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business insurance

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Captive charged with illegal offer of physician policies

By MARGARET LeROUX

LOS ANGELES—California Insurance Commissioner Wesley J. Kinder is charging a malpractice captive with illegally soliciting business from physicians on the staffs of four of the hospitals the captive was set up to insure.

The hospitals, denying the charge, countersued, winning a temporary restraining order against the Commissioner until August 10, preventing him from interfering with the captive.

The hospitals' action was in response to a civil complaint filed by the State Insurance Commissioner which charged illegal business practices.

The suit was filed on behalf of four Southern California hospitals: Memorial Hospital Center of Long Beach, Daniel Freeman Hospital in Inglewood, Anaheim Memorial Hospital and Queen of the Valley Hospital in West Covina. The California hospitals are among some 43 hospitals in 11 states insured by the captive, Multihospital Mutual Insurance Co. (MMI).

Domiciled in Hamilton, Bermuda, MMI was established in October 1975 and offers hospitals up to $10 million per occurrence liability limits on a $1 million primary, $9 million excess basis.

Staff physicians at those hospitals insuring with MMI have up to $1 million per occurrence, $3 million annual aggregate coverage available to them.

The captive is managed by Ebasco Services Inc. and its excess underwriters in the London market include Edinburgh General Insurance Co., Winterthur Swiss Insurance Co., Wallbrook Insurance Co. and Mutual Reinsurance Co.

"The basic issue is that MMI is a non-admitted insurance company and it's soliciting business in violation of the state insurance code," said Wallace W. Scales, staff counsel for the insurance department.

Mr. Scales explained that the insurance code prohibits non-admitted insurance companies from soliciting business, unless through licensed surplus lines brokers.

Donald C. Carner executive vp of Memorial Hospital Center of Long Beach and also the president of MMI said he merely answered

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We're up in arms

It's time to stop defining the liability problem and start taking steps to assure reform of the legal and tort liability system. We've determined seven concrete steps to stem the orgy of litigation spurred by greed. See page 24.

Court rules Lloyd's must pay Flintkote D&O claim

By MARIE KRAKOWIECKI

NEW YORK—Lloyd's of London must pay Flintkote Co. for defense costs the company incurred in a controversial 1973 directors' and officers' liability case, the New York State Supreme Court said.

In a declaratory judgment delivered July 23, Judge Sidney H. Asche ruled that Flintkote's claim for reimbursement on a Lloyd's D&O policy was a valid one. The judgment did not establish the amount Lloyd's is supposed to pay, a Lloyd's attorney said, but Flintkote's legal expenses in the case were $575,000.

Flintkote was insured by Lloyd's from 1971 through 1974 on a D&O contract which was supposed to provide limits of 95% of each loss suffered by Flintkote in excess of $75,000 up to a maximum of $1 million. The policy was brokered by J. H. Minet & Co. Ltd., and Flintkote paid a $7,000 premium for it

During the life of the policy, the Justice Department waged an investigation of the gypsum industry, and consequently enbroiled Flintkote's president and chairman in an antitrust price fixing suit.

The Flintkote officers pleaded "no contest" to the charges against them; because they did, Lloyd's refused to reimburse Flintkote for its defense expenditure.

Flintkote promptly sued Lloyd's and more than a dozen of its syndicate members which acted as percentage participants on the coverage, insisting that the insurance contract applied even in cases where directors and officers were not acquitted. (*Business Insurance*, June 30, 1975.)

When news of the suit came out last year, D&O experts said the point at issue was how much insurance coverage a company could actually expect to get when it bought a Lloyd's D&O policy.

There was still uncertainty over how the Flintkote case would impact the D&O market as a whole after the declaratory judgment was made. Both sides in the case said appeals would be filed.

Seymour Weiss, corporate risk, safety, and insurance manager for Flintkote, told *Business Insurance* that the company was pleased its point was made in court, but that it was wondering how the case might affect future policies.

So far, there has been no impact even on Flintkote's own D&O coverage. J. H. Minet is still its broker, and Lloyd's is still the firm's D&O underwriter, under a contract Minet negotiated before the suit was filed.

"Lloyd's did come in with a new D&O form earlier this year, but it appears to have no bearing on this case," Mr. Weiss said, adding, "We feel that Lloyd's has not been vindictive about this, and we are reassured by that. We felt that morally we had a position, and they felt the same way. This was not a frivolous case, nor a heated situation. We had mutual respect for each other's position.

"It's not big money that's involved on this case," Mr. Weiss said. "It was more a question of a point of law."

Ralph Curtis, senior partner of law firm Mendes & Mount, is handling all the litigation for Lloyd's in the Flintkote case. He explained that the judgment addressed itself to just one of the two types of D&O policy forms, the underwriters' company reimbursement policy.

"The extent of the judgment held that the underwriters' company reimbursement policy as amended in 1967 specifically undertook to cover a corporation for its reimbursement of directors' and officers' legal defense costs incurred in criminal actions," Mr. Curtis said.

He added that the judgment stated there is no federal or state

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Harlan Inc. lays low after its divestiture

By ELISABETH M. WECHSLER

HOUSTON—Harlan Inc., the 14th largest insurance broker in *Business Insurance's* survey a year ago, is apparently seeking a low profile after its divestiture by the parent corporation, Halliburton Co. of Dallas.

The firm declined to participate in this year's Agent/Broker profile survey and has experienced several changes since early 1976 when Harlan officials bought back the firm's equity from Halliburton.

Harlan declined all comment about the transfer of ownership, but T. H. Cruikshank, senior vp of finance for Halliburton, confirmed this scenario:

Harlan chairman Jerome S. Fletcher, president Joseph N. Tate and three others formed a holding company early this year which in turn purchased Halliburton's 22% equity interest in Harlan, as well as an estimated 90% of the remaining stock outstanding, for the privately-held brokerage firm. Approximately 238 shareholders, most of them key officers of subsidiaries acquired during Harlan's expansionary heyday, were involved in the sale. Terms of the transaction were not disclosed but one source estimated that the stock sold for about $4 a share. It's not known how many shares were involved.

"We determined, that it was not a type of investment that fit into our plans," Mr. Cruikshank said. "It's better being owned by the people who have to operate it and produce. We couldn't see continuing a minority interest or any purpose in increasing our equity."

In 1969 when Halliburton acquired Harlan, its equity interest was "40-odd percent," according to Mr. Cruikshank.

"Revenues did not enter into the decision," he noted, though Harlan reportedly experienced a second year of flat revenues, according to several observers close to the company. Fiscal 1974 gross revenues were about $10.3 million, down 1.6% from the previous year.

What mattered to Halliburton, a $5 billion company with $200 million in net income after taxes, was that "Harlan wasn't in the right type of business," said Mr. Cruikshank, who added that the brokerage firm "was too small to worry about."

The other new directors of the Harlan Holding Co. are E. R. Albert Jr., Mr. Tate's former Oklahoma partner before he was named Harlan's chief executive officer in fiscal 1975; E. A. Butler, head of a New York City management consulting firm; and Carlton Wilde, Harlan's attorney.

Halliburton, along with subsidiaries Brown & Root and Horn Construction Co., remain on Harlan's client roster. But Mr. Cruikshank noted: "It's a competitive situation. I don't know if we'll continue."

"There's been no change in our relationship (with Harlan) as far as I'm concerned," said George Benis, assistant insurance manager at Brown & Root, Houston. "Maybe we're getting preferential treatment," he mused, but admitted that the restructuring of ownership was "a surprise" to him.

"I don't see any more marketing or competition than there was before," commented another Houston broker who asked for anonymity. "I doubt if their clients realize a change has occurred."

One client, who sued Harlan within the past year for an errors and omissions claim involving coinsurance, has decided to continue doing business with the brokerage firm. (Not much money was involved in the claim, one source noted. The insurance company paid the claim.)

Another source who has an ongoing business relationship with Harlan believes that, if any change

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Bizarre bank burglary

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agent/broker profiles

- Financial roundup and rankings of Top 20 firms, with detailed chart, page 11.
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- Profiles of Top 20 Brokers in North America in order of revenue size as shown on chart, pages 22 through 41.
- Alphabetical profiles of 320 agents/brokers around the country and world, pages 42 through 78.
- Geographical index, pages 79 through 82.
- Editorial Advisory Panel members speak out on what they want from brokers, what they pay their brokers, and how they rate their brokers' services, in the Perspective section, pages 63 and 64.
- Broker share of market forecast: Nine firms seen dominating commercial business by 1980, page 64.

Hospital captive . . .

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questions about the captive. He was not "actively soliciting business," he told *BI*.

"The Commissioner says that if I answer any questions about the captive, it's soliciting business," Mr. Carner said.

As the malpractice crisis hit California hospitals and doctors late last year, Mr. Carner said he was asked to speak at a medical staff meeting to explain the captive and its operation.

In a letter to Commissioner Kinder, Dr. G. Barron Bloom, a staff physician at Daniel Freeman Hospital said, referring to MMI, "They did not seek us; we sought them when our backs were to the wall."

The California Insurance Department has also raised the question of whether MMI's capitalization is sufficient to cover possible future losses.

MMI has posted the $250,000 required by the Bermuda government for capitalization, a figure considerably less than required of admitted malpractice insurance companies in the state of California, Mr. Scales said.

MMI has assets exceeding $6 million, according to Mr. Carner, who acknowledged that this figure represents premiums on deposit.

MMI's capitalization "bothered us a bit," the insurance coordinator for a Houston hospital that decided not to join the captive told *BI*, though he added it was "not the overriding issue."

Robert G. Dyer, insurance coordinator for the Memorial Hospital System, Houston, noted that one disadvantage of insuring for malpractice with a captive is its lack of capitalization. "All it has to fall back on are its premiums," he said.

Hospitals insuring with MMI pay a $1.2 million minimum premium for $1 million of coverage.

Excess coverage is figured on a retrospective formula and premiums for the first $3 million in excess of the basic $1 million range from $500,000 to $800,000.

The final $6 million in excess coverage is available at a flat rate.

The overriding issue that prevented the Houston system from joining MMI, Mr. Dyer said, was lack of time.

"Our coverage expired July 22 and we couldn't get cleared by the London market for excess coverage to meet the deadline," he said. Otherwise "it's a good possibility we'd have joined."

Mr. Carner claims that MMI has saved the four California hospitals $1 million in premiums since its establishment.

In a news conference, he charged Commissioner Kinder with trying to "sabotage one of the few good sound answers to the malpractice mess."

Mr. Scales noted that the Insurance Department had issued permits to solicit business to five other physician-sponsored mutual insurers since last September.

He stated that size and selectivity of the risks are important considerations for malpractice insurance underwriters.

"If you've got a big group, you've got a representative sample and a better chance at absorbing losses," he commented. "When you have a small group, there's no real spread of risk."

The counsel concluded that the dispute with MMI was a situation of real controversy. "Both sides are convinced they're right." The only settlement he foresees "is in the courts."

MMI could face action from insurance commissioners in other states who oppose the captive's writing malpractice coverage. According to Bruce Suter, director of client services for Ebasco, MMI's manager, the firm has received notices that MMI is in violation of state insurance codes from "several insurance commissioners."

Some of the 43 hospitals in 11 other states belonging to MMI include: Baptist Hospital, Pensacola, Fl.; Norton Hospital, Louisville, Ky.; Intermountain Hospital, Minneapolis, Mn.; Oak Ridge Hospital, Oak Ridge, Tn.; Touro Hospital, New Orleans, La.; Burlington County Hospital, Mount Holly, N.J.; Greater Southeast and Rogers Memorial Hospitals, Washington D.C. ■

Teamsters fire agent, plan to sue insurer

By PAUL R. MERRION

CHICAGO—The long-standing association of the Teamsters Central States pension and health and welfare funds with its nefarious claims servicing agent—millionaire ex-convict Allen M. Dorfman—is drawing to an apparently hard-fought finale.

Dorfman, former consultant to the pension fund, was convicted and served nine months of a one year sentence in 1973 for conspiring to obtain a $55,000 kickback on a $1.5 million pension fund loan.

At a board meeting last Tuesday the trustees reconsidered and decided to rescind the decision they made last June to extend Dorfman's contract with the funds for another seven years. His firm, Amalgamated Insurance Agency Service Inc., had been with the funds since 1955.

The decision to extend his current three-year contract, which expires in 1977, was made over the "strenuous objections" of Daniel P. Shannon, executive director of the funds, who is attempting to clean up the image of the scandal-ridden funds, according to an article in the Daily Oklahoman. A Teamsters source confirmed that story for this magazine.

The turnabout came in the wake of disclosure of suspicious transactions by the recently hired group life insurance carrier, which was reportedly picked at least in part on the basis of its willingness to do business with the Dorfman firm.

In a related action, the health and welfare fund was planning early last week to file suit against Old Security Life Insurance Co., Kansas City, the group life carrier; and its reinsurer, Family Provider Life Insurance Co. of Phoenix.

The Central States fund kicked off an investigation of Old Security last month following disclosure that Family Provider was reinsuring 80% of the $20 million-plus contract without the knowledge of the fund.

But the investigation was primarily due to indications that Family Provider had channeled its share of the premium to its parent company for the purpose of buying an insurance company in Baton Rouge, La.

Family Provider's complex financial transactions are currently under investigation by the Arizona insurance department. An official there said Family Provider has apparently gone out of business, and has ceded its stake in the Teamsters group life business to National American Life Insurance Co., the Louisiana firm supposedly bought with Teamsters premiums.

A civil lawsuit is pending in Arizona after the insurance commissioner there was initially unable to obtain the records of Family Provider. Those records have apparently been made available. "At least we think we got the records," said insurance commissioner Jack Trimble, "We're not sure if they're complete." ■

errors & omissions

• Dale H. Noyed's name was misspelled in the July 26 People column. He is the newly appointed director of corporate insurance at Coast to Coast Stores, Minneapolis.

• A story on captive management services in the June 14 issue contained a picture caption noting that the Bank of Bermuda supplies letters of credit for capitalization of captive insurance companies. Under Bermuda laws, letters of credit may not be used to supply any portion of the required capital for licensed insurance companies. Letters of credit are issued by the Bank of Bermuda to reinsurers which carry the risks of U.S. companies, to guarantee the assets (reserves) available to pay claims.

The same article contained a statement that captive insurers contribute 14% of Bermuda's gross national product. The 14% represents the contribution of international companies in total.

Flintkote . . .

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public policy outlawing such insurance policies.

The judgment against Lloyd's apparently hinges on this statement of public policy, but Mr. Curtis expressed concern that early press reports on the Flintkote case were too sweeping and simplistic as they described this.

"The issue is not as broad as the reports seem to indicate," Mr. Curtis maintained. "Our defense here is on grounds that are more specific to the particular case. The judge has opened up some very broad areas with broad implications that seem to exceed the necessity of this case," he said.

No trial date has been set for the Lloyd's appeal of the Flintkote judgment, but a source close to the court said it wasn't likely that anyyhing would develop before the end of the year. ■

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Oil firms cut taxes, give windfall to employes for stock ownership plans

CHICAGO—A new type of employe stock ownership plan has become one of the most noticeable employe benefit trends among U.S. oil companies this summer.

Called tax reduction employe stock ownership plans, or TRESOPs, these plans allow employers to pay 1% of their investment taxes into a trust to purchase stock for employes rather than paying the amount to the federal government as taxes.

In a capital-intensive industry like oil, that 1% can represent up to 1.5% of payroll, a healthy contribution to employe benefits. TRESOPs have been adopted by Mobil Oil, Standard Oil (Indiana), Atlantic Richfield, Standard of California and Union Oil, while Exxon (U.S.A.) and Shell Oil are seriously studying them.

However, TRESOPs have a problematic future, since the enabling legislation—the 1975 Tax Reduction Act—only extends the tax benefit through 1977.

TRESOPs differ from standard employe stock ownership plans (ESOPs) only in that the former are financed with tax credits, said John Strange, director of benefit plans for Standard Indiana. This credit is the only reason most oil companies set up TRESOPs.

"We'd rather give the money to employes than to Uncle Sam," said Carl Riege, senior benefits consultant of Atlantic Richfield.

Standard of California set up its TRESOP because "we could think of no argument against doing it. It's free money," said R. K. Maggy, manager of the benefits division. "Our biggest reservation at the outset was that such a plan would be too small to be worth establishing it."

Standard of California intends to pump $5 million to $6 million into its TRESOP over the next two years, approximately 0.5% of payroll per year. Other oil companies noted that they had studied the size of the plan, but few indicated that it had deterred them from setting up a TRESOP.

Most oil companies felt that TRESOPs were only a minor addition to their employe benefit packages. Atlantic Richfield, however, considers its TRESOP a substantial contribution to benefits. The company intends to contribute 1% to 1.5% of payroll per year, or approximately $4.5 million for 1975, Mr. Riege said.

Referring to the company's thrift plan policy of matching employe contributions up to 4% of payroll, Mr. Riege noted, "If the company ever matched the first 5% it would be looked upon by the employes as a substantial concession. That's effectively what we're doing here."

Other companies consider TRESOPs primarily a way of avoiding taxes. If Exxon (U.S.A.) decides to set up a TRESOP, the company would keep it completely separate from benefit plans, said Truman Taylor, benefit plan development adviser for the company. "We're not going to tell employes that it's a benefit because it's not. Its a cash diversion," he noted.

Irrespective of the TRESOP's status as a meaningful employe benefit, all will have to meet the same qualifying criteria as other tax-exempt plans to keep their tax-exempt status. To be "qualified," a plan must be permanent, says section 401 of the tax code.

The TRESOPs' tax benefits officially stop in 1977, and the plans may be considered impermanent since most companies intend to stop contributions when their tax benefits run out. "If we can't qualify for tax investment credit, we're not going to have a plan," said Mr. Strange at Standard Oil of Indiana.

Some companies, like Atlantic Richfield, are not even trying to be qualified. "It's not important. We intend to distribute dividends and let participants pay income tax," Mr. Riege said.

The fate of the TRESOP is indefinite but Congress is considering extending them beyond 1977. ■

Losses in bizarre bank heist will hit Lloyd's

By JOHN H. MILLER

NICE, France—Claims on Lloyd's underwriters are expected to soar following the bizarre $12 million raid on the Societe Generale's bank here July 16.

Robbers tunneled under the streets to reach the bank, making their way through sewers while tourists were busy watching the fashionable Riviera scene.

The bank is feared to have lost more than $2 million in cash deposited by local retailers after a prosperous weekend. Much of this loss may have to be borne by Lloyd's, where the bank had its direct insurance coverage against theft and robbery.

But there will also be heavy claims for large hauls of jewelry, gold, and currency stolen from the bank's safe deposit boxes. At least a half dozen burglars carefully opened and looted more than 300 of the total 4,000 boxes, lifting a cool $10 million.

Many of the items were placed there for safekeeping while their owners enjoyed a Mediterranean holiday. But other valuables—such as gold ingots—may have been secretly stowed away by wealthy businessmen seeking to avoid full disclosure of their taxable income.

Because these are private boxes, held by the bank in its vaults for customers' convenience, there is no immediate knowledge what contents were actually stolen. The $10 million is based on a rough estimate of average contents valued at $30,000 per box.

But because of the international status of Nice as a "jet set" playground, there is little doubt substantial claims will follow.

Some may be lodged with French, U.S. and other insurers according to the nationality of the losers. There may well be large reinsurance coverage with Lloyd's, which will also face direct claims for some of the lost valuables.

Already large claims are in the pipeline against Lloyd's and other insurers after a big robbery at the Bank of America branch in London's fashionable Mayfair district in April last year.

Lloyd's never knowingly insures illicit goods, but if insurance was placed abroad, Lloyd's would accept reinsurance coverage from reputable sources under normal business protocol. In most instances Lloyd's can rely on the integrity of its clients to ensure there is nothing contrary to the public interest in its transactions.

The robbery in Nice is being put in the $12 million range. Losses in the Bank of America raid in London last year involve at least $8 million, but are more likely to hit $16 million to $20 million at final tally.

Police in Nice said robbers entered the underground vaults of the bank by following a small underground river entered from the fashionable bathing beach. They completed their task by digging tunnels "worthy of mining engineers" directly into the bank itself.

The raid compares in terms of ingenuity with a successful raid on Lloyd's Bank in London five years ago, when $3 million was taken. International police are checking to find if there is a major gang at work, with tunnel experts at their disposal. ■

the benefit beat

Pay employes a benefit bonus for no claims

A NEW WRINKLE in self-insured benefit programs was introduced by the city of La Habra, Ca. in Orange County, when it launched a self-insured group health plan which returns a full $720 annual "dividend" to employes who don't turn in any claims under the program in a given year. La Habra provides first-dollar coverage up to $720 a year for its employes. The employes then pay the next $280 of their health and medical costs. Above this $1,000 level, the plan pays 100% of medical expenses. William Steel, city controller who designed the plan, told *Business Insurance* that "employes are wild about it." For this reason, he predicted that the city's voluntary long-term disability plan will soon be self-insured under a similar concept. While the LTD plan is currently insured with Standard Insurance Co. of Portland, Or., it is presently out for competitive bids. The group health plan was formerly underwritten by Blue Cross of Southern California.

OSCAR MAYER & CO., Madison, Wi., paid four cents of each 1975 sales dollar for employe benefits. Two major benefit changes took effect in fiscal 1975: A dental plan, insured with United Benefit Life Insurance Co., and an optical reimbursement program, which the meat processing company self-funds, according to Nate Ottens, general personnel manager. Hourly and salaried employes are covered by the benefit additions. Locally, Oscar Mayer employs about 3,000 hourly and 1,000 salaried personnel. Benefits cost the company about 30% of total compensation, Mr. Ottens estimated.

SECTION 501 (C) (9) OF THE Internal Revenue Code allows employes to put aside part of their income to pay medical and dental expenses. But there's a catch: Funds put into a Voluntary Employe Beneficiary Assn. (VEBA) can be used to pay only certain types of expenses, and the trust is "irrevocable," according to Dan McGinn & Associates Inc., Los Angeles. "Only upon the employe's death may monies be paid out to beneficiaries, and then they are taxed like a distribution under an insurance policy or payments from a pension plan," said J. Thomas Bolen, McGinn actuarial assistant. Employes can select desired benefits and vary their selection from year to year. The "most opportune time" to set up a trust is "when an employe receives a raise: That way, it doesn't take anything out of his pocket and he knows he's getting his raise in the form of increased benefits." Also, the employer doesn't pay taxes on the wage increase. Employes nearing retirement may want to make larger contributions to the trust because it can continue to pay expenses as long as funds remain. Expenses covered by a VEBA include diagnosis, care, mitigation and other treatment functions of the body; hospitalization; medical, surgical and dental care; and the cost of life, accident and disability benefits from the trust. This provision "doesn't appear vulnerable to Congressional loophole closure," Mr. Bolen believes.

A NEW MINIMUM PENSION of $12 a month per year of service, up from $6, was part of the pact won by the Chemical Workers after an 89-day strike against Lever Brothers Co. The contract covers about 2,600 Lever employes. Frank D. Martino, president of the Akron-based union said company plans to eliminate jobs and consolidate others "caused the strike and new protections ended it." Lever has plants in Baltimore, Los Angeles, St. Louis and Edgewater, N.J.

HEALTH MAINTENANCE organizations (HMOs) are having trouble obtaining federal qualification because of inadequate financial planning, provider arrangements and cost control measures, according to The Gettys Associate, Albuquerque, which conducted a study of eight HMOs whose applications were rejected. "There is little question that realistic, hard-nosed marketing plans and capability were lacking," said Gettys. Enrollment assumptions indicating 20% to 50% penetration of employer groups in three years were found unrealistic; also a lack of information on competitive plans was noted. "Among the crudities of some applications were poor descriptions of the provider arrangements, leaving the reader with little understanding of the organizational form or the delivery capability of the HMO," the report continued. "There is little evidence that the providers are aware of the standards adopted for control of expenses," noted the file on one rejected HMO application. "The claims review mechanism appears to be a claims paying mechanism."

TWO NEW YORK-BASED FIRMS, Union Carbide and International Paper, recently put dental insurance plans into effect. Union Carbide's plan, insured with Metropolitan Life Insurance Co., covers approximately 65,000 employes. The plan provides preventive, diagnostic and general coverage up to a maximum of $500 per person annual limit. There is no deductible for diagnostic or preventive services and a $25 per person annual deductible for other services. Employes' preventive and diagnostic costs are paid in full; other dental services are paid according to a schedule of fees.

Approximately 11,000 salaried non-union employes are covered by International Paper's plan, insured with Connecticut General Insurance Corp. The program is designed for three classes of dental services: preventive, diagnostic general, and major, providing coverage to a maximum $1,000 annually. The company pays 100% of costs for the first class; 80% for general which includes fillings and root canal work, and 50% of major services including crowns and bridgework. There is no deductible for the first class, but there's a $25 per person and $50 per family annual deductible which is applied to the latter two classes.

THE NATION'S OIL INDUSTRY will be asked to provide full payment of premiums for employe hospitalization-medical insurance, plus increased assumption of premiums for coverage of dependents, according to bargaining proposals adopted nationally by the Oil, Chemical and Atomic Workers International Union (OCAW). The bargaining program affects about 60,000 oil workers in the U.S., about one-third of the union's membership. OCAW is also asking for changes in the language of the existing job safety and health clause. Another bargaining point will be a company-paid pension plan with a minimum benefit of $16.50 per month multiplied by years of service, and a phased elimination of the Social Security offset, which reduces pension benefits when Social Security benefits increase.

THE LOS ANGELES DEPARTMENT of Water & Power (DWP) contracted with three blue collar units of local 18 of the International Brotherhood of Electrical Workers (IBEW) for a 6.8% increase in the total wage/benefit package. The major benefit change concerns retirement benefits. The pension benefit formula was upgraded from a basis of 2% of the highest one year of salary times years of service to a figure of 2.1% of the highest one year salary. The total package for these three units of local 18 breaks down to 1.1% in improved retirement benefits; 0.4% for inequities; and 5.3% for salaries. About 5,000 workers are covered. The DWP reached a separate but similar agreement with an administrative and a clerical unit of the same local.

Primary pool for vaccine liability falls 20% short

By PAUL R. MERRION

WASHINGTON—A plan to provide a $50 million primary insurance pool for the makers of swine flu vaccine hadn't quite jelled as of late last month, as insurers, manufacturers and public health officials held one more frustrating meeting.

"We have hard commitments for about 79.5% of the $50 million, plus possible commitments for another 7% or 8%," said Leslie Cheek of the American Insurance Assn. after the 1½-hour meeting on July 30.

The plan currently most favored would rely on a $50 million pool for the four manufacturers' primary liability coverage. Excess insurance would be arranged individually through normal channels, Mr. Cheek said, with each company expected to seek a $50 million excess cover.

"The meeting was disappointing," said a government official who was present. "The insurance industry couldn't come up with an assurance of providing the capacity for the pool."

Mr. Cheek said there was also a problem with the excess coverage due to a "communication failure," caused by the limited time available to put the insurance program together.

"The question is," Mr. Cheek said, "will the government swallow hard and decide that the swine flu program is more important than the indemnification issue or will Congress say it won't pass a bill" to indemnify the drug manufacturers against all liability except their own negligence in manufacturing the vaccine.

He said two types of excess insurance coverage are needed: one type, for the manufacturers, would pick up the risk associated with negligence; and the second, for the government, would pick up the cost of indemnifying against all other liabilities.

Two of the drug companies, Merck, Sharp and Dohme and Wyeth Laboratories, have told the government that they will continue to produce vaccine, a spokesman for the Department of Health, Education and Welfare said.

But the other two manufacturers, Merrell National Laboratories and Parke Davis & Co., have said they don't know whether they will make more flu doses, the HEW spokesman said, and one of the companies is studying the cost impact of stopping production now and starting up again later.

There are supposedly 100 million doses of vaccine "in the refrigerator," an HEW official said, or enough to innoculate approximately half the population of the United States this fall.

The HEW spokesman said the government, the manufacturers and the insurance companies will continue their "round-the-clock efforts" to hammer out the "viable alternative." "There's no conscensus yet," he said. "The manufacturers still have great concerns."

There was no official word on whether the government will contribute money to the primary insurance pool, or provide coverage after a certain limit is reached, as in the Price-Anderson Act for insuring nuclear power plants.

However, one government official present at the meeting said "nothing like Price-Anderson" had been discussed.

There were three alternatives presented at the meeting, he said, and the second proposal—establishment of a $50 million primary insurance pool with excess layers arranged through normal channels—was favored by most of the participants because it would cause the least change in the private insurance system.

"They want to see if they can do something without remaking the entire tort system or absolving anyone of their responsibility," the government official said. "They want to make the private insurance system work."

The first alternative took a comprehensive view of the risks associated with the swine flu program, including "next week's problems too," he said, such as malpractice insurance shortages for the doctors, nurses and hospitals that will administer the vaccine.

That proposal did not go over well because it was too sweeping in scope. "They're trying for the least amount of change," the government official said.

The third alternative was essentially the legislative route which would allow HEW to sign a contract that absolves the manufacturer from all liability except for negligence in manufacturing.

That approach was tried earlier last month but a bill to provide government indemnification of almost all liability bogged down in the House Health Subcommittee on July 20. After that setback, subcommittee chairman Paul G. Rogers (D-Fl.) urged HEW officials to get together with the individual insurance companies rather than a representative from the American Insurance Assn.

"Nobody can blink if you're not eyeball to eyeball," one subcommittee member said.

Apparently, some insurance companies are still hopeful that an indemnification bill can be passed, despite a skeptical subcommittee and a crowded Congressional calendar this summer.

The third proposal would also channel all liability claims to the manufacturer "as the party with the deepest pocket," the government official said. "The insurers say that if they are only liable for negligence in manufacturing then the product liability insurers thought they could stay on."

Among the insurance companies, brokers and trade associations represented at the meeting were Northbrook Insurance Co.; Fred. S. James & Co.; Davis Darland & Co.; American Insurance Assn.; Chubb Group; Aetna Life & Casualty Insurance Co.; Covington & Burling; Alexander & Alexander; and Nationwide Insurance Co.

Also represented were Prudential Reinsurance Co.; Home Insurance Co.; American Home Assurance Co.; Insurance Co. of North America; American Re-Insurance Co.; Johnson & Higgins; National Assn. of Independent Insurers; American Mutual Insurance Alliance; Liberty Mutual Insurance Co.; State Farm Insurance Co.; CNA Insurance Cos.; and the Reinsurance Assn. of America. ■

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EMPLOYERS INSURANCE OF WAUSAU, Wausau, Wis.

Teaching hospital's insurance is up 89% despite self-insured plan

CHICAGO—Insurance costs rose 89% in 1975 for Northwestern Memorial Hospital here, despite substantial self-insurance programs for workers' compensation and malpractice.

The urban teaching hospital, affiliated with Northwestern University, has 987 beds and recorded revenues of over $66 million in 1975. During that year, some 27,300 patients were admitted, over 1.1 million laboratory tests were performed, some nearly 440,000 radiological exams were administered, and 36,000 surgical operations were performed. The emergency room handled 29,300 cases.

Northwestern's revenues last year were up 15% from 1974. Like most hospitals in the nation, expenses were up even more than that: 22%. But most astounding was the increase in insurance costs. Of 13 categories of expenses, insurance accounted for the single biggest percentage jump. Insurance was, however, the smallest expenditure for the hospital, at $718,000 for the year, far behind salaries, benefits, supplies, food, utilities and purchased services.

Insurance costs had actually declined 4% from 1973 to 1974, to $379,000 from $395,000.

After insurance, the biggest 1975 expense hikes were for interest expense, employe benefits and purchased services.

These disclosures about the hospital's operations were made as part of a prospectus issued by the Illinois Health Facilities Authority, preparatory to a $54 million bond offering to finance projects of Northwestern Memorial Hospital.

The hospital maintains an umbrella policy for professional liability (malpractice) insurance under which the hospital pays the first $1 million of any claim settlement up to a maximum $3 million per year, the document showed. "Claims paid by the hospital have been estimated to follow recent historical experience. Accordingly, the forecasted expenses include $350,000 during each year of the fiscal period for malpractice settlements not covered by insurance," the prospectus added.

Under the terms of the proposed bond issue, Northwestern is obligated to maintain malpractice insurance, excluding costs of defense, with limits of $12 million per occurrence and $14 million annual aggregate, with a maximum deductible of $1.5 millon per occurrence and $3.5 million annual aggregate.

The revenue bond project requires that Northwestern Memorial maintain property insurance to at least 80% of insurable replacement cost, with deductibles of not more than $100,000.

Comprehensive general public liability insurance must be maintained, the prospectus stated, with limits of $12 millon per occurrence and $14 million annual aggregate, with a maximum deductible of $1.5 million per occurrence and $3.5 milion annual aggregate.

The revenue bond project requires that Northwestern Memorial maintain property insurance to at least 80% of insurable replacement cost, with deductibles of not more than $100,000.

Comprehensive general public liability insurance must be maintained, the prospectus stated, with limits of $12 million per occurrence and $14 million in each policy year "with maximum deductible amounts of $1.5 million per occurrence and $3.5 million annual aggregate." This coverage includes blanket contractual liability, bodily injury liability (with employe exclusion deleted) and automobile insurance covering owned, nonowned and hired vehicles.

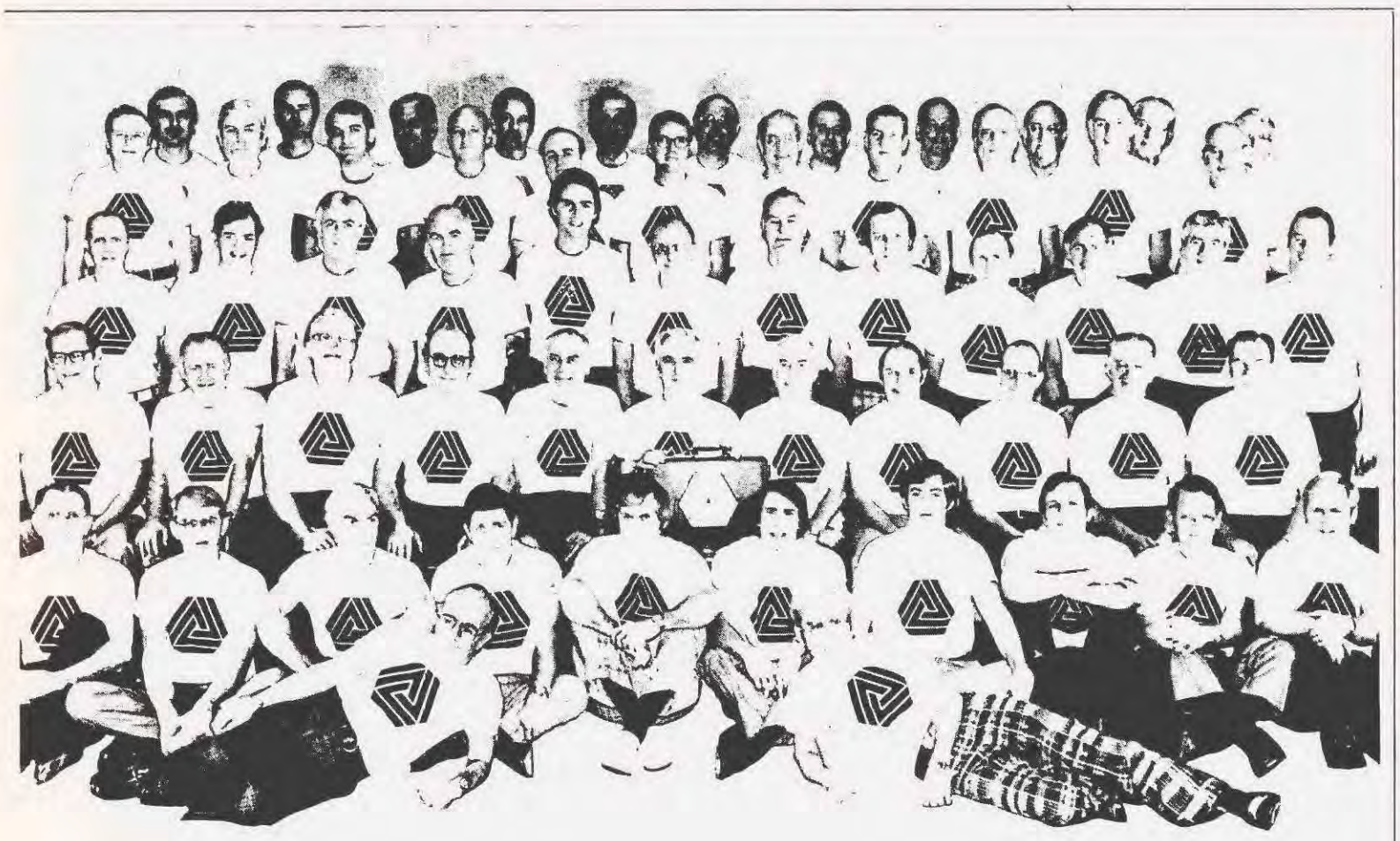
Insurance for use and occupancy (or business interruption) must be maintained in an amount sufficient to comply with the requirements of a standard 50% gross earnings business interruption form "but in no event less than 250% of the maximum payments to be made into the interest fund and bond sinking fund for any fiscal year." The bond issuance agreement also requires workers' compensation coverage "in such amount as is customarily carried by like organizations engaged in like activities of comparable size and liability exposure."

But Northwestern is allowed to self-insure workers' compensation risks.

Northwestern is allowed to request of the authority permission to modify the insurance requirements or in order to self-insure risks, the prospectus noted. "In making its decision to permit such modifications the authority shall consider the availability of insurance, the terms upon which insurance is available and the cost of available insurance, and the authority shall consider the effect of such terms and such rates upon the corporation's cost and charges for its services," said the prospectus.

"In making any such determination, the authority may rely upon a report of an insurance consultant (which may be the corporation's insurance broker) chosen by the authority," it went on to note.

Northwestern Memorial purchases insurance through James S. Kemper & Co., Chicago. ■



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Product woe airing Sept. 8

WASHINGTON—Product liability woes will be aired for the first time in a Congressional hearing at a fact-finding session next fall, sponsored by the Senate Small Business Committee.

Scheduled for September 8, the hearing will take testimony from representatives of capital equipment and consumer goods industries, the insurance industry, and consumer and small business groups.

In announcing the hearing, committee chairman Sen. Gaylord Nelson (D-Wi.) said, "The small businessman is particularly hard hit because he finds it difficult to pay premiums that may reach $150,000 a year, if he is able to find insurance at all."

"Long-term solutions to these problems will not be quick or easy," said Sen. Nelson. "The Small Business Committee's immediate concern is to identify what can and must be done immediately to help small firms cope with this impending crisis."

The committee will not be taking testimony on a specific bill to ease the product liability problem because the committee will not have legislative authority until the next session of Congress.

The hearings will be chaired by Sen. William D. Hathaway (D-Me.), sixth ranking member of the committee. ■

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Self-insurance funds may be allowed by hospital Medicare refund rules

By PAUL R. MERRION

WASHINGTON—Medicare regulations that stifle self-insurance of hospital malpractice risks may be on the way out, under proposed changes in the provider reimbursement manual which was issued last month by the Department of Health, Education and Welfare (HEW).

In the interest of getting comments to refine the changes further, the proposal was circulated last month among health care providers and others with expertise in the area, including Marsh & McLennan and the American Hospital Assn., according to Alvin Diamond, assistant to the deputy director of program policy at HEW. The Wyatt Co. reportedly was also asked to comment.

The proposed changes would allow hospitals to be reimbursed for the funding and administrative expense of using a self-insurance fund to insure part or all of a hospital's malpractice risk.

The "turmoil" in the malpractice field led HEW to reconsider its Medicare reimbursement regulations, which now require hospitals to obtain malpractice insurance through private insurers, Mr. Diamond said.

"More people are talking about it now than they were two years ago," he said. "Medicare has had to adapt to changes since it came into existence."

HEW asked that comments be returned by July 6, 1976, but Mr. Diamond refused to pinpont when final regulations can be expected. "Some of the best ideas come in after the deadline," he said.

The proposal puts forth a lengthy list of conditions that a hospital must meet if it wants reimbursement for self-insurance costs from Medicare. Mr. Diamond cautioned that the conditions are not necessarily what HEW will eventually establish; that is the purpose of seeking comments, he said.

The proposal "intentionally" puts aside for now the question of using captives for self-insuring malpractice, said Mr. Diamond, except to say that two "reasonable conditions" for allowing such preium costs would be a requirement that the captive be subject to insurance regulations of the same state in which the insured is located, and that the state regulators oversee the captive in the same manner as they regulate conventional insurance companies. HEW is working on a proposed policy statement on captives.

The first condition for self-insurance proposed by HEW is that a hospital must perform a cost-benefit analysis of all possible insurance arrangements, including administrative costs of self-insurance, necessary contributions to the fund (as determined by an independent actuary), the cost of supplemental insurance and the comparative annual commercial insurance premium.

"If the total cost of the selected arrangement is in excess of the cost of comparative commercial insurance, Medicare reimbursement will be based on the cost the provider would have incurred had he selected commercial insurance," the proposal said.

Also, a hospital must set up a claims management program as well as a risk management program if it wishes to self-insure. A hospital must use either its own personnel or an outside contractor to determine whether malpractice liability exists, its cause, and the cost of claims, according to the proposal. The risk management program must have an ongoing safety program and professional and employe training programs to cut down on malpractice incidents, the proposal said.

Other conditions for self-insuring are establishment of a trust fund with an independent agent such as a bank trust department, and an annual independent certification by an actuary as to the soundness of the fund.

The proposed changes in the Medicare reimbursement manual also make room for the use of pools to mutually self-insure malpractice risks, provided that the fund is a recognized legal trust and meets other requirements for individual funds, as well as requiring that all members of the pool are participants in the Medicare program at all times. Otherwise, contributions to the pool by Medicare hospitals will not be recognized as reimbursable expenses by HEW, according to the proposed changes.

The proposed changes also allow reimbursement of claims paid under the deductible if the deductible does not exceed the greater of $100,000 or 10% of the provider's net work at the beginning of the insurance period.

"So long as the provider stayed within the above limitations, it can be deemed to be exercising sound judgment in deciding to meet first dollar losses out of available resources," the proposal said. "This requirement also permits a provider to pay reasonable first dollar losses without incurring costs to fund such payments."

Another allowable expense proposed by HEW is actual losses above the coverage of commercial insurance or a self-insurance program, or both, povided that the total coverage "is in an amount which a prudent provider should have considered necessary and consistent with sound business practices to protect itself against losses arising from the risk of malpractice," the proposal said.

HEW has proposed that the changes in the provider reimbursement manual be made retroactive to October 1, 1975. ■



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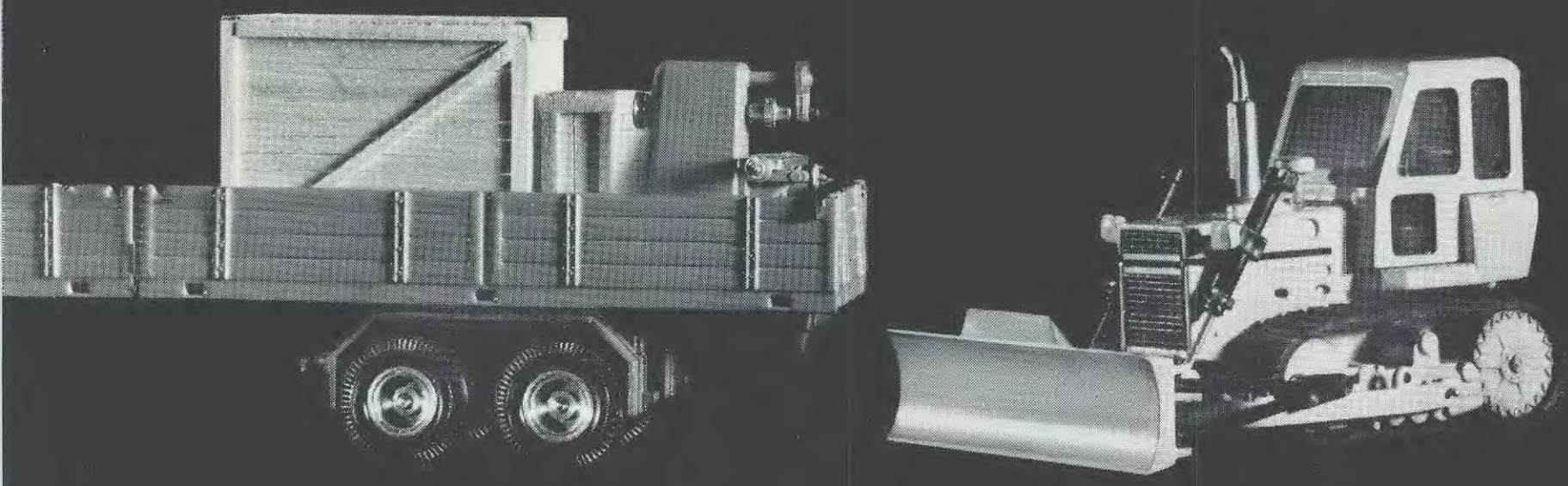
May exempt small firms

WASHINGTON—Soon after Congress reconvened July 19, a House and Senate conference committee was to act on a bill that would put a crimp in the power of the Occupational Safety and Health Administration (OSHA).

Tacked onto a $56.2 billion appropriations bill for the Labor Department and the Department of Health, Education and Welfare are amendments that would exempt small farms and small businesses from much of OSHA's authority.

Under the version already passed by the House, farmers with 10 or less meployes would be exempt from OSHA regulations, and businesses of the same size would not be cited for the first instance of an OSHA violation, whether serious or non-serious.

The Senate bill would restrict first instance citations and penalties for non-serious violations by all business firms, regardless of size. ■



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agent/broker profiles

Editors of Business Insurance compiled news stories of agent and broker efforts, activities and trends during the year. These stories run through page 22, where profiles of the Top 20 Brokers begin, arranged in order of each firm's revenue size as shown on the chart below. Running through page 41, the 20 expanded profiles are based on interviews with executives of each of the top 20 firms.

1975 results were first-rate for most of Top 20 brokers

By SUSAN ALT

CHICAGO—Not a bad year for insurance brokers, all in all. After chalking up an average gain in commissions and fees of a healthy 19.1%, the 20 largest firms in North America are, for the most part, doing even better this year than last.

So they expect to report even rosier results after rounding up a hectic 1976.

There might be more demands on those who service commercial clients and place commercial risks in the insurance markets, what with all the crises arising in liability fields, but that didn't hold down increases in premium income, commission and fee income, or, apparently, the ratios of revenues to premiums.

At the same time, revenues per employe, a measure of productivity in the insurance brokerage industry, rose for nearly every one of the top 20 firms. For 1975, the average productivity per employe hit $31,170, up 10.8% from the 1974 figure.

Several new brokerage firms jumped onto the *Business Insurance* top 20 list for the first time this year. Arthur J. Gallagher & Co. Inc. became 18th largest broker, with nearly $9 million in gross revenues. A relatively new—an unknown—organization out of Kansas City, named Financial Guardian Insurance Agency Inc., took the 20th spot. Financial Guardian made it onto the list because of an opening created by Harlan Inc.'s departure from the list of largest agents and brokers.

Harlan chose not to participate this year, but wouldn't give a reason. (See story on page 1.)

Harlan was the 14th largest brokerage firm on the 1974 list, although it's been evident for a long time that a major part of the firm's business (the exact portion isn't known) is done with the parent company, Halliburton, and its many subsidiaries. Last year, Harlan's results were poor, with revenues dipping 1.6% from 1973.

Several facts point to possible difficulties for other brokers, too. The number of participants in the *BI* agent/broker survey for 1975 is down to 35 from just over 400 last year. Companies not wanting to reveal their results and other figures for 1975, when contacted, said only that they didn't want to discuss any specifics in public.

The prediction of the last five years may be coming true; and that is the forecast that the biggest of the national/international brokers would gain significantly in their share of market, while smaller agents and brokers would see their portions of the total commercial insurance business deteriorate.

Slowest growth rates were for Penn General (6%), Insurance Management Corp. (6.7%) and E.H. Crump at 7%. All three are in the second tier of brokerage firms. This was the second poor year in a row for Insurance Management Corp., which had a 6.2% revenue decline for 1974.

Biggest revenue gains were recorded by Gallagher with a 45% jump, Tomenson Saunders Whitehead with a 39% gain, Cook-Treadwell & Harry, with a 35.5% rise, Reed Shaw Osler showing a 26.6% gain, and Alexander & Alexander, up 23.6%. Not far behind were Johnson & Higgins, Rollins Burdick Hunter, Dale & Co. and Marsh & McLennan, all with between 18% and 19% increases in revenues.

The top 20 brokerage firms controlled commissions and fees last year of a whopping $995.9 million. The five biggest companies—M&M, J&H, A&A, Frank B. Hall, and Reed Shaw—account for nearly three-fourths of that revenue, generated by mostly commercial insurance.

Furthermore, the 10 biggest agents and brokers for 1975 account for a giant 91% of commissions and fees reported by all 20 firms. That's also up from a year ago, when the top 10 firms garnered just under 90% of revenues recorded for the top 20.

Using the help of insurance industry officials, we estimated the total insurance premiums flowing through these top 20 brokers at about $10.4 billion in 1975. Industry observers have said in past years that the top 10 insurance agents and brokers control over one-third of all commercial insurance premiums. But the total commercial insurance business in 1975 was about $51 billion, including commercial property/casualty premiums and group lines.

Although only 10 of the 20 largest brokerage firms actually disclosed premium income for 1975 to *Business Insurance*, the average increase in premium flow for these firms was 24.1%.

And for these 10 firms, gross revenues—commissions and fees—represented 14.2% of premiums collected for the year, up from an 11.5% margin in 1974.

Employe rolls at the 20 largest brokerage firms grew at an average 7% pace during 1975, and seemed to have little deterrent effect on increases in productivity. For example, although Tomenson Saunders Whitehead had 15% more employes at yearend 1975, its 39% growth in commissions and fees still enabled the firm to chalk up a 20% rise in revenues per employe, to $27,397.

And Arthur J. Gallagher & Co.'s 32% jump in staff still didn't put a damper on productivity gains, as revenues per employe rose nearly 10% to $33,598.

