENTUCKY

Alexandria
Ellison Agency, LLC
859-468-7027
mark.ellison24@aol.com
 Asking Price: $285,000
Premium: $1,330,000
Number of Staff: 1
Number of Licensed Staff: 1
NAPAA Member: No
Will-established 30-year-old agency with growth potential at 90% and loss ratio at 35%, with an ideal location. Sells in three states.

Crescent Springs
Ballard & Associates, LLC
859-341-3790
jenniballard@allstate.com
 Asking Price: $330,000
PIF: 1178 Premium: $1,518,440
Number of Licensed Staff: 1
Number of Staff: 1
NAPAA Member: Yes
Agency owner for 36 years and retiring. Prime location in the county. Customer satisfaction is high.

MARYLAND

Bowie
Fisher Associates
301-502-8673
fisherlfc@aol.com
 Asking Price: Negotiable
PIF: 2,626 Premium: $4,500,000
Number of Staff: 3
Number of Licensed Staff: 3
NAPAA Member: Yes
Well-established agency with over 30 years of experience. Agency is located on a busy street in the professional plaza with a great location.

Largo
Kristina M. Ross & Associates, Inc.
 Asking Price: Negotiable
kmrossinc@gmail.com
Premium: $3,170,000
Number of Licensed Staff: 3
NAPAA Member: Yes
Agency owner for 30 years and retiring. Prime location in the county. Customer satisfaction is high. The agency is sells above market. Loss Ratio 47.3%, Retention 91.32%.

MASSACHUSETTS

Attleboro
Terri Allegrucci Agency
860-331-3981
terriallegrucci@gmail.com
 Asking Price: $1,100,000
PIF: 3,000 | Premium: $4,400,000
Number of Staff: 3
Number of Licensed Staff: 3
NAPAA Member: Yes
Agency originated as two scratch agencies in October 2015 (pre ECP). Currently housed in one location with over 10 years of experience.

MICHIGAN

Shelby Township
Brad Valls Agency, LLC
248-764-0864
bmv1276@yahoo.com
 Asking Price: $665,000
PIF: 3,907 | Premium: $3,300,000
Number of Staff: 6
Number of Licensed Staff: 6
NAPAA Member: Yes
Great opportunity to take over a turnkey agency! Consistent renewal revenue stream while you leverage the current operational capability for continued strong growth.

Salisbury
Fred Pastore, Inc
410-860-0866
fredpastore@allstate.com
 Asking Price: Negotiable
PIF: 937 Premium: $1,390,965
Number of Staff: 0
Number of Licensed Staff: 0
NAPAA Member: Yes
LR 40.8%, Retention 88.7%. High traffic location. Agent will stay on as LSP.

Troy
Long Lake Insurance Agency, LLC
888-381-8187
corporate@energiapartners.com
 Asking Price: $1,450,000
PIF: 2,651 | Premium: $4,935,000
Number of Staff: 4
Number of Licensed Staff: 4
NAPAA Member: Yes
Please find detailed information at: sale.longlakeins.com

MISSOURI

Columbia
Wobig Insurance Group
573-999-3893
 lynwobig@gmail.com
 PIF: 1694 | Asking Price: $725,000
 Premium: $2,300,000
 Number of Staff: 2
 Number of Licensed Staff: 2
 NAPAA Member: Yes
 Long-time agent retiring. Excellent location in the downtown area with great parking!

Montana

Missoula
Cliff Plantz Insurance Inc
406.544.1446
cplantz@allstate.com
 Asking Price: $375,000
Premium: $2,000,000
Number of Staff: 1
Number of Licensed Staff: 1
NAPAA Member: Yes
This book has been in Missoula since 1963. Very loyal customer base and only 1 other Allstate agent in Missoula.

NEVADA

Las Vegas
Cox Family Insurance
702.778.2222
garycox@allstate.com
 Asking Price: $331,663
PIF: 1209 | Premium: $1,489,931
Number of Staff: 2
Number of Licensed Staff: 2
NAPAA Member: No
Agency is located in a busy building with good foot traffic in one of the most rapidly developing upscale areas of Las Vegas. "Home to many Golden Knights and LV Raiders."

NEW HAMPSHIRE

Windham
Hunter Insurance Agency
702.461.9617
 nmartel@allstate.com
 Asking Price: $330,000
Premium: $1.2 Million
Number of Staff: 2
Number of Licensed Staff: 2
NAPAA Member: No
This agency comes with an Enhanced Compensation Program which is no longer available. This office is able to write in both NH and MA.