The three firms with the most outstanding productivity, though—Rollins Burdick Hunter ($40,494), Frank B. Hall ($39,015) and Johnson & Higgins ($38,205)—all managed to keep hiring to a minimum. RBH hired only 4.6% more people in 1975; Hall added only 2% more; and Johnson & Higgins rolls had 8.3% more names. RBH and Hall as a result managed to show increases in revenues per employe of over 13% each, and J&H revenues per employe were up 9.1%.

Most new employes added by the big publicly held brokers were for employe benefits operations, believes David K. Tuttle, securities analyst in New York for Legg Mason. As a result, employe expenses have shot up," but I don't think brokers will be staffing up so heavily" for the rest of this year and on into 1977, he adds.

Mr. Tuttle calculated salary and benefit expenses for six of the nation's biggest brokers, as a percentage of total revenues for 1975. Marsh & McLennan showed the smallest proportional expenditure in this category, with 47.0% of revenues going into salaries and benefits for employes. Next was Frank B. Hall at 49.3%, followed by Corroon & Black with 50.9%, Rollins Burdick Hunter with 51.0%, Alexander & Alexander at 52.6% and Fred S. James topping the list with 57.9% of revenues going into payroll. ■

First-time participant in survey misses list but ranks Number 13

MINNEAPOLIS—"We've had very consistent and spectacular growth," asserted John Nordstrom describing his insurance brokerage firm's record.

Spectacular, indeed. Nordstrom Larpenteur Agency Inc., in existtence since 1960 but chalking up most of its fast run-up in revenues since 1970, now has 323 employes and a hefty $12 million to $13 million in commissions/fees for 1975.

In fact, Nordstrom Larpenteur should have been number 13 in size on the *Business Insurance* list of the top 20 insurance brokers in North America. But the firm doesn't appear on the list; however, there's no excuse except that an oversight occurred, and Nordstrom Larpenteur's revenues weren't sighted early enough. The firm, having clung steadfastly to its low profile among the ranks of the nation's brokers in past years, participated in the survey for the first time this year.

Back in 1955 when Mr. Larpenteur owned the agency, the business was mostly personal lines. John Nordstrom bought out the business in 1960, gradually shifting it to heavily commercial property insurance sales. Today 98% of the firm's revenues come from commercial lines.

Mr. Nordstrom told this magazine he was very pleased with the 50%-plus growth in revenues racked up in 1975—results which "exceeded all expectations." For 1974, the agency's revenues were about $8.0 million.

The number of employes grew about 11% from 289 to 323, a rate which may be outpaced this year because NL is "staffing up in the area of agency underwriting."

Looking for revenue growth of 30% or more this year, Mr. Nordstrom says the firm's agency underwriting operation, heavily staffed by former insurance company underwriters, is "especially important in hard (market) times."

Nordstrom Larpenteur added three offices during 1975 to give it 33 nationwide.

"Our growth is almost 95% internal, generated by new clients and added coverage for existing clients," said John Nordstrom, 38. When asked about acquisitions, he scoffs. "We've bought a few small-

Continued on page 83

1975 BROKER PERFORMANCE: THE TOP 20 COMPANIES

Company	Gross revenues (millions) 1975	1974	% chg.	Premiums (millions) 1975	1974	% chg.	Employes 1975	1974	% chg.	Revenues per Employe 1975	1974	% chg.
1. Marsh & McLennan	$245.28	$207.35**	18.3%	NA	2,500.0		7,710	7,235	6.6%	$31,823	$28,659	11.0%
2. Johnson & Higgins	149.0**	125.0**	19.0	NA	NA		3,900**	3,600***	8.3	38,205	34,722	9.1
3. Alexander & Alexander	124.31	100.54	23.6	NA	NA		3,700	3,400	8.8	33,597	29,570	13.6
4. Frank B. Hall	101.44	87.86	15.5	NA	NA		2,600	2,550	2.0	39,015	34,454	13.2
5. Reed Shaw Osler	95.19	75.17	26.6	777.0	583.4	33%	4,000	3,600	11.0	23,797	20,830	14.0
6. Fred S. James	71.97	63.23	13.8	720.0	632.2	14	2,071	2,004	3.3	34,751	31,551	10.1
7. Corroon & Black***	51.15	44.41	15.2	NA	NA		1,400	1,350	3.8	36,535	32,896	11.1
8. Rollins Burdick Hunter	27.82	23.48	19.0	NA	NA		687	657	4.6	40,494	35,738	13.3
9. Bayly Martin & Fay	20.7	18.0	15.0	248.0	216.0	15	687	630	9.0	30,131	28,571	5.5
10. Tomenson Saunders Whitehead	18.0*	13.0	39.0	97.0	65.0	49	651	569	15.0	27,397	22,847	19.9
11. R. B. Jones	18.0	15.41	16.8	350.0	290.0	20	650	566	15.0	26,700	27,226	(1.9)
12. Penn General	15.65	14.76	6.0	NA	NA		500	500	0	31,300	29,520	6.0
13. Dale & Co.	11.3	9.54	18.5	70.85	57.38	23	524	516	1.6	21,564	18,488	16.6
14. E. H. Crump	11.0	10.4	7.0	82.0	70.0	17	412	374	10.2	26,699	27,807	(4.0)
15. James S. Kemper	10.4	9.13	13.6	91.0	80.0	12	403	406	(1.0)	25,806	22,488	14.8
16. Cook Treadwell & Harry	10.3	7.6	35.5	50.0	40.8	22.5	312	278	12.2	33,013	27,338	20.8
17. Insurance Management Corp.	10.01	9.38	6.7	NA	NA		344	340	1.2	29,099	27,588	5.5
18. Arthur J. Gallagher	8.87	6.13	45.0	NA	NA		264	200	32.0	33,598	30,650	9.6
19. Schiff Terhune	7.13	6.2	15.0	NA	NA		225	230	(2.1)	31,689	26,957	17.6
20. Financial Guardian Agency	6.45	6.0	7.5	45.0	40.0	12.5	232	237	(2.1)	27,802	25,316	9.8

*Restated.
**Business Insurance estimates.
***Reflects merger with Synercon.

Reinsurance beckons brokers handling captives

By MARIE KRAKOWIECKI

NEW YORK—Conventional brokers have been put into the business of buying reinsurance for captives, paralleling the emergence of captives as risk financing vehicles.

At least this is the case for captives which have retained the classic function of providing coverage exclusively for their parent company or group of companies.

Brokers buy reinsurance for these captives in the same manner as they buy insurance for clients in conventional markets, according to one expert.

"Our captive business is about 35 times the size it was just six years ago," commented Robert Clements, a director and senior vp of Marsh & McLennan Inc., "and the development of brokers buying reinsurance for those captives has grown at the same time."

Mr. Clements is a national services officer for casualty insurance and has specialized in captive insurance companies and international insurance coverages.

agent/broker profiles

He explained that the professional reinsurance market is making its capacity available to conventional brokers functioning on behalf of a captive. This is distinct from the business which reinsurers have traditionally done with reinsurance intermediaries such as M&M's own Guy Carpenter & Co. operation.

But when a successful captive makes the decision to expand its role as an underwriter and write outside business, the broker's role in obtaining reinsurance shifts dramatically.

There has been an unusual number of inquiries to brokers in the last year and a half by clients who ask "How can I put my captive into the commercial insurance business?" Thomas E. Barton, a Johnson & Higgins senior vp, told *Business Insurance*.

Because there is a worldwide scarcity of capacity in reinsurance, brokers will frequently advise captives to accept reinsurance from reputable underwriters as a first means of going commercial, Mr. Barton explained.

But the conventional broker's role in a situation where a captive is considering going commercial is that of advisor rather than as an actual producer of reinsurance.

One casualty broker who asked to remain unidentified pointed out that when underwriters start to cede reinsurance, they give their first offers to established reinsurance companies rather than to newcomers.

"What's left over is slim pickings for the captive that is trying to break into commercial reinsurance. Mostly what's left are those risks which well-known reinsurers won't touch," said the broker.

Stuck with a problem like this, a captive is more likely to turn to a reinsurance intermediary than a conventional broker for help.

J&H's Mr. Barton gave an illustration of a different reason why a conventional broker would not be involved in reinsurance for a captive which is expanding its business. His example covers the situation of a captive trying to get reinsurance for itself.

The only reason many captives are able to get reinsurance is because the underwriters want to get the business of the captive's parent company.

They view the captive simply as a front for the parent corporation. In other words, if XYZ Co. insures its property/casualty risks through a captive arrangement, reinsuring that captive is just a fancy way of underwriting the risks of XYZ Co.

But once that same captive moves beyond the confines of providing insurance for the parent XYZ Co. and extends itself to risks of outside corporations, reinsurers are not as anxious to get involved.

Automatically there are unknowns involved with the more widespread exposures the captive underwrites when it goes commercial, and reinsurers fear a greater loss potential.

This dries up the reinsurance capacity which the captive may have easily obtained before going into broader commercial business.

The captive is then faced with the sticky problem of needing at least as much reinsurance as it had before, but not being able to get it because of its new posture.

And when this happens, Mr. Barton explained, it is the professional reinsurance broker who will probably be called upon to do the job, not the conventional broker.

"I don't think a lot of captives really know what they're getting into when they try to go commercial," he commented.

Casualty brokers contacted by this magazine generally agreed that reinsurance arrangements for captives are more "exotic" than those for ordinary underwriters, and that brokers' roles in the reinsurance field follow traditional patterns.

Mr. Barton thinks the day may come when conventional brokers are more involved with producing reinsurance business.

"I don't want to insinuate that conventional brokers can't handle this," he said. "It's just that normally the clients will go to reinsrance intermediaries. This could change."

William Ericksen, manager of the Lloyd's or special risk department at Fred S. James & Co., said James brokers do arrange some agency reinsurance now. That involves the broker going out and directly buying reinsurance to protect an insurance company.

However, Mr. Ericksen noted, about 90% of the reinsurance is still handled on a company level, sought and purchased by the insurance company rather than through the agency.

"Brokers aren't getting deeply involved in reinsurance," an Alexander & Alexander casualty executive noted.

"But there was the situation over the last year where brokers saw their reinsurance capacity shrink. In effect, what happened then was that the direct brokers had to help the direct underwriters find markets. They were shopping for capacity just to get the same coverages they had the year before."

Charles W. Havens III, of the Reinsurance Assn. of America, a 16-member trade association of reinsurance companies, said he would be very "surprised" to learn of growing involvement of conventional brokers in producing reinsurance business for their clients.

Of the RAA's member firms, nine say they work exclusively through intermediaries and brokers. The remaining seven don't use brokers at all, Mr. Havens said. ■

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Insurance buyers have raves and gripes about their brokers' services

By JOANNE GAMLIN

LOS ANGELES—Some corporate insurance buyers say that under the exasperating circumstances of the past two years, with the combination of sky-high costs and

agent/broker profiles

skin-tight insurance market capacity, their brokers have done a darned good job. But there are others who hold a contrary, more darkling opinion.

"Brokers are floundering like fish on a beach," insisted a risk manager for a large, Southern California corporation who understandably does not want to be identified.

Brokerage firms are now being deprived of their traditional markets, their capacity to place risks, this insurance buyer went on to explain, and the dramatic result is that "their customary and usual mode of operation is down the drain."

Being pressed into unfamiliar domains by the growing throng of self-insured entities, this spokesman senses that brokers are presently confused.

"Firms that at one time would knock themselves out to get a piece of my insurance businesses are now laying down and dying, saying 'There is nothing I can do,'" related this risk manager, adding that this stance is upsetting because "I have never been one to give up."

Similarly, an insurance buyer for a land development concern in California pointed out that save for his assuming the role of a catalyst, his brokers would have continued in their apparent indifference toward skyrocketing premiums.

"One of our property carriers in the midst of the policy period handed us the option of either accepting a quadrupling of our premium, from $50,000 to $200,000, or facing cancellation," he related.

"The broker told us to bow to the demand for a higher premium," he said. Yet upon hearing this, he turned to the broker who handles his casualty insurance only to encounter further evidence of apathy.

"Thereupon, I turned to an outside broker who had been courting our account for some time," he went on. "Soon after that, I got a phone call from him, stating he had found a new underwriter who was offering a guaranteed premium at a cost above $50,000 yet well below $200,000."

Meanwhile, he said that the first broker, the one who had advocated caving into the carrier's demand for a quadrupling of premiums, approached him to submit a new, lower quote.

"The lesson I draw from all this is that it is necessary to work one broker against another in order to receive acceptable service," he asserted. He said that this kind of pressure wasn't necessary in the earlier, easier insurance market.

Nor are things all that much better in the excess markets, this insurance buyer continued. He said that recently his casualty broker informed him that after searching 15 markets they found that quotes on his excess policy had quadrupled from $30,000 to $110,000.

"I told them that I would accept the premium hike but only for five months," he said.

Another Southern California insurance buyer said he concurs that brokers are floundering like fish on a beach. But he went on to state that in his opinion the root of the problem is that brokers are unwilling to hire the additional staff they need to cope with the reality of the dried-up insurance market.

"If you use only one broker, you receive as many quotes as they have time to gather. That is, very

Continued on page 16

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Raves and gripes . . .

Continued from page 15

few," he said, noting that brokers tend to be loathe to own up to the existence of this difficulty.

Under these circumstances, this insurance buyer said that the ball returns to the buyer's own court. That is, he must persuade his corporation to do business with more than one broker on an individual policy.

This buyer went on to observe that in his view brokers need to turn their concentration to the area of self-insurance and to offer more services on a fee basis in this area.

On the negative side, too, was a Dallas-based risk manager who told *Business Insurance* that he thinks the brokerage industry uses heavy expenditures for entertainment—wining and dining clients—to veil the fact that it does not know how to cope with the shrunken insurance markets.

Nevertheless, most insurance buyers contacted by *BI* abounded with praise for the blood and sweat, if not the tears, put forth by their brokers throughout the painful market shifts of the past two years.

Arno Thies, Insurance manager for Gilmore Steel Co., Portland, Or., for one, said the service he had received from his brokers has been "excellent."

He explained that "fire drills"—or last minute rushes for premium quotes—have been the most annoying difficulty haunting him and his brokers. Yet with it all, he said he believes his brokers "have done a good job under the circumstances."

It probably should be noted that Gilmore Steel, one of the largest companies in Portland, in early summer moved its entire corporate insurance program from Frank B. Hall to Fred. S. James. (*Business Insurance*, July 12, 1976).

The remedy to the "fire drills" problem which Mr. Thies intends to pursue is that of staggering the dates on which policies are due for renewal for his company's broiler/machinery and casualty insurance. They won't all come due on the same date in the future, he vowed.

The insurance buyer for a large lumber and paper mill corporation in the Pacific Northwest said that his brokers have performed yoemen work on his broker/machinery coverage despite the fact that they knew they might loose the policy altogether.

In his case, he said that the problem surfaced when his broiler/machinery carrier demanded that the deductible level on the errors and omissions portion of that coverage be switched to a three-day deductible, a change which he said amounted to as much as $500,000 at some plants. Due to the nature of the company's business, he noted that broiler-machinery coverage is critical and that he, therefore, resolved to fight the carrier on the deductible change.

In the end, he disclosed, he decided to move to a direct writer who agreed to maintain deductibles as they had been. But not before his broker labored to the point of exhaustion in attempting to locate a market for the coverage that would leave the deductible structure unchanged.

"The broker knocked himself out for us, holding meeting after meeting for a year and a half," he recalled. When the parting finally came, he said it was amiable.

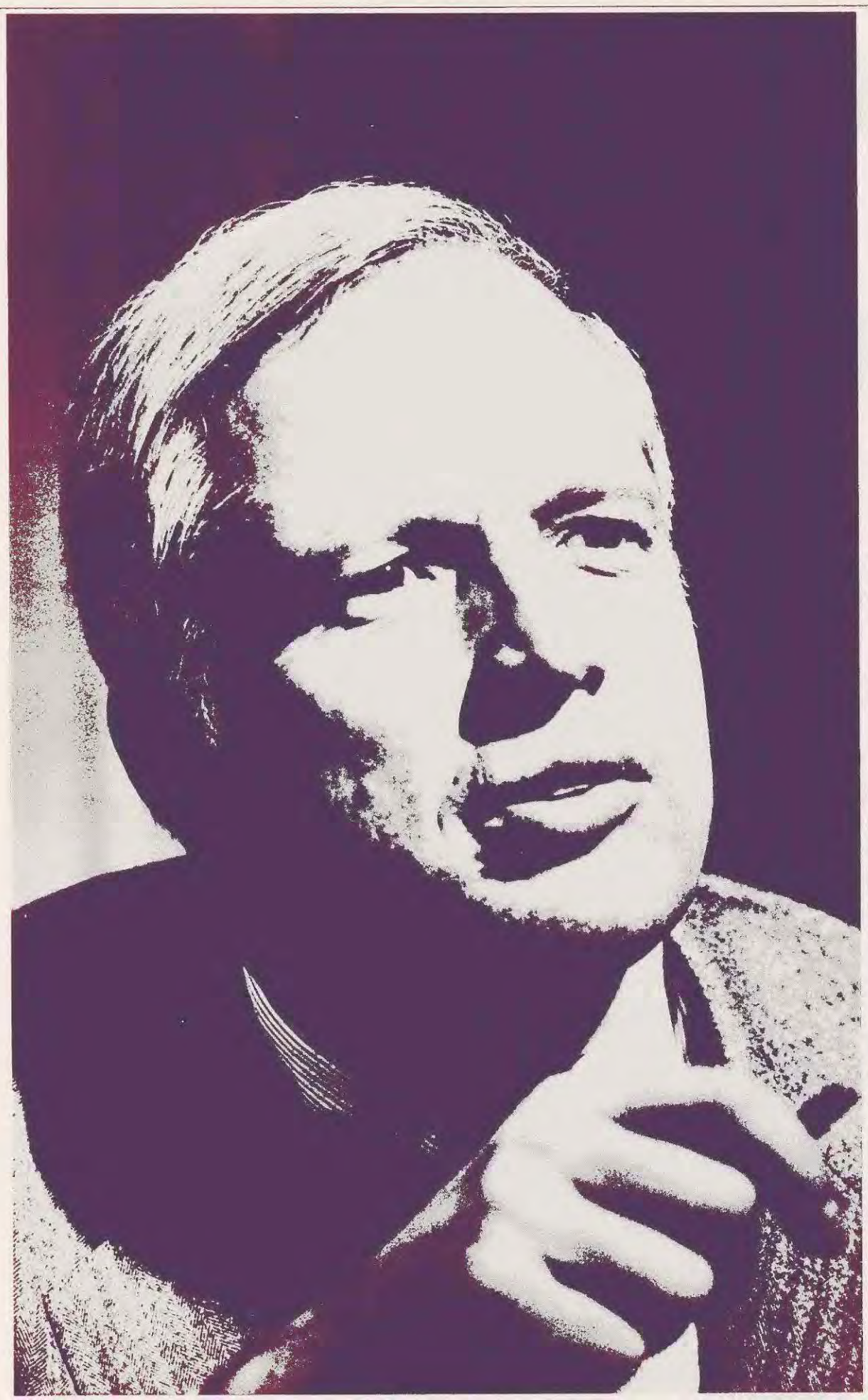
Echoing that tale of arduous effort was an insurance buyer for a Los Angeles firm who said that his problem was obtaining excess coverage in product liability after his firm had set up a Colorado captive to handle the primary layers.

He said that his broker finally managed to place the coverage, but not without an intense struggle and not without bowing to a price which was many times the figure the insurance buyer had anticipated.

"Still I do not blame the figure on the broker," he asserted. "He did himself proud."

This insurance buyer added: "During an easy market, it is a simple thing for me to pick up the phone and order an insurance policy. It is during the hard markets that I need my brokers.

"Thus to me, brokerage services have improved during the last two years." ■



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UK broker hits plan to nationalize

LONDON—Leading U.K. insurance broker Francis Perkins, chairman of the Hogg Robinson Group, is hitting at Labor Party efforts to nationalize Britain's insurance industry.

The Labor Government is being pressed to take over leading firms like Commercial Union, Royal, Guardian Royal Exchange, General Accident, Sun Alliance and Prudential, together with at least four prominent banks.

But the proposals will have to be examined at the Labor Party's conference this fall before they become part of the government's legislation program for 1976-1977.

Complaints that the insurance industry is not doing enough to help domestic investment have been put forward by politicians as the reason for putting it under state control.

Insurers themselves point to the vast premium income of nearly $1 billion, which comes from overseas, boosting Britain's finances, and to the dangers that government intervention would create a crisis in confidence abroad.

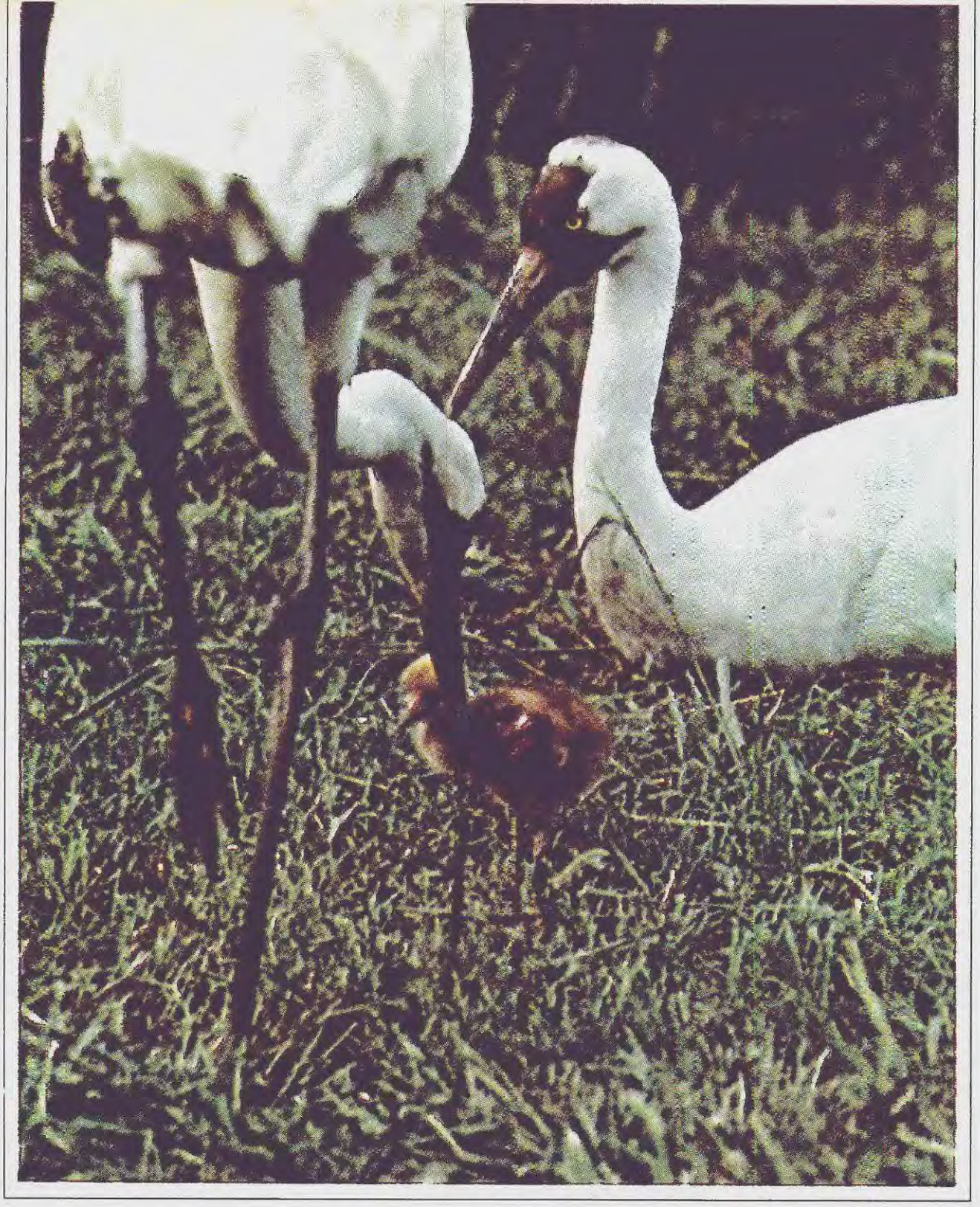
It looks as if the main target for nationalization will be domestic auto, fire and life business, and that the overseas interests of the companies, as well as Lloyd's, will not be affected.

But critics of Britain's insurance industry were firmly answered by Mr. Perkins, president of the powerful Corporation of Insurance Brokers, when he told its annual conference:

"The Labor Government will be taking fearful risks if it allows the world to believe that the huge British insurance industry is under threat of nationalization. The ability of the London market to attract around 50% of the international business comes largely through the efforts of brokers. This is possible because of our flexible and competitive reputation. How long would these qualities remain if we were under close control from government officials? Our vital contribution to the national economy would soon disappear, and our business would be surrendered to competitors in the U.S., the Far East, and other parts of Europe." ■

Deposit rates up

Effective August 1, a 50% increase in deposit premiums for class rated risks is being imposed by the New York Property Inurance Underwriting Assn. The revision does not affect final policy premiums: "Deposit rates are used only to estimate a deposit premium for binding of coverage. They do not necessarily reflect final rates and premiums," the association said.



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Texas brokers compete fiercely for big accounts; others report shift

By ELISABETH M. WECHSLER

CHICAGO—Has the day of the smaller commercial insurance buyer arrived, in terms of its importance to brokerage firms? The answer seems to depend on the size of the firm, its location and current marketing concepts.

"In Houston and in our part of the country, I haven't seen a shift to small and medium sized accounts," said John Van Osdall, senior vp of ANCO/The Anderson Co. "In our area, the major brokers aren't making a major effort to go after the $5,000-a-year and under commercial account."

The reason may revolve around the fact that the seven or eight largest U.S. brokers arrived on Texas soil belatedly due to the state's insurance laws. "The major brokers in Texas are competing for the largest commercial accounts," he said, "with one exception."

The exception, Mr. Van Osdall pointed out, is the book of business which these brokers took over when they acquired local agencies. The Texas staff is "still going after the same size accounts as they always did, as well as looking for larger size clients."

Another reason could be that the South is experiencing greater economic expansion than other parts of the country, which may mean that larger commercial accounts there have not been saturated yet, he said.

Mr. Van Osdall thinks that these same large brokerage firms may be using a different marketing strategy in other parts of the country: The large commercial account market is "already theirs" in other areas, so these brokers must look to smaller clients in order to sustain their growth rate, he conjectured.

Underwriters, either as direct writers or through their agents, may be emphasizing smaller commercial accounts as they try to make larger accounts more profitable. "Agents in Houston are more aggressive with small and medium sized accounts," Mr. Van Osdall noted.

Rollins Burdick Hunter Co., based here and the eighth largest firm in *Business Insurance's* top 20 list, plans to emphasize small and medium commercial accounts in 1976 to "balance" its roster of Fortune 500 clients, according to chairman Adrian B. Palmer.

Another Chicago-based firm, Fred S. James & Co. Inc., says it will continue its emphasis on medium sized accounts. They are more profitable, admits Donald C. Kendeigh, controller of the sixth largest broker in the *BI* top 20 list. "The giants require more servicing, and fee negotiations affect bottom line profitability," he said.

In contrast, Arthur J. Gallagher & Co., the 18th largest firm in *BI's* top 20 list, believes it's "definitely worthwhile to cater to smaller accounts," according to president Robert E. Gallagher. He estimates that 75% of his firm's new clients this year are smaller size accounts.

"The individual marketing professional knows that time is his most priceless commodity," Mr. Gallagher said. "He must make the judgment as to where his time is best spent." Still, he admits, he prefers accumulating larger accounts.

"We constantly strive to grow. Whether we grow with large, medium or small accounts depends on the individual marketer. There are more small and medium size account prospects," Mr. Gallagher admits.

Larger brokerage firms may be attracted to smaller size clients because they "have as much business from the others as they can get," Mr. Gallagher surmised. "It's like running out of gas."

In any case, he figures the biggies in the business know what they're doing: "If the major brokers are looking at smaller size prospects, it's because it's very viable for them."

For any size account, Arthur J. Gallagher & Co. thinks that underwriting, financial and general servicing problems must be considered.

Lance Sanberg, a vp at Mack & Parker Inc., based here, told *BI* recently that his firm "decided not to spend much time" with accounts generating less than $500 a year in commissions.

"Package policies are still the way to go unless the account is unusual, and then we must go to special markets," he said. "Sometimes small accounts are too small for inclusion in packages and require even more time."

The account ranging between $500 and $5,000 a year in commissions is "probably the most profitable," said George M. Roberts, vp at Collier Cobb/American Commercial Agency, Charlotte, N.C.

For accounts with more than $25,000 a year in commissions, he said there is usually "more negotiation on price." Also, these size accounts generally are remarketed more often and can come against more competition from other brokers, he added.

"With larger accounts, hardly a day goes by when we don't talk with them," Mr. Roberts said. Accounts generating commissions lower than $500 a year can require a disproportionate amount of servicing because it's hard to estimate the time devoted to claims plus there is at least one visit a year with the client, he noted.

Mr. Roberts believes that customers in the middle size range are "more responsive" about the importance of insurance to their whole business.

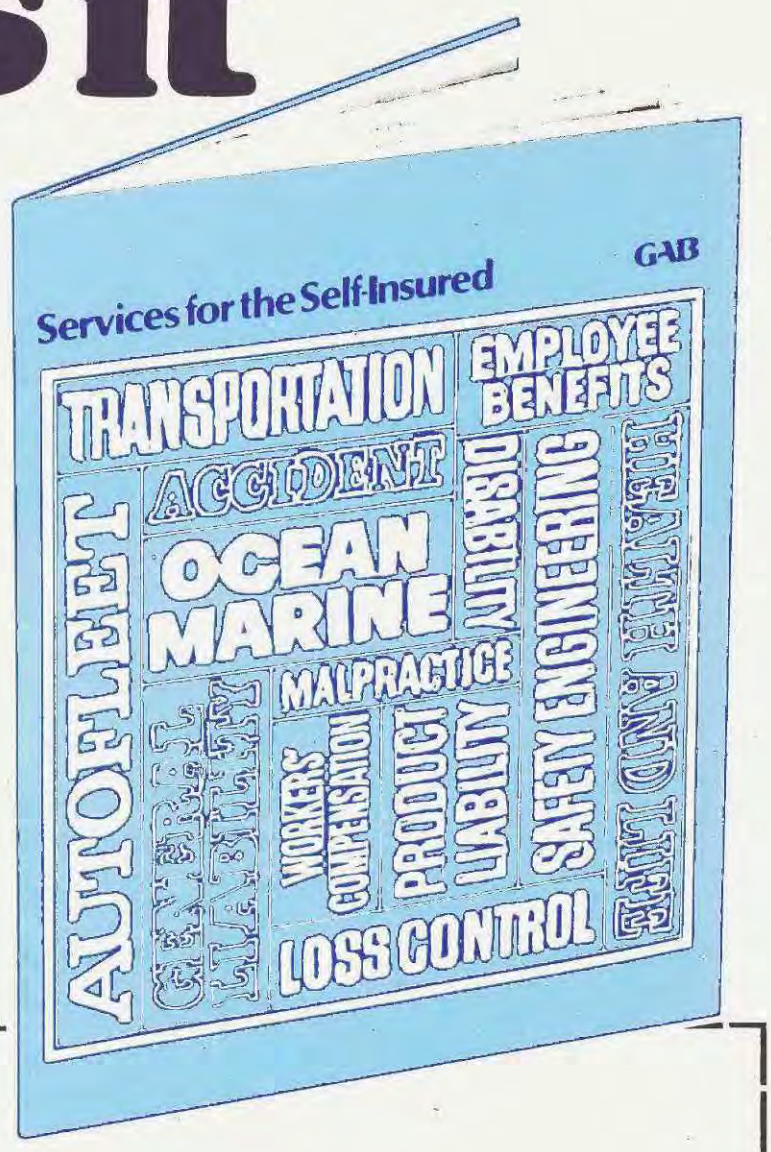
San Francisco-based Richard N. Goldman & Co. prefers middle and larger size accounts, according to Richard E. Loewenguth, vp. "We'll take an account generating premiums of $1,000 a year, but it won't be marketed to various carriers and we'll offer less personal servicing. The smaller the account, the more phone calls you'll receive. Market conditions don't let you take the smaller accounts."

He views the medium size account as the "most profitable because you don't have as much brokerage competition." Mr. Loewenguth estimates that 50% of the firm's business comes from accounts generating up to $5,000 a year in commissions.

Competition is "more keen" for accounts ranging up to $25,000 a year in commissions, he continued. "You're dealing with an insurance specialist at the corporate level." Goldman & Co. tries to "package everything," he said.

Robert D. Lang, commercial account executive for Walter P. Dolle Inc., Cincinnati, believes the firm has a "forte with medium size accounts." This size is "large enough to make money from, but we don't have the tough problems that the largest accounts do such as travel expense and tighter markets." ■

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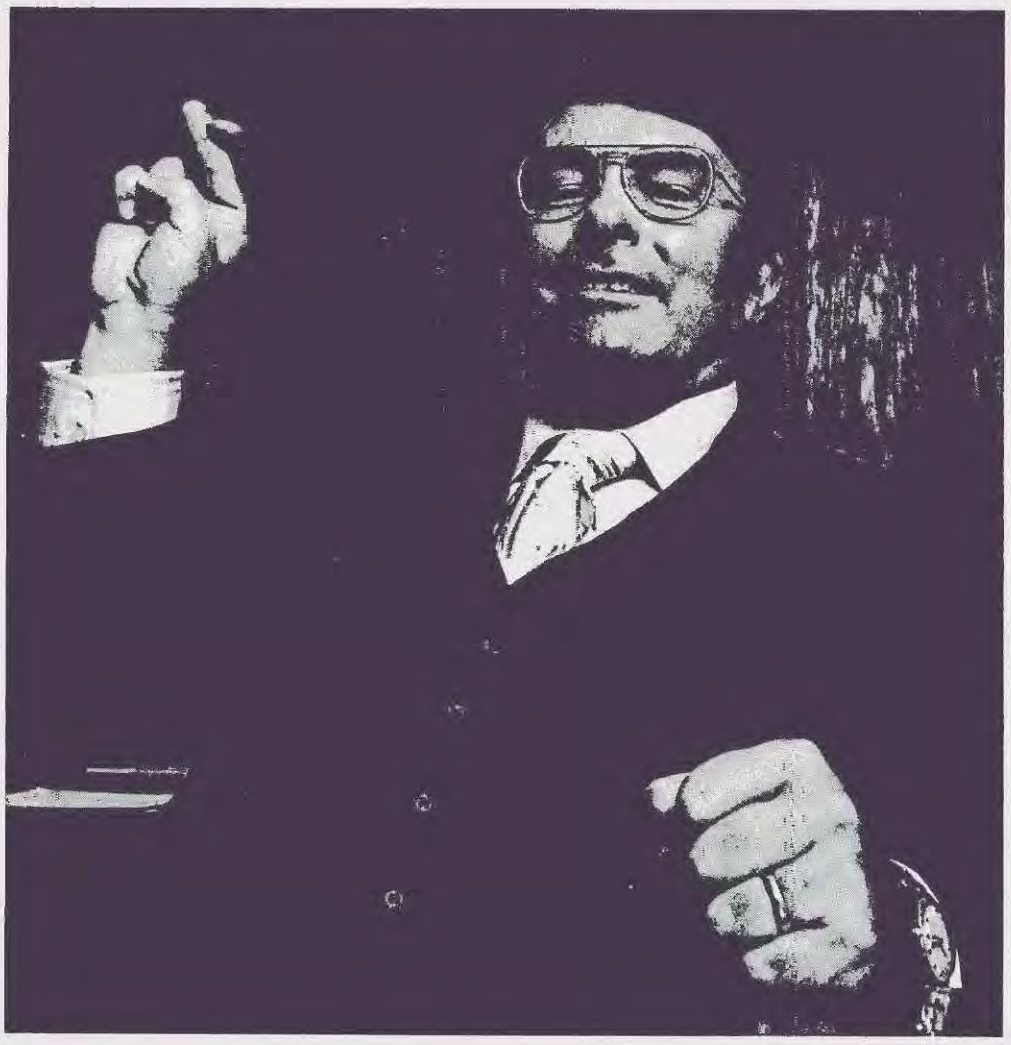
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Malpractice problem forces broker innovation, ills

By MARGARET LeROUX

NEW YORK—"Malpractice is entirely out of a broker's experience," Joseph Platt Jr., assistant vp at Johnson & Higgins and a specialist in malpractice insurance said in an interview. "You've got to change your entire perspective."

"I've seen brokers and clients alike become almost physically ill at the premium increases brought on by the malpractice crisis," he continued, "but I've learned you can't compare what is today with what was in the past. Now I tell clients, 'We've got this coverage at this price. Be glad you have it.' "

Business Insurance spent a day recently with Mr. Platt to see how the malpractice crisis has affected

agent/broker profiles

him, in his operations as a casualty broker.

It was clearly not a typical day, however. He requested that our initial meeting be in the *BI* offices, "so I can get away from the non-stop phone ringing for a while."

A normal day, Mr. Platt's secretary later confided, begins around 8:30 a.m. "He brings in coffee for both of us; I get the second cup from the coffee wagon around nine."

By the time the day ends, "late . . . about 7 p.m.," she said, the broker has consumed numerous cups of coffee—black with sugar substitute—cans of Tab and smoked a seemingly endless chain of cigarettes.

Mornings are spent in meetings with other brokers, insurers and clients. And there are the constant phone calls.

"I much prefer the verbal approach," Mr. Platt explained. "I'm a phone addict . . . I hate writing letters."

His preference for the conversational approach may be the result of a legal background. After four years of law school, however, "I realized I didn't want to join a law firm," Mr. Platt related. A friend urged him to try the insurance brokerage field and at Johnson & Higgins he found a job situation that appealed to him very much.

"I really liked the people I met there and they seemed to like me."

After on-the-job training, one of the first significant accounts he was assigned to was Memorial Sloan-Kettering Cancer Center. "That was back before the malpractice crisis hit," he said. "I've learned a lot since then."

"I've developed sort of a perverse interest in malpractice," he said, adding he's read "just about everything I could get my hands on," about the subject.

Today he heads a team of 23 J&H people who work on the Sloan-Kettering account. Mr. Platt is also involved with 18 other accounts, a number of them New York City hospitals.

Because of his expertise in hospital malpractice, the broker is often called upon to give presentations to hospital boards of directors.

"I start with my shock technique," he relates with a smile, "I tell them I don't have any easy answers and that what I'm saying is in the gray area . . . it's neither 100% right nor is it 100% wrong."

The hardest thing to explain to board members of what he calls "large" medical institutions (hospitals with 400 or more beds and staffs of 100 or more doctors) is "that for them the basic primary (liability) policy is not really insurance."

For a large teaching hospital, if it can even find coverage in the commercial market, the basic primary liability limit is a $1 million-$3 million policy that costs from $2 million-$3 million, "and that's not insurance anymore," Mr. Platt maintains.

In some instances hospitals don't even have the luxury of buying a basic liability policy, he added. For some the only basic coverage available is through joint underwriting associations.

"After I explain this, board members become more interested in setting up a self-insurance fund," the broker continued. "The trick is how to cap this basic liability and at what point is it feasible to do it.

"We have to show the excess underwriters that everything we've done in setting up a self-insurance fund for malpractice makes the client at least an equivalent risk to one insured through the commercial market."

This includes claims handling and loss control programs and establishing a risk management or director of insurance position.

Once the steps towards a self-insured program are implemented, the broker can approach the excess markets. And they are, Mr. Platt acknowledged, extremely limited.

"We (the brokerage firm) have a laundry list of 25 to 40 markets that we use as reference," he said, "though there are really only about one to three markets that will lead the excess." There's little negotiation about price.

"Last year when we got some of the quotes for large teaching hospitals I went crazy," he continued. "A $5 million policy excess of $1 million-$3 million was quoted at $1 million; the year before quotes ranged from $20,000 to $40,000."

Responding to hospitals' needs for risk management and loss control measures, a number of consultants have proposed various methods of loss funding (for malpractice) using computer techniques and mathematical projections.

Mr. Platt doubts the effective-

Continued on page 22



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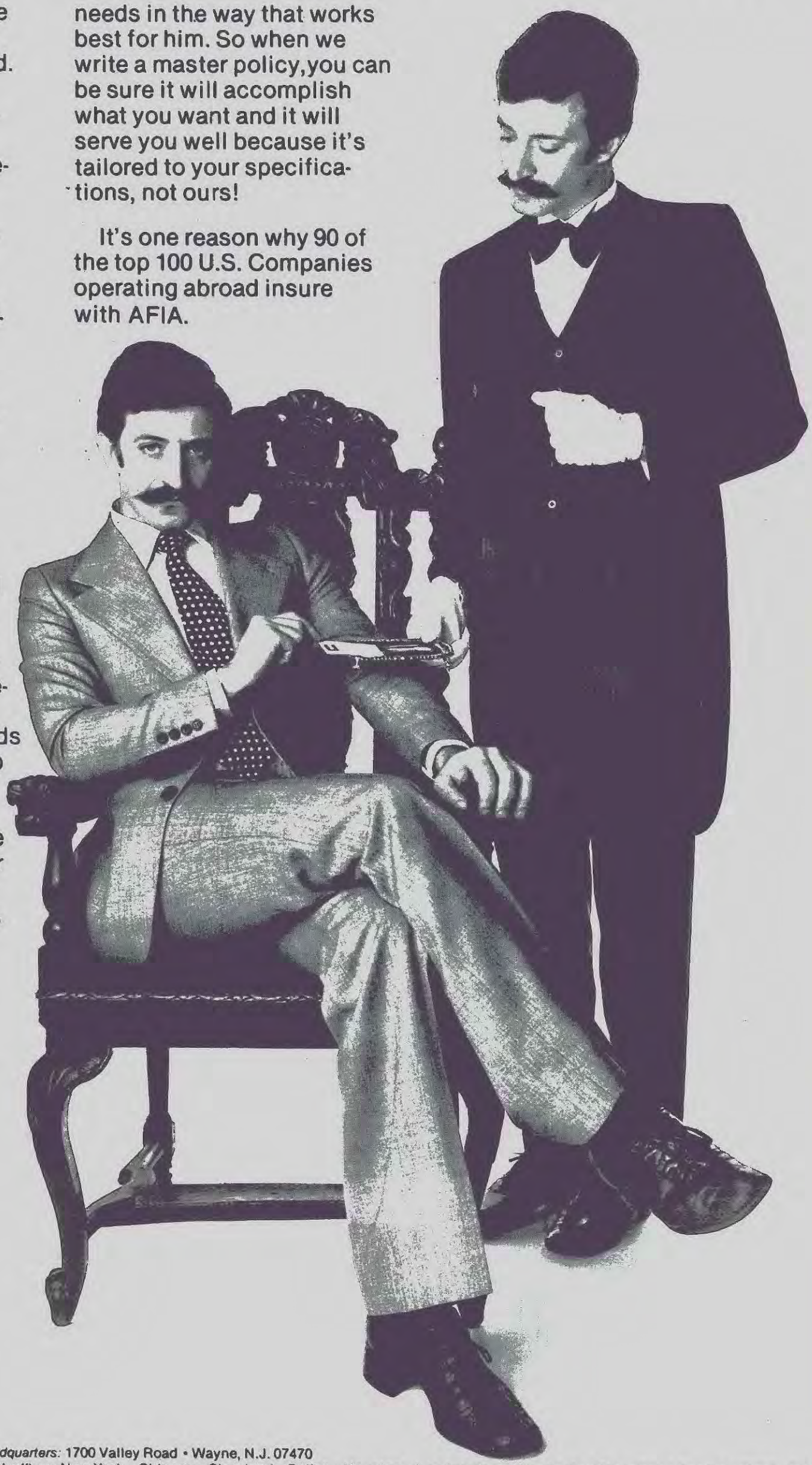
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Broker's . . .

Continued from page 20

ness of most of these methods.

"Most of them are starting with rotten data and if you start with rotten data, no matter how sophisticated you treat it, you'll still have rotten conclusions."

He explained that it takes at least five years of careful data collection to have a good data base in the malpractice field. "There simply isn't a good enough body of numbers available to make very scientific projections."

Most people who sell loss control services to hospitals "are selling the concept of how to avoid being sued," the broker noted.

Later, over lunch with Sloan-Kettering's acting insurance director, the discussion on loss control continued.

"Hospitals have to look at loss control in a totally subjective way," Daniel T. Wyer, assistant to the vp of finance at Sloan-Kettering commented. "You have to have the attitude that what's good for the patient is good for the hospital."

Both Mr. Platt and Mr. Wyer agreed that "you can't have an effective insurance program without a good working relationship between the insurance director and the broker."

Listening to the conversation between the two, as they discussed everything from politics to the relative merits of the Italian cheesecake being devoured for dessert, it was obvious there is no communication gap in this broker-client relationship.

That afternoon in the Johnson & Higgins offices, Mr. Platt reflected on how the malpractice crisis has changed his job.

"Sure, it's made the job harder, and the competition is tougher. But that's what makes it more fun." ■

agent/broker profiles

INFORMATION FOR THE profiles running through page 78 was submitted by the companies themselves, and to the best of our knowledge is accurate. Profiles on the top 20 firms, appearing in order of size according to 1975 gross revenues (commissions and fees), were compiled following interviews with officials of the companies.

MARSH & McLENNAN COMPANIES INC.

1221 Ave. of the Americas, New York, N.Y. 10020; 212-997-2000

	1975	1974
Premium vol.	NA	$2.5 billion*
Gross rev.	$245,282,000	$207,352,000**
Employes	7,710	7,235

*estimated figure
**restated for poolings of interest

With an 18.3% increase in gross revenues for 1975, Marsh & McLennan (M&M) again tops the list of agents and brokers. The firm has retained its position for the five years the annual agent/broker listings have been compiled by *Business Insurance.*

M&M had its most significant growth in the consumer merchandising operation (group and franchise insurance plans), according to company officials.

For the first six months of 1976, medium sized commercial accounts showed the most growth, said L. Patton Kline, president of Marsh & McLennan Inc., in an interview.

"One of the biggest challenges which risk managers and brokers face is finding alternative answers to risk problems in a market place of reluctant and withdrawing insurers," Mr. Kline said.

He emphasized that individually purchased insurance—auto and homeowners—"is having an unwarranted impact on the commercial markets."

"An insurance company that's losing money on personal accounts isn't extending its surplus to commercial accounts," he continued. "This can have a profound effect on the market."

An important development within M&M during the past year, "that goes hand in glove with the emphasis on finding alternate answers to risk problems," Mr. Kline noted, has been the company's emphasis on the technical services division.

Headed by Philip J. Brown Jr., executive vp, the technical services group has six fee-for-services components with more than 400 people in various locations throughout the U.S.

M&M's captive management group, headed by David Vaughan, manages approximately 34 offshore captives.

Among domestic mergers and acquisitions in the past year were: Ward Insurance Agency, Eugene, Or.; Peck Barnard & Olmstead Inc., Bristol, Ct.; Heberiah-Hall-Harter Agency, Akron, Oh.; and H. S. Black, Nashville, Tn.

Internationally, the firm has continued a pattern of acquisitions with primary emphasis on Europe. In August 1975, M&M acquired a 30% interest in Gradmann & Holler, one of the two largest German insurance brokerage firms, with 400 employes in six major German cities.

The German acquisition "continues our international policy to seek good strong local partners in insurance, reinsurance and employe benefits," said Robert J. Newhouse Jr., president Marsh & McLennan Cos. Following the acquisition of an interest in the French brokerage firm of Faugere et Jutheau in 1974 and in the Belgium firm of Henrijean & Cie. in July of 1975, the German acquisition emphasizes the importance of European affiliations, he noted.

Future international developments will focus on South America and the Pacific Basin as well as Europe, Mr. Newhouse said.

Principal officers of the corporation are: John M. Regan Jr., chairman and chief executive officer and Robert J. Newhouse, president, Marsh & McLennan Companies Inc.; Kennedy B. Galpin, chairman, and L. Patton Kline, president and chief executive officer, Marsh & McLennan Inc.; A. J. C. Smith, president and chief executive officer, William M. Mercer Inc.; George G. Nichols Jr., president and chief executive officer, Guy Carpenter & Co. Inc.; Robert E. Riley, president and chief executive officer, Marsh & McLennan Management Co. Inc.

M&M's 100,000 commercial clients include such names as Albright & Wilson Ltd., Air Products & Chemicals, Alcan Allied Chemical, American Dental Assn., American Standard, AT&T, Archer Daniels Midland, Atlantic Richfield, Bank of America, Baxter Laboratories, Bechtel Corp., Beech Aircraft, Borden, Borg-Warner, Bristol-Myers, Brunswick, The Budd Co., Burlington Industries, Carborundum, Chase Manhatten, Checker Motors, City of Los Ange-

Continued on page 26

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editorial opinions

'Sue the bastards': A social malaise

THE RISE IN consumerism during the past decade—while beneficial for the most part—has brought with it a malady which represents a real threat to the fabric of our society: The almost unrestrained tendency to "Sue the bastards," whoever they may be.

Aggravation, injuries and other affronts have often been magnified beyond their proportion to reality. Awards made as a result of successful litigation have zoomed to astronomical figures, encouraging new litigants and their attorneys to sue for redress of grievances, frequently asking triple damages, payments for pain and suffering and punitive penalties. Generally-sympathetic juries and judges have granted and affirmed these awards, with the result that the cost to our society—its taxpayers and premium-payers alike—is rapidly rising. We must ask ourselves whether we can afford this veritable orgy of litigation, extending into every conceivable area of commercial activity.

Unheard-of numbers of liability cases (malpractice by doctors, hospitals, attorneys, architects, engineers, as well as product liability and others) crowd the court calendars. Judges, their staffs and thousands of jurors are kept busy with these liability actions. The cost to our society in terms of tax dollars and insurance premiums is getting out of hand.

Now we are not opposed to legal action, and to justified use of the legal system by genuinely injured parties. Indeed, we recognize the need for an orderly and efficient judicial system to preserve the rights of citizens, private and corporate alike. But we are up in arms about the proliferation of lawsuits filed purely for litigation's own sake, frequently spurred by greed.

The problem as we see it derives from the ease with which, under our present system, legal action can be brought without cost or responsibility for the plaintiff who too often finds a willing attorney to argue a frivolous or marginal case on a contingency basis. Attorneys should not be allowed to become partners of injured or aggrieved parties when their real role should be that of advocates.

The right to bring legal action should not be curtailed. However, a greater degree of responsibility in the exercise of this right is desirable. It is not unreasonable to suggest that prior to any legal action which may be brought by an injured party, the case be heard before a non-judicial body such as an arbitration board with its own appeals procedure.

Moreover, plaintiffs who are unsuccessful in their legal actions should be liable for defense costs.

▪ It is high time that risk managers, corporate financial executives and the insurance industry—underwriters, agents and brokers—coordinate positive action programs in their state legislatures. They must work to obtain relief in the form of innovative legislation to prevent the unfair redistribution of the economic and financial resources belonging to a large public which is resulting from huge awards given to a relatively few successful litigants and their attorneys. Far too few voices have been heard protesting these outrageous awards to make a dent in the American consciousness.

Juries should have responsibility for establishing negligence or non-negligence; they should not be permitted to also mete out "sentences" in the form of damage awards. Just as in criminal cases, the "sentence" should be handed down by the judge; or better yet, in civil cases, the award should be established by a compensation board which includes the trial judge to provide balance in the administration of relief.

Insurance is designed to compensate for financial loss, and nothing else. Otherwise its cost may become prohibitive and, finally, it may be doomed as a viable source of protection against loss.

Insurance underwriters, and indeed, companies which insure themselves, are risk bearers only to the degree that the risk can be "spread" or funded in a way which assures financial survival. When the costs of shouldering risks become unmanageable, liability is no longer insurable. Perhaps, then, only when insurance is widely unavailable and when companies begin liquidating because they reason that the risks are unaffordable, will attorneys and their clients find it less easy to sue. They may also then find less sympathetic juries and more difficulty in collecting on injury cases.

Another point requiring examination is the awarding of punitive damages to injured parties. In cases of gross negligence, it is proper to assess punitive damages to protect society from a recurrence of an injurious act. But society at large would be much better served if such punitive damages were paid into state funds designed to help defray the cost of rehabilitating disabled or injured persons.

▪ We urge concerted efforts to reform the legal system in the following areas:

- Limitation of contingency fees to prevent attorneys from becoming partners of injured parties.
- Creation of arbitration boards and arbitration appeals boards outside the judicial system. Their decisions must not be binding, but in the event of legal action their records must be introduced in court.
- Eliminate jury recommendation or determination of awards.
- Compensatory awards should be made by a special compensation board which includes the trial judge in each case.
- Thorough review and limitation of non-economic losses, i.e. pain and suffering awards.
- Plaintiffs should be held responsible for defense costs if the jury finds for the defendant.
- Punitive awards should be paid into state rehabilitation funds, not to plaintiffs.

These recommendations should be the basis for a thorough reform of a system that is no longer working well and equitably.

To this end, we ask the insurance industry, its distribution systems, as well as corporate risk managers to strongly voice their views and muster their resources, both human and financial, to conduct a sustained education program which must reach the public at large and, ultimately, the lawmakers.

Single reprints of this editorial are available at no charge from Business Insurance, *c/o R. Drachman, 708 Third Ave., New York, N.Y. 10017. Send a self-addressed stamped envelope.*

letters

Letters are welcome. Address letters to the Editor of Business Insurance, 740 N. Rush St., Chicago, Il. 60611.

Reprint editorial

To the Editor: Our association is comprised of approximately 150 local manufacturing companies in the Columbus metropolitan area. We have a mailing list of approximately 500 persons within our membership and we would like your permission to reproduce and distribute the editorial entitled, "Economic facts of life" which appears in the June 28 issue of *Business Insurance*. We also plan to send copies to some associates in the Mid-Ohio Health Planning Federation.

Newton A. Brokaw

Executive Director, Columbus Industrial Assn., Columbus, Oh.

Editor's Note: Thank you for your letter and your interest in our newsmagazine. We are pleased to grant you permission to reprint the editorial, provided of course that a credit line appears on the reprinted article saying "Reprinted by permission from Business Insurance *magazine's June 28, 1976 issue."*

Bias not intended

To the Editor: I read your July 12th editorial regarding the United States Supreme Court and its approach or lack of approach in the settling of the discrimination charges filed against General Electric Co. Your editorial from an insurance standpoint or even from a general readership standpoint was a balanced opinion until you reached the last sentence of the editorial.

A bias on the part of the writer, consciously or unconsciously, was reflected when the writer expressed the hope that the Supreme Court's delaying tactics was not an attempt by the Court to keep from alienating "President Ford's big business constituency".

Since this issue has been taken up as a feminist issue at every political convention I have attended in the last four years, it is entirely possible the Supreme Court was afraid of offending the female fifty per cent of this country's population. The subtle political bias in your editorial was a disservice to your paper.

Terrence P. Larkin

Johnson & Higgins, Minneapolis, Mn.

Editor's note: No bias intended. Our point was that the Supreme Court appeared to be deferring a ruling which could potentially alienate large and important segments of the voting public, whichever way the court rules.

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JOHNSON & HIGGINS

95 Wall St., New York, N.Y. 10005; 212-482-2000

	1975	1974
Premium vol	NA	NA
Gross rev. ...	$145,000,000*	$125,000,000*
Employes ...	3,900*	3,600*

*Estimates.

Johnson & Higgins, the nation's largest privately held brokerage firm, is estimated to have experienced a 16% increase in gross revenues in 1975. J & H is second on *Business Insurance's* list of top insurance brokers.

"The extraordinarily tight marketing situation has given us our biggest hurdle to overcome during the past year," said Gardner M. Mundy, secretary of the firm.

Mr. Mundy highlighted the major accomplishments of the firm during 1975, which included opening of a new office in St. Louis and a change in management for some of the subsidiary offices in the U.S.

In Canada, J&H is in the process of making the operations more autonomous, Mr. Mundy said.

Internationally, 1975 saw interest in the Mideast by J&H, with the opening of a service facility in Iran. Plans are being made for opening new operations in the Mideast, as well as expansion of the facilities in Southeast Asia.

With the continuing emphasis on the science of risk management, areas such as client services are receiving increasing attention, Mr. Mundy said. J&H, with some 35 captives under management, recently extended its captive management activities to the Cayman Islands. The firm has captive experts in 17 of its major U.S. branch offices and in Bermuda, where H. Clayton Chambers heads a staff of 17 persons.

Among internal developments at J&H for the coming year, an ad hoc corporate congressional action committee has been formed, "to study legislation either beneficial or harmful to our clients," Mr. Mundy said. "We intend to make our feelings known to the appropriate Congressional figures. It's time for business to make its views known and act on proposed legislation rather than react after its passed."

The past year was one of expansion in all areas, Mr. Mundy concluded, but there was no emphasis on one particular area. "Last year wasn't one for dramatic happenings," he said.

Among top executives at J&H are: Richard I. Purnell, president and chief executive officer; Richard T. Henshaw, executive vp, and there are more than 30 other top executives. Walter H. Clemens was named a director of the firm and Edward F. Fuege and Walter H. Clemens both retired.

A list of J&H clients, not confirmed by company officials includes: A&P The Allen Group, Abbott Laboratories, Admiral Corp., Amerace Corp., American District Telegraph, American President Lines, AT&T, Anaconda, Bank of America, Bethlehem Steel, Baxter Labs, Boeing, Bristol-Myers, Caterpillar Tractor, Chrysler, Colonial Stores, Colgate Palmolive, Consolidated Freightways, Control Data, County of Los Angeles, Del Monte, Delta Airlines, Digital Equipment, Dow Chemical, E.I. DuPont de Nemours, Evans Products, Exxon, Fairchild Semiconductor, First National City Corp., Fluor Corp., Flying Tiger Lines, Foremost-McKesson, Foss Launch & Tug, Fuqua Industries.

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ALEXANDER & ALEXANDER INC.

1185 Ave. of the Americas, New York, N.Y. 10036; 212-575-8000

	1975	1974
Premium vol. ..	NA	NA
Gross rev.	$124,314,000	$100,535,000
Employes	3,700	3,400

Alexander & Alexander continued an aggressive program of acquisitions during 1975, picking up 10 insurance agencies during the year, while many other top brokers were starting to taper off.

A&A, the nation's third largest broker, managed to exceed its own expectations for last year; its revenues of $124.3 million represented a 23.6% increase over the previous year's revenues.

This growth through acquisitions is even more impressive if one looks back to 1968 when the firm was a relatively small brokerage with revenues of approximately $21 million. Since then, the firm achieved an international standing, and has successfully carried out more than 80 mergers.

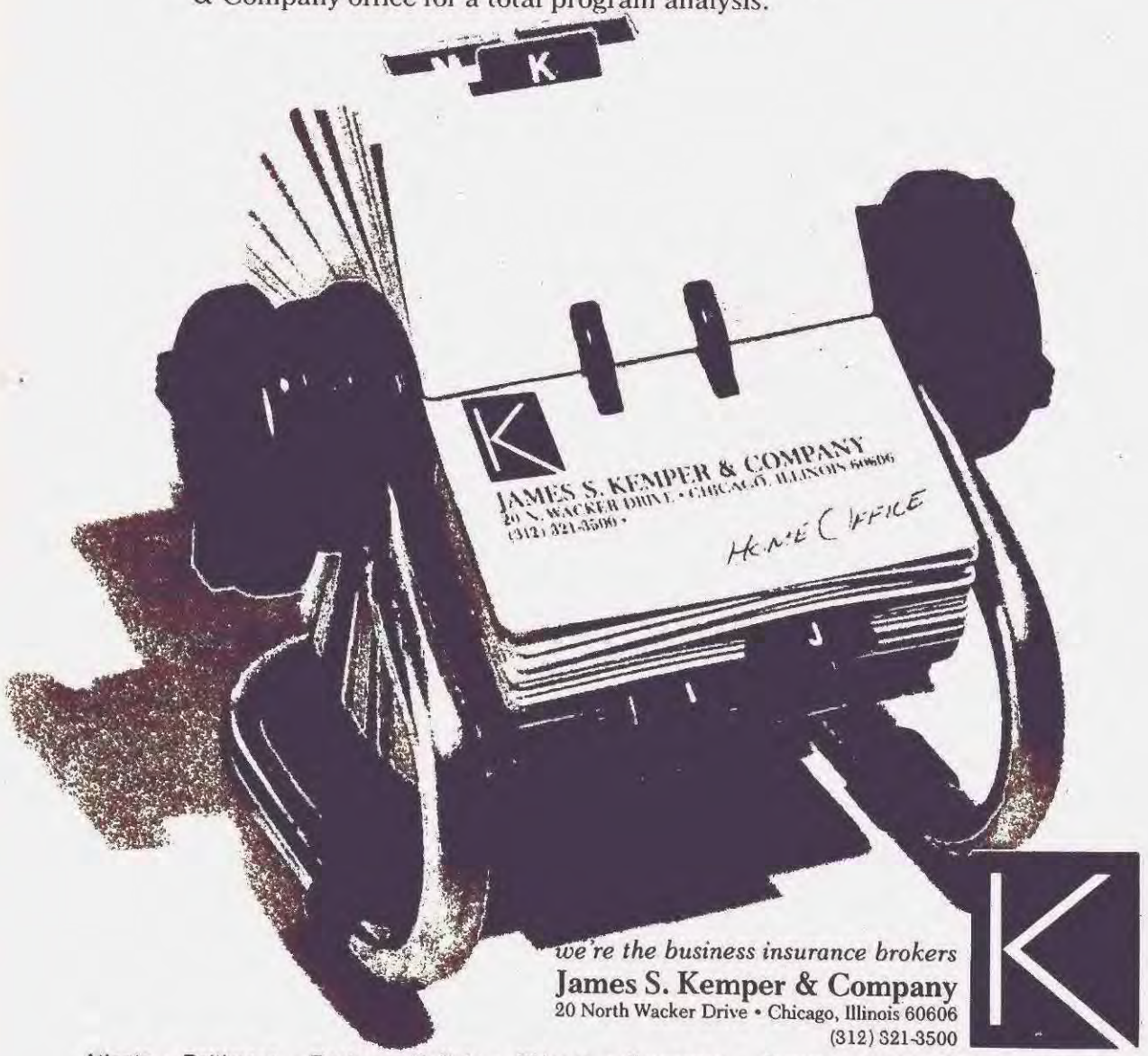
A securities analyst at Drexel Burnham & Co. thinks an element in A&A's success with its acquisition program is that its present chairman of the board, Kenneth W. S. Soubry, has been chief executive officer or chief operating officer since 1963.

No other national brokerage firm, including Marsh & McLennan, has had such stability of top management.

In addition to Mr. Soubry, other principal officers and directors at A&A who are members of the ex-

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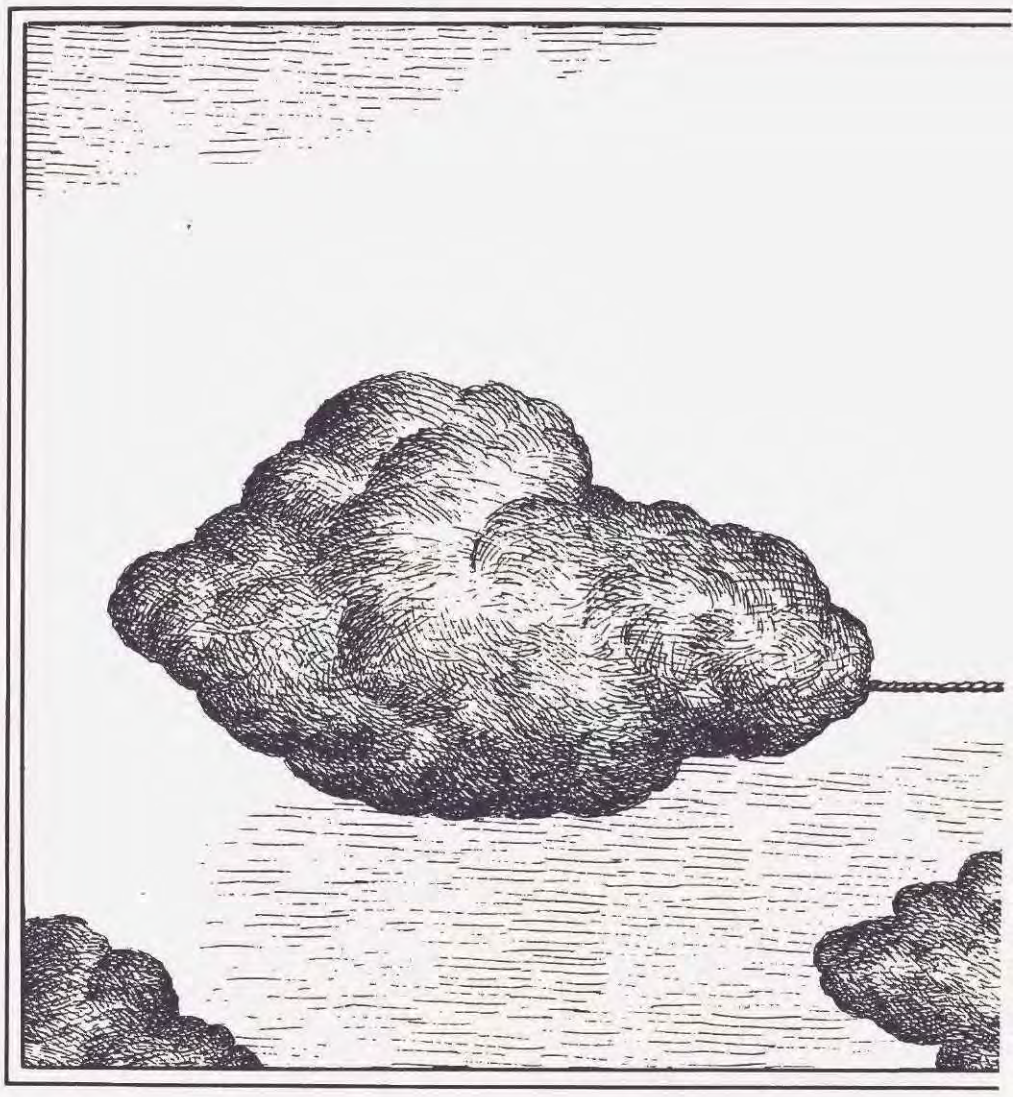
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4050 Wilshire Blvd., Los Angeles, CA 90010

Risk Man

To control all aspects of an organization's exposure to asset damage and loss, many companies have recognized the importance of a comprehensive function called corporate risk management.

A brief review by INA of an insurance topic of interest to business executives.



A company's assets may be valued in billions of dollars, or they may be much less—but all of those assets, in varying degrees, are exposed to continuing risks of damage or loss. By applying management techniques to the handling of such risks, threats to the company's earning power and even to its continued existence can be reduced or eliminated. Corporate risk management, in short, can enhance cash flow, shield profitability, and contribute to long-term growth.

The concept of risk management combines *risk control,* including loss prevention and reduction, and *risk finance,* the provision of funds at the lowest cost for financing possible loss.

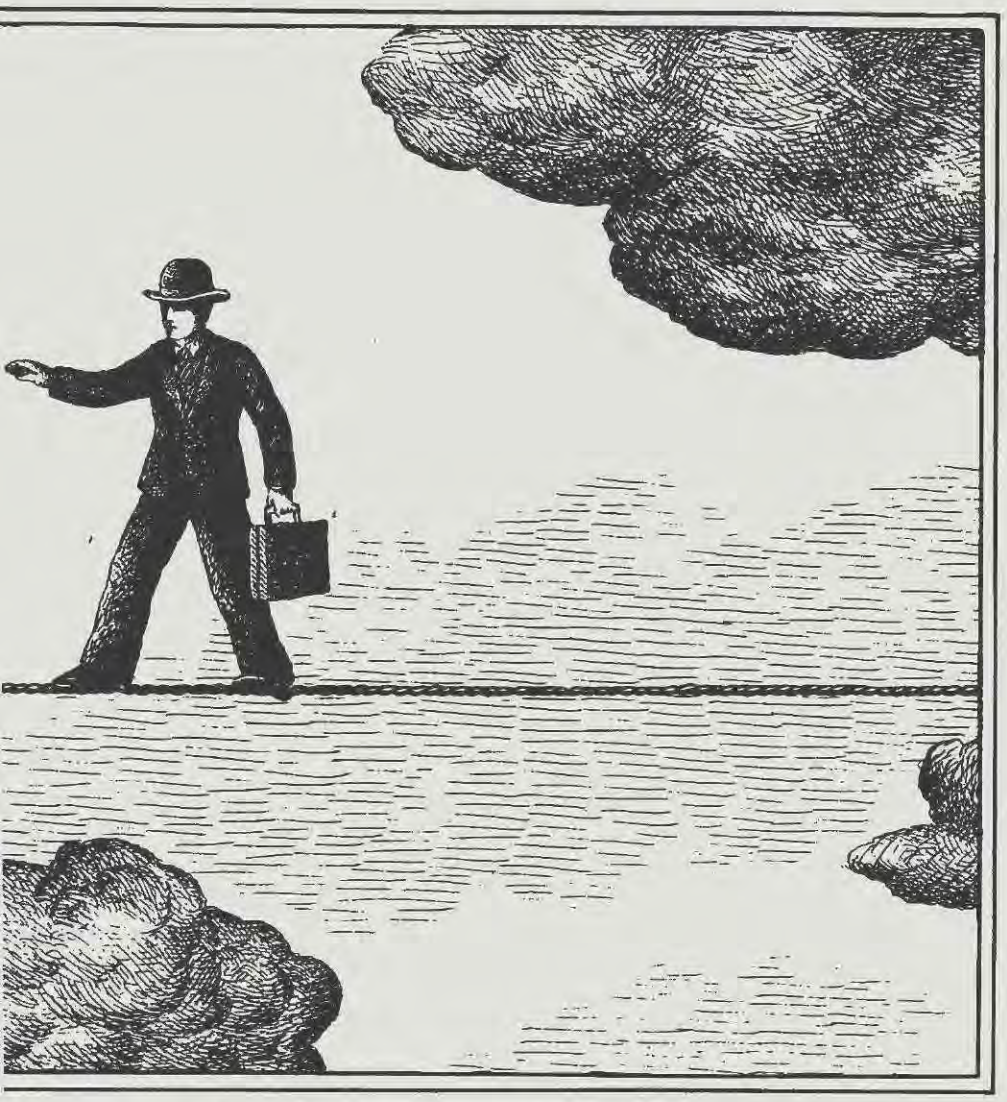
Within a company, risk management often starts with painstaking identification of the possibilities of loss to which the firm is exposed. For example, a risk manager may conduct an extensive physical inspection of company facilities and operations. Such a survey may be reinforced by the use of standardized questionnaires intended to uncover hidden exposures common to many business firms. Examinations of flow charts and financial and other documents may suggest further hazards.

Ranking potential losses

The next step, risk measurement, establishes the relative importance of potential losses —their frequency, severity, predictability and probability. This is followed by determining the best technique for handling the firm's risks, whether through risk control, risk finance or a combination of both.

The cardinal rule is to obtain the greatest

agement



possible protection at the least possible cost to the company.

Under risk control, a decision might be made not to build a warehouse in a flood plain (risk avoidance). It might be to install guards on machinery to prevent employee injuries (loss prevention). It might be to install a sprinkler system in a plant (loss reduction).

Under risk finance, the decision is how to allocate the risks between risk *transfer,* usually insurance, and risk *retention,* with the company paying any losses from its own resources.

Insurance alone does not constitute total risk management, as insurance professionals have long pointed out.

Invariably, insurance is most useful and least costly when accompanied by all other practicable means for reducing exposure to loss.

Once risk management decisions have been made, the next step is implementation.

Here risk management's responsibility is primarily that of managing people, so that desired actions are taken. Finally, having put programs into action, results are constantly checked to see if the desired effects have been realized. At the same time, the risk manager remains alert to changes in loss exposures which may call for new approaches and strategies.

As a fuller discussion of risk management from an objective standpoint, INA has prepared a booklet entitled, "Risk Management: Some Professional Considerations." Copies may be requested by writing INA Corporation, 1600 Arch Street, Philadelphia, Pa. 19101.

* * *

The Insurance Company of North America was founded in Independence Hall, Philadelphia, in 1792. Today INA and its affiliated companies operate around the world with major interests in property and casualty insurance, marine insurance, life insurance, reinsurance and risk management services.

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ecutive committee are William L. Carter Jr., president; John A. Bogardus Jr., executive vp; and Tinsley H. Irvin, senior vp. Other senior vps include Charles E. Bailey, Joseph R. Barr, Henry Bartholomay III, George B. Clark, Robert A. Gielow, Paul Gregory, John G. Harrison, Douglas W. Kincaid, John C. Sienkiewicz, Joseph J. Stahl II, and Hugo J. Standing. Jerome H. Carr is vp and controller; Ronald J. Roessler, vp and general counsel; Frank R. Wieczynski, vp and secretary; and John F. Koehnlein is treasurer.

One of A&A's newest ventures, decided upon just last month, is the formation of a new operating group called the Risk Analysis and Management Group. The new risk management unit incorporates A&A's Anistics and Alexsis (self-insurance services) divisions, and will eventually include the Bermuda subsidiary, Alexander International Ltd.

Robert A. Gielow, senior vp and Midwest regional director of A&A will head the new operating group, which A&A intends to use to expand its services nationally.

A&A declined comment on what the areas of fastest growth were for the company over the past year in its 65 U.S. branches and 34 foreign offices.

But it broke out relative figures for revenues generated by various product lines. Out of every dollar of gross revenues, A&A reports, casualty, property, and marine lines account for 78.2 cents and benefits (including life and group, actuarial and Benefacts) accounts for 17.4 cents.

A&A's mergers and acquisitions in 1975 include the following firms: Shand, Morahan & Co. Inc., Evanston, Il.; ECCO General Agency Inc., Houston; Gene Smyers Insurance, Fort Worth; Greenberg Insurance Agency Inc., Omaha; Oden-Mattern & Apker Inc., Tulsa; Hazard & Lane Inc., Chicago; Great Northeast Agency Inc., Long Island; Eastern Brokerage Co., Long Island; Herman C. Wolff Co. Inc., Indianapolis; and Wachovia Insurance Agency Inc., Winston Salem, N. C.

The brokerage firm, owned by the holding company Alexander & Alexander Services Inc., offers a full range of services. Officials declined comment on the number of commercial clients, or the status of account growth last year.

A&A clients reportedly include American Airlines, AMF, Bunker Ramo, Central Telephone & Utilities, Chessie System, Chrysler, Control Data, Dow Chemical, Dresser Industries, Eastern Airlines, General Motors, Getty Oil, Gould Inc., IBM, Ideal Basic Industries, ITT-Avis, ITT-Continental Baking, Kaufman & Broad, Marcor, McDonnell-Douglas, Mobil Oil, Noble Affiliates Inc., Northrop Corp., Port Authority of Houston, Rohm & Haas, G. D. Searle, Studebaker-Worthington, Sunbeam Corp., Texaco, Texas Gas Transmission; Texas Instruments, United Brands, U.S. Industries, University of Michigan, University of Pennsylvania, Ward Foods, and Westinghouse Electric.

FRANK B. HALL & CO. INC.

549 Pleasantville Rd., Briarcliff Manor, N.Y. 10510; 914-769-9200

	1975	1974
Premium vol. ..	NA	NA
Gross rev.	$101,433,000	$87,863,000
Employes	2,600	2,550

Frank B. Hall, the nation's fourth largest broker, which built its national stature over the last decade through an aggressive acquisition program, particularly in marine and aviation areas, is shifting its emphasis on growth to new business accounts.

The firm has not discontinued its acquisition policy entirely, but is now limiting new acquisitions mostly to geographic areas where it has no existing offices.

It reported the following mergers and acquisitions in 1975: Morris H. Kaliff & Son, San Antonio; David Richman Associates, Chicago; and Scalabrino, Sauer & Hronek, Cleveland.

"The life blood of a firm like this is internal growth," explained Hall vp Gardner Gillespie Jr. He noted Hall looks for an annual growth pattern of about 15% and is satisfied with its 1975 revenue results which showed an increase of 15.5%.

Marine and aviation products insurance programs have historically been Hall's strong suits. However, largely because of the Employe Retirement Income Security Act of 1974, the firm expects that an area of long term major growth for it will be employe benefits.

For 1975, some 57% of Hall's insurance portfolio was in the casualty and property business.

Hall declined to make any forecast for 1976, but reported record results for the first and second quarters this year, with a corresponding 17% hike in revenues.

Behind the figures are policy decisions made by a Hall management committee run by the firm's president, chairman, and vice chairman.

One of the most recent changes in Hall's organization was consolidation of its national and international services division into a single operating unit known as Hall Services.

The creation of the new unit meant moving the international staff out of its midtown Manhattan offices and up to Briarcliff Manor, a relocation that all but one key staffer turned down. So in the process, Hall lost its manager of international services and had to reabsorb most of the rest of the international staff into other areas of the company functioning out of Manhattan.

The idea behind the creation of Hall Services was to make the international operations of the company more effective by extending the account support services approach which worked very successfully in the former national sevices division.

The company said the switch would not affect service to any commercial clients. However, increasing responsibility for medium and small sized international accounts will go to Hall's regional offices, and the Briarcliff Manor unit will concentrate primarily on large accounts.

Principal officers of Frank B. Hall are Richard A. Archer, chairman and chief executive officer; Albert J. Tahmoush, president and chief operating officer; William C.

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SEE OUR AD ON PAGE 6

Clearing the canal

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From a risk management standpoint, the task was not easy. Liabilities transcended international boundaries and the assets and reputations of several clients were on the line. Any gap in coverage could have been disastrous.

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Head Office: 150 William Street
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agent/broker profiles

Bartholomay, vice chairman; Melvin A. Holmes, vice chairman; William A. Baxter, Henry E. Froebel, and Colby Hewitt Jr., executive vps.

The firm has 51 domestic offices, 15 foreign offices and correspondents in 30 other cities. It offers a full range of brokerage and benefit consulting services including association/franchise programs, risk management, actuarial services and benefit communication.

Since last year, the firm has established its capability for handling health administration for hospital groups, medical societies and state insurance funds.

It has also established a facility for computerizing record-keeping required by ERISA. Called the SPACE system, an acronym for Super Pension Administration Control for ERISA, the new service is a comprehensive operational employe data storage system.

Clients said to be included among Hall's 100,000 personal and commercial accounts include American District Telegraph, American Export Lines, American Motors, Bank of the Commonwealth, Beneficial Standard, Braniff Airlines, Chrysler, City Investing, City of Los Angeles, Crain Communications, Delta Airlines, Detroit Bank & Trust, Eastman Kodak, First National City Corp., Foss Launch & Tug, FTD Florist, Gillette, Great Southwestern Corp., Halston, Hercules, Holiday Inn, ITT-Sheraton, Jewel Cos., Kelly Services, Los Angeles Lakers, Marathon Oil, Michigan Consolidated Gas Co., National Airlines, Natomas, Occidental Petroleum, Olympic Airways, Pan American World Airways, Polaroid, Purolator, Rockwell International, Santa Fe Intl., and Western Airlines.

REED SHAW OSLER LTD.

P.O. Box 250, Toronto-Dominion Centre, Toronto, Ontario; 416-868-5500

	1975	1974
Premium vol. ..	$777,000,000	$583,397,000
Gross rev.	95,187,000	75,166,000
Employes	4,000	3,600

Expansion was again emphasized at Reed Shaw Osler Ltd. continuing a pattern of acquisitions in Canada and the U.S. Reed Shaw showed a 26.6% revenue gain and is fifth on the list of largest brokers.

In 1975 offices were opened in Boston, Houston and Portland, Or., while overseas, the firm launched joint ventures in Hong Kong and the Philippines. To date in 1976 a further expansion in the U.S. has resulted in West Coast clients being served by new offices in Los Angeles and San Francisco.

Two Irish subsidiaries of the firm, Duggan Insurances Ltd. and Armstrong & Taylor of Ireland Ltd., were consolidated under the name Stenhouse Reed Shaw Ireland Ltd., giving the broker a stronger footing in the Irish market.

Offices were also opened in Geneva, Switzerland and Tazmania, adding to the Australian network.

During the current year in Canada, expansion continued with the opening of facilities in Hamilton, Ontario and Quebec City.

The Reed Shaw Osler Group has more than 110 offices in 25 countries on five continents. There are more than 75 offices elsewhere in the world reporting to A. R. Stenhouse & Partners Ltd., a principal subsidiary in Glasgow. These cover the United Kingdom, and the Republic of Iceland, France, Belgium, Sweden, Switzerland, Bermuda, Australia, New Zealand, New Guinea, South Africa, Rhodesia, Hong Kong, Philippines, Southeast Asia and Singapore/Malaysia.

The company attributes concentration on development of new business as the primary reason for the increase in premium volume and gross revenue over 1974 figures. The emerging development of services concurrent with new risk exposure was also related to the increases.

Reed Shaw's client services include counsel on self-insurance programs, claims settlement, average adjusting and reinsurance brokerage, as well as designing and advising on employe benefit programs.

Principal officers of the company are James W. Whittall, president and chief executive officer of Reed Shaw Osler Ltd.; Jack M. Moon, president, Reed Shaw Stenhouse & Partners Ltd., the Western Hemisphere operating division of RSO; Cedric G. E. Gyles, president, Reed Shaw Stenhouse Ltd., the Canadian operating company; Anthony F. Salavatore, president, Reed Shaw Stenhouse Inc., the U.S. operating company; and John S. Young, A. R. Stenhouse & Partners Ltd., the RSO subsidiary responsible for operations around the world in countries other than the Western Hemisphere.

The company lists over 85,000 commercial clients, a partial list of them includes Canada Packers, Canadian Industries, Consolidated Bathurst, DeHaviland Aircraft Co. of Canada, Famous Players Ltd., Genstar Ltd., Hudson Bay Co.; Imasco, Maple Leaf Mills, Molson Cos. Ltd., Ontario Ministry of Government Services, Sherritt Gordon Mines, Simpson-Sears, Transcanada Pipelines, University of Toronto, University of Guelph, Warnock-Hershey Intl.

FRED S. JAMES & CO. INC.

230 W. Monroe St., Chicago, Il. 60606; 312-346-3000

	1975	1974
Premium vol. .	$720,000,000*	$632,227,000*
Gross rev.	71,974,000	63,227,000
Employes	2,071	2,004

*Estimate

Fred S. James & Co. Inc., the sixth largest brokerage firm in *Business Insurance*'s fifth annual survey, recorded estimated premium volume of $720,000,000 in 1975, up 13.8% over the previous year. Gross revenues in 1975 increased to $71,974,000 from $63,227,000 in 1974. The number of employes rose by 67 in 1975, to a total of 2,071.

For the first half of 1976, Fred S. James showed a gross revenue increase of 22% over the first six months of 1975. Controller Donald C. Kendeigh explained that the first quarter of 1975 was "somewhat depressed" and said he was comfortable with an analyst's prediction of 17% growth for the firm in 1976, "although it may be a tad on the low side," he added.

Areas of the biggest growth in 1975 were reinsurance, up about 67% and property, up about 31%. Casualty revenues increased about 8% in 1975. Mr. Kendeigh sees these three areas achieving "above average gains" in 1976.

Employe benefits revenues are continuing to decline as a percentage of the firm's overall revenues. "Minimum growth" is expected in 1976 he said.

Fred S. James expects to continue what one Wall St. analyst describes as its "heavy emphasis on medium size accounts," because they are more profitable. "The giants require more servicing, and fee negotiations affect bottom line profitability," Mr. Kendeigh noted.

"Almost as important as new revenues," according to Mr. Kendeigh, is the firm's newly completed computer project. "We're a lot farther ahead now than we were a year ago on cost control and budgets." The firm now has a uniform electronic data processing system which "ties the whole



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company together in terms of all services provided to accounts no matter which office performed them.

The following acquisitions have been made by the firm since last year's profile: Foster-Barker Co., Omaha, Nb.; Stephen F. Beard Inc., Santurce, Puerto Rico; Kinney/Jones Insurance Agency, Houston; and Eggert-Carroll-Schroeder Agency, St. Louis.

This brings Fred S. James' total number of domestic offices to 40 (general) and 10 (service), as well as 35 overseas offices with equity interest (through Minet-James International).

The firm's compensation is based on a combination of fees and commissions. Commercial business continues to contribute 91% of gross revenues.

Principal officers are James H. Vaughn, chairman; William E. Burch, president and chief executive officer; Charles A. O'Malley, chairman of the executive committee; Leo C. Havey, vice-chairman; William E. Weatherford, executive vp; John C. Crane, senior vp-finance and administration; Reynolds Blossom, vp; Edward S. Brockie Jr., vp.; Robert H. Hilb, vp; C. J. Christie, vp and treasurer; A. H. Criddle, vp-education, research and development; Carl L. Dellenberger, vp-marine; Raymond F. Dunne, vp-systems and data processing; Thomas A. Harman, vp; Charles E. Keller, vp; Donald E. Howery, secretary; and Donald C. Kendeigh, controller.

Among the changes made on the firm's board of directors was Thomas J. Ryan, Mr. Burch's predecessor as president, who resigned effective a year ago. Added were: John Wallrock, head of Minet Holdings Ltd.; J. F. Sullivan Jr. and W. Eugene Taylor, both with John F. Sullivan Co., Seattle, a reinsurance subsidiary.

Clients attributed to Fred S. James include Allied Chemical, American Brands, American District Telegraph, Arcata National, Beatrice Foods, Coca Cola Bottlers of America, County of Los Angeles, Cyclops Steel, Dart Industries, Del Monte Corp., DeSoto Inc., Dow Chemical, Everett Clinic (Seattle), Federated Food Stores, Flying Tiger, Heublein, Hibernia Bank, Hilton Hotels, Itel Corp., Jantzen, Lever Bros., Levi-Strauss, Litton Industries, Miami Dolphins, Motorola, Northrop Corp., Oklahoma Gas & Electric, Perini Corp., Polaroid, Port of Seattle, Potlatch Forests, Prudential Insurance Co., Sea Land Service, Sea Train Lines, Southern California Gas Co., Standard Alliance, Standard Oil Co. of Indiana, TRW Inc., United Brands, University of Pittsburgh, and Western Council of Teamsters.

CORROON & BLACK

150 William St., New York, N.Y. 10038; 212-732-4900

	1975	1974
Premium vol. ..	NA	NA
Gross rev.*	$51,150,000	$44,411,000
Employes	1,400	1,330

*Restated to reflect merger with Synercon Corp.

Seventh largest broker Corroon & Black's merger with Synercon Corp., completed April 30, "gives us a real presence in the Southeast, something we didn't have before," said Robert F. Corroon, chairman of the board and chief executive officer, in an interview.

Among the top brokerage firms, Synercon has the heaviest concentration in the Southeast, Mr. Corroon said, and the merger gives the company "a new pre-eminence in that area."

The chief executive stressed that it was not only the lure of the Sunbelt location that prompted the merger. "What attracted us was the management talents and ages of Synercon's executives," he noted.

The Synercon management group represents people "whose careers are still ahead of them," Mr. Corroon said, "They will give considerable depth to the existing Corroon & Black management." Corroon & Black's revenues for 1975 were ahead 15.2% from 1974, with both years reflecting the pooled results of the two firms.

"Both businesses are run by talented people," he continued, "The merger gives us more depth."

Synercon's strength in employe benefits was another important factor in the decision to merge, Mr. Corroon said. He also noted that "Synercon has expertise in marketing cash flow insurance programs for large commercial insurance buyers. Our ability to open the door to large commercial risks complements this."

Corroon & Black lists 42 subsidiaries in cities throughout the U. S. During the past year, the company acquired Ririe Agency, Chicago; Donkle Agency, Ft. At-

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WHAT BERNARD DAENZER SAID ABOUT RISK MANAGEMENT.

"There is nothing more embarrassing to a risk manager than to build a whole program of insurance and then to discover that it went all wrong because it was built on an improper assumption of facts or on inadequate information. If he really wants to break down this whole idea of the 'insurance survey' or 'financial management of a risk,' or whatever term he uses for his approach to the problem of risk, he must start with an analysis of the three basic functions: (1) risk detection, (2) analysis and evaluation, and (3) decision making.

"The biggest problem is definitely in risk detection, the basic fact-finding procedure."

(Bernard John Daenzer. From his book "Fact-Finding Techniques in Risk Analysis." ©1970 by American Management Association, Inc.)

WHAT HARTFORD STEAM BOILER SAID ABOUT BERNARD DAENZER.

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HARTFORD STEAM BOILER INSPECTION AND INSURANCE
Hartford, Connecticut 06102

kinson, Wi.; John W. Morrissey Inc., San Diego; House, Emmon, Burns of Birmingham; and Norsworthy Mohle & Co. Inc., Houston.

A 35% interest in Glanvill Enthoven & Co. Ltd., one of the leading U.K. brokers, was another Corroon & Black acquisition last year. Glanvill Enthoven generated revenues of $13,465,000 in fiscal 1975, based on the pound valued at $2.04.

Through Glanvill Enthoven, Corroon & Black will have offices in the United Kingdom, Ireland, Scotland, Australia, Bermuda, New Zealand, South Africa, Nigeria and Spain. Corroon & Black's other international offices are in Hamilton, Bermuda and Milan, Italy.

At present, Corroon & Black is in the midst of blending its own executive management team with that of the former Synercon Corp. Richard M. Miller, formerly the president and chief executive officer of Synercon, now executive vp and chief operating officer of Corroon & Black, "has spent a lot of time with me; we've been visiting our subsidiary offices," Mr. Corroon explained. "This gives us both an opportunity to assess our capabilities."

Other principal officers of the Corroon & Black Corp. include: Frank M. Hagan, president and chairman of the executive committee; Webb Follin, vice chairman of the board of directors; Crawford A. Black, senior vp.; Philip L. Cochran, senior vp.; Hunter Armistead, senior vp.; J. Bransford Wallace, senior vp.; Donald R. King, senior vp.; Richard F. Corroon, vp.; John A. Corroon, vp.; Joseph V. Ambrose Jr., vp and secretary; Robert H. Kaiser, vp-finance and treasurer.

A partial list of clients attributed to but not confirmed by company officials at Corroon & Black includes: Allegheny Airlines, Allied Products, Allis Chalmers, ARAMCO, American Heart Assn., American Marine Corp., Ashland Oil Co., Austin Co., Borg-Warner, Brock Candy Co., Browning-Ferris Co., Burmah Oil Co., Bush Universal, Chemetron, Chattanooga Dixie Yarns, Ecol Ltd., Ferro Corp., Forest Oil Co., Frito-Lay, GATX, Genesco, Great Northern Oil Co., Great Lakes Carbon, Hamilton Bank Corp., Hardaway Construction Co., Hospital Corp. of America, Ingram Corp., Interlake Steel Co., Koch Industries, Kroger Co., Kusan Corp., Lin Broadcasting, M. Lowenstein, Marshall Field & Co., Marion Corp. (refining division), Martha White Foods, McGrath Inc., Michael Construction Co., Michelin Tire (U.S.), Nalco Chemical, Olan Mills, Opryland, Quaker Oats, Joe M. Rodgers Co., Republic Steel, Royal Castle Systems, Schlumberger, Shoney's Big Boy Enterprises, Steel Service Co., Studebaker-Worthington, STP Corp., Tenneco, Tennessee Valley Bank Corp., Texaco, University of Florida, Wilson Sporting Goods, and Zurn Industries.

ROLLINS BURDICK HUNTER CO.

10 South Riverside Plaza, Chicago, Il. 60606; 312-454-1400

	1975	1974
Premium vol. ..	NA	NA
Gross rev.	$27,821,000	$23,475,000
Employes	687	657

Rollins Burdick Hunter Co., the eighth largest brokerage firm in the fifth annual *Business Insurance* survey, reported gross revenues of $27,821,000 in 1975, up nearly 19% from 1974. Thirty employes were added in 1975. The firm does not calculate premium volume, according to Adrian B. Palmer, chairman and chief executive officer.

The company acquired Weil & Son Inc., Cleveland, in June 1975 and Tittle & Jones Inc., Palo Alto, Ca., in March 1976. "California and Texas have more (geographic) priority in terms of expansion," Mr. Palmer said, looking toward the future. "We'd like a greater presence there."

A major effort was made to "staff up" Rollins Burdick Hunter's casualty business. Revenues in casualty lines increased from $8.7 million in 1974 to $11.6 million in 1975, representing an increase of 33%.

For 1976, the firm will emphasize small and medium sized accounts to "balance" its traditional book of large accounts in commercial, industrial and transportation sectors. Mr. Palmer also noted that "little ones grow to be big ones."

With 15 domestic offices and 13 overseas offices, Rollins Burdick Hunter continued to do about 97% of its business with commercial accounts. A combination of fees and commissions makes up the firm's compensation.

"We have good representation in the international field," Mr. Palmer said, adding that the firm is "refining" its 1974 expansion efforts abroad.

A significant new advertising campaign is reflected in the firm's budget, up 75% in 1975. "We're putting emphasis on our professional services rather than on our sales efforts," Mr. Palmer noted. A full range of services is offered by the firm.

Principal officers are Adrian B. Palmer, chairman and chief executive officer; A. Norman Freeman, vice chairman; Charles H. Mather, president; George S. Burrows, executive vp; Karl R. Palmer, executive vp; Paul L. Kohn, senior vp; William C. Snyder Jr., senior vp; Donald A. Wilson, senior vp; Michael J. Starshak, vp-finance; Raymond J. Kenny, secretary-treasurer; and Norman J. Pater, controller.

Clients include American Can, Armour, Armco Steel, Baxter Laboratories, Celotex, Central Illinois Light Co., Chesebrough-Pond's, Chicago Tribune Co., Greyhound Corp., Hershey, IC Industries, International Harvester, Missouri State Medical Insurance Co., Motorola, National Stockyards, Parker Hannifin, Quaker Oats, Santa Fe International, SCM Corp., Southern Indiana Light Co., Triborough Bridge & Tunnel Authority, United Air Lines and Wilson Meats.

BAYLY MARTIN & FAY INC.

3200 Wilshire Blvd., Los Angeles, Ca. 90010; 213-381-5371

	1975	1974
Premium vol. ..	$248,000,000*	$216,000,000
Gross rev.	20,700,000	18,000,000
Employes	687	630

*Estimate.

Last year's 15% revenue gain for Bayly Martin & Fay measured up to expectations, said Samuel Alcorn, national vp of property and casualty business for the firm. He added, however, that "the growth rate was not quite up to the standards of prior years." Last year, for example, BM&F showed a 20% gain.

Nevertheless, he continued, "the last quarter of 1975 was a gangbuster," as rate increases imposed by underwriters earlier in the year began to reap benefits for brokers. "We were awfully nervous at the end of the year, gambling everything on the last three months," he told *Business Insurance*.

Notwithstanding nerve problems, BM&F retained its position as ninth largest insurance broker with no problem.

Biggest growth for 1975 came in employe benefits and group insurance, said Mr. Alcorn. Geographically, of the firm's 22 offices Atlanta enjoyed the most robust growth, largely because of its expanding self-insurance business.

Still, the Alaska branch jumped from being BM&F's fifth largest income producer to third largest. The Los Angeles headquarters office maintained its spot as leading contributer to the company's welfare.

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Revenues for 1975 stemmed 70% from property and casualty insurance business, and 30% from employe benefits and group insurance. Only 10 years ago, the latter category "was an insignificant part of our operation," said Mr. Alcorn, attributing the major growth in benefits business to Jack Seiter, national vp of employe benefits.

Mr. Alcorn foresees a gradual return to profitability in 1976 for property and casualty underwriters. A fast leap from disaster to profitability in too short a space of time could hurt the entire insurance industry, however, he believes. The reason: It would probably produce a rate war, he contended. But he thinks, too, that such a dramatic shift could take place within the next 24 months.

BM&F maintained in 1975 its same balance of large, national accounts and small to medium sized commercial accounts.

Important appointments during the last 12 months included Benjamin Neff, named vp and corporate counsel, and Bill Luke, a CPA who was named treasurer of the firm.

Bayly Martin & Fay confirmed that it has part or all of the following accounts: Alaska Bush Carriers, Amax Aluminum, American Warehousemen's Assn., Avco-Embassy Pictures Corp., B. F. Goodrich, Beckman Instruments, Beneficial Standard, Bowater Intl., Casey Lane & Mittendorf (attorneys), City of Los Angeles, Columbia Pictures, County of Los Angeles, Earle M. Jorgensen Co., General Tire & Rubber, Hitachi America, Loews Corp., Long Beach Public Transportation Co., M. L. Golden Construction, MCA Inc., and Metro-Goldwyn Mayer.

BM&F clients also include, National Assn. of Christian Schools, National Furniture Warehousemen's Assn., Pauley Petroleum, Salt River Project, Sperry & Hutchinson, Standard Oil of Calif., Suzuki Motor Corp., Tishman Realty & Construction, Twentieth Century Fox, The Queen Mary, Western Bancorp., Yale Medical School, Yale University and Zale Corp.

TOMENSON SAUNDERS WHITEHEAD LTD.

P.O. Box 439, Toronto-Dominion Centre, Toronto, Ontario, M5K 1M3; 416-316-6700

	1975	1974
Premium vol. . .	$97,000,000*	$65,000,000*
Gross rev.	18,000,000+	13,000,000
Employes	657	569

*general insurance only

Tomenson Saunders Whitehead Ltd., the tenth largest brokerage firm in *Business Insurance*'s fifth annual survey, reported general insurance premium volume of $97 million for 1975, up 49% from 1974. Gross revenues topped $18 million last year, representing a 39% increase over 1974. (Employe benefit fees are included in gross revenues but excluded from premium volume.)

New business development in Western Canada plus inflation and big rate increases accounted for the firm's phenomenal growth in 1975, according to F. Rogers Tomenson, vp. "Alberta is Canada's hub of financial investment, expecially in oil and allied industries," he said.

Clearly, Tomenson Saunders Whitehead has aimed for a piece of that action. "We're concentrating on providing service to Canadians and we feel we give more personal attention than larger firms," Mr. Tomenson noted.

An account executive approach is used and the firm specializes in mining, oil, steel and construction industries. Its insurance specializations include marine, aviation and international risk management.

Mr. Tomenson believes the firm's overall performance is bolstered by its policy of offering shares of stocks to employes. "This attracts highly motivated individuals," he said, explaining that employes are allowed to purchase stock on the basis of their own performance in the privately-held firm.

Tomenson Saunders Whitehead is "anticipating a couple of mergers in Eastern and Western Canada but nothing is final," he explained. About 90% of its business is derived from commercial accounts. Compensation is based on a combination of commissions and fees.

The firm has 12 branch offices and owns four subsidiaries: Macaulay Nicolls Maitland Insurance, Tomenson-Alexander Ltd., Benefacts Ltd., and Tomenson Saunders International Ltd. No mergers or acquisitions were made in 1975. The parent company is Tosa Ltd. A full range of brokerage services is available.



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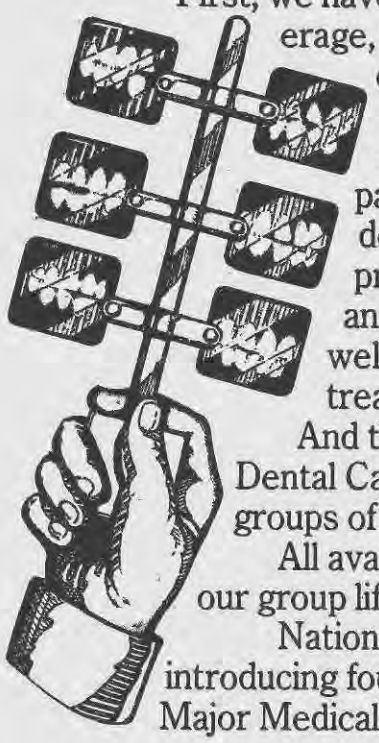
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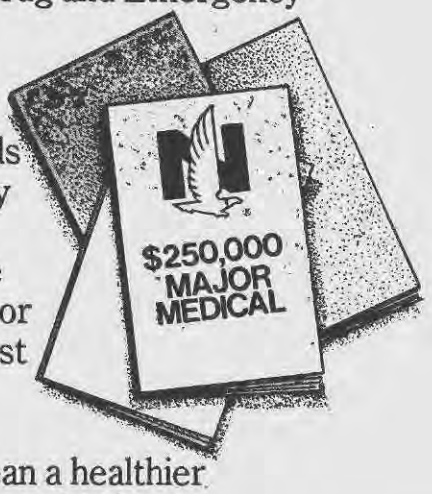


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agent/broker profiles

Principal officers are Walter S. Tomenson, chairman; William E. Toyne, president; Kenneth M. Elliott, vp central region; Douglas M. Lindsay, vp eastern region; and Robert A. MacFarlane, vp western region.