NEW JERSEY

Hamilton
KM Zola Agency
609-575-7351
 kevinzola@allstate.com
 Asking Price: $950,000
PIF: 2,609 Premium: $4,211,915
Number of Staff: 2
Number of Licensed Staff: 2
NAPAA Member: No
Agency owner for 21 years. Retiring. Retention 91.13% L/R 43.83%

36 — Exclusive Focus Spring 2022
<table>
<thead>
<tr>
<th>Agency Name</th>
<th>Address</th>
<th>Phone Number</th>
<th>Email Address</th>
<th>Contact Person</th>
<th>Phone</th>
<th>Premium</th>
<th>Asking Price</th>
<th>NAPAA Member</th>
<th>Number of Licensed Staff</th>
<th>Number of Staff</th>
<th>PIF</th>
<th>Comments</th>
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<tbody>
<tr>
<td>Hampton Bays Ken Pagano Agency, Inc.</td>
<td>631.566.7839</td>
<td></td>
<td><a href="mailto:kenpaganoagency@gmail.com">kenpaganoagency@gmail.com</a></td>
<td>Asking Price: $925,000</td>
<td>FIF: 1760</td>
<td>Premium: $4,000,000 including Ivantage</td>
<td>NAPAA Member: Yes</td>
<td>Loss Ratio 33%, Retention 91.4%, Life PIF 240+</td>
<td>Multiple Bonus and Award-Winning Agency retiring after 32 years.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Kotonah Kotonah Insurance Agency</td>
<td>941-232-0330</td>
<td></td>
<td><a href="mailto:peiffert@allstate.com">peiffert@allstate.com</a></td>
<td>Asking Price: $290,000</td>
<td>FIF: 1300</td>
<td>Premium: $2,500,000</td>
<td>Number of Staff: 2</td>
<td>Number of Licensed Staff: 1</td>
<td>NAPAA Member: Yes</td>
<td>Ready to move on after investing over ten years in agency. Retention over 90%. 33% Loss Ratio. Great location in beautiful Katonah.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Lawrenceville Steven Lambusta Agency LLC</td>
<td>732.232.1774</td>
<td></td>
<td><a href="mailto:slambusta@comcast.net">slambusta@comcast.net</a></td>
<td>Asking Price: $595,000</td>
<td>FIF: 1800</td>
<td>Premium: $3,000,000</td>
<td>Number of Licensed Staff: 1</td>
<td>NAPAA Member: Yes</td>
<td>Loss Ratio 39%, Retention 90%</td>
<td></td>
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<tr>
<td>New City David M Brand Agency, Inc.</td>
<td>914.393.1723</td>
<td></td>
<td>Asking Price: $1,150,000</td>
<td>Premium: $4,400,000</td>
<td>FIF: 2589</td>
<td>Premium: $4,400,000</td>
<td>Number of Staff: 2</td>
<td>Number of Licensed Staff: 2</td>
<td>NAPAA Member: Yes</td>
<td>Notes: 15 Year Multiple Award Winning Established Agency available in the Heart of Rockland County, NY. The building that houses an agency with an additional rental unit is available for purchase as well. Retention 92.76%, Loss Ratio 40.37%, 65% Bundling, 300K+ Ivantage BOR, 40K+ Flood BOR, 240 Life Policies, 12% of which are Term, Apps 2.5MM Securities. The asking price is for Book Only. Will sell Agency with or without the building. Turn-Key Opportunity!</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Queens The Meltzer Agency</td>
<td>718.208.764</td>
<td></td>
<td><a href="mailto:tmeltzer@allstate.com">tmeltzer@allstate.com</a></td>
<td>Asking Price: $290,000</td>
<td>FIF: 600</td>
<td>Premium: $1,300,000</td>
<td>Number of Staff: 3</td>
<td>Number of Licensed Staff: 1</td>
<td>NAPAA Member: Yes</td>
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<tr>
<td>Valhalla Valhalla Agency</td>
<td>910.787.5222</td>
<td></td>
<td><a href="mailto:stevecervin@yahoo.com">stevecervin@yahoo.com</a></td>
<td>Asking Price: $190,000</td>
<td>FIF: 1448</td>
<td>Premium: $1,031,186</td>
<td>Number of Staff: 0</td>
<td>Number of Licensed Staff: 0</td>
<td>NAPAA Member: Yes</td>
<td>The perfect book to purchase as it will remain on enhanced commission so lots of opportunities for new business and renewals. Solid book as within 5 years 80% customers were retained. Asking 225k</td>
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**NEW MEXICO**