Clients include Danforth Radio Stores, Dominion Foundries & Steel Co., Massey Ferguson, Sun Oil Co. and Ontario Ministry of Govt. Services.

R. B. JONES CORP.

Commerce Tower, 911 Main St., Kansas City, Mo. 64199; 816-391-1000

	1975	1974
Premium vol. ..	$350,000,000	$290,000,000
Gross rev.	18,000,000	15,410,000
Employes	650-700	566

R. B. Jones, eleventh largest brokerage firm on the list of the top 20, registered a 16.8% gain in gross revenues for 1975, a much better showing than the 3.4% rise reported a year ago for 1974.

The firm's premium volume grew a comparable amount—about 20%—to $350 million for 1975.

The year "measured up to" expectations, said James P. Metzler, vice chairman of the board. "And we expect to do much better this year; in fact, we are doing much better," he said. Revenues are up 22.8% so far in 1976. He attributed the growth trends to accelerated sales efforts, ability to garner new commercial accounts, and generally higher premium rates industry-wide.

Property and casualty business is growing fastest, in terms of type of business generating revenues, Mr. Metzler said. Geographically, the St. Louis office is outdoing itself, while the New York operation "has done very well, also."

R. B. Jones counts some 85,000 customers on its rosters, about 10,000 of which are commercal clients, both large and small. Mr. Metzler characterized the growth in the number of clients served as "moderate," for 1975 as a whole.

"We haven't made any effort to seek different kinds of commercial clients," Mr. Metzler said when asked about shifts in business. "We are not pursuing the very small accounts, for example," he noted, "but we're getting them, all the same."

The firm isn't planning any new ventures for the coming year, he said. Acquisition activity has tapered off somewhat for R. B. Jones, which has returned to a more traditional way of acquiring agencies through cash purchases. During 1975, R. B. Jones acquired Mueller & Milford Agency, St. Louis; George S. Kausler Ltd., New Orleans; The Houston Casualty Agency in Houston; MacDuff Agency Inc. of Daytona Beach, Eustis and Tampa, Fla.; All Florida Agency Inc., Tampa; and Pacific/-Atlantic Underwriters, Atlanta. The company also opened an office in Boston, as an internal expansion.

This gives the firm 25 offices in 22 states. Now, says Mr. Metzler, "We will concentrate on internal growth."

Each of the R. B. Jones individual state operations is a separate subsidiary. Other subsidiaries are Illinois R. B. Jones Inc. and R. B. Jones Employee Plans Inc. The former is an excess and surplus lines operation; the latter specializes in group insurance and benefit planning.

By line of business, Jones's revenues were generated by casualty insurance, 45%; property insurance, 21%; excess and surplus lines, 8%; marine insurance 13%; employe benefits, 11%; other, 2%. Growth areas were employe benefits, excess and surplus, and marine. Casualty insurance declined as contributor to revenues.

Special services offered include property engineering (as a staff support facility), and pension consulting.

R. B. Jones specializes in servicing clients in the construction industry mining industry, retail trades, manufacturing operations, ocean and river marine operations, and in areas of professional liability such as hospitals, doctors, lawyers and architects.

Commercial clients of R. B. Jones include Butler Manufacturing, Chromalloy, Coleman Mfg., Coca Cola Bottlers, Denny's Restaurants, Evans Furs, Hallmark Cards, Interstate Brands, Kansas City Chiefs and Kansas City Royals, Kennecott Copper, Macy's Mary Kay Cosmetics, Peabody Coal, Phillips Petroleum, Raybestos-Manhattan, Sherwin-Williams, Tandy Corp., United Telecommunications, Vendo Co., Western Auto Supply.

PENN GENERAL AGENCIES INC.

3130 Wilshire Blvd., Santa Monica, Ca. 90406; 213-828-6411

	1975	1974
Premium vol. ..	NA	NA
Gross rev.	$15,644,662	$14,760,000
Employes	500	500

Penn General, twelfth largest insurance broker in North America, recorded revenues growth for 1975 of only 6%, which Gerry R. Ginsberg, treasurer of the firm, said was approximately on target. The revenue gain was substantially below the 15.3% increase recorded last year.

Penn General derives about 79% of its gross revenues from property and casualty lines of business, although that share is expected to decrease to near 60% in the future. In 1975, 21% of the business was in individual life, accident and health insurance and group life, health and accident coverage, as well as group benefit administration, according to Mr. Ginsberg. Those proportions have remained stable for several years.

PGA's employe benefits growth is through its Employe Benefit Consultants division, acquired in 1974, putting the company in the benefit field for the first time.

Self-insurance account administration is the fastest growing segment of PGA's business, said Mr. Ginsberg, attributing this fact to troubled market conditions.

The firm concentrates on small and medium sized commercial accounts, and has not changed this approach.

During 1975, Penn General established a management by objectives program to encourage the interchange of insurance programs and ideas from one office to another.

Major personnel changes during 1975 include Robert Westin's appointment as vp-administration, and the naming of William Nietschmann as executive director-marketing. Principal officers are Alfred B. Scaeffer, president; Arnold Bergson, senior vp, Arthur J. Alper, vp-life operations; David Coleman, vp; Richard Edens, vp-reinsurance; Sanford Smith, vp; Stephen Silverman, secretary; and Gerry A. Ginsberg, controller.

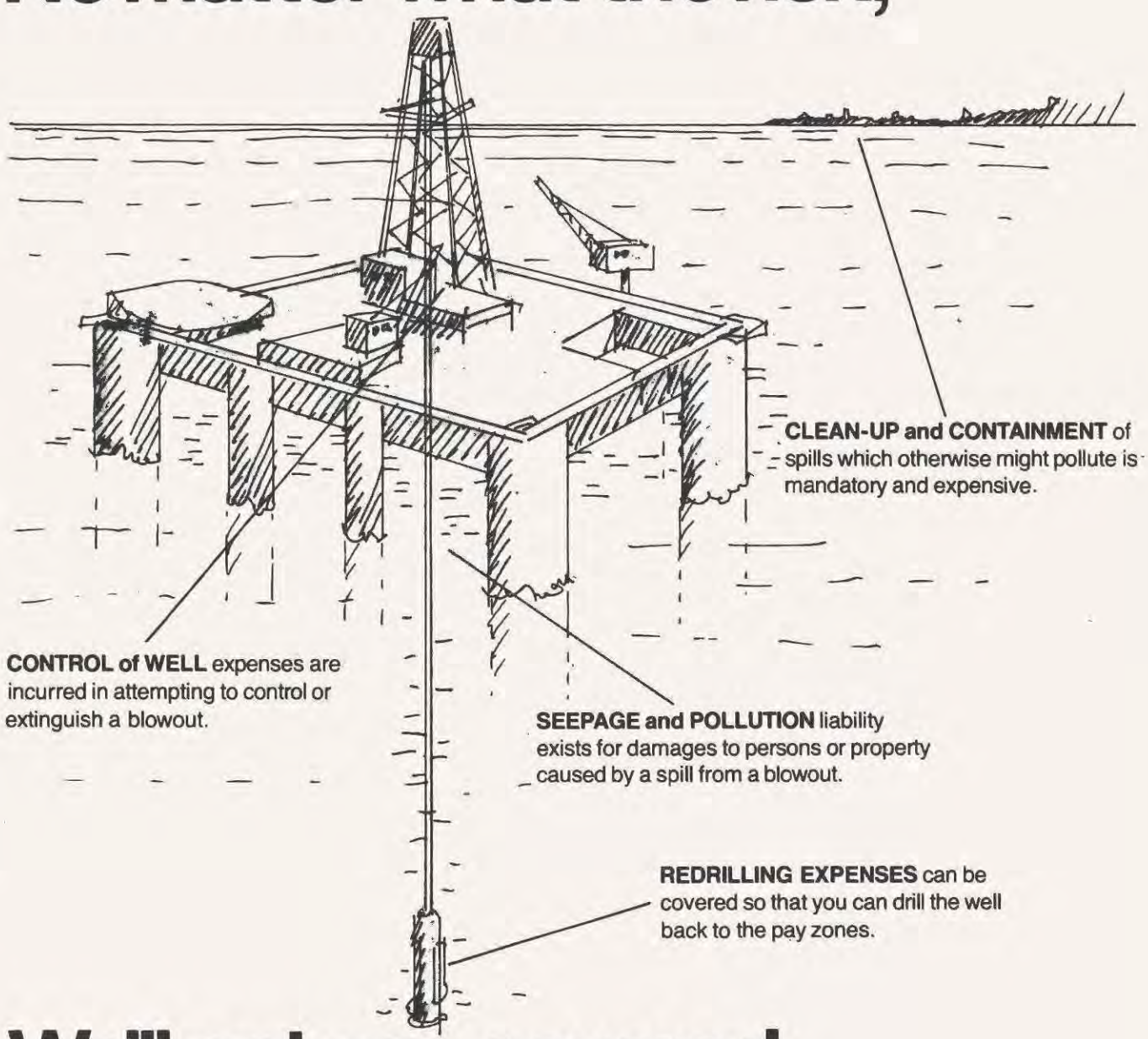
Among the major clients of Penn General are Baker's Equipment-Winkler Inc., Gray Drug Stores Inc., H.R.H. Construction, National Medical Enterprises, Pep Boys, S. E. Rykoff, Savin Business Machines and Sonesta Hotels.

DALE & CO. LTD.

P.O. Box 18, Toronto Dominion Centre, Toronto, Ontario M5K1B2; 416-366-4645

	1975	1974
Premium vol. ..	$ 70,852,000	$ 57,375,000
Gross rev.	11,303,000	9,537,000
Employes	524	516

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Dale & Co., Ltd., the Canadian broker which ranks thirteenth in the top 20 firms, enjoyed steady growth in 1975, with gross revenues up 18.5%. The firm anticipates 1976 results will stick roughly to the same pattern.

Owned by Dale-Ross Holdings Ltd., the firm derives about 97% of its total revenues from property/casualty business. It says its results last year exceeded its own expectations, and credits relatively greater internal growth at existing offices, plus business than came with an acquisition of Beel, Doering & Meen in Hamilton, Ontario.

In addition to Beel, Doering & Meen, the firm acquired Tuckett-Little Insurance Ltd. at the end of April this year.

Kenneth M. Gilbert became president and chief executive officer of Dale & Co. Ltd. in 1975, replacing K. Marshall, who assumed the position of chairman of the parent firm, Dale-Ross Holdings Ltd.

Other principal officers are I. A. Ballantyne, secretary; J. M. Lewis, treasurer; J. F. Wight. F. J. Flanagan, and W. J. Brant, senior vps.

The firm has two branch offices each in Vancouver, Montreal, and Toronto, and single facilities in Calgary and Edmonton, Alberta; Winnipeg, Manitoba; North Bay, London, Hamilton and Ottawa, Ontario; Halifax, N.S.; and St. John's, Corner Brook, and Grand Falls, Newfoundland.

Over the last year, property insurance has been Dale & Co.'s fastest area of growth, principally because of inflation, acquisitions and the firm's specialization in commercial and industrial businesses, which have seen big increases in insurable values.

The firm handles more medium-sized accounts than large national accounts, but estimates it handles approximately 50 jumbo accounts (roughly $1 million or more in premiums for property accounts, and more for aviation insurance accounts).

It says the number of jumbo accounts it handles stays stable year to year, and that the bulk of its business increases comes from medium sized accounts.

Major clients for the firm include Air Canada, American Can, British Petroleum Products, Canadian Fuel Marketers, Carling-O'Keefe Brewing, Grafton Industries, Koffler Stores Ltd., Mason Construction, Petrosar Corp,. Polysar Corp., Quebec Air, Redpath Industries, Rothmans of Pall Mall Canada Ltd., and Sherwin-Williams.

E. H. CRUMP COS. INC.

5350 Poplar Ave., Memphis, Tn., 38117; 901-761-1550

	1975	1974
Premium vol. ..	$82,000,000	$70,000,000
Gross rev.	11,000,000	10,400,000
Employes	412	374

E.H. Crump Cos., fourteenth largest broker surveyed, increased its gross revenues a disappointing 7% in 1975, due mainly to decreased insurance company commission rates and the depressed stock market, according to a Crump vp.

The firm is concentrated in the Southeast, with 15 affiliates in Tennessee, Arkansas, Georgia, Kentucky, Virginia, Florida, Louisiana, and Los Angeles. Crump does not plan to expand outside of the Southeast in 1976 because that is a rapidly expanding commercial region.

Crump has acquired two agencies in Tennessee and Orlando, Fl. so far in 1976 but does not plan further expansion unless an "outstanding opportunity" occurs. The firm is anticipating "considerably better" revenue increases for 1976.

A full range of services is available with an emphasis on construction, aviation, special risk and large lines, commercial group and employe benefit group programs as well as excess and surplus lines.

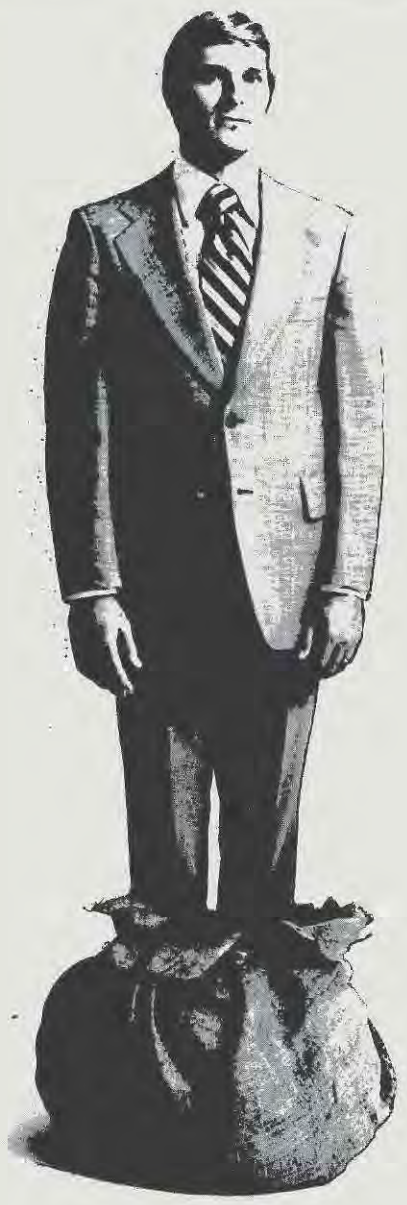
Crump specializes in property and casualty insurance with group benefits insurance accounting for only 3% to 5% of revenues. The firm is also concentrating on larger accounts for increased growth—those generating over $15,000 a year in premiums.

The major changes in 1975 for insurance brokers, according to the Crump vp, were the "increasing degree of complexity and tight market conditions" which were the same in the Southeast as in the rest of the country. He added that this should be a benefit to the larger brokers.

Principal officers are: E.H. Crump, Jr., chairman of the board; Sidney A. Stewart, Jr., president; Frank C. Pidgeon, Jr., executive vp; S.H. Warner, executive vp; James M. Power, senior vp; Robert Smithwick, Jr., senior vp;

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While Crump said its number of large commercial accounts has increased "substantially" in 1975 it would confirm only the following: Browning-Ferris, City of Memphis, Conwood, Delta Airlines, Distribuco, Kaynab, Plough Inc., Robinson-Myers, Tidwell Inc., Tyson Foods, Valmac and Wayne-Gossard.

JAMES S. KEMPER & CO.

20 N. Wacker Dr., Chicago, Il. 60606; 312-321-3500

	1975	1974
Premium vol. ..	$91,000,000	$81,000,000
Gross rev.	10,367,000	9,127,000
Employes	403	406

James S. Kemper & Co., the nation's fifteenth largest insurance broker, registered a gain of 12% in premium volume last year accompanied by a gain of 13.6% in gross revenues. And that "was right on target," said vp Bernard J. Sullivan, since the five year plan calls for growth of 12% a year.

Fastest growth last year was definitely in "casualty lines, simply because of the state of market conditions," Mr. Sullivan added. Product liability insurance and malpractice coverage specifically generated more business for Kemper.

Some 83% of Kemper's business is commercial, up slightly from 1974. The firm's clients number about 8,000. That number, too, was "up in 1975," primarily because "we took accounts away from other brokers," said Mr. Sullivan.

The outlook for the brokerage business in general and for Kemper specifically looks both good and bad, he believes. "Premiums will increase, and commission income will follow, but the old commission schedules are being reduced. And there's no stabilty in the marketplace (for insurance) at all. So there's no telling what will happen," Mr. Sullivan concluded.

Kemper acquired Burrough's & Co. in Houston early in 1975.

Kemper provides complete risk management and insurance services and didn't add any new services last year. And although the firm doesn't currently manage any captive insurance companies, there appears to be the possibilty that could be a direction of the future. "We want to be able to consider and advise our clients on all aspects of problems that exist today," said Mr. Sullivan, "so we can't overlook the captives."

Kemper describes itself as a specialist in architects and engineers professional liability coverage, directors and officers liability insurance, franchise protector programs, lumber and woodworking industry insurance, and mass marketing of insurance to association members.

The brokerage firm has offices in 31 U.S. cities and one office in Canada. Subsidiaries include Associated Mutuals Inc., Dominion Mutual Insurance Agency Ltd., Excess Underwriters Inc., James S. Kemper Agency Inc., James S. Kemper & Co. of Arizona and of Texas, Risk Mangement & Insurance Inc., and Zeigler-Dowell-Nemec Inc.

Principal officers are James S. Kemper, founder and chairman; Richard W. Winzer, president; John W. Roblee, vp and controller; Bernard J. Sullivan, vp; Peter Van Cleave, secretary; Maurice F. Thunack, treasurer; Arthur J. LeBlanc, assistant vp; Joseph A. Keller, asant secretary; and Kenneth R. Wishmeyer, assistant treasurer.

Major clients of Kemper include American Air Filter Co., American Hospital Supply, Amway Corp., Atlanta Gas Light, Bankers Trust, Bell & Howell, Binks Manufacturing, Bucyrus-Erie, Central Can Co., Samuel Cabot Inc., Campbell Soup Co., Cherry-Burrell Corp., City of San Antonio, Crane Packing Co., Cutler Hammer, R. R. Donnelley & Sons, Emerson Electric Co., Encyclopaedia Britannica, Fairmont Foods, W. F. Hall Printing, Halsey Stuart, Heco Envelope Co., S. C. Johnson & Sons, Kane-Miller Corp., Magnavox, Mathias Klein Co., P. R. Mallory Co., Modine Manufacturing, Nabisco, Northwestern Memorial Hospital, Pet Inc., Readers Digest Assn., Sears Roebuck & Co., Signode Corp., Skil Corp., State of Nebraska, Steelcase Inc., Stokely Van-Camp, Union Camp Corp., Vilter Manufacturing Co., Volvo of America and Whirlpool Corp.

COOK-TREADWELL & HARRY INC.

2185 Democrat Rd., Memphis, Tn., 38116; 901-767-8950

	1975	1974
Premium vol. ..	$50,000,000	$40,800,000
Gross rev.	10,300,000	7,600,000
Employes	312	278

Cook-Treadwell & Harry's gross revenues increased 35.5% in 1975 due to increased sales in medium and large-size accounts and expanded existing accounts. There were no acquisitions in 1975 but a life & employe benefits division was created in late 1975.

Cook has 13 subsidiaries in nine cities in Kentucky, Tennessee, Alabama, Mississippi, Maryland, Oklahoma and Georgia. It offers a full range of services but emphasizes aviation, coal, wet marine, oil, manufacturing and cotton commercial insurance.

Cook-Treadwell, sixteenth largest broker, said it plans to add no new services or ventures in 1976 except to "increase emphasis on client services." It is planning acquisitions in 1976 in the greater South, with no plans to expand outside of the region.

Cook-Treadwell & Harry, a subsidiary of Cook Industries, charges on the basis of commissions and fees and says 90% of its business comes from commercial accounts.

The major change in personnel was the addition of James R. Barnwell III as vp of life and employe benefits; the position of vp of special risks was not filled.

In September 1975, Cook-Treadwell & Harry Inc. was ordered to revise its financial statements in their 1972 and 1973 annual reports by the Securities & Exchange Commission. They were found to have overstated earnings in those years as well as in a 1972 registration statement for the sale of stock. The trouble stemmed from the earning reports of a

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subsidiary, Cotton Belt Insurance Co. The insurance broker has since repurchased the stock and said it would not affect its client-broker relationships.

Major officers are: George H. Treadwell Sr., chairman of the board; Clark W. Rabb, vice chairman of the board; Timmons L. Treadwell III, president and chief executive officer; John S. Drew, executive vp and chief operating officer; Louis Furbringer, senior vp; James R. Barnwell III, vp, life and employe benefits; Van Iden Zeiler, vp, local agencies; Herschell Dillon, vp, general agencies; Charles H. Gray III, vp, finance; and Robert C. Hug, vp, client services. Cook-Treadwell refused to release the names of any clients but Conwood Manufacturing and the City of Memphis verified they are Cook's clients.

INSURANCE MANAGEMENT CORP.

908 North Thompson St., Richmond Va., 23230; 804-359-0267

	1975	1974
Premium vol. ..	NA	NA
Gross rev.	$10,013,295	$9,379,403
Employes	344	340

In just six years, Insurance Management Corp. grew from a $900,000 agency business to the nation's seventeenth largest broker with just over $10 million in gross income, through 31 mergers and acquisitions.

IMC itself was acquired in 1969, under the name Mutual Insurers Inc., by Richmond Corp., the financial services concern, when Richmond Corp. wanted to get into the property/casualty insurance field.

Just this year, Insurance Management Corp. president and chief executive officer William B. Graham stated that the parent company will continue to support the agency system represented by IMC, rather than emphasize underwriting as a mainstay of its thrust in the property/casualty area, even though Richmond Corp. also owns a number of insurance companies.

IMC's emphasis is on small and medium sized accounts rather than large commercial accounts. It continues to specialize in servicing local businesses through its decentralized branch office organization. The firm has branch offices in 13 cities.

In addition to Mr. Graham, principal officers are Marvin Blum, who was promoted from assistant to the president to vp effective July 19, and Frank G. Gillingham, Florida division manager.

Mr. Blum said that despite IMC's 6.7% gain in gross revenues, 1975 was a disappointing year because of a general downtrend in the economy, particularly in Florida where IMC has major branch offices. The Tampa office has more than doubled in size since being acquired in 1972, mostly attributable to an aggressive acquisition policy.

In spite of a number of acquisitions in 1975, IMC's total number of commercial clients remains stable at around 50,000 accounts, Mr. Blum said, because new accounts picked up were offset by some client bankruptcies.

G. T. La Bonne, a Hartford firm which was acquired in 1975, was merged with one of IMC's existing firms, Jones-Mulvihill, and turned into LaBonne, Jones-Mulvihill Inc., Manchester, Ct.

Leide Associates, Atlanta, was acquired in 1975 and merged with the Cousins Insurance Agency, also of Atlanta. It is known simply as Leide Associates now.

Baldwin Brothers & Taylor and Keeling-Bradshaw, two firms in Norfolk, Va., were acquired by IMC in January this year. They were merged with one of IMC's existing subsidiaries there, Commercial Insurance of Norfolk. The resulting new organization is known as IMC of Tidewater. Baldwin Brothers & Taylor is separate from the Baldwin Insurance Agency of Tampa Inc., one of two IMC subsidiaries in the Tampa, Fl. area.

Altogether, the firm has five Florida operations. Two are in Tampa, and one each in Fort Myers, Orlando and LeHigh Acres.

Other subsidiaries are located in Goldsboro and Fayetteville, N.C., Norfolk, Birmingham, Charlottesville, Atlanta, Hartford, Richmond, Pittsburgh and Houston.

The firm derives approximately 60% of its gross revenues from commercial accounts.

The fastest area of growth for IMC is in its life insurance department, for both commercial and personal lines.

Commercial clients include the Richmond Corp., Bank of Virginia Co., Royal Oldsmobile, and the E. T. Barwick Co.

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Questions you should ask and answers you should receive when you are setting up, or re-evaluating your employee savings or profit-sharing plan.

Perhaps we might begin by reminding you that you should look into a number of different plans before committing yourself to any one.

When you do, you will find that most tax-qualified plans offer 1) a common stock fund, 2) a fixed income fund, and 3) sometimes a company stock fund. This way, employees can place their contributions in the area or areas that are best suited to their personal needs and goals.

Among these three kinds of funds, most companies today are showing the greatest interest in fixed income funds. They are turning to insurance companies which can provide guarantees of principal and interest that are not available through bond funds, company stock funds or common stock funds. In addition, only insurance companies can provide guaranteed lifetime payments to employees when they retire.

Now assuming that your interest is in fixed income funds, let's get at some questions you should ask before selecting an insurance company from one of the many in this field.

Q. Do I have a guarantee of principal for my participants at all times and under all circumstances?

A. You should for this reason: Suppose your plan has to pay out to employees more than is contributed in a given year? This could occur if there are an unusual number of early retirements or if a plant closes. *Regardless of what happens, Metropolitan guarantees the principal to your participants.*

Q. If I need to can I cancel my contract at any time? If I do will I be guaranteed book value?

A. You should have the right to cancel. You should also be guaranteed reimbursement at book value, but it may involve some form of installment arrangements. At Metropolitan, you can cancel at any time and for any reason and book value is always guaranteed under some form of installment option.

Q. If interest rates increase over the years my contract is in force, will my employees participate in the higher rates?

A. Yes they should participate. Employees know when interest rates have risen and expect to share in the increased earnings. But some insurance companies give increases only under limited conditions. For example, you might participate in increased interest, but only if the insurance company is still writing this type of contract and if credited interest rates are at least ½% higher than your guaranteed rate. At Metropolitan your employees are guaranteed participation in increased earnings when interest rates go up and are protected by minimum guarantees when interest rates go down.

These are just a few of the questions you should ask before awarding your employee savings or profit sharing plan to any company. But there are many other questions of great importance.

If you have others (and you probably do) call or write:

Mr. Leon D. Moskowitz, Vice-President, Group Insurance & Pensions Marketing, Metropolitan Life, One Madison Avenue, New York, N.Y. 10010 (212) 578-3148.

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agent/broker profiles

ARTHUR J. GALLAGHER & CO.

The Tower, Golf Road, Rolling Meadows, Il. 60008; 312-640-8500

	1975	1974
Premium vol. ..	NA	NA
Gross rev.	$ 8,869,951	$ 6,130,212
Employes	254	200

Arthur J. Gallagher & Co. joins the *Business Insurance* list of the top 20 brokerage firms in the country for the first time this year, as eighteenth largest insurance purveyor. Gallagher's gross revenues jumped a whopping 45% in 1975, at the same time that the number of employes was steadily growing to end the year up 32%.

Nearly all of that growth (40% of it) was internally generated, said Robert E. Gallagher, president, while the remainder was the result of an acquisition during 1975. External growth, while small, is still "important to us," he added, and acquisitions will continue although Gallagher plans to be "highly selective." Purchased in 1975 was J. Frank Holt & Co., Dallas, a firm doing mostly commercial business in Dallas and the Southwest.

So far in 1976, Gallagher's gross revenues are up 40% for the six months, also attributable to internal growth, said Mr. Gallagher. Personnel have grown to over 300, largely due to added marketing employes.

"We have exceeded our game plan almost every year for the past five years. This year we have a game plan for revenues to be over $11 million," he declared, adding he's confident that at the present rate of growth, 1976 year-end results will be between $11 million and $12 million. Some 96% of Gallagher's business is commercial.

Gallagher's self-insurance service division, Gallagher Bassett Insurance Service, is fast growing, registering a 34% gain for the first six months of this year. In 1975, fees for Gallagher generated about 43% of gross revenues, down slightly from 1974. That slight drop is due to brokering commissions growing by more than 40% because of general market conditions and because of new brokerage accounts being picked up, Mr. Gallagher told *Business Insurance*.

Gallagher Bassett administers self-insurance programs for about 75 clients.

Fastest-growing segment of Gallagher's business is London brokering, "up over 100% in the first six months of 1976," said Mr. Gallagher. Gallagher, Hinton & Verecker is a joint venture in London with Hinton & Hill.

Other Gallagher subsidiaries include Enrollment Service Center, Mochel Insurance Agency, The Wightman Agency Inc., and Arthur J. Gallagher Management Ltd. The last is a Bermuda captive management operation established in 1974 which manages two captive insurance companies.

Property and casualty insurance commissions account for 40% of the firm's revenues, while group insurance, investment income and other miscellaneous categories of business generate 17% of revenues.

"We're planning a couple of new ventures relating to the brokering business that we're really not in now. But those aren't finalized yet. We're also expanding risk management services into the health and welfare self-insurance administration field," forecast Mr. Gallagher.

Through its 37 U.S. offices and two international branches (Bermuda and London) Gallagher provides the following services: Safety engineering, property appraisals, captive management, OSHA compliance inspection and record-keeping, loss adjusting, pre-acquisition risk management inspections, computer claims control programs, computer-based risk analysis reports, and nationwide mass marketing enrollments.

The company considers itself a specialist in providing excess coverages for self-insured companies and organizations, and in mass marketing.

Gallagher counts among its clients some 50 to 100 municipalities and school districts, particularly in the Midwest.

Principal officers include Robert E. Gallagher, president; John P. Gallagher, executive vp; Arthur J. Gallagher, chairman; A. James Gallagher, vice chairman; Daniel P. Wachs, vp; Sterling L. Bassett, vp; Warren G. Van der Voort, vp; Louis E. Metzger Jr., unit vp; John C. Danloe, unit vp; Norman S. Anderson, treasurer; Gilbert C. Mochel, president of Mochel Insurance Agency; Jerry Wightman, president of Wightman Agency Inc.; and J. Frank Holt, president of Holt & Co.

Among the clients of Gallagher, identified by clients themselves and others outside the company, are Beatrice Foods, Chicago Board of Education, Archdioceses of Chicago, New York and Detroit, Culligan Co., Edward Gray Corp., Hanna Inland Waterways, St. Francis and St. Joseph Hospitals, Marshall Field & Co., Meyer Bros., National Can Co., Roadway Inns, Rock Road Construction Co., Rogers Bros., Diocese of Sacramento, Ca., Mt. Diablo Unified School District, University of Missouri, Washington University (St. Louis), Wieboldt's.

SCHIFF TERHUNE INTERNATIONAL INC.

100 William St., New York, N. Y. 10038; 212-425-3010

	1975	1974
Premium vol. ..	NA	NA
Gross rev.	$ 7,125,000	$ 6,200,000
Employes	225	230

Schiff Terhune, the nation's nineteenth largest broker, enjoyed a 15% increase in gross revenues for 1975, results it says measured up to and even exceeded expectations after disappointing results the previous year. (Revenues grew only 5.1% in 1974.)

The firm also experienced an increase in the number of commercial accounts it services, to 2,700 this year from 2,400 last year.

Schiff Terhune hopes to see a continued growth pattern of about 10% to 15% annually for gross revenues.

Principal officers are Frank Schiff, chairman and chief executive officer; Hilliard Feldman, president; Bert Linder, executive vp and secretary; Albert Jacob, Edward C. Healy, Andrew H. Marks, James Christie, Lawrence P. McGartland, E. Arnold Powell, and Herbert Segall, vps.

The firm has branch offices in Boston, Los Angeles, Philadelphia, Verona (N. J.), Hamilton (Bermuda), and Tel-Aviv.

The biggest area of new growth for Schiff Terhune is the marine field, according to vp James Christie, who said the firm's marine department picked up many new accounts.

Fire and casualty lines account for 92% of total revenues, and wet marine generates about 6%. The firm doesn't break out figures for group benefit business, but Mr. Christie estimates group insurance commissions account for less than 2% of the firm's total commissions.

For 1976, Schiff Terhune's emphasis will not be on acquisitions. It expects, instead, that because

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of increases in insurance premiums particularly in casualty lines, premium volume will increase proportionately.

Because of the increasing insurance costs which brokers must justify to their clients, Schiff Terhune's Mr. Christie characterized the brokerage business overall right now as "hectic."

"Trying to explain increased costs in casualty programs makes for a very tough time for every broker," he said.

Schiff Terhune aims at neither large national accounts exclusively, nor small to medium sized accounts, but says it tries for both. "Obviously the national accounts produce big commissions, but it is the smaller ones which create stability for a broker, and proportionately, we give them all the same service," Mr. Christie explained.

Included among the firm's 2,700 commercial accounts are Allied Stores, AMF Inc., CBS Inc., Chris Craft Industries, CIT Financial Corp., Clevepak Corp., Consolidated Edison, Gimbel Brothers Inc., Lionel Corp., Lorillard Co., M. Lowenstein & Sons, Melville Corp., New York Post Inc., Philip Morris Inc., Piper Aircraft Corp., Siemens Corp., United Parcel Service, and Welch Foods.

FINANCIAL GUARDIAN INSURANCE AGENCY INC.

912 Baltimore Ave., Kansas City, Mo. 64105; 816-421-2290

	1975	1974
Premium vol. ..	$45,000,000	$40,000,000
Gross rev.	6,449,000	6,000,000
Employes	232	237

Financial Guardian Insurance Agency Inc. appears on the *BI* list of largest brokers for the first time this year, in twentieth position.

If few people have ever heard of Financial Guardian, it doesn't bother Lee Beets, chairman of the company. "It's because we've grown from virtually zero to our present size in only six years, and also because we've only had our present name for two years," he acknowledged.

The growth has been both internal and external, about half from each source in the last few years. Acquisitions have been rapid: 45 in six years. In 1975, though, only one agency was acquired: Des Moines Insurance Agency.

But things are already heating up again this year, said Mr. Beets who told of "negotiations right now on a deal or two that would broaden our services. We do intend to diversify within the insurance business."

Jack Muma, president, said the firm still maintains an external growth objective and plans to reassert its aggressive acquisition posture despite the slow merger pace of 1975.

Financial Guardian's 7.5% revenue growth in 1975 "measured up to our expectations," said Mr. Beets, declaring that 1976 "is exceeding our expectations." He foresees that gross revenues for the firm will hit better than $7 million (a 9% gain) this year, even without any mergers or acquisitions, based on the results so far. "And we do have several mergers and acquisitions pending in the Midwest and South."

Commercial accounts generate 71% of Financial Guardian's commissions and fees. Breaking that revenue down another way, commercial property and casualty lines generate 65% of total revenues; individual property and casualty business accounts for 17.5% of revenues; life, health, accident and other group benefit insurance generate 8.5% of business, and other lines generate 9% of revenues.

"We'll probably be expanding the benefits and life insurance area of our business, so that category will make up a bigger portion of total revenues," said Mr. Beets. In fact, employe benefit revenues grew fastest in 1975. "We only started to put emphasis on this area in the last three years," he said, "mainly for diversification purposes and because of higher profit margins of something like 30% for benefits versus 18% to 20% for property and casualty."

Financial Guardian has about 47,000 total accounts, up from 1974 mostly in the commercial area since "the bulk of our new premium writings emanate from commercial accounts," said Mr. Beets.

Financial Guardian is in the excess and surplus lines field through its subsidiaries Financial Guardian General Agency in New Orleans, and Associated General Agency Inc. in San Francisco with an office in Los Angeles. The firm is in the process of building a network of national offices through these subsidiaries in order to "broaden our capability in excess and surplus lines," said Mr. Beets. "We are expanding another of our companies into the excess and surplus field right now, plus we have three merger possibilities in this area. Our intent is to expand our excess/surplus business, because it serves a purpose for our own (managing general agency) operations as well as supplying additional markets" for the risks of clients served by the firm.

In 1975, the firm developed a risk management services operation to perform analyses on a fee for service basis and also to do audit and captive feasibility studies for Financial Guardian's insurance clients as well. Three people are in the new department.

Another subsidiary, Financial Compensation Consultants Inc., is a broker-dealer writing a national deferred compensation program sponsored by the American Hospital Assn., which went into effect in midyear 1975, the division's first program.

Financial Guardian also established in 1975 a facility to handle administration of self-insured hospitalization plans.

The company also maintains departments of marine, aviation and surety. It has 18 operating offices in the West, Midwest and South.

Principal officer in addition to Mr. Beets and Mr. Mumax is Donald R. Weber, executive vp.

Founded in late 1969 as Combined Insurance Management Inc., the firm's name was changed to Cimco Inc. in May 1970 and to Financial Guardian Group Inc. in March 1973.

Financial Guardian clients include Detroit Coca-Cola Bottlers, Great Lakes Dredge & Dock, LaSalle Machine Tool Corp., Pizza Hut, and Upjohn Co.

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agent/broker profiles

INFORMATION published in the following profiles was obtained directly from the companies. Every effort was made to check the accuracy of the material used, as provided by those firms.

ADAMS, SCOTT & CONWAY INC.

127 John St., New York, N.Y. 10038; 212-248-1570

	1974	1975
Premium vol. ..	NA	NA
Gross rev.	$ 1,500,000	$ 1,600,000
Employes	50	50
Commercial bus.	75%	80%

Principal Officers: Asher Schapiro, chairman and president; Peter R. Hjelm, executive vp, secretary and treasurer; Joseph Cardinale, senior vp; Jack Hetrich, vp; James Coonan, vp; Roy Hjelm, vp; Menasce Levi, vp.

Branch Offices: Los Angeles, Chicago, Miami, Philadelphia, New York.

Compensation: commissions and fees.

ADMIRAL INSURANCE AGENCY INC.

20 State St., Lynn, Ma. 01901; 617-599-2000

	1974	1975
Premium vol. ..	$ 1,004,000	$ 1,115,000
Gross rev.	160,170	171,824
Employes	6	6
Commercial bus.	70%	70%

Principal Officers: Samuel B. Tassel, CLU, president and treasurer; Joseph Toland, vp.

Compensation: commissions.

AFFILIATED AGENCIES INC.

2506 Willowbrook Pky., Box 55418, Indianapolis, In. 46205; 317-259-1441

	1974	1975
Premium vol. ..	$ 4,200,000	$ 5,000,000
Gross rev.	705,600	795,000
Employes	36	41
Commercial bus.	60%	65%

Principal. Officers:. John. E. Thurston, president; Alvin L. Cohen, vp; Don Kaga, vp; Ronald J. Newmark, secretary-treasurer; James Little, assistant vp.

Acquisitions in the Past Year: Horst-Drier Agency.

Compensation: commissions.

AKIN-AKIN INC.

2418 E. Grand River, Howell, Mi. 48848; 517-546-4810

	1974	1975
Premium vol. ..	$ 1,050,000	$ 1,130,781
Gross rev.	155,00	176,600
Employes	7	6
Commercial bus.	65%	70%

Principal Officers: Edward H. Akin, CPCU, president; Robert C. Peal, vp.

Compensation: commissions.

ALL COVERAGE AGENCY INC.

425 Northern Blvd., Great Neck, N.Y. 11020; 516-487-7777

	1974	1975
Premium vol. ..	$ 1,200,000	$ 1,500,000
Gross rev.	180,000	220,000
Employes	8	10
Commercial bus.	60%	75%

Principal Officers: Edward Levine, president; Harold H. Harris, vp; Charles Mandel, secretary.

Compensation: commissions and fees.

ALLMAN & COMPANY INC.

York & Church Rds., Elkins Park, Pa. 19117; 215-927-6300

	1974	1975
Premium vol. ..	$ 4,000,000	$ 5,000,000
Gross rev.	600,000	800,000
Employes	24	29
Commercial bus.	90%	90%

Principal Officers: Richard Allman, president; John Fibrillo, vp; Garth Miller, vp; Richard P. Allman, vp.

Compensation: commissions and fees.

THE ALPER AGENCY INC.

1 N. Wacker Dr., Chicago, Il. 60606; 312-263-1630

	1974	1975
Premium vol. ..	$ 1,900,000	$ 2,300,000
Gross rev.	375,000	450,000
Employes	14	17
Eommercial bus.	95%	95%

Principal Officers: Howard C. Alper, president; Robert A. Wilson, vp.

Compensation: commissions and fees.

AMALGAMATED PROGRAMS CORP./LOWELL SAFETY MANAGEMENT

161 William St., New York, N.Y. 10038; 212-964-3044

	1974	1975
Premium vol. ..	$14,000,000	$15,000,000
Gross rev.	1,400,000	1,500,000
Employes	45	45
Commercial bus.	95%	95%

Principal Officers: Alexander E. Fisher, president; Jacob M. Levy, executive vp; Bert Kramer, vp.

Compensation: commissions and fees.

AMERICA'S INSURANCE CENTER

562 Blvd., Kenilworth, N.J. 07033; 201-272-6300

	1974	1975
Premium vol. ..	$ 3,212,000	$ 2,872,000
Gross rev.	731,522	660,969
Employes	16	15
Commercial bus.	89%	86%

Principal Officers: Raymond R. Kravetz, president; Marko Popin, vp; Arthur F. Kravetz, secretary; Sylvia Kravetz, treasurer.

Branch Offices: New York, Honolulu, Detroit, Nashville, Lincoln, Hartford, Memphis, San Francisco, Atlanta, Jackson, New Orleans, Oklahoma City, District of Columbia, Miami, Indianapolis, Los Angeles, Providence, Minneapolis, Gary, Chicago, Baltimore.

Compensation: commissions.

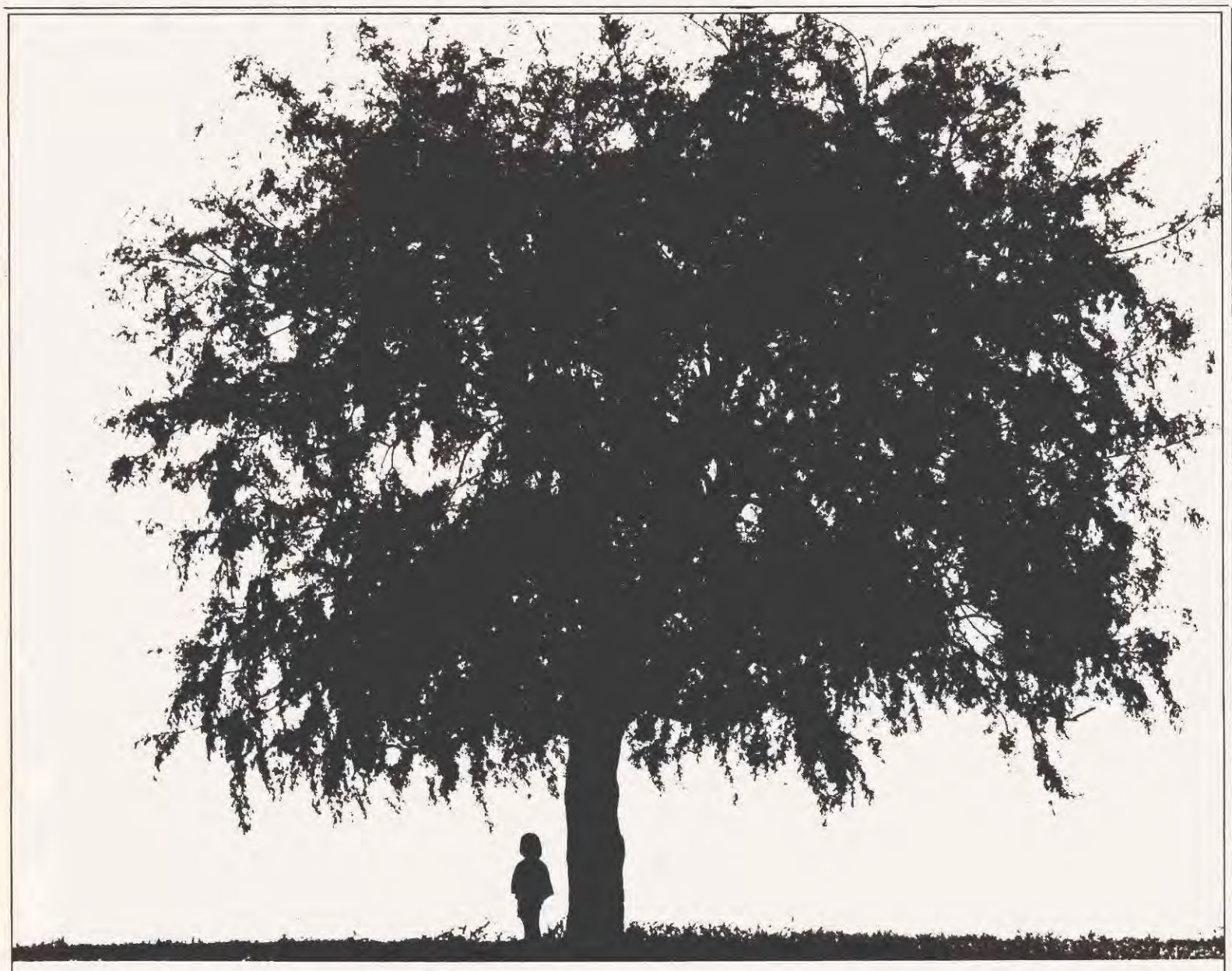
ANCO/THE ANDERSON CO.

6300 Westpark, Suite 400, Houston, Tx. 77057; 713-781-8800

	1974	1975
Premium vol. ..	$11,200,000	$11,716,000
Gross rev.	1,680,000	2,200,913
Employes	60	79
Commercial bus.	85%	90%

Parent Company: Anco Corp.

Principal Officers: Joe E. Vincent, CPCU, chairman of the board; M. L. Cashion, CPCU, vice-chairman of the board; Dick B. Haddox, CPCU, president; John L. Van Osdall, CPCU, senior vp; Jack Gardner, CLU, senior vp; J. O. Alexander, CLU, senior vp; J. Van Ballard, senior vp; Jack Spence, vp; Mike Townsend, vp;



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Jerry Allard, secretary-treasurer.

Branch Offices: Bryan, Dallas.

Acquisitions in the Past Year: United Insurers Inc., Houston.

Compensation: commissions and fees.

ANDERSON BANKING CO.

931 Meridian St., Anderson, In. 46015; 317-644-8861

	1974	1975
Premium vol. ..	$ 1,115,000	$ 2,000,000
Gross rev.	185,000	232,000
Employes	8	10
Commercial bus.	60%	67%

Principal Officers: Thomas H. Borges, vp and manager; J. Harold Berkshire, producer; D. W. Reardon, producer; Oscar Melson Jr., producer; Dorothy Ramsey, producer.

Compensation: commissions.

CHARLES F. ANDREWS AND ASSOCIATES

680 Whitehead Rd., Trenton, N.J. 08648; 609-695-6334

	1974	1975
Premium vol. ..	$ 1,789,555	$ 1,794,509
Gross rev.	299,000	330,732
Employes	14	14
Commercial bus.	60%	63%

Principal Officers: Kenneth J. Andrews, president; Raymond L. Messier, CPCU, CLU, RM, executive vp.

Compensation: commissions and fees.

ARCHER-MEEK-WEILER AGENCY INC.

21 E. State St., Columbus, Oh. 43215; 614-221-3225

	1974	1975
Premium vol. ..	$ 2,800,000	$ 3,100,000
Gross rev.	589,574	632,014
Employes	11	12
Commercial bus.	80%	80%

Principal Officers: Alan R. Weiler, CPCU, president; Frank J. Kuesel, vp; Richard P. Smith, CPCU, vp; Charles Schaefer, CPCU, vp.

Compensation: commissions.

PAUL ARNOLD ASSOCIATES INC.

14 Halsted St., E. Orange, N.J. 07019; 201-675-6400

	1974	1975
Premium vol. ..	$ 3,200,000	$ 4,100,000
Gross rev.	360,000	440,000
Employes	9	12
Commercial bus.	95%	95%

Principal Officers: Paul R. Goldman, president; James R. Masker, vp.

Compensation: commissions and fees.

ATHENS INSURANCE CO. INC.

110 Washington, N.W., Athens, Tn. 37303; 615-745-3062

	1974	1975
Premium vol. ..	$ 3,273,558	$ 4,373,892
Gross rev.	589,608	743,620
Employes	25	26
Commercial bus.	75%	75%

Principal Offciers: Sam L. Feezell, president.

Branch Offices: Knoxville, Sweetwater, Tn.

Compensation: commissions and fees.

BAILEY, ENGELHARDT & VEGA INSURANCE AGENCY INC.

213 Baronne St., #300, New Orleans, La. 70112; 504-581-2584

	1974	1975
Premium vol. ..	$ 2,900,000	$ 3,300,000
Gross rev.	496,000	532,000
Employes	17	17
Commercial bus.	76%	78%

Principal Officers: August Engelhardt, president; Curtis Bailey, vp; Delery Vega, secretary-treasurer.

Compensation: commissions and fees.

BARNES-FRANKFURT & CO.

129 North West 6th St, Oklahoma City, Ok. 73112; 405-232-4191

	1974	1975
Premium vol. ..	$ 854,000	$ 1,800,000
Gross rev.	134,000	188,000
Employes	6	8
Commercial bus.	65%	70%

Principal Officers: Glenn L. Barnes, president; E. A. Frankfurt, executive vp; Wendell Gordon, vp; Sylvanus G. Felix, vp.

Compensation: commissions.

BARNEY & BARNEY

1400—5th Ave., P.O. Box 81638, San Diego, Ca. 92138; 714-234-3401; 714-756-2117

	1974	1975
Premium vol. ..	NA	NA
Gross rev.	$ 1,800,000	$ 2,000,000
Employes	62	65
Commercial bus.	85%	85%

Principal Officers: Bruce N. Moore, P. Wolcott, J. Blackman, H. Garland, L. Whitson, G. Hurlburt, N. Watkins, J. W. Knibbs, J. Shellabarger, J. Lindsay, L. Shea, M. Winrod, R. Culbertston, partners; J. McCright, office manager, controller.

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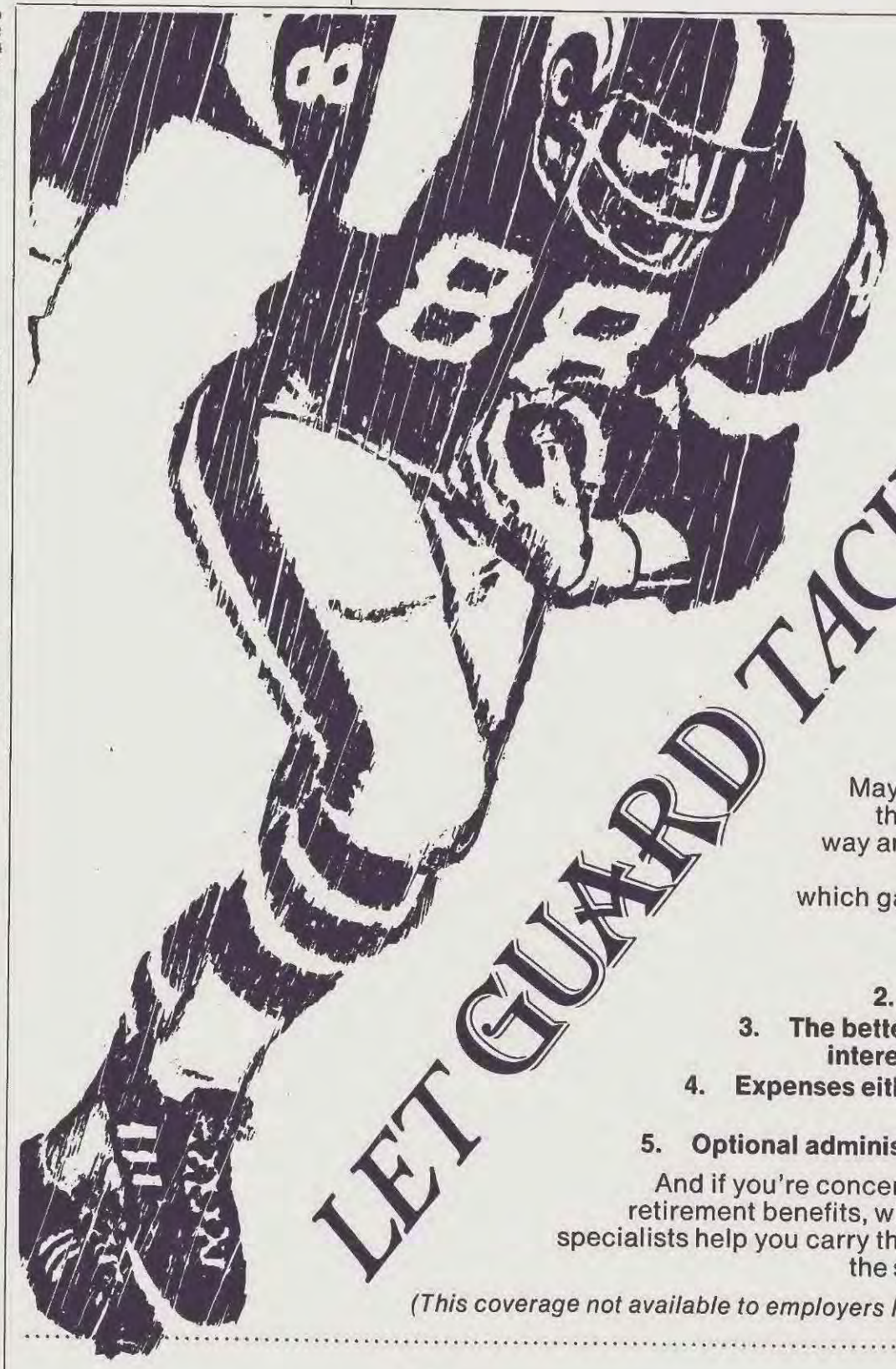
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Branch Offices: Rancho Santa Fe, Ca.

Compensation: commissions and fees.

BEAL & BRADLEY INSURANCE COUNSELORS INC.

4350 East Camelback Rd., Suite 205-A; Phoenix, Az. 85018; 602-957-1111

	1974	1975
Premium vol. ..	$2,172,048	$2,095,444
Gross rev.	410,400	378,330
Employes	17	15
Commercial bus.	90%	90%

Principal Officers: William A. Beal, president; Norma Beal, secretary-treasurer.

Compensation: commissions and fees.

ALBERT M. BENDER CO. INC.

Bank of America Center, San Francisco, Ca. 94104; 415-391-2600

	1974	1975
Premium vol. ..	$23,000,000	$32,000,000
Gross rev.	2,900,000	3,895,000
Employes	140	140
Commercial bus.	85%	85%

Principal Officers: Bernard H. Mizel, president; Richard P. Metcalfe, executive vp; Robert L. Rossi, senior vp; Lewis Levin, chairman of the board.

Branch Offices: Los Angeles, Santa Rosa, Petaluma, Eureka, Sacramento.

Acquisitions in the Past Year: Levin Knox & Co.

Compensation: commissions.

BENNETT WALLACE WELCH & GREEN INSURANCE INC.

641 First St. So., P.O. Box 3842, St. Petersburg, Fl. 33731; 813-822-4616

	1974	1975
Premium vol. ..	$ 2,723,000	$ 2,990,000
Gross rev.	549,802	555,480
Employes	24	24
Commercial bus.	60%	60%

Principal Officers: William P. Wallace, president; John I. Welch, vp; Stanley C. Shaver, Jr., vp.

Acquisitions in the Past Year: John M. Phillies Agency, Louis Knight Agency.

Compensation: commissions.

ROBERT E. BILL ASSOCIATES INC.

100 Broad Hollow Rd., Farmingdale, N.Y. 11735; 516-249-1000

	1974	1975
Premium vol. ..	NA	NA
Gross rev.	$250,000+	$350,000+
Employes	13	15
Commercial bus.	92%	95%

Principal Officers: Robert E. Bill, president; George E. Farnworth, executive vp; Joseph G. Bill, secretary; George J. Daube, vp; Thomas F. Corroon, vp.

Acquisitions in the Past Year: Joseph R. Moran Agency Inc., Huntington, N.Y.

Compensation: commissions and fees.

BLEICHROEDER, BING & CO. INC.

127 John St., New York, N.Y. 10038; 212-747-5000

	1974	1975
Premium vol. ..	$24,300,000	$25,500,000
Gross rev.	2,700,000	2,950,000
Employes	100	100
Commercial bus.	90%	90%

Parent Company: Bleibing Corp.

Principal Officers: Thomas B. Herzfeld, chairman of the board and executive vp; John W. Bing, president; Ernest L. Nauen, senior vp; John L. Busi, treasurer; Ernest M. Milch, vp; Andrew E. Rossmere, vp; Hans Oppenheimer, vp; Stanley Brandt, vp; Eli Hirsch, vp.

Compensation: commissions and fees.

BOLEY-FEATHERSTON-HUFFMAN & DEAL CO.

703 Lamar, Wichita Falls, Tx. 76301; 817-723-7111

	1974	1975
Premium vol. ..	$ 2,000,000	$ 2,250,000
Gross rev.	340,000	382,500
Employes	15	17
Commercial bus.	60%	40%

Principal Officers: Donal Boley, president; Eddie Huffman, secretary; J. B. Featherston, vp and treasurer; Steve Deal, vp.

Branch Offices: Henrietta, Tx.

Acquisitions in the Past Year: Schick Insurance Agency, Henrietta, Tx.

Compensation: commissions.

BOOCKFORD & CO.

2021 Spring Rd., Oak Brook, Il. 60521; 312-654-8282

	1974	1975
Premium vol. ..	$ 1,604,000	$ 2,476,000
Gross rev.	307,000	371,000
Employes	8	10
Commercial bus.	88%	92%

Principal Officers: William D. Boockford, president; Louis F. Chiodo, vp.

Compensation: commissions and fees.

BOSWORTH-WEST & CO.

1818 West S/W Loop 323, P.O. Box 659, Tyler, Tx. 75701; 214-561-2621

	1974	1975
Premium vol. ..	$ 2,771,070	$ 2,836,073
Gross rev.	337,324	373,507
Employes	9	9
Commercial bus.	65%	65%

Principal Officers: Fred E. Bosworth, senior partner; Oscar H. West, Jr., partner; Jerry R. Shelton, partner; L. Glenn Taylor, partner.

Compensation: commissions and fees.

BOTTARI, HOLLAND & ZARLEY

2150 Franklin St., Oakland, Ca. 94612; 415-835-4600

	1974	1975
Premium vol. ..	1,200,000	2,350,000
Gross rev.	200,000	225,000
Employes	8	10
Commercial bus.	70%	75%

Principal Officers: Victor Bottari Jr., president; John P. Holland, Jr., CPCU, vp.

Compensation: commissions and fees.

BRADENTON INSURANCE INC.

1400 8th Ave. Dr. West, Bradenton, Fl. 33506; 813-748-0511

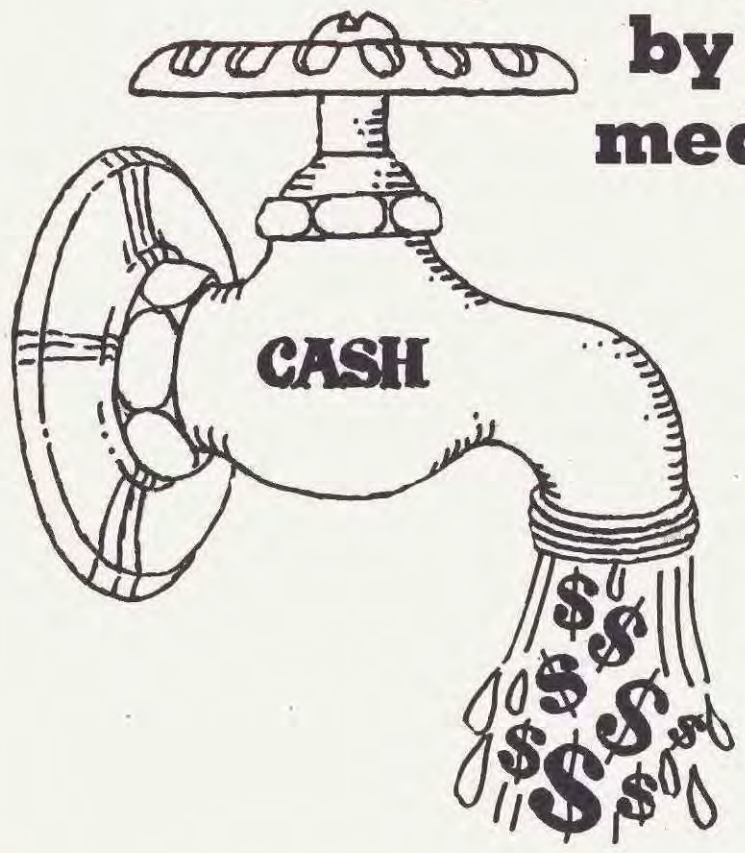
	1974	1975
Premium vol. ..	$ 1,400,000	$ 1,600,000
Gross rev.	200,000	250,000
Employes	10	14
Commercial bus.	60%	60%

Principal Officers: John A. Weichel, CPCU, CLU, president; Robert H. Russell, CPCU, vp.

Acquisitions in the Past Year: Pat A. Carlisle & Associates, Clearwater, Fl.

Compensation: commissions.

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BRAUN & BRAUN INC.

700 Sill Bldg., Flint, Mi. 48502; 313-767-6180

	1974	1975
Premium vol. ..	$ 4,111,340	$ 4,560,241
Gross rev.	559,000	661,328
Employes	18	18
Commercial bus.	78%	82%

Principal Officers: Philip J. Braun, president; Robert E. Benson, vp; Anthony E. Abaid, vp; John J. Byder, secretary; Michael Charboneau, treasurer.

Compensation: commissions and fees.

BREITBART-GELLER INC.

351 Minorca, Coral Gables, Fl. 33134; 305-448-2684

	1974	1975
Premium vol. ..	$ 1,950,000	$ 2,750,000
Gross rev.	300,000	345,000
Employes	9	9
Commercial bus.	75%	80%

Principal Officers: Andrew A. Geller, CLU, CPCU, president; Bernard B. Brietbart.

Compensation: commissions and fees.

BROKERAGE RESOURCES INC.

156 William St., New York, N.Y. 10038; 212-233-7171

	1974	1975
Premium vol. ..	$30,000,000	$38,000,000
Gross rev.	4,000,000	4,400,000
Employes	80	72
Commercial bus.	90%	90%

Principal Officers: Donald Ferrarini, president; Howard Miller, vp-director of sales; Arthur Ostow, vp; Bruno Rumignani, vp; Allen Birnbaum, vp; Fred Ghawi, vp; Herbert Kramer, assistant vp.

Compensation: commissions and fees.

BRUENING & BOND INSURANCE AGENCY INC.

3171 West Broward Blvd., Ft. Lauderdale, Fl. 33312; 305-583-7450

	1974	1975
Premium vol. ..	$ 1,468,395	$ 1,830,273
Gross rev.	230,000	300,000
Employes	15	16
Commercial bus.	60%	65%

Principal Officers: Robert G. Bruening, president; Roger G. Bond, vp.

Compensation: commissions.

BRUNER CASSADY NEESER AGENCY/THE HOUSE OF INSURANCE INC.

1002 East Jefferson Blvd., P.O. Box 778, South Bend, In. 46624; 219-233-9443

	1974	1975
Premium vol. ..	$ 1,610,140	$ 1,924,359
Gross rev.	341,019	374,844
Employes	12	13
Commercial bus.	62%	68%

Principal Officers: William Fox, president; Thomas R. Cassady, executive vp; William J. Gorman, vp-treasurer; Robert O. Neeser, vp.

Compensation: commissions and fees.

BUCKLEY & CO. INC.

111 W. Short St., P.O. Box 1809, Lexington, Ky. 40501; 606-254-8002

	1974	1975
Premium vol ..	$ 1,300,000	$ 1,500,000
Gross rev.	200,000	220,000
Employes	9	10
Commercial bus.	70%	75%

Principal Officers: Ben F. Buckley, CPCU, president; Jack F. Moore, vp; Bill Sheehy, vp; Biff Buckley, vp; Thomas Ryburn, CLU, associate.

Compensation: commissions.

BUFFALO FIRE OFFICE INC.

1300 Chamber of Commerce Bldg., Buffalo, N.Y. 14202; 716-856-3450

	1974	1975
Premium vol. ..	$ 3,708,264	$ 4,120,687
Gross rev.	778,820	870,156
Employes	28	28
Commercial bus.	50%	50%

Principal Officers: Robert P. Lent Jr., CPCU, chairman; Dana F. Rice, president and treasurer; Fred R. Dentinger, executive vp; Charles F. Geyer, vp; Robert F. Hughes Jr., vp; John C. Travers Jr., vp; John L. Cunningham, assistant vp; Joan McCulle, assistant treasurer; Robert J. McKeever, assistant secretary.

Branch Offices: Lockport, Pendleton, N.Y.

Acquisitions in the Past Year: Beiter Agency, Pendleton, N.Y.

Compensation: commissions.

BURCH-HODGES-STONE INC.

26 Broad St., Martinsville, Va. 24112; 703-632-2161

	1974	1975
Premium vol. ..	$ 883,000	$ 1,055,000
Gross rev.	217,000	253,000
Employes	15	14
Commercial bus.	54%	56%

Principal Officers: R. S. Hodnett, chairman of the board; J. S. Scales, president; R. E. Saville, executive vp; S. G. Boline, treasurer; S. M. Torian III, secretary.

Acquisitions in the Past Year: Burch-Whittle, Inc.

Compensation: commissions.

BYERLY AND CO. INC.

1390 Logan, Suite 316, Denver, Co. 80203; 303-831-0070

	1974	1975
Premium vol. ..	$35,000,000	$40,000,000
Gross rev.	202,104	299,936
Employes	8	13
Commercial bus.	100%	100%

Principal Officers: Robert Byerly, president; Richard F. Helm, first vp; Robert N. Morehead, second vp; Warren J. Tasset, president-Wyoming.

Branch Offices: Cheyenne, Wy.

Compensation: commissions and fees.

DAVID BYNUM INSURANCE INC.

1798 Transco Tower, Houston, Tx. 77056; 213-627-3230

	1974	1975
Premium vol. ..	$ 1,950,000	$ 2,855,000
Gross rev.	209,000	355,000
Employes	5	7
Commercial bus.	92%	90%

Principal Officers: David D. Bynum, president-treasurer; Hilda Hines, secretary.

Compensation: commissions and fes.

BYRNE, BYRNE AND CO.

20 N. Wacker, Chicago, Il. 60606; 312-346-2150

	1974	1975
Premium vol. ..	$ 5,200,000	$ 5,600,000
Gross rev.	400,000	450,000
Employes	14	15
Commercial bus.	90%	90%

Principal Officer: Richard D. Byrne, Thomas J. Byrne, John T. O'Hara.

Compensation: commissions and fees.



agent/broker profiles

CALCO INSURANCE, BROKER AND AGENTS

1900 Alameda De Las Pulgas, San Mateo, Ca. 94403; 415-574-4000

	1974	1975
Premium vol. ..	$21,000,000	$25,000,000
Gross rev.	3,360,000	4,220,000
Employes	165	184
Commercial bus.	96%	97%

Parent Company: California Casualty Management Co.

Principal Officers: S. P. Westington, president; T. Brown, executive vp; R. Tuthill, first vp; Paul Warner, vp.

Branch Offices: San Francisco, Los Angeles, Fresno.

Compensation: commissions and fees.

CALDWELL & ASSOC. INC.

117 E. 7th St., Chattanooga, Tn. 37402; 615-265-8541

	1974	1975
Premium vol. ..	NA	$10,000,000
Gross rev.	NA	1,200,000
Employes	NA	55
Commecial bus.	NA	85%

Principal Officers: James C. Caldwell, CPCU, chairman; David Liedtke, president.

Branch Offices: Memphis, Nashville, Knoxville, Atlanta.

Compensation: commissions and fees.

CAL-SURANCE ASSOCIATES

3475 Torrance Blvd., Torrance, Ca. 90503; 213-542-7301

	1974	1975
Premium vol. ..	$12,000,000	$15,000,000
Gross rev.	2,042,630	2,613,054
Employes	79	83
Commercial bus.	98%	99%

Parent Company: Chartered Financial Services Corp.

Principal Officers: Donald E. Martin, president; Dave Warren, vp; Bill Peters, vp; George Kappes, vp; Mike Boten, vp; Nick Pavelich, vp.

Branch Offices: San Jose, Fresno.

Compensation: commissions and fees.

CANTON AGENCY INC.

300 Water St., Baltimore, Md. 21202; 301-837-7733

	1974	1975
Premium vol. ..	NA	$ 8,000,000
Gross rev.	415,369	661,185
Employes	17	17
Commercial bus.	90%	90%

Parent Company: Canton Company of Baltimore

Principal Officers: Donald F. Romoser, president; John M. Stricker, vp.

Compensation: commissions and fees.

CANTOR & CO. INC.

174 Central St., Lowell, Ma. 01852; 617-458-3381

	1974	1975
Premium vol. ..	$ 3,500,000	$ 3,755,830
Gross rev.	650,000	671,354
Employes	20	21
Commercial bus.	81%	85%

Principal Officers: James Cantor, chairman; Harold Swartz, president; Neil M. Blume, treasurer.

Branch Offices: Boston.

Compensation: commissions.

CARLIN INSURANCE

209 West Central St., Natick, Ma. 01760; 617-655-0522

	1974	1975
Premium vol. ..	$ 3,000,000	$ 3,000,000
Gross rev.	325,000	350,000
Employes	22	20
Commercial bus.	65%	65..

Parent Company: Consolidated Resources Corp.

Principal Officers: James F. Carlin, CLU; James A. Cotter, CPCU.

Compensation: commissions.

CARNIGLIA-WILKEY-MAROCCO

747 Mendocino Ave., Santa Rosa, Ca. 95401; 707-545-6862

	1974	1975
Premium vol. ..	$ 2,300,000	$ 2,500,000
Gross rev.	380,000	420,000
Employes	17	17
Commercial bus.	75%	75%

Principal officers: Charles J. Carniglia, president; Robert J. Marocco, vp; James R. Wilkey, secretary-treasurer.

Compensation: commissions.

CARPEZZI AGENCY INC.

120 N. Main St., New City, N.Y. 10956; 914-634-8716

	1974	1975
Premium vol. ..	NA	$ 1,370,000
Gross rev.	NA	180,000
Employes	NA	7
Commercial bus.	NA	70%

Principal Officers: Leonard J. Carpezzi.

Compensation: commissions.

CATALANO INSURANCE AGENCY INC.

236 Pleasant St., Methuen, Ma. 01844; 617-688-4667

	1974	1975
Premium vol. ..	$ 2,500,000	$ 2,700,000
Gross rev.	380,000	400,000
Employes	16	18
Commercial bus.	50%	55%

Principal Officers: G. Thomas Catalano, president; George Schofield, vp; William Hubbard, vp.

Acquisitions in the Past Year: Brewster Bros. Newburnport, Ma.

Compensation: commissions.

CHAMBERLIN & CLARKE INC.

618 Northeastern Bank Bldg., Scranton, Pa. 18503; 717-346-5751

	1974	1975
Premium vol. ..	$ 1,150,646	$ 1,515,208
Gross rev.	291,394	285,063
Employes	14	13
Commercial bus.	60%	60%

Principal Officers: W. Lawson Chamberlin, president; William A. Burnell Jr., vp; William O. MacArthur Jr., vp, William L. Chamberlin Jr., vp, secretary, treasurer.

Compensation: commissions and fees.

CLAIR INSURANCE AGENCY INC.

717 Bethlehem Pike, Erdenheim, Pa. 19118; 215-242-5555

	1974	1975
Premium vol. ..	$ 4,000,000	$ 4,160,000
Gross rev.	600,000	669,238
Employes	38	34
Commercial bus.	75%	75%

Principal Officers: Robert A. Clair, president and treasurer; Herbert O. Clair, executive vp; William F. Mohr, first vp; Milton B. Kohn, vp and secretary.

Compensation: commissions and fees.

E. T. CLAUSS & CO. INC.

735 Delaware Ave., Buffalo, N.Y. 14209; 716-886-6600

	1974	1975
Premium vol. ..	$ 4,500,000	$ 4,900,000
Gross rev.	1,100,000	1,100,000
Employes	39	41
Commercial bus.	51%	53%

Principal Officers: James T. Clauss, president; Charles J. Clauss, executive vp; David F. Clauss, vp; Robert L. Pauly, CPCU, vp; Robert S. Di Matteo, CPCU, vp; Philip W. Cowan, secretary-treasurer.

Branch Offices: Albany, Syracuse.

Acquisitions in the Past Year: Dashnaw Agency, Buffalo, N.Y.; Kresse Agency, Buffalo, N.Y.

Compensation: commissions and fees.

COBB, ATKINS, BOYD & EGGLESTON INC.

Suite 1400, Worthen Bank Bldg., Little Rock, Ak. 72201; 501-372-2222

	1974	1975
Premium vol. ...	$12,000,000	$16,000,000



FIELD OFFICES: Atlanta, GA 30341, 3300 Northeast Expressway ☐ Baltimore, MD 21204, 305 W. Chesapeake Ave. ☐ Boston-Wellesley, MA 02181, 20 William St. ☐ Buffalo-Williamsville, ☐ Cleveland, OH 44113, 614 Superior Ave., West ☐ Columbus, OH 43215, 394 Oak St. ☐ Cranford, NJ 07016, 25 Commerce Dr. ☐ Detroit-Southfield, MI 48075, 16900 West Eight Mile Rd. Indianapolis, IN 46204, 320 N. Meridian St. ☐ Kansas City, MO 64111, 406 West 34th St. ☐ Los Angeles-Anaheim, CA 92805, 1717 E. Lincoln Ave. ☐ Milwaukee, WI 53226, 2401 No. Mayfair Rd. Fifth & Market Sts. ☐ Pittsburgh, PA 15220, 875 Greentree Rd. ☐ Richmond, VA 23230, 4906 Fitzhugh Ave. ☐ San Francisco, CA 94111, One Embarcadero Center
OIL DIVISION FIELD OFFICES: Chicago, IL 60604, 175 West Jackson Blvd. ☐ Dallas, TX 75206, 8350 N. Central Expressway

Gross rev.	1,440,000	1,920,000
Employes	12	14
Commercial bus.	80%	80%

Principal Officers: James H. Atkins, president; R. P. Herget Jr., vp and assistant to the president; Hansel Boyd, vp; L. D. Eggleston, vp.

Branch Offices: Hot Springs, Ak.

Acquisitions in the Past Year: Rector, Means & Rowland Inc.

Compensation: commissions.

COLWELL, JAMES & HART INC.

120 Professional Bldg., Erie, Pa. 16501; 814-455-0987

	1974	1975
Premium vol. ...	$ 1,125,000	$ 1,300,000
Gross rev.	170,000	185,000
Employes	6	6
Commercial bus.	70%	70%

Principal Officers: H. L. James Jr., president; Donald J. Hart, vp and treasurer.

Compensation: commissions.

COLUMBIA INSURANCE AGENCY INC.

45 Sutton St., Lynn, Ma. 01901; 617-598-5000

	1974	1975
Premium vol. ..	$ 2,000,000	$ 2,400,000
Gross rev.	380,000	410,000
Employes	16	13
Commercial bus.	40%	50%

Principal Officers: Normand A. Dion, president; Paul F. Duffy, vp.

Compensation: commissions.

COMISKEY INSURANCE AGENCY INC.

P.O. Box 22751, Houston, Tx. 77027; 713-627-7810

	1974	1975
Premium vol. ...	$ 4,000,000	$ 5,000,000
Gross rev.	500,000	500,000
Employes	17	22
Commercial bus.	55%	65%

Principal Officers: Frank H. Comiskey, CPCU, president; Charles E. Comiskey, executive vp.

Compensation: commissions.

COMSTOCK INSURANCE AGENCIES INC.

635 Booth St., Reno, Nv. 89505; 702-323-0392

	1974	1975
Premium vol. ...	$ 1,100,000	$ 1,300,000
Gross rev.	230,000	280,000
Employes	9	9
Commercial bus.	85%	85%

Principal Officers: John W. Sweatt, president; Norman F. Holland, vp.

Compensation: commissions.

CONCORD INSURANCE AGENCIES

300 Surety Tower, El Paso, Tx. 79905; 915-778-9911

	1974	1975
Premium vol. ...	$ 8,500,000	$10,000,000
Gross rev.	1,695,543	2,077,121
Employes	111	122
Commercial bus.	60%	60%

Principal Officers: R. H. Palm, R. A. Lowenfield, F. Saunders, R. G. Glime, D. Etzold, C. C. Krigbaum, R. Gillett, D. Grady, D. Phillips, C. Warren.

Branch Offices: Albuquerque, Anthony, N.M.

Acquisitions in the Past Year: Bonded Insurance Agency.

Compensation: commissions and fees.

CONDON & SKELLY

Box 1000, Willingboro, N.J. 08046; 609-871-0600

	1974	1975
Premium vol. ...	$ 1,000,000	$ 1,250,000
Gross rev.	140,000	175,000
Employes	9	10
Commercial bus.	95%	95%

Principal Officers: William G. Skelly, J.D., CPCU, CLU, chairman; Christopher C. Condor., J.D., president.

Compensation: commissions and fees.

CONSOLIDATED INSURANCE CENTER INC.

6707 Whitestone Rd., Baltimore, Md. 21207; 301-944-9550

	1974	1975
Premium vol. ...	$ 2,154,375	$ 2,455,466
Gross rev.	400,216	463,615
Employes	17	17
Commercial bus.	70%	75%

Principal Officers: Charles P. Bundy Jr, CPCU, chairman of the board; John F. Doetzer, CPCU, president; Thomas F. Campion, CPCU, vp-treasurer; Robert G. Urch Jr., CPCU, vp-secretary; W. Ronald Galloway, CPCU, vp.

Compensation: commissions and fees.

CONTINENTAL ASSOCIATES INC.

310 Terrace Ave., Cincinnati, Oh. 45220; 513-221-1140

	1974	1975
Premium vol. ...	$ 5,100,000	$ 6,500,000
Gross rev.	893,000	798,000
Employes	35	35
Commercial bus.	71%	75%

Principal Officers: Carl R. Schlotman, president and treasurer; Ruth Schmitt, vp and secretary; Carl R. Schlotman Jr., vp; David L. Schlotman, vp; Jerome Marsa, vp.

Compensation: commissions.

CORY & ADAMS INC.

2021 Spring Rd., Oak Brook, Il. 60521; 312-654-8170

	1974	1975
Premium vol. ..	NA	NA
Gross rev.	$ 639,044	$ 846,581
Employes	14	15
Commercial bus.	95%	95%

Principal Officers: Daniel L. Cory, president; Theodore J. Adams, secretary.

Compensation: commissions and fees.

COULTER & GRONER INC.

125 Parkway Rd., Bronxville, N.Y. 10708; 914-337-9200

	1974	1975
Premium vol. ..	$ 2,000,000	$ 3,000,000
Gross rev.	300,000	450,000
Employes	7	8
Commercial bus.	65%	75%

Principal Officers: Elliot H. Coulter, president; Edward H. Groner, vp.

Compensation: commissions.

COUPER-ACKERMAN-SAMPSON INC.

2 Court St., P.O. Box 1970, Birmingham, N.Y. 13902; 607-722-1444

	1974	1975
Premium vol. ...	$ 2,900,000	$ 3,000,000
Gross rev.	550,000	565,000
Employes	25	24
Commercial bus.	67%	67%

Principal Officers: John F. Russell, CPCU, president; John A. Foley, vp; William J. McPhail, secretary; Robert H. White, assis-

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A.J. Wert, One Embarcadero Center, San Francisco, CA 94111, (415) 434-3356
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tant secretary.
Compensation: commissions.

JOHN C. COX JR. INC.

170 Hwy. 35, Red Bank, N.J. 07701; 201-842-7150

	1974	1975
Premium vol. ...	$ 2,250,000	$ 2,300,000
Gross rev.	214,764	221,283
Employes	8	8
Commercial bus.	99%	99%

Principal Officers: John C. Cox Jr., president.
Acquisitions in the Past Year: The River Plaza Agency, Inc.
Compensation: combination.

COX & MURPHREE INC.

P.O. Drawer 448, Troy, Al. 36081; 205-566-1477

	1974	1975
Premium vol. ..	$ 1,300,000	$ 1,735,000
Gross rev.	227,456	288,346
Employes	9	10
Commercial bus.	95%	95%

Principal Officers: Ken Cox, president; Bill Murphree, vp.
Acquisitions in the Past Year: Monk Wright Agency.
Compensation: commissions.

FRANK CRYSTAL & CO. INC.

61 Broadway, New York, N.Y. 10006; 212-344-2444

	1974	1975
Premium vol. ...	$14,000,000	$16,500,000
Gros rev.	710,000	825,000
Employes	14	14
Commercial bus.	80%	84%

Principal Officers: James W. Crystal, president; I. Frank Crystal, chairman.
Compensation: commissions and fees.

FRANCIS H. CURTIN INSURANCE AGENCY INC.

701 Concord Ave., Cambridge, Ma. 02138; 617-492-4900

	1974	1975
Premium vol. ...	$10,000,000	$10,000,000
Gross rev.	2,000,000	2,000,000
Employes	57	52
Commercial bus.	80%	80%

Principal Officers: George E. Curtin, president; Francis H. Curtin, vp and chairman of the board; John J. Curtin Jr., treasurer.
Compensation: commissions.

EDWIN R. DANIELS

411 N. Akard, Dallas, Tx. 75201; 214-748-3395

	1974	1975
Premium vol. ...	$ 5,000,000	$ 5,000,000
Gross rev.	150,000	175,000
Employes	3	3
Commercial bus.	60%	60%

Principal Officers: Edwin R. Daniels, CLU
Compensation: commissions.

DAVIS & DISSETTE INC.

1630 Hanna Bldg., Cleveland, Oh. 44115; 216-623-1020

	1974	1975
Premium vol. ...	$ 1,800,000	$ 2,000,000
Gross rev.	327,000	345,000
Employes	13	13
Commercial bus.	90%	90%

Principal Officers: T. K. Dissett Jr., chairman of the board; Edwin J. Sealy, CPCU, president; J. G. Kresge, vp; J. C. Palmer, CLU, vp.
Compensation: commissions and fees.

DAVIS-GROSSE INC.

209 N. York St., Elmhurst, Il. 60126; 312-834-0056

	1974	1975
Premium vol. ...	$ 1,200,000	$ 1,325,000
Gross rev.	249,000	300,000
Employes	10	10
Commercial bus.	65%	75%

Principal Officers: Edward L. Grosse, president; A. D. Davis, vp; Alfred E. Barr, secretary; A. D. Davis, Jr., chairman and treasurer.
Branch Offices: Winnetka, Il.
Compensation: combination.

DAWSON, TAYLOR & SHERMAN INC.

943 Reynolds, St., Augusta, Ga. 30902; 404-722-8883

	1974	1975
Premium vol. ...	$ 1,640,000	$ 1,690,000
Gross rev.	317,746	354,000
Employes	8	8
Commercial bus.	60%	65%

Principal Officers: Michael J. Taylor, president.
Compensation: commissions.

DAY, WEBB & TAYLOR INC.

1017 So. Gaylord St., Denver, Co. 80208; 303-778-0100

	1974	1975
Premium vol. ...	$ 3,600,000	$ 4,800,000
Gross rev.	618,000	875,000
Employes	NA	NA
Commercial bus.	60%	60%

Principal Officers: Robert W. Webb, CPCU, president; H. Howell Taylor, CPCU and CLU, vp.
Branch Offices: Seattle, Los Angeles.
Acquisitions in the Past Year: Columbia Insurance Service.
Compensation: commissions.

DE LIMA & CIA.

Apartado Aereo 165 Cali, Colombia, S. America; 894111

	1974	1975
Premium vol. ...	$10,000,000	$12,250,000
Gross rev.	2,200,000	2,700,000
Employes	190	220
Commercial bus.	96%	97%

Principal officers: Ernesto De Lima, president.
Branch Offices: Bogota, Cali, Medellin, Barranquilla, Cartagena, Pereira, Manizales.
Compensation: combination.

DELTA INSURANCE AGENCIES INC.

1810 116th N.E., Bellevue, Wa. 98004; 206-454-2097

	1974	1975
Premium vol. ...	$ 1,320,000	$ 2,140,000
Gross rev.	173,904	260,004
Employes	5	9
Commercial bus.	92%	94%

Principal Officers: Fred W. Armstrong, president; Vernon A. Smith, vp; Bruce R. McCaw, vp.
Compensation: commissions.

THOMAS J. DIETZ INC.

318 Bedford Rd., Bedford Hills, N.Y. 10507; 914-241-2200

	1974	1975
Premium vol. ...	$ 1,500,000	$ 1,000,000
Gross rev.	205,000	150,000
Employes	9	9
Commercial bus.	80%	60%

Parent Company: Tri-State Risk Management Corp.
Principal Officers: Thomas J. Dietz, president; Dennis J. Doyle, vp; Andrew Layer, vp.
Compensation: commissions.

DOHRMANN-KING CO.

1045 N. El Dorado St., Stockton, Ca. 95292; 209-465-5752

	1974	1975
Premium vol. ...	$ 1,820,000	$ 2,100,000
Gross rev.	240,000	269,320
Employes	9	9
Commercial bus.	80%	85%

Principal Officers: Lewis D. Skyhawk, senior vp; Robert E. Lee, vp.
Compensation: commissions and fees.

WALTER P. DOLLE INC.

Dixie Terminal Bldg., Cincinnati, Oh. 45202; 513-421-6515

	1974	1975
Premium vol. ...	$12,175,000	$14,110,000
Gross rev.	1,890,000	1,934,000
Employes	46	48
Commercial bus.	85%	89%

Principal Officers: Jack R. Trainer, president; H. Russell Reigart, vp; Charles Dehne, vp.
Compensation: commissions and fees.

DOWIS AGENCY INC.

214 S. 3rd St., P.O. Box 911, Sterling, Co. 80751; 303-522-6260

	1974	1975
Premium vol. ...	$ 1,704,199	$ 2,124,491
Gross rev.	397,872	447,271
Employes	17	20
Commercial bus	81%	84%

Principal Officers: Richard W. Dowis, president; Lyle D. Graham, secretary-treasurer; Hiram M. Dickson, vp; Richard A. Warren, assistant secretary.
Compensation: commissions.

THE DOWLER AGENCY INC.

450 Sunrise Hwy., Rockville Centre, N.Y. 11570; 516-536-2200; 212-895-2428

	1974	1975
Premium vol. ...	$ 2,750,000	$ 3,100,000
Gross rev.	476,000	600,000
Employes	19	15
Commercial bus.	65%	70%

Principal Officers: Robert A. Lanna, president; Robert E. Dowler, vp; T. Richard Cook, vp.
Compensation: commissions and fees.

DRINKWINE, MUNSON, ROBERTSON & ZILLGITT INC.

161 N. La Brea Ave., Inglewood, Ca. 90301; 213-678-4268

	1974	1975
Premium vol. ...	$ 2,015,740	$ 2,085,000
Gross rev.	322,914	353,204
Employes	12	13
Commercial bus.	55%	60%

Principal Officers: Preston B. Zillgitt, president; Robert Gerughty, vp; Harvey A. Drinkwine, secretary-treasurer.
Branch Offices: Newport Beach, Ca.
Acquisitions in the Past Year: Majestic American Insurance Agency.
Compensation: commissions.

ROBERT F. DRIVER CO. INC.

400 Cedar St., San Diego, Ca. 92112; 714-238-1828

	1974	1975
Premium vol. ..	NA	NA
Gross rev.	$ 1,229,109	$ 1,357,806
Employes	54	56
Commercial bus.	80%	80%

Principal Officers: Robert F. Driver, president; Richard M. Bowen, senior vp and treasurer; Irwin B. Sklar, senior vp; Robert H. Herring, secretary and comptroller.
Branch Offices: La Jolla, Ca.
Compensation: commissions and fees.

EDWARDS, LONGWELLO & TRAPANI INC.

871 Coleman Ave., San Jose, Ca. 95110; 408-288-8000

	1974	1975
Premium vol. ...	$ 2,620,000	$ 2,900,000
Gross rev.	363,000	423,600
Employes	15	16
Commercial bus.	70%	70%

Principal Officers: Robert E. Edwards, president; Charles J. Longwello, executive vp; John C. Hough, vp.
Compensation: commissions and fees.

JACOB EMMANUEL INC.

303 West Main St., Freehold, N.J. 07728; 201-780-2324; 212-962-2620

	1974	1975
Premium vol. ..	$ 1,354,630	$ 1,416,500



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Gross rev.	177,563	220,678
Employes	10	10
Commercial bus.	60%	63%

Principal Officers: Manuel J. Emmanuel, president; William Adams, vp.

Compensation: commissions.

EMETT & CHANDLER INC.

1800 Ave. of the Stars, Suite 400, Los Angeles, Ca. 90067; 213-553-2711

	1974	1975
Premium vol. ..	NA	NA
Gross rev	$ 5,625,000	$ 6,350,000
Employes	192	249
Commercial bus.	99%	99%

Parent Company: Pinehurst Corp.

Principal Officers: R. M. Page, president; O. E. Lane, chairman-Los Angeles; L. P. Lawrence, president-Los Angeles; L. C. Magnant, president-New York; C. A. Klenzing, treasurer.

Branch Offices: New York, San Francisco.

Acquisitions in the Past Year: J. S. Frelinghuysen, N.Y., Insurance Marts of California Inc., San Francisco.

Compensation: commissions and fees.

ESSARY, HART AND MacWILLIAM INC.

1800 St. James Place, Suite 602, Houston, Tx. 77056; 713-626-1490

	1974	1975
Premium vol. ..	$ 2,520,000	$ 3,745,000
Gross rev.	300,810	387,730
Employes	6	6
Commercial bus.	90%	92%

Principal Officers: Oved S. Essary, president; Don R. Hart, vp; James D. MacWilliam Jr., vp.

Compensation: commissions.

EUCLID SERVICES INC.

630 Third Ave., New York, N.Y. 10017; 212-661-6200

	1974	1975
Premium vol. ...	$ 7,100,000	$ 7,850,000
Gross rev.	720,000	800,000
Employes	20	22
Commercial bus.	85%	85%

Parent Company: Euclid Services Corp.

Principal Officers: Frank Peri, president; Alvin Block, vp; Martin Beitler, secretary; Leonard Mintzes, comptroller.

Compensation: commissions and fees.

EVERETT & ASSOCIATES INC.

9345 N.E. 6th Ave., Miami Shores, Fl. 33138; 305-757-5556

	1974	1975
Premium vol. ...	$ 1,648,184	$ 3,000,000
Gross rev.	205,801	300,000
Employes	9	9
Commercial bus.	92%	92%

Principal Officers: Frances B. Everett, president; Henry A. Everett, chairman of the board; John L. Hoerber, executive vp.

Compensation: commissions.

EXECUTIVE MOTIVATION INC.

One Crossroads of Commerce, Rolling Meadows, Il. 60008; 312-398-7500

	1974	1975
Premium vol. ...	$ 2,355,000	$ 2,400,000
Gross rev.	202,000	205,000
Employes	4	4
Commercial bus.	90%	90%

Principal Officers: Gary L. Karlin, president; William T. Wallace, vp and treasurer; Edna S. Nutter, secretary.

Compensation: commissions and fees.

EXEMPLAR INTERNATIONAL

1275 15th St., Fort Lee, N.J. 07024 201-224-8585

	1974	1975
Premium vol. ...	$ 1,200,000	$ 1,300,000
Gross rev.	170,000	180,000
Employes	7	7
Commercial bus.	90%	93%

Principal Officers: David L. Winston, president; Douglas L. Winston, vp; Harold Targan, treasurer.

Branch Offices: New York City.

Compensation: commissions and fees.

FAIRLANE ASSOCIATES INC.

3307 Greenfield Rd., Dearborn, Mi. 48120; 313-271-8200

	1974	1975
Premium vol. ...	$ 3,250,000	$ 3,600,000
Gross rev.	586,682	647,783
Employes	24	25
Commercial bus.	47%	49%

Principal Officers: Robert Maldegen, president and treasurer; Michael Maldegen, vp-secretary; Bruce J. Auten, vp.

Compensation: commissions and fees.

FANWICK & RUBIN

393 Seventh Ave., New York, N.Y. 10001; 212-244-3330

	1974	1975
Premium vol. ...	$ 1,759,107	$ 2,234,988
Gross rev.	325,792	328,757
Employes	5	5
Commercial bus.	90%	90%

Principal Officers: Jacob Fan-

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wick, partner; Aaron Rubin, partner.

Compensation: commissions and fees.

JAMES D. FEINHOR INSURANCE AGENCY INC.

2811 Wilshire Blvd., Santa Monica, Ca. 90403; 213-829-2626; 213-871-1231

	1974	1975
Premium vol.	$ 1,196,919	$ 1,335,412
Gross rev.	228,618	241,118
Employes	7	7
Commercial bus.	NA	68%

Principal Officers: James D. Feinhor, president; Melvin Furstman, vp.

Compensation: commissions.

FENDERSON AGENCY INC.

90 Main St., Calais, Me. 04619; 207-454-2556

	1974	1975
Premium vol.	$ 1,129,000	$ 1,500,000
Gross rev.	240,634	288,630
Employes	17	19
Commercial bus.	50%	53%

Principal Officers: David M. Fenderson, CPCU, president.

Branch Offices: Buckport, Eastport, Machias and Jackman, Maine.

Acquisitions in the Past Year: Warren Agency, Bucksport, Me.

Compensation: commissions.

FINANCIAL INSURANCE SERVICE INC.

2200 East Devon Ave., Des Plaines, Il. 60018; 312-297-4660

	1974	1975
Premium vol.	$ 9,000,000	$ 7,500,000
Gross rev.	1,119,603	1,384,145
Employes	35	37
Commercial bus.	100%	100%

Principal Officers: William C. Eickhof Jr., president; Stephen L. Marley, executive vp; Ronald O. Anfenson, secretary-treasurer.

Compensation: commissions and fees.

FINKELSTEIN, GOLDSTEIN & RICK

570 Seventh Ave., New York, N.Y. 10018; 212-730-7100

	1974	1975
Premium vol.	NA	$ 7,500,000
Gross rev.	NA	442,110
Employes	NA	12
Commercial bus.	NA	100%

Principal Officers: Edward F. Comeford, president; Robert C. Gerard, vp.

Compensation: commissions and fees.

FIRST ASSOCIATED INSURANCE AGENCIES INC.

12465 Burleigh Rd., Brookfield, Wi. 53186; 414-786-2540

	1974	1975
Premium vol.	$ 3,700,000	$ 4,100,000
Gross rev.	590,000	610,000
Employes	19	20
Commercial bus.	55%	60%

Principal Officers: Howard McKee, chairman of the board; Theodore Schmidt, president; Arthur Lintoff Jr., secretary-treasurer; Robert Stolz, vp; Robert Havens, vp; Robert English, vp; Robert Cayze, vp; Clary Mangen, vp; Timothy Gahugan, vp.

Compensation: commissions.

FITZGERALD, CLAYTON, NOYES & KASTEN INC.

757 North Broadway, Milwaukee, Wi. 53202; 414-271-3717

	1974	1975
Premium vol.	$ 2,700,000	$ 3,000,000
Gross rev.	390,000	430,000
Employes	14	16
Commercial bus.	60%	65%

Principal Officers: Robert T. Clayton, president; William D. Hoppenjan, vp and secretary; Frederick C. Kasten, vp and treasurer.

Compensation: commissions and fees.

FLENNIKEN FINANCIAL SERVICES INC.

515 Market St., P.O. Box 468, Knoxville, Tn. 37901; 615-524-9811

	1974	1975
Premium vol.	$ 3,040,000	$ 3,760,000
Gross rev.	508,750	599,050
Employes	21	23
Commercial bus.	41%	46%

Principal Officers: R. R. Scott, CPCU, chairman; J. D. Clements, CPCU, president; R. L. Oakes, CPCU, executive vp; J. B. Turner, senior vp; C. F. Sterchi Jr., vp.

Compensation: commissions.

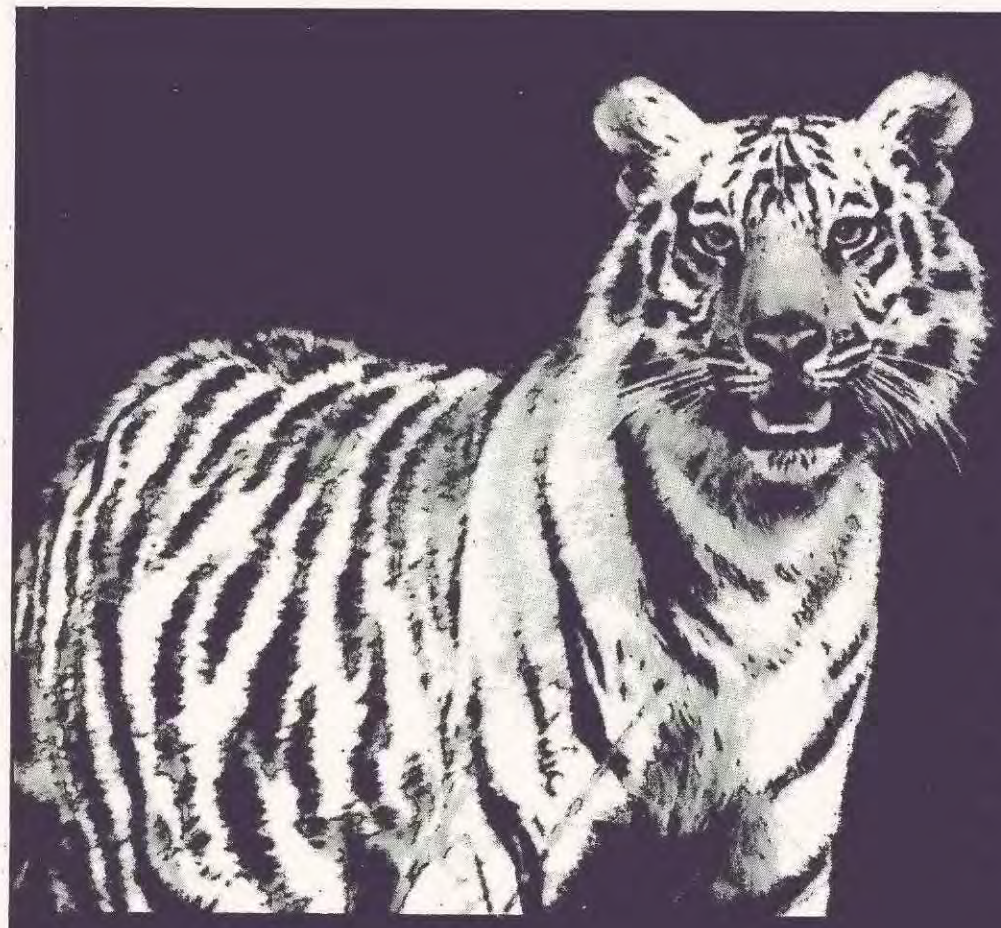
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	1974	1975
Premium vol. ...	$ 8,800,000	$10,200,000
Gross rev.	542,000	732,000
Employes	25	27
Commercial bus.	98%	99%

Principal Officers: Conrad Foa, president; M. H. Broudy, executive vp; Dick Impastato, assistant vp; V. Di Mauro, assistant vp-manager of reinsurance operations; Gerald Lind, assistant vp-manager of employe benefits; Dick Staveley, manager of domestic property/casualty dept.; Walter Di Cagno, marketing.

Branch Offices: Boston.

Compensation: combination.

FOSS, CATES & HUDSON

P.O. Box 3606, Victoria, Tx. 77901; 512-575-8256

	1974	1975
Premium vol. ...	$ 2,212,765.	$ 3,151,510
Gross rev.	368,884	517,157
Employes	17	18
Commercial bus.	65%	69%

Principal Officers: Reagan B. Cates, partner; Marvin J. Foss, partner; John B. Hudson, partner; Jerry L. Sims, partner.

Branch Offices: Houston, Tx.; Pt. Lavaca, Tx.; Goliad, Tx.

Acquisitions in the Past Year: E. J. Dysart Agency.

Compensation: commissions.

FRASER, FONTAINE & KONG LTD.

28 Pawsey Place, Kingston, 5, Jamaica, W.I.; 0936-3560; 0936-1140; 0926-4684

	1974	1975
Premium vol. ...	$ 2,297,515	$ 3,452,986
Gross rev.	350,900	486,828
Employes	33	37
Commercial bus.	92%	"95%

Principal Officers: G. N. Fraser, director; G. R. Fontaine, director; M. J. Weedy, director.

Compensation: commissions and fees.

FREESE & CO INC.