<table>
<thead>
<tr>
<th>Agency Name</th>
<th>Address</th>
<th>Phone Number</th>
<th>Email Address</th>
<th>Contact Person</th>
<th>Phone</th>
<th>Premium</th>
<th>Asking Price</th>
<th>NAPAA Member</th>
<th>Number of Licensed Staff</th>
<th>Number of Staff</th>
<th>PIF</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>Santa Fe Quezada Jacobs Family Agency, LLC</td>
<td>505.474.4033</td>
<td></td>
<td><a href="mailto:nedjacobss@allstate.com">nedjacobss@allstate.com</a></td>
<td>Asking Price: $950,000</td>
<td>FIF: 2900</td>
<td>Premium: $3,000,000</td>
<td>Number of Staff: 5</td>
<td>Number of Licensed Staff: 4</td>
<td>NAPAA Member: Yes</td>
<td>90. retention rate 64.37 multiline 85k00 in brokered business – including flood agent will finance 34-year plus, wants to retire</td>
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</table>

**NEW YORK**

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<tr>
<th>Agency Name</th>
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<th>Premium</th>
<th>Asking Price</th>
<th>NAPAA Member</th>
<th>Number of Licensed Staff</th>
<th>Number of Staff</th>
<th>PIF</th>
<th>Comments</th>
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<tbody>
<tr>
<td>East Setauket William I Goble</td>
<td>631.655.9028</td>
<td></td>
<td><a href="mailto:williamgoble@allstate.com">williamgoble@allstate.com</a></td>
<td>Asking Price: $330,000</td>
<td>FIF: 800</td>
<td>Premium: $1,650,000</td>
<td>Number of Staff: 1</td>
<td>Number of Licensed Staff: 1</td>
<td>NAPAA Member: Yes</td>
<td>90. retention rate 64.37 multiline 85k00 in brokered business – including flood agent will finance 34-year plus, wants to retire</td>
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**GREENLAWN**

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<thead>
<tr>
<th>Agency Name</th>
<th>Address</th>
<th>Phone Number</th>
<th>Email Address</th>
<th>Contact Person</th>
<th>Phone</th>
<th>Premium</th>
<th>Asking Price</th>
<th>NAPAA Member</th>
<th>Number of Licensed Staff</th>
<th>Number of Staff</th>
<th>PIF</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>RM Szabo Agency</td>
<td>631.553.1322</td>
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<td>Exclusive focus - 37</td>
</tr>
</tbody>
</table>

**EXCLUSIVE FOCUS**
Agencies for Sale

**OREGON**

Beaverton-Aloha

Allstate

503.550.0501

adlitopanto@yahoo.com

Asking Price: $325,000

PIF: 1976 Premium: $2.3 Million

Number of Staff 2

Number of Licensed Staff: 2

NAPAA Member: Yes

2 LSOS. Office in a busy strip mall and can be relocated since the lease is almost up. We have been hitting the agency bonuses for the last 7 years. Serious buyers only. Agent retiring.

**CENTRAL POINT**

Martin Insurance Agency Inc

541-840-4241

davidbmv@mmallstate.com

Asking Price: $625,000

PIF: 2131 Premium: $2,600,000

Number of Staff: 1

Number of Licensed Staff: 1

NAPAA Member: No

This agency has an 89.2% retention with a loss ratio of 49.75%. Agency has been located on the main street through town for the past 15 years and had the same phone numbers for 25 years. There are no other Allstate agencies within 5 miles. After 25 years agent is retiring. The location is owned and can be leased or purchased on a separate contract.

**PENNSYLVANIA**

Lebanon

Tim McShane Agency Inc

717-269-0132
gorbie605@gmail.com

Asking Price: $800,000

PIF: 3042 Premium: $4 Million

Number of Staff: 2

Number of Licensed Staff: 2

NAPAA Member: Yes

High visibility location on main North-South artery in County. 39 year agent has 41% LR and 91.23% retention. Cross-sell and ALR opportunities abound. 1600 sq ft bldg could also be included. All staff bi-lingual. No other Allstate agencies to compete with for miles in every direction. Turn key operation with great growth potential!

**RHODE ISLAND**

Providence

DeJesus Agency

401-640-0318
ehnicel23@gmail.com

Asking Price: $6,000,000

PIF: $17,000,000

Number of Staff: 5

Number of Licensed Staff: 5

NAPAA Member: No

2 locations in Rhode Island located in Newport and Providence areas. Also in the same location with the same name. Over 1.5k policies in force and over $17 million in written premium, able to sell agencies as a package or individually.

**TENNESSEE**

Columbia

Mike Baltzer Agency

931.381.6800

mblatzer@allstate.com

Asking Price: $225,000

PIF: 1,118 Premium: $1,528,323

Number of Staff: 1

Number of Licensed Staff: 1

NAPAA Member: Yes

I have been an agent with Allstate for 40 years and my retention ratio is 91.55%

**TEXAS**

Austin

Samm Business Marketing

512-306-8627

nicole@samcm.com

Asking Price: $695k

PIF: 1747 Premium: $3,300,000

Number of Staff: 2

Number of Licensed Staff: 2

Member: No

$3.3 M Allstate Agent. Agent ready to retire. Option to relocate or take over location. Call today for NDA and additional info at 512-306-8627

**Pennsylvania**

Lebanon

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717-269-0132

gorbie605@gmail.com

Asking Price: $800,000

PIF: 3042 Premium: $4 Million

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**Pennsylvania**

Philadelphia

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401-640-0318

ehnicel23@gmail.com

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PIF: $17,000,000

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Number of Licensed Staff: 1

NAPAA Member: Yes

I have been an agent with Allstate for 40 years and my retention ratio is 91.55%

**Texas**

Austin

Samm Business Marketing

512-306-8627

nicole@samcm.com

Asking Price: $695k

PIF: 1747 Premium: $3,300,000

Number of Staff: 2

Number of Licensed Staff: 2

Member: No

$3.3 M Allstate Agent. Agent ready to retire. Option to relocate or take over location. Call today for NDA and additional info at 512-306-8627

**Texas**

Fort Worth

Troy & Associates

214.288.0690

dianatrox@allstate.com

Asking Price: Negotiable

PIF: 3778+ Premium: $6.1 million

Number of Staff: 5

Number of Licensed Staff: 5

NAPAA Member: Yes

UTAH
Northern Utah
SAMM Business Marketing - Northern Utah
855-306-8627
mailto:nicole@sammconsulting.com
Asking Price: $750,000
PIF: 2,390 plus
Premium: $3,000,000
Number of Staff: 1
Number of Licensed Staff: 1
NAPAA Member: No
This is a well-established agency. It has low overhead and cash flows well. Agent ready to retire. Call today for NDA and additional info.

VIRGINIA
Harrisonburg
AAR Financial Services, LLC
540.624.3077
abbas.rawoot@gmail.com
Asking Price:
PIF: 2,381 plus
Premium: $2,608,238
Number of Staff: 4
Number of Licensed Staff: 3
NAPAA Member: Yes
10 years at the same High visibility storefront location in downtown Harrisonburg, Virginia 22802. Excellent lease terms. Selling due to long past retirement.

Northern Virginia
Hamel Insurance LLC
703-728-6590
CourtneyJHamel@gmail.com
Asking Price: Negotiable
PIF: 2,381 plus
Premium: $2,200,000
Number of Staff: 1
Number of Licensed Staff: 1
NAPAA Member: Yes
Longstanding agency with 90% retention & low loss ratio licensed MD, DC, VA, WV & DE. Merge Ready OR Turnkey (lease expires April 2022) FT Bilingual LSP (EA can be available for transition) Reports available upon request. Please do not call the office.

WASHINGTON
Mukilteo
AK Financial & Insurance Services, LLC
akfisllc@gmail.com
Asking Price: $500,000 OBO
PIF: 1580 Premium: $2,160,000
Number of Staff: 3
Number of Licensed Staff: 3
NAPAA Member: No
Quality Agency. Owner retiring to pursue other opportunities and spend more time with family out of state.
MEMBERSHIP APPLICATION
National Association of Professional Allstate Agents
110 Horizon Drive, Suite 210
Raleigh, NC 27615
Call Toll-Free: 919-573-5025
Fax: 919-459-2075
Email: membership@napaa.inc.org | www.NAPAAUSA.org