2121 S. Columbia, Tulsa, Ok. 74114; 918-747-8651

	1974	1975
Premium vol. ...	$ 1,500,000	$ 1,750,000
Gross rev.	300,000	350,000
Employes	10	11
Commercial bus.	95%	95%

Principal Officers: James K. Freese, president; Ron E. Davis, vp.

Compensation: commissions.

FRENKEL & CO. INC.

156 William St., New York, N.Y. 10038; 212-267-2200

	1974	1975
Premium vol. ..	NA	NA
Gross rev.	$ 3,325,000	$ 3,524,000
Employes	135	128
Commercial bus.	75%	75%

Principal Officers: Leo S. Frenkel, chairman of the board; George P. Frenkel, vice chairman and treasurer; Charles W. Pachner, president; James J. Costa, executive vp; Alan Samuels, senior vp; Robert Shunk, senior vp.

Branch Offices: Los Angeles.

Compensation: commissions and fees.

SIDNEY I. FREIDLANDER INC.

325 Genessee St., Utica, N.Y. 13501; 315-724-3173

	1974	1975
Premium vol. ...	$ 1,584,000	$ 1,695,000
Gross rev.	248,700	263,420
Employes	11	10
Commercial bus.	85%	87%

Principal Officers: Sidney I. Freidlander, president; Barbara A. Montero, vp.

Compensation: commissions and fees.

FRIEDMAN & FRIEDMAN AGENCY INC.

125 Willis Ave., Box 1368, Roslyn Heights, N.Y. 11577; 516-484-4100

	1974	1975
Premium vol. ...	$ 4,500,000	$ 4,500,000
Gross rev.	450,000	450,000
Employes	14	15
Commercial bus.	85%	85%

Principal Officers: Maurice Friedman, president and treasurer; Harry D. Friedman, vp and secretary; Mark Ficelman, vp; Mildred DeMeo, vp.

Compensation: commissions and fees.

ALAN D. FULTON INSURANCE INC.

350 Sevilla Ave., Coral Gables, Fl. 33134; 305-445-2627

	1974	1975
Premium vol. ...	$ 4,500,000	$ 4,600,000
Gross rev.	400,000	421,000
Employes	9	9
Commercial bus.	90%	90%

Principal Officers: Allan D. Fulton, president; Eileen Hubbell, secretary; S. G. Working, vp.

Compensation: commissions and fees.

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	1974	1975
Premium vol. ...	$ 1,400,000	$ 1,660,000
Gross rev.	215,000	278,000
Employes	11	11
Commercial bus.	85%	85%

Principal Officers: Phil C. Gallagher, partner; Samuel T. Cole, partner; L. N. Francis, CPCU, associate; Raymond O. Boon, CLU, associate.

Compensation: commissions and fees.

THE GILBERT-MAGILL CO.

P.O. Box 13265, Kansas City, Mo. 64199; 816-221-5540

	1974	1975
Premium vol. ...	NA	$ 3,350,000
Gross rev.	$ 374,500	435,100
Employes	13	15
Commercial bus.	90%	90%

Principal Officers: Edward G. Gilbert, president; Laurus W. Magill, vp; A. F. Stratemeier Jr., secretary.

Compensation: commissions and fees.

THE GLEASON AGENCY INC.

200 Fisher Bldg., Johnstown, Pa. 15901; 814-535-1586

	1974	1975
Premium vol. ...	$ 1,228,356	$ 1,900,000
Gross rev.	219,000	278,000
Employes	7	8
Commercial bus.	90%	90%

Principal Officers: Robert A. Gleason Jr., president; Christopher K. Gleason, vp.

RICHARD N. GOLDMAN & CO.

Alcoa Bldg., One Maritime Plaza, San Francisco, Ca. 94111; 415-981-1141

	1974	1975
Premium vol. ...	$26,000,000	$27,000,000
Gross rev.	1,100,000	1,200,000
Employes	31	31
Commercial bus.	88%	90%

Principal Officers: Richard N. Goldman, president and chairman of the board; Stuart W. Seiler, executive vp and treasurer; Chester W. King, senior vp and secretary.

Compensation: commissions and fees.

GOTTSACKER INSURANCE AGENCY INC.

P.O. Box 251, Security First Bank Bldg, Sheboygan, 53081; 414-457-7781

	1974	1975
Premium vol. ...	$ 2,784,000	$ 3,095,000
Gross rev.	502,000	560,000
Employes	19	25
Commercial bus.	77%	75%

Principal Officers: William A. Gottsacker, president; Donald E. Huber, CLU, vp; Edwin W. Storer, CPCU, vp; Walter Trautschold, vp; Henry Blanke, vp.

Branch Offices: Sheboygan Falls, Wi.; Plymouth, Washington Island, Wi.

Acquisitions in the Past Year: Ballschmider-Schils Insurance Agency Inc.; McCabe Insurance Agency; Merger with Maiken Insurance Agency.

Compensation: commissions

GRINNAN, HARRIS, TAB & CO. INC.

1211 Roseneath Rd., Richmond, Va. 23230; 804-355-7401

	1974	1975
Premium vol. ...	$ 2,134,925	$ 2,448,705
Gross rev.	340,000	351,395
Employes	13	14
Commercial bus.	53%	60%

Principal Officers: St. George Grinnan Jr., president; Robert P. Grymes Jr., vp; William L. Harris, vp; Maria G. Tabb, vp; A. E. Dukes, treasurer.

Compensation: commissions

GULF COAST INSURANCE AGENCY

2050 North 11th St., P.O. Box 7750, Beaumont, Tx. 77706; 713-898-2332

	1974	1975
Premium vol. ...	$ 812,000	$ 1,200,000
Gross rev.	121,000	212,000
Employes	4	6
Commercial bus.	25%	35%

Principal Officers: Larry W. Smith, partner, W. M. Callaway Jr., partner; Kenneth G. Callaway, partner.

Acquisitions in the Past Year: Wayne W. Brown Insurance Agency (merger).

Compensation: commissions

GUY, MURRAY & SMITH INC.

3709 Jetton Ave., Tampa, Fl. 33609; 813-253-2761

	1974	1975
Premium vol. ...	$ 8,906,000	$12,700,000
Gross rev.	2,070,000	2,826,863
Employes	74	84
Commercial bus.	100%	100%

Principal Officers: C. H. Guy Jr., chairman; J. M. Murray Jr., president; T. G. Smith, executive vp; T. G. Stephens, vp-marketing; F. M. Taylor Jr., vp-treasurer.

Branch Offices: Memphis, Durham, Dallas, Ft. Lauderdale.

Compensation: commissions and fees.

HAAS & WILKERSON

3101 Broadway, Kansas City, Mo.; 816-756-1600

	1974	1975
Premium vol. ...	$14,050,000	NA
Gross rev.	2,240,000	$ 2,420,000
Employes	58	59
Commercial bus.	80%	NA

Principal Officers: Albert E. Haas.

Branch Offices: St. Louis, Mo.; Flint, Mi.; Chicago, Il.; St. Petersburg, Fl.

HACKETT, VALINE & MacDONALD INC.

198 College St., Burlington, Vt. 05401; 802-658-1100

	1974	1975
Premium vol. ...	$ 3,000,000	$ 3,700,000
Gross rev.	521,284	588,637
Employes	16	18
Commercial bus.	75%	75%

Parent Company: HVM Corp.

Principal Officers: Luther F. Hackett, president; Duane A. Valine, vp; Donald R. MacDonald, vp.

Compensation: commissions

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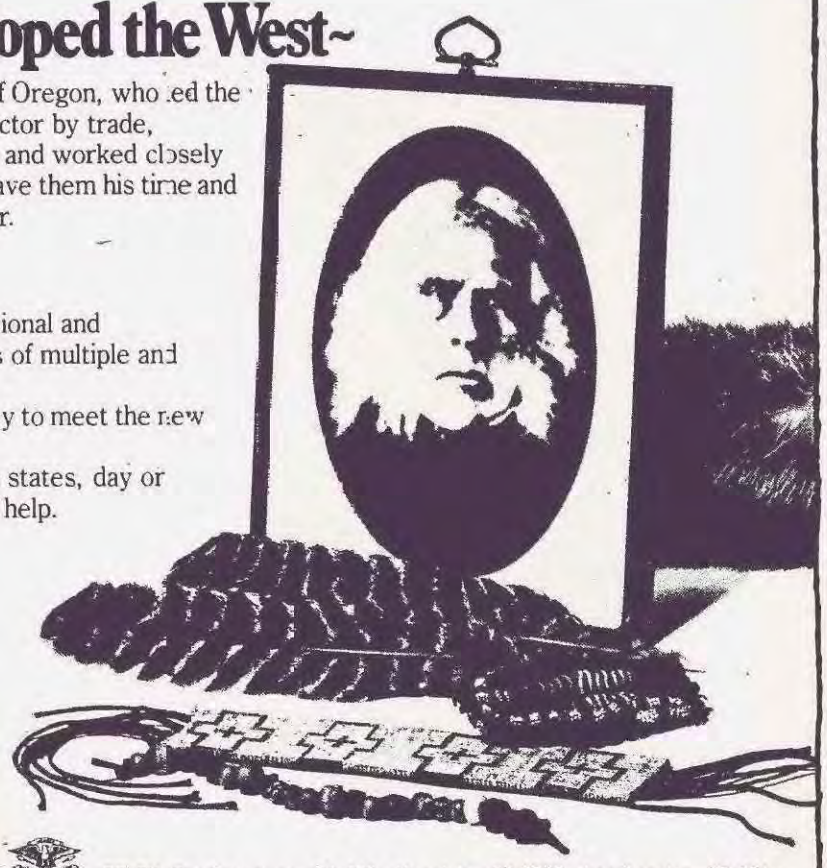
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1925 Lexington, Houston, Tx. 77098; 713-528-5389

	1974	1975
Premium vol. ...	$ 2,318,000	$ 2,275,000
Gross rev.	386,500	409,500
Employes	19	14
Commercial bus.	47%	40%

Principal Officers: Wayland Buddy Hancock, partner; R. J. Hollis Waldt, partner.

L. E. HARRIS AGENCY INC.

1511 K St., N.W., Washington, D.C. 20005; 202-393-4200

	1974	1975
Premium vol. ...	$ 2,835,000	$ 2,972,000
Gross rev.	321,000	327,000
Employes	21	21
Commercial bus.	83%	85%

Principal Officers: L. E. Harris, board chairman; M. R. Harris, president; J. J. Harris, CPCU, secretary.

HARVAL AGENCY

182-04 Horace Harding Expressway, Flushing, N.Y. 11365; 212-463-3611

	1974	1975
Premium vol. ...	$ 1,000,000	$ 1,000,000
Gross rev.	200,000	200,000
Employes	6	6
Commercial bus.	50%	52%

Principal Officers: Doris Shaw.
Compensation: commissions.

HASKINS AND LOVE INC.

300 E. Las Olas Blvd., Ft. Lauderdale, Fl. 33301; 305-467-8748

	1974	1975
Premium vol. ...	$ 1,500,000	$ 1,750,000
Gross rev.	300,000	350,000
Employes	15	17
Commercial bus.	50%	50%

Parent Company: Penn General Agencies Inc.

Principal Officers: H. Hamilton Love, president; Fred A. Grove, vp; Herman C. Schumm, treasurer.

HATCH-LEONARD INC.

40 Franklin St., Rochester, N.Y. 14604; 716-586-7106

	1974	1975
Premium vol. ...	$3,600,000	$4,100,000
Gross rev.	500,000+	500,000+
Employes	23	23
Commercial bus.	58%	59%

Principal Officers: Lester H. Leonard, CPCU, chairman of the board; R. Bruce Davey, CPCU, president.

JACOB HAUCK & SON INC.

141 Buffalo St., Hamburg, N.Y. 14075; 716-649-4174

	1974	1975
Premium vol. ...	$ 5,022,579	$ 5,528,756
Gross rev.	904,244	938,262
Employes	52	55
Commercial bus.	56%	65%

Parent Company: Foreguard Agencies.

Principal Officers: Richard W. Michaels, president; Paul H. Peterson, secretary.

Branch Offices: Orchard Park, N.Y.

MARTIN HAYES & CO. INC.

P.O. Box 2545, #2 Vantage Way, Nashville, Tn. 37219; 615-244-8820

	1974	1975
Premium vol. ...	$ 9,800,000	$11,150,000
Gross rev.	1,100,000	1,400,000
Employes	24	32
Commercial bus.	97%	98%

Principal Officers: Rogers C. Buntin, chairman; Ira J. Heckman, president.

AL HAYS & ASSOCIATES

685 Carondelet St., Los Angeles, Cal. 90057; 213-487-1880

	1974	1975
Premium vol. ...	$2,000,000	$2,400,000
Gross rev.	200,000+	240,000+
Employes	7	5
Commercial bus.:	95%	97%

Principal Officers: Al Hays, president; Jim Ferrell, executive vp; Pauline Kuwahara, secretary-



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treasurer.

Compensation: commissions and fees.

HEFFERNAN, KEILER & DOBLE INC.

One Embarcadero Center, San Francisco, Ca. 94111; 415-781-5990

	1974	1975
Premium vol. ...	$ 4,000,000	$ 5,750,000
Gross rev.	437,655	637,638
Employes	19	23
Commercial bus.	95%	95%

Principal Officers: Frank M. Heffernan, Jr., president; Theodore R. Keiler, vp; Diane Birchell, secretary-treasurer.

Compensation: commissions and fees.

HEKTNER-LYBECK-ERICKSON INSURANCE

1331 So. U. Drive, Box 1426, Fargo, N.D. 58012; 701-293-0011

	1974	1975
Premium vol. ...	$ 1,500,000	$ 1,850,000
Gross rev.	290,000	350,000
Employes	10	12
Commercial bus.	40%	43%

Principal Officers: Alfred G. Hektner, president; Wallace Erickson, vp; Dorlan Lybeck, secretary-treasurer.

JOSEPH HELD CO. INC.

116 John St., Suite 1600, New York, N.Y. 10038; 212-962-3122

	1974	1975
Premium vol. ...	$ 1,100,000	$ 1,200,000
Gross rev.	165,000	180,000
Employes	7	8
Commercial bus.	80%	80%

Principal Officers: Kenneth Held, executive vp; Arnold Held, vp; Jean Greenwald, office manager.

Compensation: commissions

HERNDON, ILES & SCOTT INC.

P.O. Box 2307, 400 E. Church St., Orlando, Fl.32802; 305-841-2250

	1974	1975
Premium vol. ...	$ 4,365,220	$ 3,662,605
Gross rev.	841,000	714,000
Employes	24	21
Commercial bus	75%	65%

Principal Officers: A. B. Herndon, Jr., president; William A. Iles, executive vp; William Schaffner, vp and treasurer; Jack Gurgnard, vp.

Compensation: commissions and fees.

PAUL HERTEL & CO. INC.

N. E. Cor. Third & Chestnut Sts., Philadelphia, Pa. 19106; 215-925-7656

	1974	1975
Premium vol. ...	$ 4,000,000	$ 5,200,000
Gross rev.	455,000	640,000
Employes	30	34
Commercial bus.	68%	70%

Principal Officers: Paul R. Hertel, Jr., president; Robert T. Antosh, executive vp; James J. McLaughlin, vp.

Branch Offices: Media, Pa.; Ft. Washington, Pa.; Roxborough, Pa.

Acquisitions in the Past Year: Reed & Stambaugh Agency Inc., Gilvear Insurance Agency, D. I. Payne, F. J. Tyson.

Compensation: commissions and fees.

HEWITT, COLEMAN & ASSOCIATES INC.

P.O. Box 3665, Greenville, S. C. 29608; 803-242-4350

	1974	1975
Premium vol. ...	$15,658,000	$17,500,000
Gross rev.	1,330,000	1,550,000
Employes	60	61
Commercial bus.	99%	99%

Principal Officers: R. P. Hewitt, president and chairman; James W. Duff, president—Michigan corp.; Richard L. Martinez, executive vp—Michigan corp.; Harry W. Dahl, president—Iowa corp.; William D. Alcott, president—Universal Health Care Inc.; James G. Lane, executive vp; James G. Willox, executive vp—Florida operation; James E. Cady, vp; Sapp Funderburk, vp; Rosemary Crawford, vp.

Branch Offices: Des Moines, Orlando, Sarasota, Atlanta, New York, Flat Rock, N.C., Hendersonville, N.C., Richmond, Detroit, Newberry, Mi., Indianapolis, Jackson, Ms., Denver.

Compensation: commissions and fees.

HICKOK-BOARDMAN INC.

346 Shelburne St., Burlington, Vt. 05401; 802-658-3500

	1974	1975
Premium vol. ...	$ 4,300,000	$ 4,800,000
Gross rev.	1,027,000	1,110,000
Employes	28	32
Commercial bus.	73%	73%

Principal Officers: I. M. Boardman, Jr., president; Robert E. Boardman, vp; David M. Boardman, vp; Francis J. Cain, CPCU, vp.

Compensation: commissions.

HOLLAND INSURANCE AGENCY INC.

19 West 8th St., Holland, Mi. 49423; 616-396-4611

	1974	1975
Premium vol. ...	$ 2,316,277	$ 2,522,720
Gross rev.	418 661	385,625
Employes	9	9
Commercial bus.	64%	63%

Principal Officers: Dale Van Lente, CPCU, president; John Heyboer, CPCU, vp; Dale Van Dort, secretary; David Lake, treasurer.

Compensation: commissions.

HOLMES MURPHY AND ASSOCIATES INC.

1022 High St., Des Moines, Ia. 50309; 515-243-8116

	1974	1975
Premium vol. ...	NA	$ 7,957,104
Gross rev.	$ 1,497,000	1,707,727
Employes	37	37
Commercial bus.	96%	97%

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Principal Officers: Ray Murphy Jr., president; Harry S. Barrows, vp; Roy L. Heggen, vp; Daniel Grimm, vp; Robert A. Dee, vp-treasurer; Richard J. Nonce, vp-secretary.

Compensation: commissions.

HOWALT-McDOWELL INSURANCE INC.

630 S. Minnesota Ave., Box 986, Sioux Falls, S.D. 57101; 605-339-3874

	1974	1975
Premium vol. ...	$ 1,500,000	$ 2,000,000
Gross rev.	260,000	300,000
Employes	7	8
Commercial bus.	75%	75%

Principal Officers: L. W. Scherschligt, CPCU, president and treasurer; G. R. Farmer, CPCU, vp; J. E. Jencks, secretary.

Compensation: commissions.

J. L. HUBBARD CO.

333 E. Pershing Rd., P.O. Box 2205, Decatur, Il. 62526; 217-877-3344

	1974	1975
Premium vol. ...	$ 1,528,850	$ 2,120,042
Gross rev.	338,000	487,000
Employes	17	19
Commercial bus.	90%	90%

Principal Officers: J. L. Hubbard, president; R. G. Overheul, senior vp; R. D. Hughes, vp-general manager.

Branch Offices: Peoria, St. Louis.

Compensation: commissions.

HUSSEY AGENCY INC.

1212 Merchants Natl. Bank Bldg., Topeka, Ks. 66612; 913-235-0011

	1974	1975
Premium vol. ...	$ 5,000,000	$ 6,000,000
Gross rev.	770,000	960,000
Employes	34	34
Commercial bus.	75%	75%

Principal Officers: Paul H. Heinz, president; Harry A. Dembicki, executive vp; William E. Scott, vp; Eugene Konzem, vp; Loren Parnell, vp; Curt S. Heinz, treasurer; B. M. Hargis, secretary.

Acquisitions in the past year: Parnell Agency Inc.

Compensation: commissions.

IFM INSURANCE INC.

600 Main Bldg., P.O. Box 526, Tupelo, Ms. 38801; 601-842-1321

	1974	1975
Premium vol. ...	$ 1,600,000	$ 1,800,000
Gross rev.	360,000	418,000
Employes	15	16
Commercial bus.	50%	55%

Principal Officers: Jim High, president; O'Neil Tate, vp; Bill Fields, vp; Charles Johnston, vp; David Megginson, secretary-treasurer.

Compensation: combination.

IPS INC.

#210 Beltrami Ave., Bemidji, Mn. 56601; 218-751-2330

	1974	1975
Premium vol. ...	$ 2,771,465	$ 3,146,915
Gross rev.	409,886	469,802
Employes	16	18
Commercial bus.	71%	73%

Principal Officers: R. M. Baumgartner, president; W. C. Baumgartner, senior vp; J. M. Downs, secretary-treasurer; R. F. Healey, vp-marketing; J. F. Parker, vp-life and A&H.

Acquisitions in the Past Year: one acquisition, in Memidji, Mn.

Compensation: commissions.

INDEPENDENT INSURANCE SERVICE CORP.

801 Cleve-Tusc Bldg., Canton, Oh. 44702; 216-453-7721

	1974	1975
Premium vol. ...	$ 4,400,000	$ 4,900,000
Gross rev.	740,000	822,000
Employes	40	40
Commercial bus.	80%	80%

Principal Officers: Thomas A. Schaner, CPCU, CLU, president; John Gabi, CPCU, CLU, vp; George B. Crawford, CPCU, CLU, vp; David Pierce, CPCU, vp; Paul V. Kraft, CLU, life mgr.; Donald Moore, personal lines manager.

Branch Offices: Akron.

Compensation: commissions and fees.

INDUSTRIAL INSURANCE AGENCY INC.

300 S. Wacker Drive, Chicago, Il. 60606; 312-786-9080

	1974	1975
Premium vol. ...	$ 2,467,000	$ 3,245,000
Gross rev.	390,759	486,619
Employes	8	10
Commercial bus.	87%	85%

Principal Officers: Melvin E. Rodney Sr., president; Melvin E. Rodney Jr., vp and secretary; Richard A. Rodney, vp and treasurer.

Branch Office: Milwaukee.

Compensation: combination.

INSURANCE INC.

4805 Garrison Blvd., Baltimore, Md. 21215; 301-466-6500

	1974	1975
Premium vol. ...	$ 3,800,000	$ 4,200,000
Gross rev.	626,381	657,328

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Employes	16	16
Commercial bus.	79%	84%

Principal Officers: Benedict L. Rosenberg, president.

Compensation: commissions.

INSURANCE AGENTS INC.

360 Midlands Mall, 35 North Main St., Council Bluffs, Ia. 50501; 712-312-6693

	1974	1975
Premium vol. ...	$ 3,286,000	$ 4,355,000
Gross rev.	548,000	653,000
Employes	25	25
Commercial bus.	80%	80%

Principal Officers: H. H. "Red" Nelson, chairman; John P. Nelson, president; W. H. Boehner, vp-casualty; G. A. Bartel, vp-benefits; Henry Lane, vp-engineering; Steve Nelson, secretary.

Branch Offices: Sioux City, Ia.; Omaha, Ne.; Bellevue, Ne.

Compensation: combination.

INSURANCE ASSOCIATES INC.

8520 Connecticut Ave., Chevy Chase, Md. 20015; 301-654-9010

	1974	1975
Premium vol. ...	$ 2,349,000	$ 2,546,000
Gross rev.	393,000	394,000
Employes	15	17
Commercial bus.	90%	90%

Principal Officers: T. R. Barker, president; W. F. Igoe, Jr., executive vp; Joseph R. Clark, senior vp.

Compensation: commissions.

INSURANCE CENTER OF OWENSBORO INC.

111 Frederica St., P.O. Box 660, Owensboro, Ky. 42301; 502-926-1030; 502-298-7478

	1974	1975
Premium vol. ...	$ 1,042,000	$ 1,185,000
Gross rev.	140,000	175,000
Employes	8	9
Commercial bus.	79%	75%

Principal Officers: Sherman A. Wilson, CPCU, president; Robert E. Neely, vp and treasurer; Ora Jean Edge, secretary.

Acquisitions in the Past Year: Medley Insurance Agency Inc.

Compensation: commissions.

INSURANCE CENTER OF SOUTHERN CONNECTICUT INC.

2307 Main St., Bridgeport, Ct. 06606; 203-368-2511

	1974	1975
Premium vol. ...	$ 1,323,000	$ 1,415,761
Gross rev.	260,408	265,233
Employes	10	12
Commercial bus.	50%	52%

Principal Officers: Arnold Kaplan, CLU, CPCU, president; James D'Agostino, vp; Burton Bauchner, assistant vp.

Compensation: commissions.

INSURANCE MANAGEMENT ASSOCIATES INC.

714 Union Center, Wichita, Ks. 67202; 316-683-3388

	1974	1975
Premium vol. ...	$ 7,500,000	$ 8,500,000
Gross rev.	1,004,650	1,250,000
Employes	29	32
Commercial bus.	80%	83%

Principal Officers: Paul C. Yankey Jr., president; W. C. Cohen Jr., vp; Joe Moddrell Jr., vp; Richard Matassarian, vp; Paul Starr, secretary-treasurer; W. C. Cohen, assistant secretary-treasurer.

Acquisitions in the Past Year: Matthews Agency.

Compensation: combination.

INSURANCE MARKETING AGENCIES INC.

1200 Mechanics Natl. Bank Tower, Worcester, Ma. 01608; 617-753-7234

	1974	1975
Premium vol. ...	$ 3,350,000	$ 3,500,000
Gross rev.	455,000	490,000
Employes	18	18
Commercial bus.	80%	80%

Principal Officers: Sumner W. Herman, president and treasurer; Arnold J. Horowitz, vp and clerk; John J. Kelley, vp.

Compensation: commissions and fees.

INSURANCE MART INC.

11503 W. 75th St., Shawnee, Ks. 66214; 913-631-0995

	1974	1975
Premium vol. ...	$ 875,000	$ 1,100,000
Gross rev.	136,553	187,554
Employes	6	7
Commercial bus.	80%	80%

Principal Officers: Don Beilman, president; Pete Pomerenke, vp.

Compensation: commissions.

INSURANCE PROFESSIONALS INC.

93 No. Fairview Ave., Paramus, N.J. 07652; 201-265-7110

	1974	1975
Premium vol. ...	NA	$ 2,368,000
Gross rev.	NA	361,000
Employes	NA	12
Commercial bus.	NA	80%

Principal Officers: James L. Irwin, president; John A. Jones, vp.

Compensation: commissions.

INSURANCE & RISK MANAGEMENT

915 S. Clinton St., P.O. Box 1705, Fort Wayne, In. 46801; 219-743-4771

	1974	1975
Premium vol. ...	$ 6,171,000	$ 9,038,000
Gross rev.	1,457,000	1,639,000
Employes	68	71
Commercial bus.	85%	86%

Principal Officers: Julian M. Bowers, partner; Harry A. Crawford, partner; Robert R. Devore, partner; Leonard B. Koeller, partner; G. Parker Gee, partner; Paul R. Porter, partner; Ronald E. Weber, partner.

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PALMER & CAY, INC.
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234-6621
SEE OUR AD ON PAGE 6

Branch Offices: Muncie, Churobusco, In.

Acquisitions in the Past Year: Paul Schwartz Insurance Agency.

Compensation: combination.

INTERCONTINENTAL INSURANCE SERVICE CORP.

6043 N. Cicero Ave., Chicago, Il. 60646; 312-286-7566

	1974	1975
Premium vol. ...	NA	$ 8,000,000
Gross rev.	NA	1,200,000
Employes	NA	18
Commercial bus.	NA	100%

Principal Officers: Toby Farris, chairman; Dick Molohan, president.

Branch Office: W. Des Moines.

Compensation: commissions and fees.

INTERNATIONAL RISKS INC.

1701 Pennsylvania Ave., N.W., Washington, D.C. 20006; 202-452-6666

	1974	1975
Premium vol. ..	NA	NA
Gross rev.	$ 825,304	$ 715,004
Employes	40	36
Commercial bus.	98%	98%

Parent Company: International Bank

Principal Officers: Thomas C. Breen, Jr., president; William A. Harvell, senior vp; Benjamin F. Conrad, vp; Earl Morris, resident vp.

Branch Offices: Upland, In.; McLean, Va.

Compensation: commissions.

HERBERT L. JAMISON & CO.

90 Park Ave., New York, N.Y. 10016; 212-490-7600

	1974	1975
Premium vol. ...	$22,000,000	$28,000,000
Gross rev.	2,600,000	3,000,000
Employes	76	79
Commercial bus.	93%	94%

Principal Officers: Herbert L. Jamison Jr., managing partner; Elwin B. Schoen, partner; William A. McManus III, partner; Charles G. Weaver, partner; Richard G. Jamison, partner; Partington, Kobbe Co. Inc., partner (James H. M. Partington, president); W. Gerould Clark III, CPCU, partner.

Compensation: commissions and fees.

JAY & RENFRO

333 No. Newport Blvd., Newport Beach, Ca. 92663; 714-645-9000; 714-546-9000

	1974	1975
Premium vol. ...	$ 6,000,000	$ 7,100,000
Gross rev.	605,000	700,000
Employes	27	28
Commercial bus.	70%	72%

Principal Officers: Mac R. Renfro, owner.

Compensation: commissions.

JOHANNESEN-FARRAR INSURANCE AGENCY INC.

110 South Third St., Delavan, Wi. 53115; 414-728-2631

	1974	1975
Premium vol. ...	$ 1,527,538	$ 1,749,416
Gross rev.	328,517	351,290
Employes	15	16
Commercial bus.	60%	60%

Principal Officers: Joseph J. Walters, president; Eugene F. Groth, vp; John M. Rielly, treasurer; Robert C. Platt, Jr., secretary.

Branch Offices: East Troy, Wi.

Compensation: commissions.

JOHNSON-HOFFMAN INSURANCE AGENCY INC.

408 Iroquois Bldg., P.O. Box 1006, Marion, In. 46952; 317-664-0741

	1974	1975
Premium vol. ...	$ 1,432,298	$ 1,521,432
Gross rev.	276,767	317,340
Employes	14	14
Commercial bus.	65%	65%

Principal Officers: Wayne W. Hoffman, president; William H. Pritchett, CPCU, vp; C. David Sandberg, secretary-treasurer.

Branch Offices: Gas City, In.

Acquisitions in the Past Year: Johnson-Hoffman Financial Services Inc. formed.

Compensation: commissions.

JOHNSON, KENDALL & JOHNSON INC.

Penns Trail and Route 332, Newtown, Pa. 18940; 215-968-4741

	1974	1975
Premium vol. ...	$ 2,220,000	$ 2,400,000
Gross rev.	360,000	380,000
Employes	14	15
Commercial bus.	65%	65%

Principal Officers: Edwin T. Johnson, president; David R. Johnson, secretary; Ted S. Kendall, executive vp and treasurer; Richard B. Willis, vp; William J. Alder, vp.

Compensation: commissions and fees.

JOINER ASSOCIATES INC.

1212 Park, P.O. Box 98, Orange, Tx. 77630; 713-883-9381

	1974	1975
Premium vol. ...	$ 2,887,000	$ 3,466,000
Gross rev.	529,000	663,000
Employes	26	36
Commercial bus.	52%	53%

Principal Officers: J. D. Joiner, chairman; W. S. Joiner, president; W. E. Harrison, vp; Joe C. Gilmore, vp.

Acquisitions in the Past Year: A. J. Dougharty & Co.; Parker & Son Insurance Agency; AA Insurance Agency.

Compensation: commissions and fees.

WALTER KAYE ASSOCIATES INC.

555 Fifth Ave., New York, N.Y. 10017; 212-867-0012

	1974	1975
Premium vol. ...	$38,000,000	$40,000,000
Gross rev.	3,300,000	3,800,000
Employes	98	110
Commercial bus.	95%	95%

Parent Company: The Kaye Group Inc.

Principal Officers: Walter Kaye, president; Howard Kaye, vp; Lawrence Greenfield, executive vp; Peter Parr, senior vp.

Branch Offices: Beverly Hills, Chicago.

Compensation: commissions and fees.

KEENAN & ASSOCIATES

1230 Crenshaw Blvd., Torrance, Ca. 90510; 213-320-6451

	1974	1975
Premium vol. ..	NA	NA
Gross rev.	$ 450,000	$ 600,000
Employes	18	21
Commercial bus.	90%	90%

Principal Officers: John R. Keenan, president; Ronald T. Littlefair, vp; Beverly Baskin, vp, secretary-treasurer; Glen Miller, vp.

Branch Offices: Thousand Oaks, San Rafael, Ca.

Compensation: commissions and fees.

KEHOE-KAVANAUGH AGENCY INC.

2019 Rambling Rd., Kalamazoo, Mi., 49008; 616-343-1671

	1974	1975
Premium vol. ...	$ 1,471,409	$ 1,928,782
Gross rev.	281,776	294,869
Employes	9	11
Commercial bus.	75%	75%

Principal Officers: Jack Kehoe, CPCU, president; Ed Lisak, vp; Florence Deaton, vp; Margaret Kehoe, vp; Mel Nedrud, treasurer.

Compensation: commissions and fees.

KENDALL INSURANCE INC.

95 South Main St., Rochester, N.H., 03867; 603-332-5800

	1974	1975
Premium vol. ...	$ 4,100,000	$ 8,900,000
Gross rev.	910,000	1,320,000
Employes	45	55
Commercial bus.	70%	80%

Principal Officers: Kennett R. Kendall Jr., president; Robert N. Kendall, vp; Richard L. Williams, vp; Rufus Barringer, vp.

Branch Offices: Manchester, Somersworth, Rollinsford, Alton, Wolfeboro and West Hartford, Ct.

Acquisitions in the Past Year:

The tougher it is to buy insurance, the more you need Alexander & Alexander.

These are tough times to buy insurance. What's worse, the insurance you can buy is likely to cost more. The reason? An insurance shortage; a shrinking insurance availability. Brought about by escalating claims, inflation and diminished capacity among the insurance companies. It's during these difficult insurance times that it makes good sense to deal with Alexander & Alexander. As one of the world's leading insurance broker/agents, we constantly maintain strong and personal relationships with the insurance markets world-wide. And when you consider our special capabilities of risk analysis, loss control and negotiation, it adds up to a scope of service your present broker may not be equipped to provide. The result? You stand the best chance of buying the insurance your company needs—at the most advantageous cost. Just contact your nearest A&A office or: Information Service, Alexander & Alexander Inc., 1185 Avenue of the Americas, New York, N.Y. 10036.

Alexander & Alexander

July 1, 1975 statutory merger of Barringer & Williams and Kendall Insurance Inc.

Compensation: commissions.

KEOUGH-KIRBY ASSOCIATES INC.

1625 Diamond Hill Rd. West, Woonsocket, R.I. 02895; 401-769-8100

	1974	1975
Premium vol.	$ 3,600,000	$ 3,750,000
Gross rev.	600,000	625,000
Employes	21	22
Commercial bus.	70%	70%

Principal Officers: John E. Kirby, president; Walter C. Ahern, vp; Kevin K. Coleman, vp; Paul C. Fay, vp; Joseph H. O'Donnell Jr., treasurer.

Compensation: commissions.

KESSLER-BODENHEIMER INC.

344 Camp St., Suite 900, New Orleans, La. 70119; 504-581-6151

	1974	1975
Premium vol.	$ 4,800,000	$ 6,000,000
Gross rev.	751,352	951,717
Employes	25	30
Commercial bus.	74%	75%

Principal Officers: Marion Kessler, chairman of the board of directors; Kenneth E. Newburger, CPCU, president and chief executive officer; Henry J. Bodenheimer, executive vp.

Branch Offices: Shreveport, La.

Compensation: commissions and fees.

KINDLER & LAUCCI GROUP

1545 Wilshire Blvd., Los Angeles, Ca. 90017; 213-484-0220

	1974	1975
Premium vol.	$31,000,000	$36,400,000
Gross rev.	3,103,400	3,631,000
Employes	112	127
Commercial bus.	95%	96%

Parent Company: California Insurance Management & Investment Corp. (CIMIC)

Principal Officers: Arthur H. Kindler, president; Gordon E. Noble, executive vp; Edwin M. Farrell, and Donald S. Huff, first vps; Rodney A. Fletcher, secretary-treasurer.

Branch Offices: San Francisco, Pasadena, Palo Alto, Fresno, San Diego, Phoenix, and Holbrook, Az.

Acquisitions in the Past Year: ABC Insurance Center, 1975; Taylor Brothers Agency, 1975; formation of Kindler, Laucci & Stewart, 1976.

Compensation: commissions and fees.

KING & NEEL INC.

735 Bishop St., Suite 327, Honolulu, Hi. 96813; 808-521-8311

	1974	1975
Premium vol.	$ 3,000,000	$ 3,700,000
Gross rev.	433,000	507,000
Employes	10	11
Commercial bus.	98%	98%

Principal Officers: Harvey C. King; D. Ted Neel; E.R. "Rusty" Young; Jack J. Wilmoth: Robert C.M. Yuen.

Compensation: commissions and fees.

KINNEY, PIKE, BELL & CONNER INC.

98 Merchants Row, Rutland, Vt. 05701; 802-775-2311

	1974	1975
Premium vol.	$ 4,972,000	$ 5,500,000
Gross rev.	695,000	835,000
Employes	30	32
Commercial bus.	75%	70%

Principal Officers: Robert C. Kinney, president; Edward S. Pike, senior vp; Edward C. Pike, vp; Charles W. Conner, vp; Warren Eastwick, assistant vp; Roger M. Pike, treasurer.

Branch Offices: Brattleboro and Hartford (White River Jct.), Vt.

Acquisitions in the Past Year: two acquisitions, one in early 1975, one later in the year.

Compensation: commissions and fees.

H.C. KNIGHT & CO.

320 Walnut St., Philadelphia, Pa. 19106; 215-923-5440

	1974	1975
Premium vol.	$ 5,600,000	$ 6,500,000
Gross rev.	481,000	566,000
Employes	21	21
Commercial bus.	62%	78%

Principal officers: Richard N. Knight Jr., partner; John A. Philbrick III, partner; Charles B. Achuff, partner.

Acquisitions in the past year: The Browne Agency Inc., Jan. 1, 1976.

Compensation: commissions and fees.

ROBERT L. KNOX & CO.

350 Sansome St., San Francisco, Ca. 94104; 415-981-3434

	1974	1975
Premium vol.	NA	$ 7,500,000
Gross rev.	NA	760,000
Employes	NA	27
Commercial bus.	NA	80%

Principal Officers: Robert L. Knox, president; Don C. Wolden, vp; Noriko Yui, secretary.

Compensation: commissions.

KOHLER-MACBEAN AGENCY

126 South Ave., E., Cranford, N.J. 07016; 201-276-3000

	1974	1975
Premium vol.	$ 2,204,787	$ 2,361,470
Gross rev.	345,110	388,950
Employes	11	11
Commercial bus.	78%	80%

Principal Officers: Ron H. MacBean, board chairman; Winfield J. Kohler, president and treasurer.

Compensation: commissions.

S. KORNREICH & SONS INC.

90 Park Ave., New York, N.Y. 10016; 212-867-7730

	1974	1975
Premium vol.	$11,500,000	$12,500,000
Gross rev.	1,650,000	1,880,000
Employes	36	37
Commercial bus.	91%	90%

Principal officers: Matthew R. Kornreich, president; Morton A. Kornreich, executive vp and secretary; Lawrence W. Schott, senior vp; Ralph J. Ursillo, CPCU, vp; Sanford H. Hersh, treasurer.

Branch offices: Harrison, N.Y. 10528.

Compensation: commissions and fees.

LACHANCE, BERTRAND, BENOIT & LAVIGNE LTD.

7000 Park Ave., Montreal, P. Que, Canada H3N 1X3; 514-279-7181

	1974	1975
Premium vol.	$ 2,400,000	$ 3,200,000
Gross rev.	475,000	640,000
Employes	21	25
Commercial bus.	40%	45%

Principal officers: Robert Lachance, president; Andre R. Bertrand, vp; J. L. Benoit, secretary; M. R. Lachance, treasurer.

Compensation: commissions and fees.

STANLEY LACHMAN CO. INC.

1214 First Tennessee Bank Bldg., Chattanooga, Tn. 37401; 615-266-6191

	1974	1975
Premium vol.	$ 1,600,000	$ 1,750,000
Gross rev.	225,000	245,000
Employes	11	12
Commercial bus.	78%	77%

Principal officers: Lawrence D. Levine, president; John M. Love, secretary.

Branch offices: Calhoun, Ga.

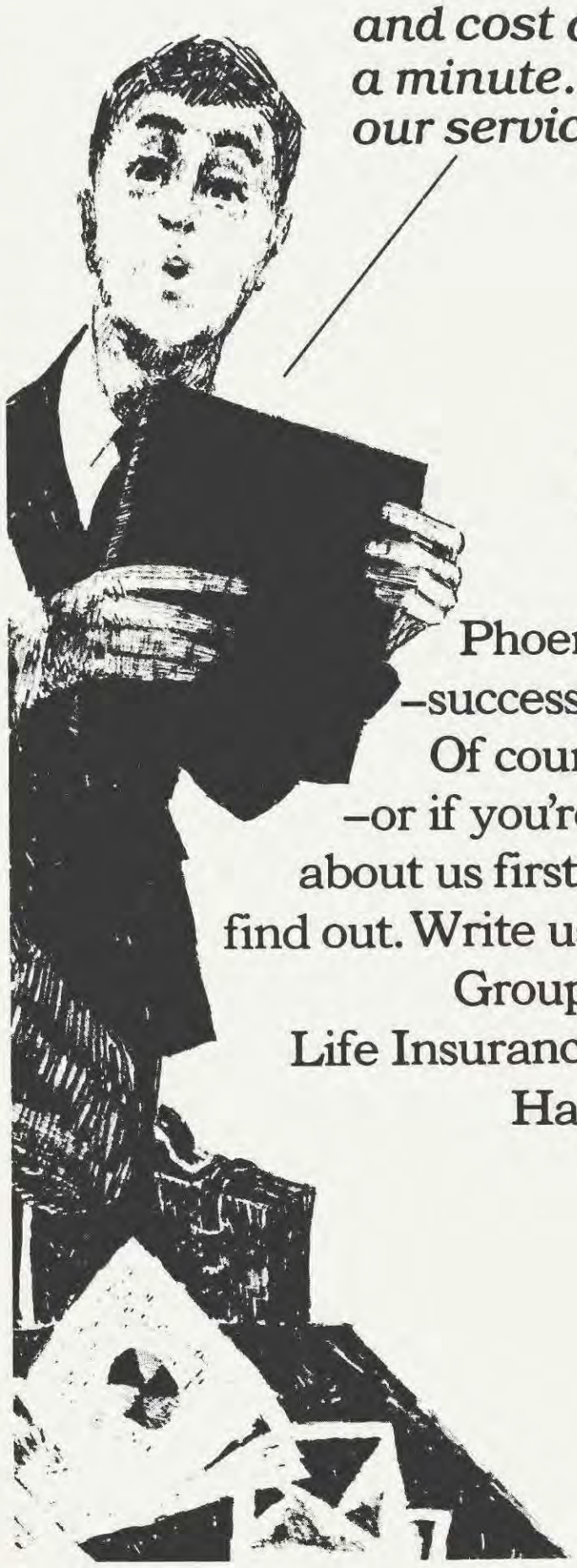
Compensation: commissions.

W.C. LADD & SONS

14 School St., Rockland, Me. 04841; 207-594-2111

	1974	1975
Premium vol.	$ 3,535,000	$ 3,716,000
Gross rev.	679,214	738,008
Employes	32	33
Commercial bus.	52%	55%

Principal officers: Frank Mace, president; David Cole, vp and treasurer; Richard Lovejoy, vp and secretary; Austin Childs, vp;



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Robert Jordan, vp.

Branch offices: Belfast, New Harbor, Waldoboro, Me.

Compensation: commissions.

LaFRANCE INSURANCE AGENCY INC.

500 W. Eleven Mile Rd., Royal Oak, Mi. 48067; 313-399-8300

	1974	1975
Premium vol. ..	$ 1,800,000	$ 2,050,000
Gross rev.	295,000	330,000
Employes	13	14
Commercial bus.	50%	50%

Principal officers: Marvin E. Howell, president; James P. Zickel, executive vp and treasurer; Gary L. Kristan, vp and secretary; Lawrence R. Green, vp.

Compensation: commissions.

LAMB, LITTLE & CO.

20 North Wacker Drive, Chicago, Il. 60606; 312-331-5541

	1974	1975
Premium vol. ..	$ 4,700,000	$ 6,100,000
Gross rev.	1,000,000	1,200,000
Employes	27	26
Commrecial bus.	70%	85%

Principal officers: Frank L. Hoffeller, vp and secretary; R. J. Clancy, president; D. B. Peck III, vp-treasurer.

Compensation: commissions and fees.

LANIER UPSHAW INC.

P.O. Box 1647 (118 W. Lemon St.), Lakeland, Fl. 33802; 813-686-2113

	1974	1975
Premium vol. ..	$ 4,100,000	$ 5,000,000
Gross rev.	550,000	667,000
Employes	24	26
Commercial bus.	70%	70%

Principal officers: C. W. Bovay, CPCU, president; C. E. Adams, CPCU, vp; O. D. Dalton, vp; Leo P. Taylor, CPCU, secretary; R. A. Penty, treasurer.

Compensation: commissions.

LASHER-COWIE AGENCY

1807 N. Central, Phoenix, Az. 85004; 602-258-3421

	1974	1975
Premium vol. ..	$ 4,000,000	$ 5,000,000
Gross rev.	600,000	700,000
Employes	33	35
Commercial bus.	72%	75%

Principal officers: Robert P. Cowie, president; Donald Lasher, vp; Richard Seminoff.

Compensation: commissions.

LAUB GROUP INC.

324 E. Wisconsin Ave., Milwaukee, Wi. 53202; 414-271-4292

	1974	1975
Premium vol. ..	$ 6,000,000	$ 8,000,000
Gross rev.	800,000	998,000
Employes	38	35
Commercial bus.	70%	75%

Principal officers: Raymond H. Laub, president; George Stevoff, executive vp; Robert Stewart, administrative vp; Charles McNulty, vp; Joseph Brown, vp; Robert Borland, vp.

Branch offices: Appleton, Jamesville, Madison, Racine and Wausau.

Acquisitions in the past year: T/N & Associates Inc., Milwaukee, August 1975.

Compensation: commissions and fees.

LAWRENCE-VAN VOAST INC.

38 N. Ferry St., Schenectady, N.Y. 12305; 518-370-1720

	1974	1975
Premium vol. ..	$ 7,450,000	$ 8,710,000
Gross rev.	734,276	889,294
Employes	36	39
Commercial bus.	60%	60%

Principal officers: Albert W. Lawrence. president; William Davenport, Warren Evans, Paul Kelly, William Mather, Horace Van Voast III, vps; Patrick Dicesare, secretary; Harry Bickford, treasurer.

Branch offices: Albany, Buffalo, Forest Hills, Syracuse, Troy, Waterford, N.Y.; Louisville, Ky.; Connersville, In.; Warren, Oh.

Acquisitions in the past year: Sheridan Agency, Troy, N.Y.

Compensation: commissions and fees.

LEVINSON BROS. INC.

235 Montgomery St., San Francisco, Ca. 94104; 415-434-3200

	1974	1975
Premium vol. ..	$ 7,836,000	$ 9,640,000
Gross rev.	737,000	878,000
Employes	37	37
Commercial bus.	88%	90%

Principal officers: Fred Levinson, president; Morton I. Levinson, vp; Bernard S. Greendorfer, vp; David J. Levinson, vp and secretary.

Compensation: commissions.

DON LIEBERT INC.

172 S. Middletown Rd., Nanuet, N.Y. 10954; 914-623-3434

	1974	1975
Premium vol. ..	$ 3,122,712	$ 3,354,003
Gross rev.	515,001	599,650
Employes	13	16
Commercial bus.	60%	60%

Principal officers: Donald F. Liebert, president; Richard Hiller, vp.

Compensation: commissions.

LIMRIC BROTHERS INSURANCE AGENCY

869 Worcester Rd. (Route 9), Wellesley, Ma. 02181; 617-237-6000

	1974	1975
Premium vol. ..	$ 1,150,000	$ 1,171,000
Gross rev.	213,020	246,000
Employes	9	10
Commercial bus.	55%	55%

Principal officers: David L. Limric, CPCU, partner; Paul G. McDonald, partner.

Branch offices: Mansfield, Ma.

Compensation: commissions.

LITCHFIELD COUNTY AGENCY INC.

175 Prospect St., Torrington, Ct. 06790; 203-482-6566

	1974	1975
Premium vol. ..	$ 2,374,400	$ 2,469,000
Gross rev.	445,390	467,000
Employes	19	19
Commercial bus.	32%	34%

Principal officers: Robert Venn Carr Jr., president and treasurer; Daniel H. Kraut, vp; John L. Donovan, secretary.

Branch offices: Litchfield, Thomaston, Ct.

Compensation: commissions.

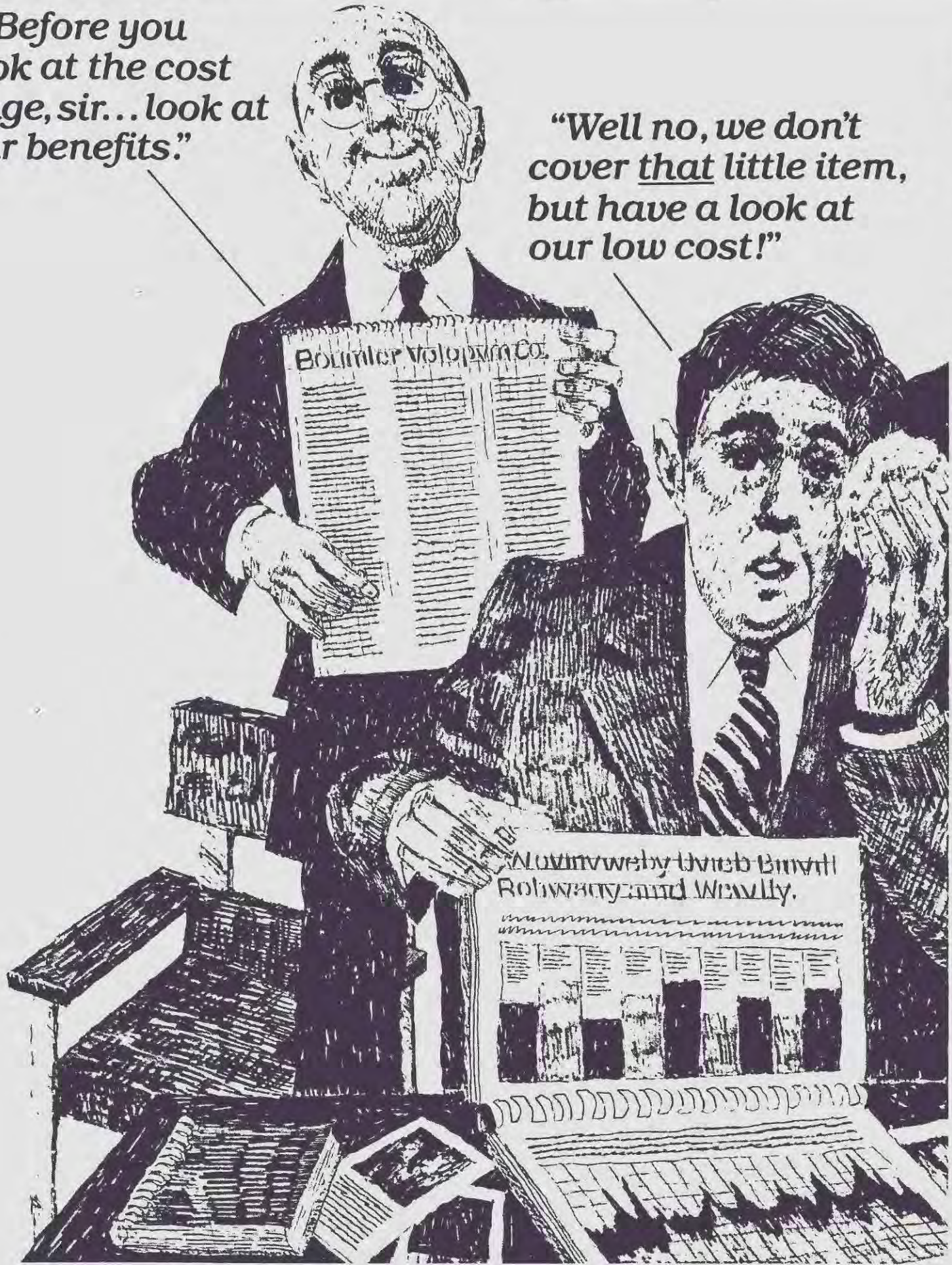
C. LOFBERG INC.

363 Cedar Lane, Teaneck, N.J. 07666; 201-836-2100

	1974	1975
Premium vol. ..	$ 2,500,000	$ 2,600,000
Gross rev.	530,356	552,889
Employes	17	21
Commercial bus.	60%	60%

Principal officers: Richard C. Lofberg, CPCU, chairman and chief executive officer; Paul W. Lofberg, CPCU, president; Franklin D.

Continued on page 65



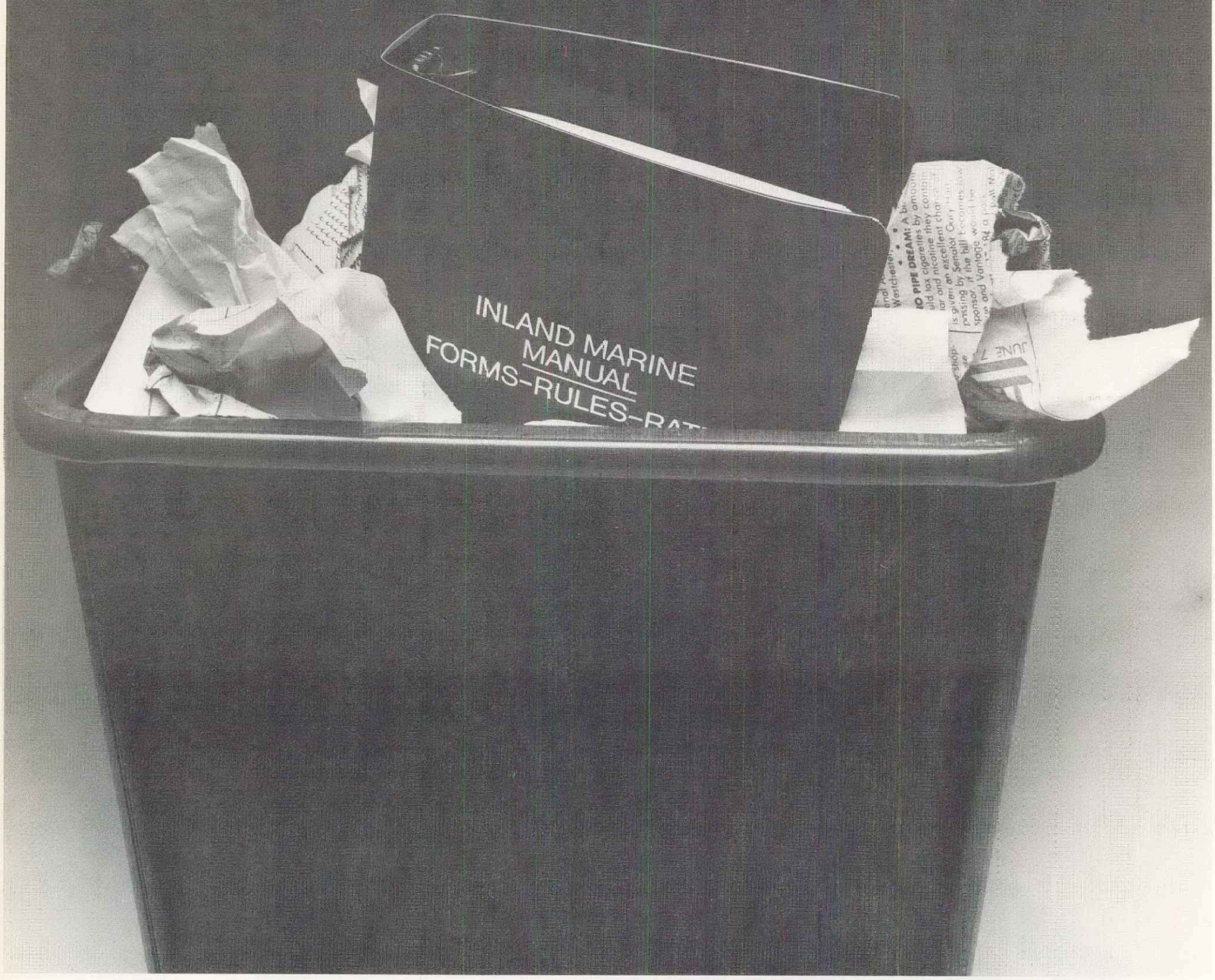
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RISK PLACEMENT AND INNOVATION—SKILLS BUYERS WANT MOST

FORTY OF *Business Insurance's* most loyal risk manager readers, responsible for spending over $125 million a year for property and casualty coverage alone, overwhelmingly declared that they view skill in placing risks in the insurance markets, and innovativeness on the part of a broker, as the two most important attributes for the insurance purveyor.

Two-thirds of these insurance managers said they use two or three brokers for their corporate insurance programs, usually dividing up their business by line of coverage among brokers. For example, firms using two brokers normally have one handling group insurance and another handling property and casualty coverages. When there's a third broker involved, generally it's marine risks and/or specialty risks such as directors' and officers' liability that are handled by the extra party.

These are some findings of the fourth Editorial Advisory Panel Survey conducted by this magazine on the subject of broker relationships and broker usage by insurance buyers.

A sizeable group of reader respondents—nearly one-fourth—said they use four or more agents and brokers to place their business. One buyer uses eight different brokers but spends only about $1.5 million a year on group and property/casualty premiums.

Survey participants listed some 115 agents and brokers by name, as those used for insurance placement. Firms receiving multiple mentions were Marsh & McLennan with 22, Johnson & Higgins with 14, Alexander & Alexander with eight, Fred S. James with seven, Frank B. Hall with five mentions, Corroon & Black and R. B. Jones with three mentions each, and Reed Shaw Stenhouse with two.

About half the buyers said they divide their insurance business among brokers by line of coverage, although one-fifth said they get competitive bids from brokers and award the business that way. A small group said brokers are chosen for their services and expertise, while another group of slightly less than 20% of the panelists admitted there's no definite way they split up the business. One buyer even offered the comment that "business is split by means of a combination of needs and nepotism."

Thirty-five of the survey participants said they are in charge of spending some $125 million a year for property and casulaty insurance, while 28 of those spend another $159 million for group coverage.

Commissions earned by 57 agents and brokers aggregated some $3.5 million a year being paid by the 20 insurance buyers who know what their brokers' compensation is. Ten buyers said they don't know what their agent/broker commissions are. The average commission worked out to be $61,400 a year, although commission rates noted by buyers ranged from 5% (usually a negotiated rate) up to 15%. The average commission rate was 9% for those responses that noted percentage of premiums paid to brokers.

The panelists paying commissions of only 5% to brokers generally noted that the payment is more of a commission rate applied to premiums to pay for administrative services on heavily self-insured programs. One panel survey respondent said his firm pays between 5% and 7% of premium for these administrative services on the group insurance program.

Nearly two-thirds of the buyers giving commission rate details said their brokers earn 10% to 12% of premiums.

COMPENSATING YOUR BROKER

- 35 panelists spend an aggregate of $125 million annually for property and casualty insurance
- 28 of these panelists spend an additional annual aggregate of $159 million for group insurance
- they use a total of 115 agents and brokers
- they report some $3.5 million a year being earned by 57 of their agents and brokers, an average earned commission of $61,400 a year.
- 10 panelists said they haven't any idea how much commission their agents or brokers earn from the respective insurance accounts
- of the 28 who disclosed the % commission rates earned by their agents and brokers, the distribution of answers was:

Rates	Proportion of answers
15%	6% of the answers
12%	20%
10%	40%
9%	6%
5%-7%*	20%

* These were usually negotiated commission rates for administrative services on heavily self-insured accounts.

The overwhelming majority of survey participants go along with the standard insurer commission rates and pay a flat percentage of premium to their agents and brokers. Only three insurance buyers said they negotiate all commissions and pay a rate which reflects a percent of premium adjusted for time and expense incurred to service the accounts.

A hefty group of 20% of the respondents said they don't have any idea how commissions are calculated.

Three-fourths of the buyers said they don't pay any fees to agents or brokers either in lieu of or in addition to commissions. Of the 25% who do pay fees, several buyers noted that the fees are paid only for special services. Several others noted that the fee is in addition to commissions paid annually. Two buyers said they paid fees in lieu of commissions in the past, but don't use a fee compensation system any more.

One buyer who pays a $125,000 annual fee to his broker said that this amount is adjusted at yearend for actual time and expense, calculated on the basis of an hourly charge for servicing; computer time, travel and entertainment costs are reimbursed under this plan, said the buyer.

Risk managers consider professional designations held by agents and brokers only moderately important, the survey revealed. The Chartered Property & Casualty Underwriter (CPCU) diploma was held to be very important by 32% of the survey participants, was called moderately important by nearly 40% of those answering, and called unimportant by the remainder, less than 30%.

The Chartered Life Underwriter designation held even less status with insurance buyers, who called it unimportant 50% of the time, with the very important and moderately important categories each receiving 25% of the responses.

Insurance buyers seemed ambivalent about the Associate in Risk Management designation for brokers, with 45% of the survey participants saying it's moderately important, fully one-third of those answering calling it unimportant, and just over one-fifth calling it very important.

Broker attributes received some very interesting responses and comments. We listed 14 categories of broker skills and qualities and asked our panel members to rank the attributes on a scale from one to 14 with a ranking of one representing the most important quality or skill and with 14 indicating the least important broker attribute.

Probably reflecting current tight insurance market conditions and ever-growing risks for companies and organizations, agent and broker skill in placing risks in the market clearly emerged as the most desired broker attribute. This category received 81% of its rankings on the scale between one and three, with all the remaining marks falling in the ranking of four through six. Market placement skills didn't get a single ranking lower than six.

In second spot as a highly desired agent and broker attribute was innovativeness, including the ability to suggest new ways to insure and manage risks. Some 77% of our panel participants ranked this attribute with numbers one through four, with the remaining answers scattered evenly over the lower rankings. Two panelists, however, ranked innovativeness at the bottom of the list with numbers 13 and 14, indicating it's the last quality they look for in a broker.

Following up on these two attributes with basically high rankings on importance were broker objectivity, and overall knowledge of risk management and risk funding alternatives. Toward the middle of the rankings were knowledge of technicalities and policy forms, and risk analysis. Also in the middle of the rankings were such attributes as skill in keeping client advised about current laws, market conditions, and losses affect-

Continued on following page

HOW BUYERS RATE THEIR BROKERS' SERVICES & SKILLS

Attribute/Skill	M&M	J&H	A&A	Hall	James	22 others
Marketing skill overall	2.2	1.5	2.0	2.5	1.6	2.1
Marine risks	2.3	1.9	3.0	2.0	1.2	2.1
Property risks	2.0	1.4	2.2	2.3	1.5	2.4
Liability risks	1.9	2.4	2.7	2.3	2.0	2.3
Risk analysis	1.9	1.5	3.0	2.3	1.8	2.5
Risk identification	2.1	2.2	2.8	2.5	1.5	2.9
Loss Control assistance	2.3	2.7	2.4	2.0	2.4	3.2
Objectivity	1.9	2.0	2.8	2.0	2.5	2.2
Willing to negot. fees	2.3	3.7	1.8	3.0	1.8	2.8
Discloses commission	2.1	2.5	1.0	2.7	1.7	2.4
Accessibility/availability	1.7	1.4	2.4	2.0	1.4	1.9
Knows technicalities of policy forms	1.6	1.2	1.5	1.3	1.7	2.1
Keeps client advised of trends and events impacting on insurance	2.0	2.2	2.8	1.8	2.0	3.1
Overall knowledge of risk management/risk funding	2.2	2.2	3.0	1.8	2.3	2.4
Gets client/underwriter together	2.3	3.0	2.4	2.8	1.4	2.6
Innovative: suggests new ways to manage risk	2.8	2.4	3.6	2.2	1.5	2.7
Quality of overall services	2.3	2.3	2.2	2.0	2.0	2.4
Helps to save on costs	1.9	2.1	2.0	2.3	1.7	2.5

The brokers listed here were each rated five or more times by their own clients among the 40 responding panelists, with ratings based on a sliding scale from 1 (best) to 5 (poorest). 22 other agents and brokers which were rated fewer than five times each were grouped together and average scores are shown.

Low marks for loss control

THE 40 MEMBERS of Business Insurance's Editorial Advisory Panel responded to a request that they rate the quality of services received from agents and brokers by assigning the highest scores to brokers for their accessibility and availability to clients.

At the other end of the spectrum, the most scores for poorest quality services were for loss control assistance, followed by innovativeness of brokers and by risk identification skills.

Furthermore, it was the agents and brokers on down the ladder in size who received the greatest quantity of low scores for loss control assistance and risk identification help.

Many low scores for the poorest quality of broker services also fell into the categories of willingness to get clients and underwriters together, keep clients advised about laws-markets-losses affecting commercial insurance, and willingness to negotiate fees for services.

The fewest low scores for quality of skills and services were assigned for objectivity, knowledge and policy forms, and for overall marketing skills (skill in placing risks in insurance markets, that is).

In addition to many very high scores given for accessibility, risk managers gave their brokers plenty of high marks for knowledge of technicalities and policy commissions.

PERSPECTIVE

INSURER FORECASTS 9 BIG BROKERS WILL DOMINATE MARKETS

By SUSAN ALT

CHICAGO—Picture an insurance industry in which nearly half of all the commercial insurance premiums are handled by about 10 of the largest national brokerage firms.

Buyers of insurance and corporate risk managers would have far fewer local unaffiliated agents and brokers to turn to for their needs, and the medium sized regional brokerage firms would control another hefty share of the commercial insurance market, but would be struggling to also become national firms with broad capabilities.

This is exactly the scenario envisioned by 1980, according to forecasts made as the outcome of a major study ongoing for over a year inside one of the largest U.S. insurance companies. The insurer, understandably, asked to remain nameless.

The top nine U.S. brokers, according to the insurer's best estimates, controlled slightly under 10% of the $21 billion personal lines insurance business in 1972, as well as some 26% of the 1972 commercial property and casualty insurance business totalling $15.2 billion.

The forecast: In 1980, these same nine firms will control an estimated $14 billion, just over 45%, of the total commercial property and casualty insurance business, which will have grown to about $31 billion in premiums. Share of market for these nine brokers in the personal lines end of the business will have escalated at a slower pace to about 12% of the estimated $42 billion total personal lines premium flow.

The nine firms included in this insurer forecast are Marsh & McLennan, Johnson & Higgins, Alexander & Alexander, Frank B. Hall, Fred S. James, Rollins Burdick Hunter, Corroon & Black, Bayly Martin & Fay, and R. B. Jones.

A second phase of the study is currently underway, in which the insurance underwriter will examine the share of market dominanted by all the second-tier firms and regional brokers, probably down to about $2 million annual revenues in size.

"You have to realize this is only conjecture on our part," said the researcher at this insurance company. "There's plenty of slack in the 'guesstimates' because of variables which could drastically change in the years leading up to 1980, such as the environment for mergers and acquisitions in the insurance brokerage field." In recent years, including the indications of numerous acquisitions during 1975 noted by agents and brokers participating in the *Business Insurance* survey, the pace of consolidation in the field of insurance sales has been quick.

The insurer, in projecting the commercial property and casualty insurance premiums to 1980, factored in a faster shift to self-insurance by many more corporations over the near term. This shift will quicken in pace, the insurer believes, for several reasons: "We feel there will be a very large conversion to self-insurance by commercial insureds by 1980, because of an expected return to double-digit inflation somewhere along the line and the financial constraints on corporations that go along with that, and because of further insurance market tightening."

Medium-sized commercial accounts today, which generate a very large part of the commercial insurance premium dollars now in the pipelines, will by 1980 have become large or so-called jumbo accounts, in turn facing the typical large-client need to control insurance costs and manage cash flow, the insurer foresees. Thus, these accounts will be turning to self-insurance in increasing numbers over the next five years, the study indicates.

Figures compiled by this underwriter for its projections differed somewhat from figures available from the Insurance Information Institute and other sources on the present size of the commercial insurance market. The insurer estimates, for example, a total commercial property and casualty insurance market of $23.8 billion in 1975.

III, however, calculated the total commercial property and casualty market for 1975 was $22.8 billion. Add to that the group life, group annuities and group health insurance market of some $27.2 billion in 1975, and the dimensions of the total commercial insurance business broaden to $51 billion.

Using the help of insurance industry officials and a few brokerage executives, *Business Insurance* estimated that the total insurance premiums flowing through the top 20 brokerage firms in 1975 were nearly $11 billion, so that by our estimates, the biggest firms controlled some 22% of the total commercial market in 1975.

Using the *BI* figures, the top 10 brokerage firms (nine listed above plus Reed Shaw Osler) had a gross premium inflow of a whopping $9.6 billion, a healthy 19% of the total commercial insurance business. ■

Panel . . .

Continued from preceding page

ing commercial insurance, risk identification, loss control assistance, accessability and availability to client, and skill and willingness to get client and underwriter together.

Panelists judged the least important attributes on our list to be willingness to disclose commissions and willingness to negotiate fees. These two areas were clearly at the bottom of the buyers' lists of what constitutes good broker.

Among the "other" attributes that panel members added to our list were: "Integrity is No. 1." "Loss adjustment skills rank high." "Willingness to educate the client and not operate 'behind the scenes' ranks high." "Binding authority is important." "Prompt follow-up ranks number 11." "Assistance on loss adjustments and perfecting claim against insurer ranks seven." ■

HOW IMPORTANT IS IT FOR A BROKER TO HAVE PROFESSIONAL DESIGNATIONS?

	CPCU	CLU	RM
Very important	12	12	8
Moderately important	15	9	16
Unimportant	11	17	12

WHAT MAKES A GOOD AGENT OR BROKER?

Attributes	Average points scored on a scale from 1 (most important) to 14 (least important)
Skill in placing risks in the market	1.93
Innovativeness, i.e. ability to suggest new ways to insure/manage risks	3.25
Overall knowledge of risk management and risk funding alternatives	4.58
Objectivity	5.10
Knowledge of technicalities and policy forms	5.48
Risk Analysis	5.68
Accessibility and availability to client	5.73
Risk identification	6.43
Skill and willingness to get client and underwriter together	6.45
Keeps client advised about current laws, market conditions, losses affecting commercial insurance	6.53
Loss control assistance	7.18
Willingness to negotiate fees	9.28
Willingness to disclose commissions	9.98

Buyers comment on brokers

• "I do not ask for commission rate calculations. I know what I want to pay for insurance, and the broker makes his own way for negotiating commissions with the underwriters."

• "Most of the major brokers have the talent to earn a #1 ranking in virtually all categories. The key is to be sure you have the talented personnel working on your account. This can be done if the risk manager is discerning and demanding; it also helps if the volume of business placed with the broker is large enough to demand respect.

"Ranking the quality of services (for individual brokerage firms) seems to me to be too subjective to be useful."

• "It's impossible to answer the section on ranking services provided by our brokers. Conditions change; people change. This is not a static industry. Basically I find that the top houses are more or less equal. However, it is the individual account executive who determines our opinion of the brokerage firm. This is because our dealings are with the person on a day to day basis."

• "In ocean marine, one tends to be stuck with available markets which are very limited, and an offshore captive is not a true option in this case.

"The ranking of individual brokers is not wholly meaningful. I feel that if I have access myself to underwriters, I can do better than any broker. Presumptuous of me, no doubt. In general, I do not need their services and dispense with them whenever I can."

• "We use direct writers for property, casualty and group insurance. These coverages were originally written by a small agency with little management analysis being provided as to the alternate coverages available. It was discovered, upon competitive bidding, that Liberty Mutual, Factory Mutual and the group underwriter (after elimination of the brokers) provided better service at considerable savings. We have begun relationships with M&M and J&H, a little hesitantly at first, because of their size. We've been extremely satisfied with the services and price that M&M provide. We use M&M to quote against all direct writer policies every three years."

• "Regardless of the technical ability and knowledge of the broker, the most important consideration to the insured involves the broker's integrity, i.e. is the broker open and honest in regard to all activities associated with its clients? Does the broker always act in the best interest of the client even though it may reduce his income? Does the broker use unwarranted pressure tactics to secure favorable insurance quotes (for one client) to the detriment of other clients? In summary, the broker must be willing to form a risk management team along with the risk manager, and not independent of him."

• "A comment and caution on forming a captive brokerage firm, i.e. a brokerage firm owned in part or entirely by the insured: Captive brokerage firms create inherent internal political problems which can require much non-productive time of the risk manager. Captive brokerage firm will attempt to make risk management decisions for the risk manager without involving the risk manager. In other words, the risk manager may lose control of his company's insurance programs.

"Captive brokerage firms take the parent/client for granted, i.e. 'It's guaranteed business so why strive for excellence?' Mediocrity of performance inevitably becomes the norm.

"Financial decisions are not always made with the parent/client's interest as primary.

"Other brokerage firms are reluctant to make a real marketing effort if in competition with client's captive broker. The use of other brokers for informational purposes is severely restricted. Hence, a risk manager must rely upon a mediocre captive broker for a 'window' to the insurance world."

• "I'd encourage brokerage firms to beef up their staffs with top quality loss or claims experts."

• "My experience with account executives who have had a long prior work history with insurance companies is that they are not very creative, innovative and continue to think like conservative underwriters, have no imagination and should have remained with the insurance company."

• "We previously placed approximately equal amounts (of our insurance) with J&H and a small agency. However, we have now placed all casualty formerly written by the small agency in a Bermuda captive, leaving J&H with most of the casualty plus the property. The small agency has only miscellaneous casualty. I would like to have two brokers with each having 50% of the account, but it is not practical, the way the program is now structured."

Continued from page 61

Lutz, executive vp; John Letz, senior vp.

Compensation: commissions and fees.

L.G. LOOMIS AND CO. INC.

311 Alexander St., Rochester, N.Y. 14604; 716-546-1700

	1974	1975
Premium vol. ..	$ 3,618,479	$ 3,819,797
Gross rev.	765,053	721,661
Employes	30	33
Commercial bus.	90%	95%

Principal officers: Leslie G. Loomis, president-treasurer; Willard C. Parker, vp; C. Marie Burth, vp; Barbara B. Walker, secretary.

Acquisitions in the past year: E. R. Church Agency, Canandaiqua, N.Y., effective July 1, 1976.

Compensation: commissions and fees.

RAYMOND G. McCARTHY & CO. INC.

502 Bloomfield Ave., Verona, N.J. 07044; 201-239-9404

	1974	1975
Premium vol. ..	$ 1,400,000	$ 1,420,000
Gross rev.	250,000	260,000
Employes	9	NA
Commercial bus.	68%	66%

Principal Officers: Raymond G. McCarthy, president; John E. Popowich, vp; Thomas Stokes, vp; William D. Rogers, vp.

Compensation: commissions and fees.

McCORD & HOLDREN INC.

12716 Riverside Dr., N. Hollywood, Ca. 91607; 213-877-9941

	1974	1975
Premium vol. ..	$ 9,000,000	$12,000,000
Gross rev.	1,450,000	1,900,000
Employes	60	79
Commercial bus.	97%	97%

Principal Officers: Jerry L. McCord, president; William W. Holdren, executive vp; L. Allen Weston, vp-finance; Dennis A. Rappaport, vp; Robert F. Duncan, vp.

Branch Offices: Fresno, Sacramento, San Jose, Tustin, Seattle.

Compensation: commissions and fees.

McGRIFF & SEIBELS INC.

2217 Seventh Ave. South, Birmingham, Al. 35233; 205-252-9871

	1974	1975
Premium vol. ..	$ 8,500,000	$ 9,600,000
Gross rev.	1,230,704	1,390,000
Employes	53	68
Commercial bus.	70%	70%

Principal Officers: Lee McGriff, chairman of the board; H. G. Seibels Jr., vice chairman; Richard Womack, president; Malcolm Miller Jr., senior vp; Ellis Wanninger, vp and treasurer.

Compensation: commissions and fees.

McMANUS & PELLOUCHOUD INC.

141 W. Jackson Blvd., Chicago, Il. 60067; 312-427-1961

	1974	1975
Premium vol. ..	$15,000,000	$17,000,000
Gross rev.	NA	1,650,000
Employes	28	32
Commercial bus.	90%	90%

Principal Officers: Robert B. McManus Sr., president; V.J. Pellouchoud, vp.

Compensation: commissions.

JOHN L. MacBETH CO.

2160 Winters Bank Tower, Dayton, Oh. 45402; 513-461-4745

	1974	1975
Premium vol. ..	$ 2,500,000	$ 2,800,000
Gross rev.	445,569	483,525
Employes	19	19
Commercial bus.	65%	70%

Principal Officers: G. P. Klum, executive vp and general manager; J. E. Paxson, secretary.

Compensation: commissions.

MACK AND PARKER INC.

209 S. La Salle St., Chicago, Il. 60604; 312-346-1221

	1974	1975
Premium vol. ..	$20,000,000	$22,000,000
Gross rev.	959,253	1,113,465
Employes	33	35
Commercial bus.	92%	92%

Principal Officers: Edward E. Mack Jr., CPCU, chairman and president; Charles S. Mack, CPCU, vp-secretary; John P. Mack, CPCU, vp-treasurer; Edward E. Mack III, Lance R. Sanberg and William J. O'Keefe, vps.

Compensation: commissions and fees.

PHILLIP MARGOLIS & CO.

26311 Woodward, Huntington Woods, Mi. 48070; 313-398-1700

	1974	1975
Premium vol. ..	$ 1,900,000	$ 1,600,000
Gross rev.	221,000	215,000
Employes	11	10
Commercial bus.	85%	85%

Parent company: Central Agency Corp.

Principal Officers: Phillip Margolis, president; Melvyn Goldstein, vp; Estelle Smith, treasurer; Jill A. Farquharson, secretary.

Compensation: commissions.

MARKETING MANAGEMENT INC.

2052 Oak Mountain Dr., Birmingham, Al. 35244; 205-663-4000

	1974	1975
Premium vol. ..	NA	NA
Gross rev.	$ 400,662	$ 500,833
Employes	26	30
Commercial bus.	95%	95%

Principal Officers: Ken L. Williams, president; Joe Gosa, vp; Lomax Johnson, secretary.

Branch Offices: Toronto, San Jose.

Compensation: commissions and fees.

MAURY, DONNELLY, & PARR INC.

Commerce & Water Streets, Baltimore, Md. 21202; 301-685-4625

	1974	1975
Premium vol. ..	NA	NA
Gross rev.	$ 470,000	$ 506,000
Employes	20	23
Commercial bus.	77%	78%

Principal Officers: Henry A. Parr IV, president; Thomas D. R. Parr, CPCU, executive vp; Roscoe Crosier, David Willse and Frank Robinson, vps.

Compensation: commissions and fees.

MERCER INSURANCE AGENCY INC.

7 E. Bay St., P.O. Box 9888, Savannah, Ga. 31402; 912-232-5105

	1974	1975
Premium vol. ..	$ 1,600,000	$ 1,790,000
Gross rev.	265,000	340,750
Employes	16	17
Commercial bus.	60%	60%

Principal Officers: Nick Mamalakis, president; Jerry M. Beets, executive vp; John M. Mamalakis, vp; Julian E. Smiley, secretary.

Compensation: commissions.

MERRIAM, ELLIS & BENTON

1300 N. 78th St., Kansas City, Kansas 66112; 913-334-2100

	1974	1975
Premium vol. ..	$ 650,000	$ 775,000
Gross rev.	176,783	179,597
Employes	11	13
Commercial bus.	45%	55%

Principal Officers: Don A. Ellis, CPCU, owner/general manager; John C. Gann, life dept.; Frank Simonich, commercial insurance dept.

Compensation: commissions.

MIDDLETON & CO.

P.O. Box 17, Newton, N.J. 07860; 201-383-5525

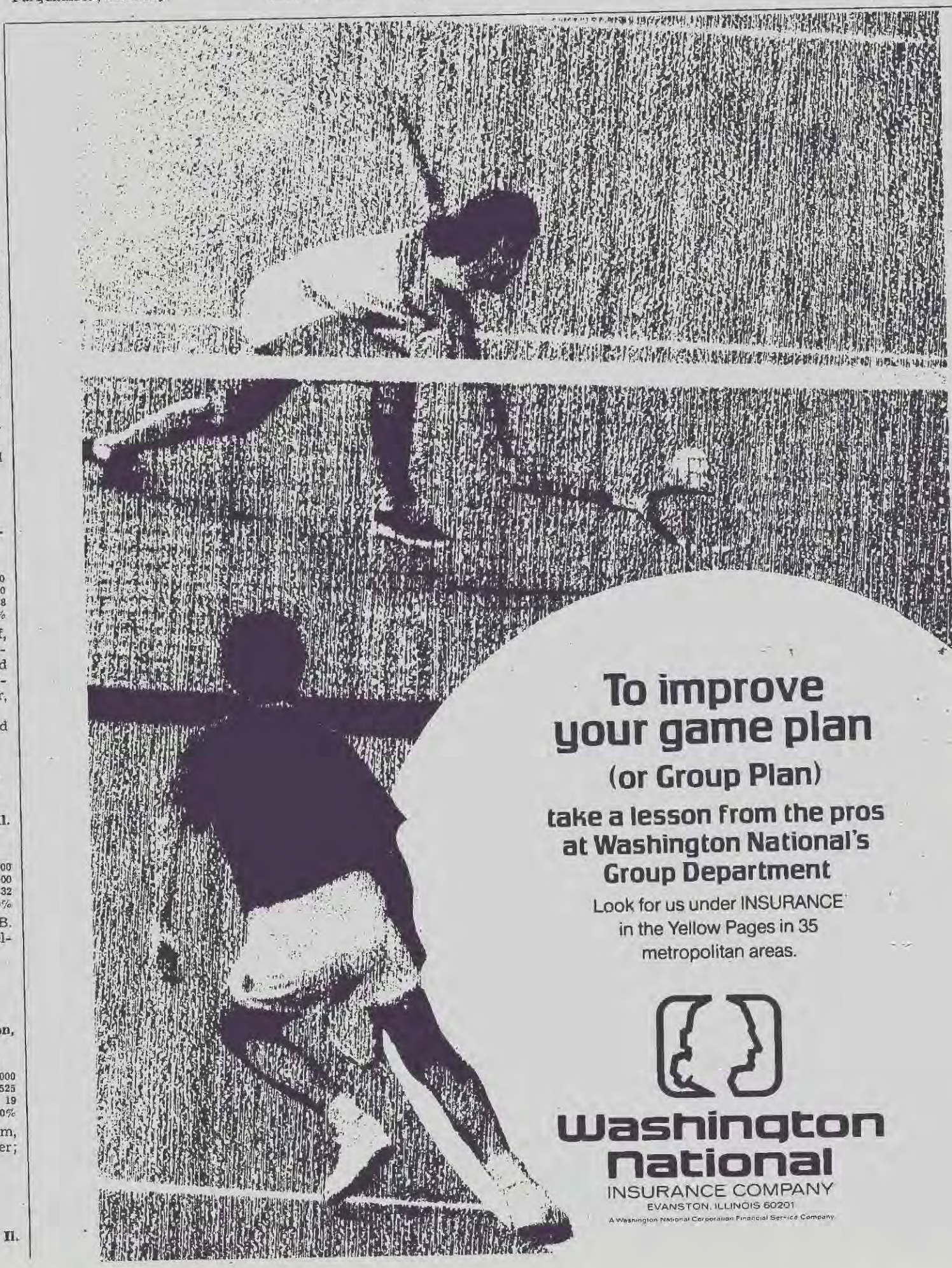
	1974	1975
Premium vol. ..	$ 1,250,000	$ 1,050,000
Gross rev.	186,077	150,170
Employes	9	9
Commercial bus.	80%	80%

Principal Officers: Eli Gaynor, president

Compensation: commissions.

MID-STATES UNDERWRITERS INC.

P.O. Box 4989, 1209 Euclid Ave.,



agent/broker profiles

Knoxville, Tn. 37921; 615-524-3461

	1974	1975
Premium vol. ..	$ 4,128,414	$ 5,224,117
Employes	683,129	867,264
Employes	29	34
Commercial bus.	68%	71%

Principal Officers: Donnell L. Hurley, president; Roy E. Bearden, secretary.

Branch Offices: Loudon, Oak Ridge, Tn.

Acquisitions in the past year: Anderson Agency

Compensation: commissions.

MILLERMAN & MILLERMAN INSURANCE INC.

12840 Hillcrest, Suite 102, Dallas, Tx. 75230; 214-239-8108

	1974	1975
Premium vol. ..	$ 3,051,000	$ 3,415,000
Gross rev.	602,000	653,000
Employes	26	22
Commercial bus.	65%	65%

Principal Officers: Morey Millerman, chairman; Glenn G. Beard, president; Jim Millerman, executive vp; Gene Robertson, treasurer; Gaylon Brown, vp.

Branch Offices: Abilene, Houston.

Acquisitions in the past year: Troy L. Hand Insurance Agency, Dallas, acquired January 1, 1976.

Compensation: commissions and fees.

THE MILLS CO.

700 First International Bldg., Dallas, Tx. 75270; 214-651-1100

	1974	1975
Premium vol. ..	$ 3,904,000	$ 3,553,000
Gross rev.	426,841	497,499
Employes	10	12
Commercial bus.	99%	99%

Principal Officers: Rudulph Mills, Jr., president and treasurer; John C. Sims, senior vp and secretary; Curtis B. Roberts, senior vp.

Compensation: commissions and fees.

MONTANA INTERNATIONAL INSURANCE INC.

P.O. Box 1164, 1200 N. Montana Ave., Helena, Mt. 59601; 406-442-5360

	1974	1975
Premium vol. ..	$ 1,200,000	$ 1,600,000
Gross rev.	220,000	301,000
Employes	11	13
Commercial bus.	70%	70%

Principal Officers: David R. Bruck, president; Patrick S. McCutcheon, vp; Alvin C. Feller, vp; Audrey L. Fiske, secretary-treasurer.

Branch Offices: Bozeman, Mt.

Compensation: commissions.

T.E. MOOR & CO.

Calder & Oakland, P.O. Box 2173, Beaumont, Tx. 77704; 713-832-0221

	1974	1975
Premium vol. ..	$ 4,909,515	$ 6,046,806
Gross rev.	836,834	1,056,404
Employes	37	41
Commercial bus.	80%	80%

Principal Officers: T. E. Moor, chairman; Ted E. Moor Jr., president; Barry D. Kunz, senior vp; Vivian R. Hulsopple, secretary-treasurer; Peter B. Thompson, Charles Hoffman, James Miller, and Heyward Fetner, vps.

Branch Offices: Houston, San Antonio.

Compensation: commissions.

MOORE & JOHNSON AGENCY INC.

#400 Oberlin Rd., P.O. Box 10367, Raleigh, N.C. 27605; 919-828-8942

	1974	1975
Premium vol. ..	$ 2,500,000	$ 2,800,000
Gross rev.	456,561	496,578
Employes	15	16
Commercial bus.	62%	65%

Principal Officers: Earl Johnson, president; Harry W. Moore, secretary-treasurer; William J. Ward, vp.

Compensation: commissions.

FRED A. MORETON & CO.

645 East South Temple, Salt Lake City, Ut. 84102; 801-531-1234

	1974	1975
Premium vol. ..	$ 6,300,000	$ 7,000,000
Gross rev.	1,050,000	1,200,000
Empolyes	23	23
Commrecial bus.	94%	94%

Principal Officers: Edward B. Moreton, president; Edward F. Folland, vp; Roland D. Cornell, and L. Kent Bills, assistant vps.

Compensation: combination.

THE MORRIS AGENCY INC.

177 Valley St., South Orange, N.J. 07079; 201-763-5200

	1974	1975
Premium vol. ..	$ 1,200,000	$ 1,475,000
Gross rev.	214,000	242,000
Employes	11	12
Commercial bus.	67%	73%

Principal Officers: Eugene I. Morris, president; Jocelyn N. Morris, secretary-treasurer; Richard E. Morris, director; Phyliss Tuerff, director, commercial department; Z. Lowenstein, director, personal lines.

Branch Offices: Los Angeles

Compensation: combination.

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The Wetzel Company, Inc.
2000 South Post Oak, Suite 2400
Mailing Address: P.O.Box 66452
Houston, Texas 77006
Telephone: 713/626-3240
Telex: 76-2053

MORRIS & MacKENZIE LTD.

4141 Sherbrooke St. West, Suite 400, Montreal, P. Que. H3Z 1C1, 514-937-5755

	1974	1975
Premium vol. ..	$15,000,000	$19,000,000
Gross rev.	2,800,000	3,650,000
Employes	135	153
Commercial bus.	80%	80%

Principal Officers: J. L. Wallace, chairman and chief executive officer; A. L. Gordon, president; A. W. Robinson, A. L. Drumm, R. J. Paterson and W. M. Malcolm, vps; F. Dougan, vp and secretary.

Branch Offices: Toronto, Ontario; Vancouver, British Columbia.

Compensation: combination.

THE MUTUAL INSURANCE AGENCY INC.

5010 Wisconsin Ave. NW, Washington, D.C. 20016; 202-362-9840

	1974	1975
Premium vol. ..	$ 3,544,600	$ 3,788,500
Gross rev.	606,000	665,000
Employes	24	21
Commercial bus.	60%	65%

Principal Officers: Henry A. Kroll, CPCU, president; Morris W. Wells, CPCU, executive vp; Grace W. Reynolds, secretary; Carol J. Lithgow, treasurer; John A. Effer, CPCU, and William G. McHenry, CPCU, vps.

Compensation: commissions.

MYERS-BEATTY & CO. INC.

150 South Wacker Dr., Chicago, Il. 60606; 312-263-3215

	1974	1975
Premium vol. ..	NA	$ 4,500,000
Gross rev.	NA	500,000
Employes	NA	20
Commercial bus.	NA	NA

Principal Officers: Gerald E. Myers, JD, CPCU, CLU, chairman; Evan P. Myers, CPCU, secretary-treasurer.

Compensation: commissions and fees.

NAHM, TURNER, VAUGHAN & LANDRUM INC.

29th Floor First National Tower, Louisville, Ky. 40202; 502-589-6070

	1974	1975
Premium vol. ..	$15,100,000	$17,000,000
Gross rev.	2,099,570	2,204,444
Employes	70	77
Commercial bus.	82%	82%

Principal Officers: Baylor Landrum Jr., Charles S. Nahm, George L. Turner, executive committee; John A. Stough, senior vp.; Robert W. Vaughan, senior vp; Marshall M. Royce, senior vp; Thomas W. Gaines, senior vp.

Compensation: commissions.

NARCAP AGENCY INC.

1990 Pawtucket Ave., East Providence, R.I. 02914; 401-438-6300

	1974	1975
Premium vol. ..	$ 1,800,000	$ 2,475,000
Gross rev.	320,000	398,600
Employes	10	8
Commercial bus.	70%	80%

Parent Company: James J. Reilly Inc.

Principal Officers: Peter L. Dunkle, president and treasurer; Michael Bromage, vp; Howard W. McVay, vp and secretary.

Branch Offices: Denver.

Compensation: commissions.

NATIONAL AGRA UNDERWRITERS INC.

1104 Fernwood Ave., Camp Hill, Pa. 17011; 717-761-7377

	1974	1975
Premium vol. ..	$ 600,000	$ 1,500,000
Gross rev.	100,000	200,000
Employes	6	7
Commercial bus.	100%	100%

Principal Officers: A. S. Townsend, president; C. M. Berry, vp.; H. A. John vp; T. A. Joseph, assistant vp.

Compensation: commissions.

NATIONAL INSURANCE ASSOCIATES

66 Rte. 17, Paramus, N.J. 07652; 201-845-6600

	1974	1975
Premium vol. ..	$ 4,300,000	$ 5,600,000
Gross rev.	600,000	750,000
Employes	20	37
Commercial bus.	68%	69%

Principal Officers: Paul L. Gross, president; William F. Meade, vp.; Jerry Katzman, CLU, vp.

Acquisitions in the past year: C. Rosenberg Inc.; Joseph Howell Agency; H. Weinberg & Son.

Compensation: commissions.

NATIONAL PREFERRED RISKS INC.

45 North Station Plaza, Great Neck, N.Y. 11022; 516-482-6215

	1974	1975
Premium vol. ..	$ 8,935,809	$ 9,427,305
Gross rev.	1,120,956	1,252,000
Employes	38	38
Commercial bus.	93%	94%

Parent company Cohn Enterprises Inc.

Principal Officers: Arnold M. Cohn, president; Ronald F. Friedenthal, executive vp. and treasurer; William Spaar Jr., senior vp, surety; Joseph H. Starr Jr., resident vp, Westchester; Harry Rankin Jr., resident vp., New Jersey; Arthur Levine, vp., New York City.

Branch Offices: New York City, New Rochelle, Lincoln Park, N.J.

Compensation: commissions.

NEILSON-BREITHAUPT UNDERWRITERS

1785 Jackson St., Alexandria, La. 71301; 318-445-4141

	1974	1975
Premium vol. ..	$ 1,600,000	$ 1,700,000
Gross rev.	250,000	275,000
Employes	11	12
Commrecial bus.	65%	65%

Principal Officers: James D. Neilson, Jr., president; L. E. Breithaupt Jr., secretary-treasurer; James D. Neilson Sr., vp; Thomas D. Gunnin, vp.

Compensation: combination.

NEW ENGLAND SECURITY INSURANCE AGENCY INC.

100 North Main St., Mansfield, Ma. 02048; 617-338-8991

	1974	1975
Premium vol. ..	$ 1,450,000	$ 1,775,000
Gross rev.	320,000	360,000
Employes	14	16
Commercial bus.	63%	65%

Principal Officers: Ralph H. Seifert, president; Charles A. Wheeler, treasurer; Fred E. Wills, vp; James A. Wills, vp.

Compensation: commissions.

JAMES F. NOLAN & ASSOCIATES INC.

8151 Marty St., Overland Park, Ks. 66204; 913-642-3133

	1974	1975
Premium vol. ..	$ 1,100,000	$ 1,600,000
Gross rev.	194,000	220,000
Employes	8	10
Commercial bus.	60%	65%

Principal Officers: James F. Nolan, president.

Compensation: commissions.

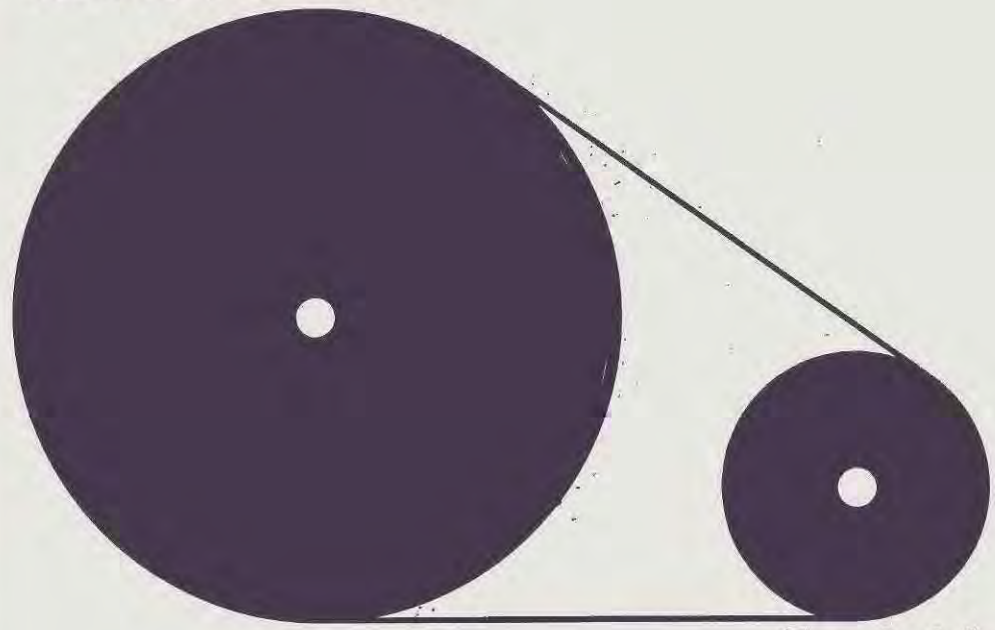
NORTH AMERICAN INSURANCE AGENCY INC.

2000 Classen Center, 512-N, P.O. Box 25928, Oklahoma City, Ok. 73125; 405-523-2100

	1974	1975
Premium vol. ..	$ 6,400,000	$ 8,400,000
Gross rev.	1,111,000	1,355,000
Employes	56	52
Commercial bus.	75%	75%

Principal Officers: C. B. Cameron, chairman of the board; Gene McGrory, president; Donald Glaspy, senior vp; Richard L. Gale, vp-sales; Jack Barry, vp-Tulsa; William Hill, vp-Dallas; W. Kent Dupree, vp-New Orleans.

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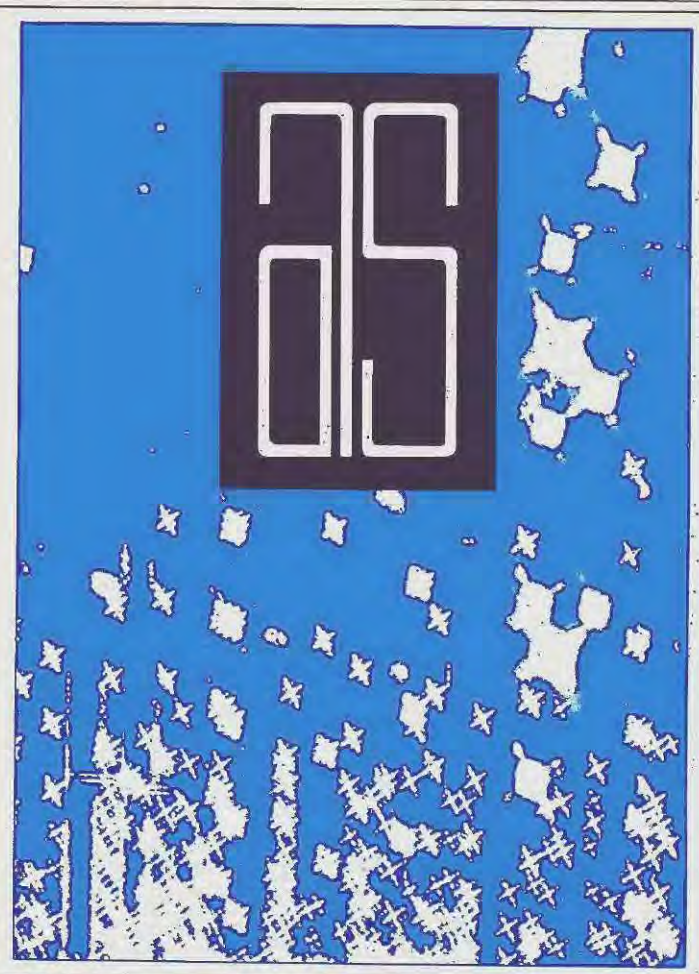
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Acquisitions in the past year: National Insurance Associates, Gulf South Insurance Agency

Compensation: commissions and fees.

NORDSTROM-LARPENTEUR AGENCY INC.

1300 Northwestern Financial Center 7900 Xerxes Ave. So., Minneapolis, Mn. 55431; 612-830-3000

	1974	1975
Premium vol. ..	$49,000,000	$75,000,000
Gross rev.	7,800,000	10,600,000
Employes	289	321
Commercial bus.	98%	98%

Principal Officers: J. Nordstrom, president; S. Nordstrom, executive vp; R. Walsh, senior vp; L. Golinvaux, senior vp; R. Stibor, senior vp; W. Comiskey, senior vp.

Compensation: commissions.

NOTESS & SCHECHTER INC.

280 No. Central Ave., Harstdale, N.Y. 10530; 914-946-1951; 212-597-9110

	1974	1975
Premium vol. ..	$ 3,000,000	$ 3,500,000
Gross rev.	350,000	385,000
Employes	9	9
Commercial bus.	80%	80%

Principal Officers: Donald E. Notess, president; Thomas D. Lewison, vp.; Norman Kahn, vp.; Miriam Schechter, secretary-treasurer.

Compensation: commissions and fees.

LUDWIG NUSSBAUM & ASSOCIATES INC.

100 Merrick Road, Rockville Centre, N.Y. 11570; 516-766-6611

	1974	1975
Premium vol. ..	$ 1,000,000	$ 1,100,000
Gross rev.	150,000	165,000
Employes	6	6
Commercial bus.	50%	50%

Principal Officers: Alfred Nussbaum, president.

Compensation: commissions.

GUY B. ODUM & CO. INC.