<table>
<thead>
<tr>
<th>Demographics</th>
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<tbody>
<tr>
<td>Name:</td>
</tr>
<tr>
<td>Address, city, state, zip:</td>
</tr>
<tr>
<td>Primary Phone:</td>
</tr>
<tr>
<td>Agent since:</td>
</tr>
<tr>
<td>If you were referred by a NAPAA member let us know – we’ll send them a $15 Starbucks gift card for referring you!</td>
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<tr>
<td>Referred by:</td>
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<table>
<thead>
<tr>
<th>Membership Categories</th>
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<tr>
<td>Gold Membership (EA/EFS):</td>
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<tr>
<td>Super Supporter (EA/EFS):</td>
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<td>Associate Member (LSP):</td>
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<tr>
<th>Action Fund Donation</th>
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<tbody>
<tr>
<td>One Time Payment: $</td>
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<table>
<thead>
<tr>
<th>Payment Section</th>
</tr>
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<tbody>
<tr>
<td>EFT (Monthly) – Mail, scan or fax voided check</td>
</tr>
<tr>
<td>I authorize NAPAA to make electronic withdrawals from my account in the amount stated above. Withdrawals will occur on or about the 20th of every month. This authorization agreement is effective as of the signature date below and will remain in full force, including renewal, conversion or future changes in membership dues, until NAPAA has received notification from me of its termination. I may cancel this authorization at any time by contacting NAPAA by phone, fax, mail or email at least 10 days prior to the withdrawal date.</td>
</tr>
<tr>
<td>I have enclosed a voided check.</td>
</tr>
<tr>
<td>Check (Annual)</td>
</tr>
</tbody>
</table>

Authorization Signature: ___________________________ Date: ___________________________
The Gold Standard by which all others are measured.

SIAA Member Agencies...

- Own their books of business.
- Experience transparency with commissions and profit sharing.
- Are independent, but never alone.
- Have agreement flexibility designed to grow with their agencies.
- Write $10.8 billion in Total Written Premium.

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info@siaa.com | siaa.com

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Lockport, IL

Executive Vice President
Lezlee Liljenberg
Arlington, TX

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John Harvester
Bentonville, AR

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Michael Garofalo
Greenwich, CT

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Ray Manfredi, Springfield, VA
Melissa Johnson-Crowdus, Pikeville, KY
Scott Verbarg, Indianapolis, IN
Debe Campos-Fleenor, Tucson, AZ

EXECUTIVE DIRECTOR
Ted Paris

DIRECTOR OF ADMINISTRATION
Lee Claassen

MEMBERSHIP MANAGER
Nancy Haywood

COMMUNICATIONS MANAGER
Jennifer Tse

NAPAA can be reached at:
110 Horizon Drive, Suite 210
Raleigh, NC 27615
919-573-5025
919-459-2075 (fax)
www.napaausa.org/contact-napaa/

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National Association of Professional Allstate Agents, Inc.

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This issue of Exclusivefocus magazine may contain articles of interest submitted to NAPAA by outside authors. NAPAA is not responsible for the opinions, advice or accuracy of any information provided therein.

NAPAA’s Mission Statement
NAPAA is dedicated to the success of Allstate Exclusive Agency Owners and to advance the independence and entrepreneurial spirit of our members.

NAPAA’s Goals
Our goals are subject to alteration, influenced by a constantly changing environment and the needs and wishes of our members.

NAPAA encourages its members to actively participate in the process of defining and refining our Mission, Goals and Positions.

Our General Goals:
• To provide an organization specifically tailored to benefit Allstate Exclusive Agents
• Monitor legislative and legal issues pertinent to Agents and their clients
• Provide reliable communications on all issues that affect Agents and the ability to call upon our members to act
• Provide Agents with a distinct voice on issues that affect them, continually exploring options and solutions
• Make tools and resources available for members in an effort to increase agency value and success.

For more information, please visit
www.napaaUSA.org

Spring 2022
this issue of Exclusivefocus is brought to you by the National Association of Professional Allstate Agents.
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or email Alex Bunch at alex@twfg.com

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2022 College Scholarship

NAPAA Members* are invited to nominate a student to receive $1000 towards tuition

Applicants must be:

- <1 year from high school graduation OR

- current freshmen or sophomores enrolled in a college program, including:
  - 4-year colleges,
  - community colleges,
  - technical colleges, OR
  - trade schools.

Apps Due: June 30, 2022

Winners Announced: July 31, 2022

www.napaausa.org/scholarship

*Nominations must be submitted by a NAPAA member