P.O. Drawer 70, 121 N. Ridgewood Dr., Daytona Beach, Fl. 32015; 904-252-3701

	1974	1975
Premium vol. ...	$ 2,348,000	$ 2,689,000
Gross rev.	381,273,000	404,106,000
Employes	16	18
Commercial bus.	75%	80%

Principal Officers: J. C. Adams Jr,. president; Charles Bultman, vp; Jerry White, treasurer; Lois Kimball, secretary.

Acquisitions in the past year: Burt & Scheld Insurance Agency.

Compensation: commissions and fees.

ORDWAY-SAUNDERS CO.

Suite 701 Amarillo Building, Amarillo, Tx. 79105; 806-376-4761

	1974	1975
Premium vol. ...	$ 5,475,156	$ 5,485,025
Gross rev.	917,817	983,985
Employes	35	37
Commercial bus.	75%	75%

Principal Officers: G. C. Saunders, Guyon Saunders, Ed A. Flancher, Dan Flemming, Lee Napier, William Hamilton.

Compensation: commissions.

ORTHO-LAPRADE INSURANCE

P.O. Box 11667, Phoenix, Az. 85061; 602-264-2104

	1974	1975
Premium vol. ..	$ 2,220,604	$ 2,642,290
Gross rev.	310,806	342,107
Employes	12	15
Commercial bus.	70%	70%

Principal Officers: Boyed Orth, president; Loren LaPrade, vp.

Compensation: Commissions.

ARTHUR L. OWEN CO. INC.

1712 Commerce, Dallas, Tx. 75201; 214-741-5921

	1974	1975
Premium vol. ..	$ 5,089,327	$ 7,000,000
Gross rev.	765,000	970,000
Employes	20	23
Commercial bus.	93%	94%

Principal Officers: Arthur L. Owen, CPCU, president; Mike Cook, vp; Henry Bell, vp; Ron Redfearn, manager, life and employe benefit department; Hugh Grandstaff, manager, oil and gas department.

Branch Offices: Calgary, Tx.

Compensation: Commissions.

PANHANDLE INSURANCE AGENCY

1201 West 8th St., P.O. Box 2169, Amarillo, Tx. 79105; 806-374-4621

	1974	1975
Premium vol. ...	$ 8,405,511	$ 9,245,373
Gross rev.	1,532,691	1,527,541
Employes	58	58
Commercial bus.	85%	88%

Principal Officers: S. Wayne O'Keefe, Jack E. Bryant, Robert N. Burkes, Don J. Crumbly, Hugh Maxey Dodson, Leslie H. Hart, Kay Fancher, Henry Gruben, C. C. Bogan, Billy Dale Brown.

Branch Offices: Pampa, Tx., Borger, Tx.

Compensation: commissions and fees.

MARSHALL PARIS INSURANCE INC.

18041 Bothell Way N.E., Bothell, Wa. 98011; 206-486-1227

	1974	1975
Premium vol. ...	$ 1,800,000	$ 1,750,000
Gross rev.	279,712	274,970
Employes	18	15
Commercial bus.	43%	45%

Principal Officers: George Marshall Paris, president; Ramon Hedwall, executive vp; Mary A. Paris, secretary-treasurer.

Compensation: commissions.

PARIS-O'DAY & REED INC.

1040 Lake St., Oak Park, Il. 60301; 312-379-7676

	1974	1975
Premium vol. ...	NA	$ 6,000,000
Gross rev.	501,000	640,000
Employes	15	16
Commercial bus.	95%	90%

Principal Officers: Frank M. Paris, Frederick L. Reed.

Compensation: commissions and fees.

LEE C. PAULL INSURANCE INC.

12th and Chapline Sts., Wheeling, WV. 26003; 304-232-0600

	1974	1975
Premium vol. ...	$ 5,800,000	$ 6,600,000
Gross rev.	720,000	785,000
Employes	31	33
Commercial bus.	75%	75%

Principal Officers: Lee C. Paull, chairman; A. F. Marshall Jr., president; E. P. Dubois, executive vp; W. L. Hood, vp; K. W. Neumann, vp.

Branch Offces: Washington, Pa.

Compensation: commissions.

PERRY AND SWARTWOOD INC.

350 West Church St., P.O. Box 345, Elmira, N.Y. 14902; 607-734-4291 4291

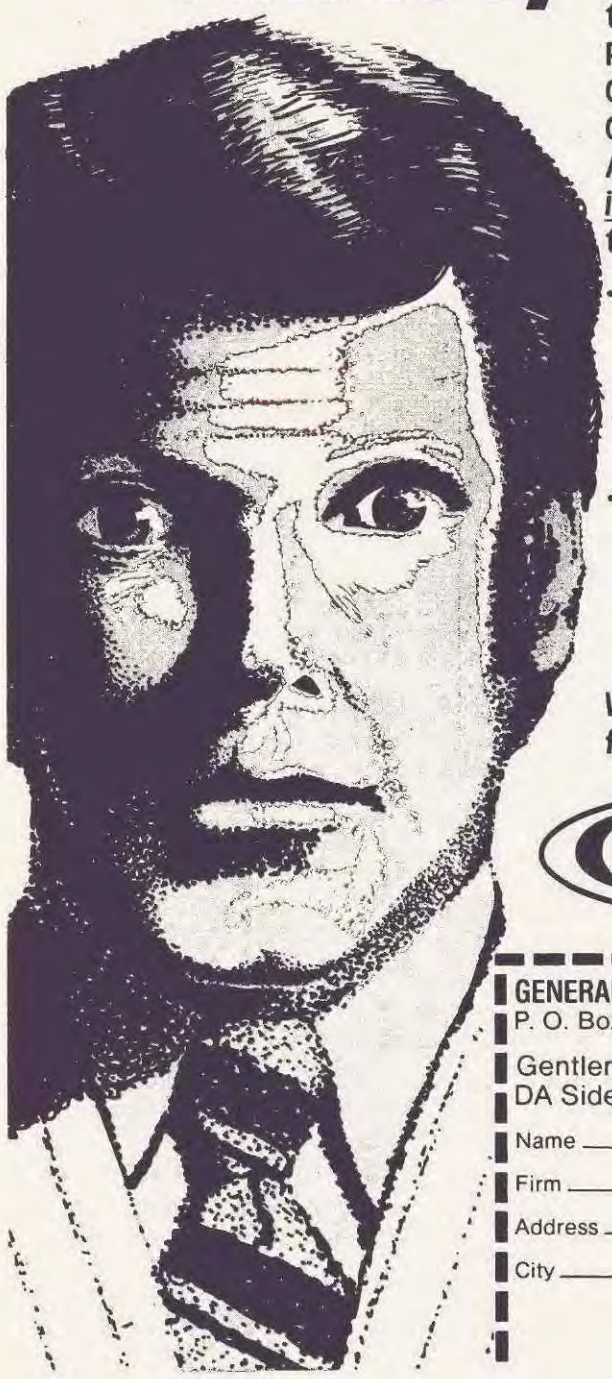
	1974	1975
Premium vol. ...	NA	NA
Gross rev.	$506,000	$508,000
Employes	14	14
Commercial bus.	80%	80%

Principal Officers: George Murphy, president; Harry Buehler, vp; J. Peter Fennel, vp.; William Tryon, vp; Mathew Perry, secretary-treasurer.

Compensation: commissions and fees.

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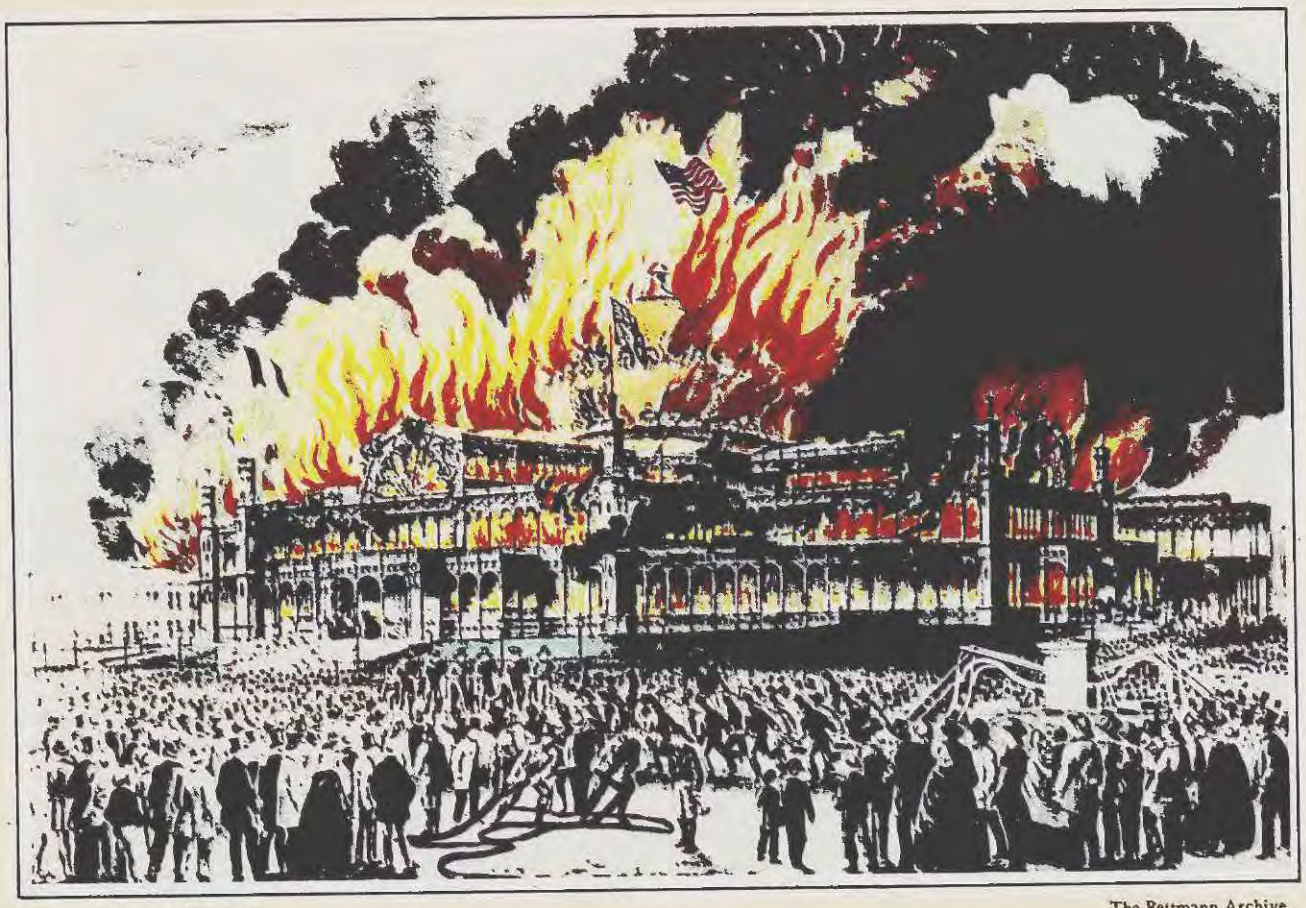
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THE PETTINGER AGENCY INC.

Camden State Bank Bldg., Camden, In. 46917; 219-686-2613

	1974	1975
Premium vol. ...	$ 1,138,617	$ 1,350,623
Gross rev.	190,336	197,339
Employes	11	11
Commercial bus.	55%	59%

Principal Officers: Robert L. Pettinger, president; Edward E. Canaday, vp; Sibyl F. Pettinger, secretary.

Branch Offices: Converse, In., Delphi, In.

Compensation: commissions.

JAMES T. PHELPS & CO. INC.

40 Broad St., Boston, Ma. 02109; 617-482-9700

	1974	1975
Premium vol. ...	$ 4,900,000	$ 6,100,000
Gross rev.	890,000	1,010,000
Employes	24	25
Commercial bus.	70%	72%

Principal Officers: H. Phelps Edwards Jr., president and treasurer; Leo T. Goodrich, executive vp; Richard B. Learned, senior vp.

Branch Offices: Milton, Ma.

Compensation: commissions and fees.

PINSON CALHOUN INSURANCE AGENCY INC.

520 Spring St., Shreveport, La. 71162; 318-221-7881

	1974	1975
Premium vol. ...	$ 1,101,000	$ 1,263,353
Gross rev.	178,008	223,901
Employes	9	10
Commercial bus.	65%	65%

Principal Officers: F. H. Pinson, president; Fielder Calhoun, vp; Alta S. Bellamy, vp and treasurer.

Compensation: commissions.

POE & ASSOCIATES INC.

102 W. Whiting St., P.O. Box 1348, Tampa, Fl. 33602

	1974	1975
Premium vol. ..	NA	NA
Gross rev.	$ 3,150,866	$ 3,867,210
Employes	105	135
Commercial bus.	92%	93%

Principal Officers: J. E. Brown, president and chairman of the board; Grady Cooksey, senior vp.; Charles W. Poe, treasurer; L. R. Willette, secretary.

Branch Offices: Orlando, Miami, Ft. Lauderdale, Venice and North Port, Fl.

Acquisitions in the past year: The Titan Agency, Miami

Compensation: commissions and fees.

POPKIN LEBSON BERGSTEIN INC.

155 N. Dean St., Englewood, N.J. 07631; 201-569-8090; 201-928-2473

	1974	1975
Premium vol. ...	$ 2,000,000	$ 2,500,000
Gross rev.	NA	NA
Employes	16	17
Commercial bus.	65%	65%

Principal Officers: Leo J. Popkin, president; Michael Bergstein, CLU, vp; Martin A. Lebson, vp and treasurer; Bruce A. Bergstein, vp and secretary.

Compensation: commissions.

THE PORTER ALLEN CO.

513 Southard St., Key West, Fl. 33040; 305-294-2542

	1974	1975
Premium vol. ...	$ 1,750,000	$ 2,150,000
Gross rev.	306,000	351,000
Employes	15	15
Commercial bus.	45%	50%

Principal Officers: William A. Freeman Jr., president, David W. Freeman, CPCU, secretary-treasurer.

Branch Offices: Marathon, Fl.

Compensation: commissions.

POYLE ASSOCIATES INC.

21700 Northwestern, Suite 800, Southfield, Mi. 48075; 313-559-9150

	1974	1975
Premium vol. ...	$ 4,250,000	$ 5,100,000
Gross rev.	280,000	400,000
Employes	14	24
Commercial bus.	90%	90%

Principal Officers: Philip Poyle, chairman of the board; Richard Poyle, president; Richard Berkfield Jr., vp; Robert Correa, vp.

Acquisitions in the past year: Allied Agency Inc.

Compensation: commissions and fees.

PRATT INSURANCE INC.

4 Village Square, Smyrna, De. 19977; 302-653-8595

	1974	1975
Premium vol. ...	$ 1,500,000	$ 2,500,000
Gross rev.	331,000	519,000
Employes	20	23
Commercial bus.	70%	65%

Parent Company: Insurance Corporation of America.

Principal Officers: Verne M. McGrew, chairman of the board, Eric W. McGrew, president; Howell F. Wallace, vp.

Branch Offices: Seaford, De.

Compensation: commissions.

PRODUCER'S EXCHANGE INC.

Suite 250 B Exchange Park, Dallas, Tx. 75235; 214-357-6504

	1974	1975
Premium vol. ...	$ 3,000,000	$ 4,000,000
Gross rev.	382,000	500,000
Employes	10	12
Commercial bus.	99%	99%

Parent Company: Producers Exchange Cooperative.

Principal Officers: Max McCrary Jr., president and chief executive officer; Bill M. Morrison, vp-sales and engineering; Vernon M. Gilmore, vp-underwriting; T. Dalt Roberts, vp-life and health.

Branch Offices: Lubbock, Tx., Jackson, Ms.

Compensation: Commissions and fees.

PUCCINI & ASSOCIATES INC.

2725 N. Thatcher Ave., River Grove, Il. 60171; 313-452-5252

	1974	1975
Premium vol. ...	$ 1,100,000	$ 1,400,000
Gross rev.	156,000	210,000
Employes	8	10
Commercial bus.	50%	60%

Principal Officers: Roy S. Puccini, president; Robert L. Coyer, vp.; Anthony F. Crissie, vp.

Compensation: Commissions and fees.

RL&G AGENCY INC.

88 Palmer St., Norwich, Ct. 06360; 203-889-2686

	1974	1975
Premium vol. ..	$ 1,10,000	$ 1,600,000
Gross rev.	143,000	174,000
Employes	10	13
Commercial bus.	40%	50%

Principal Officers: Leslie Young, president; Ernest Poore, vp; Robert Guenther.

Branch Offices: Burlington, Vt.

Compensation: commissions and fees.

RALEIGH, MANN & POWELL, SCHWARTZ, SHERA AND ASSOCIATES

Puget Sound National Bank Bldg., 1119 Pacific Ave., Tacoma, Wa. 98402; 206-572-6010; 206-838-0515

	1974	1975
Premium vol. ...	$17,970,000	$20,115,572
Gross rev.	1,709,293	2,094,267
Employes	58	60
Commercial bus.	87%	90%

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Hartford Fire Insurance Company	Hartford, Connecticut
Hartford Steam Boiler	Hartford, Connecticut
Home Indemnity Company	New York, New York
Home Insurance Company	New York, New York
Insurance Company of North America	Philadelphia, Pennsylvania
Lumbermens Mutual Insurance Company	Mansfield, Ohio
Mission Insurance Company	Los Angeles, California
New Hampshire Insurance Company	Manchester, New Hampshire
Royal Globe Insurance Company	Chicago, Illinois
Royal Indemnity Insurance Company	New York, New York
Seaboard Surety Company	New York, New York
St. Paul Fire & Marine Insurance	St. Paul, Minnesota
St. Paul Mercury Insurance Company	St. Paul, Minnesota
Transportation Insurance Company	Chicago, Illinois
Travelers Insurance Company	Hartford, Connecticut
Travelers Indemnity Company	Hartford, Connecticut
U.S. Fidelity & Guaranty Company	Baltimore, Maryland
U.S. Fire Insurance Company	New York, New York

LICENSED SURPLUS LINES AGENTS

Principal Officers: J. D. Powell, chairman; V. A. Schwarz, CLU, president; E. C. Shera, CLU, vp.; R. D. Devine, vp.; R. DeLorenzo, vp.; R Still, CLU, vp.; A. Coburn, CPCU, vp.; D. Conner, CLU, vp.

Branch Offices: Seattle.

Compensation: Commissions and fees.

RAMEY-MANNAN & CO. INC.

9102 N. Meridian St., Suite 500, Indianapolis, In. 46260; 317-844-7981

	1974	1975
Premium vol. ...	$ 2,500,000	$ 3,100,000
Gross rev.	510,000	598,000
Employes	15	18
Commercial bus.	90%	90%

Principal Officers: William S. Ramey, president; John E. Dinnsen, vp.; Louise T. Ramey, treasurer; Sariann Gressel, secretary.

Compensation: Commissions.

ALLEN M. REAGER CO.

310 West Liberty St., Louisville, Ky. 40202; 502-584-4241

	1974	1975
Premium vol. ...	$ 3,200,000	$ 3,600,000
Gross rev.	554,000	561,000
Employes	17	17
Commercial bus.	70%	70%

Principal Officers: John L. Shea, president; Richard L. Martin, vp and treasurer.

Compensation: Commissions.

REBSAMEN INSURANCE

Tower Building, Little Rock, Ar. 72201; 501-372-7281

	1974	1975
Premium vol. ...	$15,328,000	$18,209,550
Gross rev.	2,367,000	2,547,868
Employes	67	73
Commercial bus.	94%	93%

Parent Company: Rebsamen Companies Inc.

Principal Officers: Charles H. Harper, president; Charles C. Campbell, executive vp.

Branch Offices: Fordyce, Ar., Springdale, Ar.

Acquisitions in the Past Year: Gardner Insurance Agency.

Compensation: Commissions and fees.

REISS-PLEASANT INSURANCE AGENCY INC.

2425 Norfolk, Houston, Tx. 77098; 713-526-1723

	1974	1975
Premium vol. ...	$ 2,069,000	$ 1,512,000
Gross rev.	330,000	297,354
Employes	9	10
Commercial bus.	70%	65%

Principal Officers: Neal E. Pleasant, CLU, CIC, president; Joe J. Reiss, CIC, vp.; Elaine A. Kelly, CPIW, vp.

Acquisitions in the Past Year: Broadfoot & Overstreet Agency; Wallace Machen Agency.

Compensation: Commissions.

REPUBLIC INSURANCE BROKERS INC.

1971 E. 4th St., Santa Ana, Ca. 92711; 714-558-1821

	1974	1975
Premium vol. ...	$10,000,000	$10,500,000
Gross rev.	1,380,000	1,500,000
Employes	62	58
Commercial bus.	90%	92%

Principal Officers: A.L. Leatherby, chairman of board and president; Kent Briggs, senior vp; Robert Reiden, senior vp.; Edward Kenz, vp; Donald M. Malm, vice chairman of board and treasurer; Charles Currey, secretary.

Branch Offices: San Diego.

Compensation: Commissions and fees.

RHULEN AGENCY INC.

217 Broadway, Monticello, N. Y. 12701; 914-794-8000

	1974	1975
Premium vol. ...	$10,000,000	$11,000,000
Gross rev.	1,9[illegible]38	2,460,344
Employes	54	65
Commercial bus.	95%	95%

Principal Officers: Max H. Rhulen, chairman; Walter A. Rhulen, president; Meyer M. Duchin, senior vp; Jesse M. Farrow, executive vp; Peter L. Rhulen, vp and secretary; Kenneth H. Garn, vp; Richard P. Van Etten, vp; Murray Markman, vp.

Acquisitions in the past year: Murray Markman.

Compensation: Commissions and fees.

RICHARDS-THOMAS AGENCY

1 Linden Place, Great Neck, N.Y. 11021; 516-487-6584

	1974	1975
Premium vol. ...	$ 5,000,000	$ 6,000,000
Gross rev.	450,000	500,000
Employes	6	6
Commercial bus.	90%	90%

Principal Officers: Richard T. Sklover, Stephen A. Genatt, Leslie R. Genatt.

Compensation: Commissions and fees.

RICHARDSON CORPORATION-INSURANCE DIVISION

201 N. Elm St., P.O. Drawer W-1, Greensboro, N.C. 27402; 919-275-0911

	1974	1975
Premium vol. ...	$ 2,174,000	$ 3,344,000
Gross rev.	384,000	547,000
Employes	22	21
Commercial bus.	70%	77%

Parent Company: Richardson Corporation of Greensboro.

Principal Officers: Charles W. Cheek, president; Joseph F. Freeman Jr., vp-insurance division; George Field Jr., marketing manager; Carter S. Haas, branch manager.

Branch Offices: Wilmington, S.C.

Acquisitions in the Past Year: Hardy Wessel Agency.

Compensation: Commissions.

RICHARDSON-HAGERMAN AGENCY INC.

22 East Main St., Clifton Springs, N.Y. 14432; 315-462-7474

	1974	1975
Premium vol. ...	$ 1,350,000	$ 1,550,000
Gross rev.	230,000	265,000
Employes	13	13
Commercial bus.	45%	50%

Principal Officers: John S. Richardson, president; Alan L. Hagerman, CPCU, vp.

Branch Offices: Phelps, N.Y., Manchester, N.Y., East Rochester, N.Y.

Compensation: Commissions.

JOHN M. RIEHLE & CO. INC.

757 Third Ave., New York, N.Y. 10017; 212-754-4400

	1974	1975
Premium vol. ...	$10,000,000	$11,000,000
Gross rev.	1,400,000	1,500,000
Employes	32	34
Commercial bus.	90%	90%

Parent Company: Harcourt Brace Jovanovich Inc.

Principal Officers: Joseph D. Tooker Jr., president; Gaspar J. Morell, executive vp.

Branch Offices: Bedford and Westbury, N.Y.; New Canaan, Ct.

Compensation: Commissions.

RISK MANAGEMENT SERVICES INC.

Box 2065A, Orlando, Fl. 32814; 305-894-2031

	1974	1975
Premium vol. ...	$12,000,000	$14,000,000
Gross rev.	1,400,000	1,800,000
Employes	45	50
Commercial bus.	98%	98%

Principal Officers: W.R. Dorminy, president; B.R. Smith, secretary.

Branch Offices: Miami, Birmingham.

Compensation: Commissions and fees.

ROBERTSON-RYAN AND ASSOCIATES INC.

660 East Mason St., Milwaukee, Wi. 53202; 414-271-3575

	1974	1975
Premium vol. ...	$ 5,170,720	$ 5,783,812
Gross rev.	815,103	807,216
Empolyes	17	18
Commercial bus.	65%	75%

Principal Officers: Jack T. Ryan,

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Branch Offices: Port Washington, Wi., Sheboygan, Wi.

Compensation: Commissions and fees.

ROBSON, CAVIGNAC & FLETCHER

110 W St., Suite 1050; San Diego, Ca. 92101; 714-235-6301

	1974	1975
Premium vol.	$ 3,250,000	$ 3,600,000
Gross rev.	500,000	575,000
Employes	17	18
Commercial bus.	92%	92%

Principal Officers: Jon R. Robson, president; Frank G. Cavignac, vp and secretary; Ken Bohlander, CPCU, vp and treasurer.

Compensation: Commissions.

ALBERT G. RUBEN & CO. INC.

9601 Wilshire Blvd., Beverly Hills, Ca. 90210; 213-273-1101

	1974	1975
Premium vol.	$19,930,414	$24,302,262
Gross rev.	2,738,337	3,082,420
Employes	76	78
Commercial bus.	85%	90%

Principal Officers: Robert H. Williams, president; C. Scott Milne, executive vp; Ted H. Butter, vp.

Branch Offices: New York, Santa Ana, Ca.

Compensation: Commissions and fees.

SACRAMENTO VALLEY INSURANCE

455 Capitol Mall, Suite 125, Sacramento, Ca. 95814; 916-444-5400

	1974	1975
Premium vol.	$ 2,300,000	$ 3,400,000
Gross rev.	406,000	604,000
Employes	20	21
Commercial bus.	75%	80%

Principal Officers: H. H. Hendren, president; James C. Chenu, vp and treasurer; Thomas W. Hobday, vp; John A. Kemmler, vp; J. Gary Kerns, secretary; Charles J. Sigerseth, vp; David Zancanaro, vp.

Compensation: commissions.

SAGINAW UNDERWRITERS INC.

1213 South Washington, Saginaw, Mi. 48601; 517-752-8600

	1974	1975
Premium vol.	$ 3,500,000	$ 3,600,000
Gross rev.	720,000	725,000
Employes	16	16
Commercial bus.	80%	80%

Principal Officers: A. J. Marxhauser, chairman of the board; Frank Johnson, president and treasurer; Kurt Ewend, vp; Louis Hanisho, vp and secretary; James McLennan, vp; Spencer Waters, vp.

Compensation: Commissions and fees.

SAVILL-SCHNIEDERS-KUEHR

3370 Founders Rd., Indianapolis, In. 46268; 317-297-3510

	1974	1975
Premium vol.	$ 2,750,000	$ 3,500,000
Gross rev.	610,000	613,000
Employes	20	22
Commercial bus.	40%	50%

Principal Officers: George Schnieders, Milton Savill, Albert Savill, Donald Kuehr.

Compensation: commissions.

C. A. SCHUTZE AGENCY

1101 South Congress, P.O. Box 3547, Austin, Tx. 78764; 512-447-5507

	1974	1975
Premium vol.	$ 1,200,000	$ 1,400,000
Gross rev.	215,000	250,000
Employes	7	7
Commercial bus.	85%	85%

Principal Officers: C.A. Schutze, Jr. CPCU, managing partner; Mrs. C. A. Schutze Sr., inactive; Sam Lucchese, associate; Steve Schutze, associate.

Compensation: commissions.

SCHWARTZ, HIRTENSTEIN & CO. INC.

310 Madison Ave., New York, N.Y. 10017; 212-697-2615

	1974	1975
Premium vol.	$ 1,900,000	$ 2,000,000
Gross rev.	260,000	275,000
Employes	11	11
Commercial bus.	80%	80%

Principal Officers: Daniel Hirtenstein, president; Barnet Schwartz, vp; Arthur A. Schwartz, secretary-treasurer.

Compensation: commissions.

SECURITY UNITED COMPANIES INC./DBA SECURITY UNITED INSURANCE SERVICES

3605 Long Beach Blvd., Suite 333, Long Beach, Ca. 90807; 213-979-7071

	1974	1975
Premium vol.	$ 1,785,000	$ 3,000,000
Gross rev.	250,000	400,000
Employes	12	11
Commercial bus.	95%	95%

Principal Officers: Ronald E. Steward, president; E. Joan Djahangiri, vp; Karen Steward, secretary-treasurer.

Compensation: commissions.

HOLLIS D. SEGUR INC.

111 West Main St., Waterbury, Ct. 06702; 203-756-7933

	1974	1975
Premium vol.	$ 1,600,000	$ 1,900,000
Gross rev.	370,000	400,000
Employes	12	15
Commercial bus.	75%	80%

Principal Officers: John F. Burbank, president; James B. Mullen, vp; Joseph H. Cunningham, vp.

Compensation: commissions.

SEYMOUR INSURANCE AGENCY INC.

1609 Stubbs Ave., Monroe, La. 71201; 318-388-2400

	1974	1975
Premium vol.	$ 1,900,000	$ 2,200,000
Gross rev.	275,000	325,000
Employes	14	15
Commercial bus.	80%	80%

Compensation: commissions.

SHELTON-NATIONAL INSURANCE AGENCY

1227 Third St., Corpus Christi, Tx. 78404; 512-882-5586

	1974	1975
Premium vol.	$ 2,056,553	$ 2,561,730
Gross rev.	313,000	409,876
Employes	10	10
Commercial bus.	75%	75%

Principal Officers: W. J. Bill Shelton, partner; Robert E. Harris, partner; Dick Milnar, partner; Louis E. Wells, partner.

Compensation: Commissions and fees.

J. H. SILVERSMITH INC.

831 14th St., Suite 200, Denver, Co. 80202; 303-893-2222

	1974	1975
Premium vol.	$ 2,450,000	$ 3,050,000
Gross rev.	374,000	543,204
Employes	22	29
Commercial bus.	83%	82%

Principal Officers: J. H. Silversmith, Jr., president; John K. Munn, vp; J. Darrell White, vp; Irene G. Falbo, secretary-treasurer.

Branch Offices: Cheyenne.

Compensation: commissions and fees.

PALLEY SIMON ASSOCIATES

Suite 319, Noble Plaza, Jenkintown, Pa. 19046; 215-276-8700

	1974	1975
Premium vol.	$ 1,600,000	$ 1,700,000
Gross rev.	260,000	280,000

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Employes	7	7
Commercial bus.	75%	75%

Principal Officers: Mahlon B. Simon Jr., president; Samuel M. Palley, vp.

Compensation: commissions and fees.

C. J. SIMONS & CO.

563 Broad St., Newark, N.J. 07102; 201-623-8100

	1974	1975
Premium vol. ..	$ 9,000,000	$ 10,000,000
Gross rev.	950,000	1,000,000
Employes	45	50
Commercial bus	90%	90%

Principal Officers: Charles J. Simons, president.

Compensation: commissions.

LEE SMITH & CO. INC.

1840 E. 17th St., Santa Ana, Ca. 92702; 714-558-0101

	1974	1975
Premium vol. ..	$ 5,071,000	$ 5,600,000
Gross rev.	880,133	937,000
Employes	30	28
Commercial bus.	80%	80%

Principal Officers: Lee Smith, president; Charles T. Terry, executive vp; Ralph Wackerbarth, vp; John C. Tweedie, treasurer; Edward Reiter, treasurer; James Gilmore, chairman of the board.

Compensation: commissions.

SODERMAN & SODERMAN AB

Baldersgatan 1, 114 27 Stockholm, Sweden; 08-24 91 00

	1974	1975
Premium vol. ..	NA	NA
Gross rev.	$337,000	$450,000
Employes	5	8
Commercial bus.	85%	85%

Principal Officers: Bo Soderman.

Compensation: commissions and fees.

STEEL CITY AGENCIES INC.

1414 West 4th St., Pueblo, Co. 81004;. 303-544-2533

	1974	1975
Premium vol. ..	$ 1,302,482	$ 1,468,855
Gross rev.	253,751	273,022
Employes	17	18
Commercial bus.	62%	65%

Principal Officers: Bret Kelly, CPCU, president; Ralph A. Williams, CPCU, executive vp; Jerry Thomas, CPCU, secretary.

Compensation: commissions and fees.

STEPHENS RYDER WENGER

211 W. Third, Box 1226, Grand Island, Ne. 68801; 308-382-2330

	1974	1975
Premium vol. ..	$ 1,500,000	$ 1,750,000
Gross rev.	270,000	297,500
Employes	7	9
Commercial bus.	61%	67%

Principal Officers: Del W. Ryder, president; James E. Wenger, vp; Richard E. Stephens, secretary-treasurer.

Compensation: commissions.

STERLING & STERLING INC.

161 Great Neck Rd., Great Neck, N.Y. 11021; 516-487-0300

	1974	1975
Premium vol. ..	$22,000,000	$12,000,000
Gross rev.	2,500,000	2,200,000
Employes	65	54
Commercial bus.	90%	90%

Principal Officers: Daniel S. Sterling, president; Roger Berlin, treasurer; Joel J. Sterling, vp-secretary; Ronald Hanstein, vp; David Epstein, vp; Joseph Simchowitz, vp.

Branch Offices: New York City, Miami.

Acquisitions in the Past Year: Excel Agency.

Compensation: commissions and fees.

STONE & MICHAUD INC.

P.O. Box 35; Manchester, N.H. 03105; 603-472-3086

	1974	1975
Premium vol. ..	NA	$ 1,900,000
Gross rev.	NA	380,000
Employes	NA	11.5
Commercial bus.	NA	75%

Principal Officers: William P. Stone, CPCU, president; David M. Stone, vp; Paul L. Michaud, CPCU, vp.

Compensation commissions and fees.

STORER DAMON & LUND

148 State St., Boston, Ma. 02109; 617-523-2350

	1974	1975
Premium vol. ..	$ 3,600,000	$ 4,400,000
Gross rev.	700,000	800,000
Employes	22	22
Commercial bus.	65%	65%

Principal Officers: 10 Partners.

Branch Offices: Cambridge, Ma.

Compensation: commissions.

STRASCO INSURANCE AGENCY INC.

527 St. Paul St., Baltimore, Md. 21202; 301-539-2020

	1974	1975
Premium vol. ..	$ 1,010,924	$ 1,052,716
Gross rev.	178,298	181,557
Employes	6	6
Commercial bus.	60%	60%

Principal Officers: Jerome B. Rosenberg, president; Leonard H. Rosenberg, senior vp; Stephen F. Rosenberg, CLU, CPCU, vp.

Compensation: commissions and fees.

JOHN L. SWAN & CO. INC.

84 William St., New York, N.Y. 10038; 212-344-3220

	1974	1975
Premium vol. ..	$ 1,400,000	$ 1,700,000
Gross rev.	179,540	171,300
Employes	6	9
Commercial bus.	80%	80%

Principal Officers: Walter A. Behan, William F. Austin, Helen H. O'Neill.

Acquisitions in the Past Year: Theodore H. Smith & Co. Inc.

Compensation: commissions and fees.

SWEET & ASSOCIATES

23777 Greenfield, Southfield, Mi. 48075; 313-557-5575

	1974	1975
Premium vol. ..	NA	$ 1,200,000
Gross rev.	170,000	185,000
Employes	7	9
Commercial bus.	75%	75%

Parent Company: A. L. Sweet Agency Inc.

Principal Officers: Allen L. Sweet, chairman of the board; Wesley N. Peterson, president; Roger V. Crownover, vp.

Acquisitions in the Past Year: Sinclair & Ford Agency.

Compensation: commissions and fees.

SWANKE-LAPP INC.

6550 Park Ave., South, Minneapolis, Mn. 55435; 612-920-6481

	1974	1975
Premium vol. ..	$3,500,000	$5,000,000*
Gross rev.	40,000	50,000
Employes	10	25
Commercial bus.	100%	100%

*includes administered volume

Principal Officers: Robert B. Swanke, president; Charles E. Lapp, vp; Todd E. Davison, vp-legal.

Compensation: commissions and fees.

THOITS INSURANCE SERVICE INC.

140 University Ave., Palo Alto, Ca. 94302; 415-324-0606

	1974	1975
Premium vol. ..	$ 1,200,000	$ 1,250,000
Gross rev.	176,000	178,000
Employes	7	9
Commercial bus.	40%	40%

Principal Officers: Donald A. Way, CPCU, president; Robert A. Manger, vp.

Compensation: commissions and fees.

THORNING-GORMAN AGENCY INC.

759 N. Milwaukee St., Milwaukee, Wi. 53202; 414-276-0444

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	1974	1975
Premium vol. ..	$ 1,600,000	$ 1,800,000
Gross rev.	225,000	248,000
Employes	7	8
Commercial bus.	70%	75%

Principal Officers: Ed. A Gorman, president and treasurer; Ed A. Gorman Jr., vp; J. Holzer, secretary.

Compensation: commissions.

TIDEWATER INSURANCE ASSOCIATES INC.

P.O. Box 8674, BWI Airport, Baltimore, Md. 21240; 301-796-4600

	1974	1975
Premium vol. ..	$ 9,000,000	$10,000,000
Gross rev.	1,660,895	1,812,152
Employes	50	49
Commercial bus.	90%	90%

Principal Officers: William H. Landon, president; Thomas P. Murphy, CPCU, executive vp; Harry W. Rodgers III, vp; William A. Rodgers, vp; W. Dale Hess, vp; John T. Kahl, Jr., vp; Vance S. Goode, vp; Gerard H. Wheeler, vp and controller; Philip T. Tawes, vp; Roy E. Julie, Jr., vp.

Branch Offices: Bowie, Md.

Compensation: commissions and fees.

TITAN AGENCIES INC.

East 81 State Hwy. Four, Paramus, N.J. 07652; 201-843-0040

	1974	1975
Premium vol. ..	NA	NA
Gross rev.	$1,000,000+	$1,000,000+
Employes	32	35
Commercial bus.	88%	87%

Principal Officers: Paul L. Gross, president; Earl B. Gross, divisional president.

Branch Offices: Los Angeles.

Compensation: commissions and fees.

TRANS WORLD INSURANCE BROKERS

131 El Camino Drive, Beverly Hills, Ca. 90212; 213-878-1100

	1974	1975
Premium vol. ..	$20,000,000	$20,000,000
Gross rev.	1,800,000	1,800,000
Employes	35	41
Commercial bus.	95%	95%

Principal Officers: Fred Wilson, president; Billy Storey, vp; Ronald Merz, secretary.

Branch Offices: New York, Newport Beach, Modesto.

Compensation: commissions and fees.

ALVIN S. TRENK ASSOCIATES

666 Park Ave., East Orange, N.J. 07017; 201-672-3333

	1974	1975
Premium vol. ..	$ 1,860,000	$ 2,100,000
Gross rev.	215,000	250,000
Employes	8	10
Commercial bus.	80%	80%

Principal Officers: Alvin S. Trenk, president; Thomas J. Lundon, vp.

Compensation: combination.

TRIANGLE INSURANCE INC.

14011 Ventura Blvd., Sherman Oaks, Ca. 91403; 213-872-2400

	1974	1975
Premium vol. ..	$ 3,000,000	$ 3,477,000
Gross rev.	525,000	556,000
Employes	16	18
Commercial bus.	72%	72%

Principal Officers: Sy Maxwell, president; Maurice Jones, secretary-treasurer.

Compensation: commissions.

TRIMBLE-BATJER-COBB INSURANCE

519 W. Beauregard, San Angelo, Tx. 76901; 915-655-5651

	1974	1975
Premium vol. ..	$ 1,579,114	$ 1,640,674
Gross rev.	285,577	289,247
Employes	10	11
Commercial bus.	50%	55%

Principal Officers: Henry H. Batjer, Jr., R. Bernard Trimble, James H. Cobb.

Acquisitions in the Past Year: Gardner Real Estate & Insurance.

Compensation: commissions.

F. C. TUCKER INSURANCE AGENCY

4829 East 38th St., Indianapolis, In. 46218; 317-545-7443

	1974	1975
Premium vol. ..	$ 1,908,000	$ 2,343,000
Gross rev.	374,836	463,210
Employes	17	18
Commercial bus.	60%	60%

Principal Officers: Woody B. Hilborn, president; Roland S. Summerlot, executive vp.

Acquisitions in the Past Year: Goldstein Associates Inc.

Compensation: commissions and fees.

ULRICH VOORHEES WARNER ASSOCIATES

255 Old New Brunswick Rd., Piscataway, N.J. 08854; 201-752-1000

	1974	1975
Premium vol. ..	$ 5,200,000	$ 5,500,000
Gross rev.	805,000	855 000
Employes	31	35
Commercial bus.	83%	87%

Principal Officers: John N. Voorhees III, president; Stephen A. Warner, executive vp; Elizabeth Wobensmith, treasurer; Judith Schlow, secretary.

Branch Offices: Washington, D.C.

Compensation: commissions and fees.

UNDERWRITER'S CORP. OF ANN ARBOR

5303 Plymouth Rd., Ann Arbor, Mi. 48104; 313-761-4616

	1974	1975
Premium vol. ..	$ 1,222,000	$ 1,350,000
Gross rev.	214,000	240,000
Employes	9	6
Commercial bus.	79%	82%

Principal Officers: Andre A. Barroso, president; Elaine R. Barroso, secretary-treasurer; Carolyn Nyrkkanen, vp.

Compensation: commissions.

UNITED COVERAGE CONSULTANTS INC.

124 E. 39 St., New York, N.Y. 10016; 212-725-0505

	1974	1975
Premium vol. ..	$ 3,500,000	$ 4,000,000
Gross rev.	350,000	400,000
Employes	12	13
Commercial bus.	80%	83%

Parent Company: United Coverage Group.

Principal Officers: Philip M. Schlussell, president, chairman of the board; Alan M. Mack, vp.

Compensation: commissions and fees.

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	1974	1975
Premium vol. ..	$ 1,688,700	$ 2,038,906
Gross rev.	262,724	305,385
Employes	15	15
Commercial bus.	60%	60%

Principal Officers: Eugene L. Fidell, president and treasurer; Harvey K. Partridge Jr., vp; James J. McAleer, vp; Helen Di Julio, secretary.

Compensation: commissions.

WARNER, HAND & DREW INC.

101 Jefferson Ave., Endicott, N.Y. 13760; 607-754-0424

	1974	1975
Premium vol. ..	$ 2,333,099	$ 2,692,082
Gross rev.	445,317	503,572
Employes	14	14
Commercial bus.	64%	64%

Principal Officers: Ralph J. Warner, president; Jack I. Drew, vp-secretary; A. Richard Hand, vp-treasurer; J. Lynne Simmons, assistant secretary; David F. Twomey, assistant treasurer.

Compensation: commissions.

WARREN & WELSH CO.

The Irwin Blvd., King of Prussia, Pa. 19406; 215-337-0330

	1974	1975
Premium vol. ..	$10,500,000	$12,500,000
Gross rev.	1,397,060	1,555,130
Employes	40	42
Commercial bus.	95%	95%

Principal Officers: Stanley A. Welsh Jr., chairman; James F. Warren Jr., president.

Compensation: commissions.

IRVING WEBER ASSOCIATES INC.

373 Park Ave. South, New York, N.Y. 10016; 212-689-9780

	1974	1975
Premium vol. ..	$ 6,600,000	$ 6,500,000
Gross rev.	779,000	759,000
Employes	24	24
Commercial bus.	70%	70%

Principal Officers: Irving Weber, president; Martin P. Carter, treasurer; Philip Barth, secretary; Shaby Shemtob, vp; Dennis M. Weber, vp.

Branch Offices: Mt. Vernon, N.Y.

Compensation: commissions and fees.

ROBERT S. WEISS & ASSOCIATES INC.

36 Atlantic St., Stamford, Ct. 06901; 203-359-4600

	1974	1975
Premium vol. ..	$ 4,750,000	$ 4,750,000
Gross rev.	560,000	560,000
Employes	16	16
Commercial bus	70%	70%

Principal Officers: Robert S. Weiss, president and treasurer; Richard J. Rosum, vp; Jerome J. Rosenblum, secretary.

Branch Offices: Danbury.

Compensation: commissions and fees.

WEISSMAN & WEISSMAN INC.

55 John St., New York, N.Y. 10038; 212-233-7600

	1974	1975
Premium vol. ..	$ 3,000,000	$ 3,000,000
Gross rev.	502,000	540,000
Employes	11	11
Commercial bus.	80%	80%

Principal Officers: Milton L. Weissman, LLB, president; Daniel D. Haber, LLB, executive vp; Stephen B. Weissman, LLB, vp; William Bell, vp.

Compensation: commissions and fees.

WELLINGTON AGENCIES INC.

3460 Wilshire Blvd., Los Angeles, Ca. 90010; 213-380-3050

	1974	1975
Premium vol. ..	$ 3,150,000	$ 4,100,000
Gross rev.	585,000	750,000
Employes	23	25
Comemrcial bus.	85%	85%

Principal Officers: Wilbert W. Stein, president; John Antignas, vp-secretary; Gerald Richbook, vp-treasurer.

Acquisitions in the Past Year: Sentinel Agency.

Compensation: commissions and fees.

WHITSITT RALSTON & STIFF AGENCY

600 N. Main, McAllen, Tx. 78501; 512-682-2841

	1974	1975
Premium vol. ..	$ 1,525,000	$ 1,850,000
Gross rev.	273,000	322,000
Employes	14	17
Commercial bus.	60%	65%

Principal Officers: W. E. Whitsitt, R. E. Stiff, C. D. Ralston.

Compensation: commissions.

WICKE & LOWENFELD INC.

261-20 Hillside Ave., Floral Park, N.Y. 11004; 212-347-6400

	1974	1975
Premium vol. ..	$ 1,800,000	$ 1,800,000
Gross rev.	275,000	275,000

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agent/broker profiles

Employes	15	15
Commercial bus.	40%	40%

Principal Officers: Leroy S. Lowenfeld, president; Cliff Wicke, secretary-treasurer.

Branch Offices: Valley Stream, N.Y.

Compensation: commissions and fees.

JOHN J. WILLIAMS INSURANCE AGENCY INC.

141 Milk St., Boston, Ma. 02109; 617-426-4087

	1974	1975
Premium vol. ..	NA	$ 1,400,000
Gross rev.	NA	210,000
Employes	NA	6
Commercial bus.	NA	85%

Principal Officers: John J. Williams, president and treasurer.

Branch Offices: Hyannis, Ma.

Compensation: commissions and fees.

WILLIAMS INSURANCE AGENCY INC.

P.O. Box 266; 116 East Third St., Crowley, La. 70526; 318-783-6346

	1974	1975
Premium vol. ..	$ 1,063,000	$ 1,213,000
Gross rev.	144,000	164,000
Employes	7	7
Commercial bus.	68%	68%

Principal Officers: Sims C. Williams, president; D. B. Williams, secretary-treasurer; Sims C. Williams Jr., assistant secretary-treasurer.

Compensation: commissions and fees.

WINCHESTER INSURANCE AGENCY INC.

3033 Moorpark Ave., Suite 21, San Jose, Ca. 95128; 408-247-8336

	1974	1975
Premium vol. ..	NA	$ 1,450,000
Gross rev.	NA	250,000
Employes	NA	8
Commercial bus.	NA	65%

Principal Officers: Terrance I. Espeland, president; Daniel E. McDonald, vp; Christopher A. McDonald, secretary-treasurer.

Compensation: commissions.

WINN INSURANCE AGENCY

321 5th St., Hollister, Ca. 95023; 408-637-4441

	1974	1975
Premium vol. ..	$ 3,750,000	$ 5,000,000
Gross rev.	561,027	751,815
Employes	24	29
Commercial bus.	75%	80%

Principal Officers: John R. Winn, president; Ronald G. Pray, vp; Sandra L. Rose, secretary-treasurer.

Branch Offices: Gilroy, Ca.

Compensation: commissions.

WOODRUFF-ROBINSON CO.

1501 13th St., P.O. Box 7608, Columbus, Ga. 31908; 404-324-6671

	1974	1975
Premium vol. ..	$ 4,307,949	$ 5,692,716
Gross rev.	715,410	968,822
Employes	45	51
Employes	45	51
Commercial bus.	88%	85%

Principal Officers: Richard L. Winningham, president; Robert E. Dismukes, Jr., vp; G. Frank Thompson, secretary-treasurer.

Branch Offices: Atlanta, Albany, Ga.

Compensation: commissions.

WOODWORTH & CLARK

309 Cumberland Ave., Box 3543, Portland, Me. 04104; 774-6257

	1974	1975
Premium vol. ..	$ 2,058,000	$ 2,385,000
Gross rev.	370,000	417,000
Employes	17	20
Commercial bus.	52%	52%

Principal Officers: Richard W. Clark, president and treasurer; Philip F. Chadbourne, vp.

Branch Offices: N. Windham, Me.

Compensation: commissions.

WORGESS AGENCY INC.

55 N. McCamly, Battle Creek, Mi. 49014; 616-965-3221

	1974	1975
Premium vol. ..	$ 2,100,000	$ 2,200,000
Gross rev.	422,318	450,255
Employes	16	16
Commercial bus.	54%	56%

Principal Officers: Russell V. Worgess, Donald R. Worgess.

Branch Offices: Marshall, Mi.

Compensation: commissions.

WRIGHT & CO.

1001 Connecticut Ave., N.W., Washington, D.C. 20036; 202-331-1550

	1974	1975
Premium vol. ..	NA	NA
Gross rev.	$ 500,000	$ 600,000
Employes	14	15
Commercial bus.	99%	99%

Principal Officers: Frank L. Wright, president; Michael R. Ward, vp; Joseph W. Rogers, vp; Robert M. Beckman, secretary; Betty R. Wright, vp-treasurer.

Compensation: commissions and fees.

YOUR INSURANCE MAN INC.

620 Walnut St., N.E., Drawer F, Decatur, Al. 35601; 205-353-7931

	1974	1975
Premium vol. ..	$ 2,747,328	$ 2,863,978
Gross rev.	479,609	514,240
Employes	26	28
Commercial bus.	60%	60%

Principal Officers: Marvin Rex Rankin Jr., president; Wayne B. Fair, administrative vp; Douglas L. Rogers, vp.

Compensation: commissions.

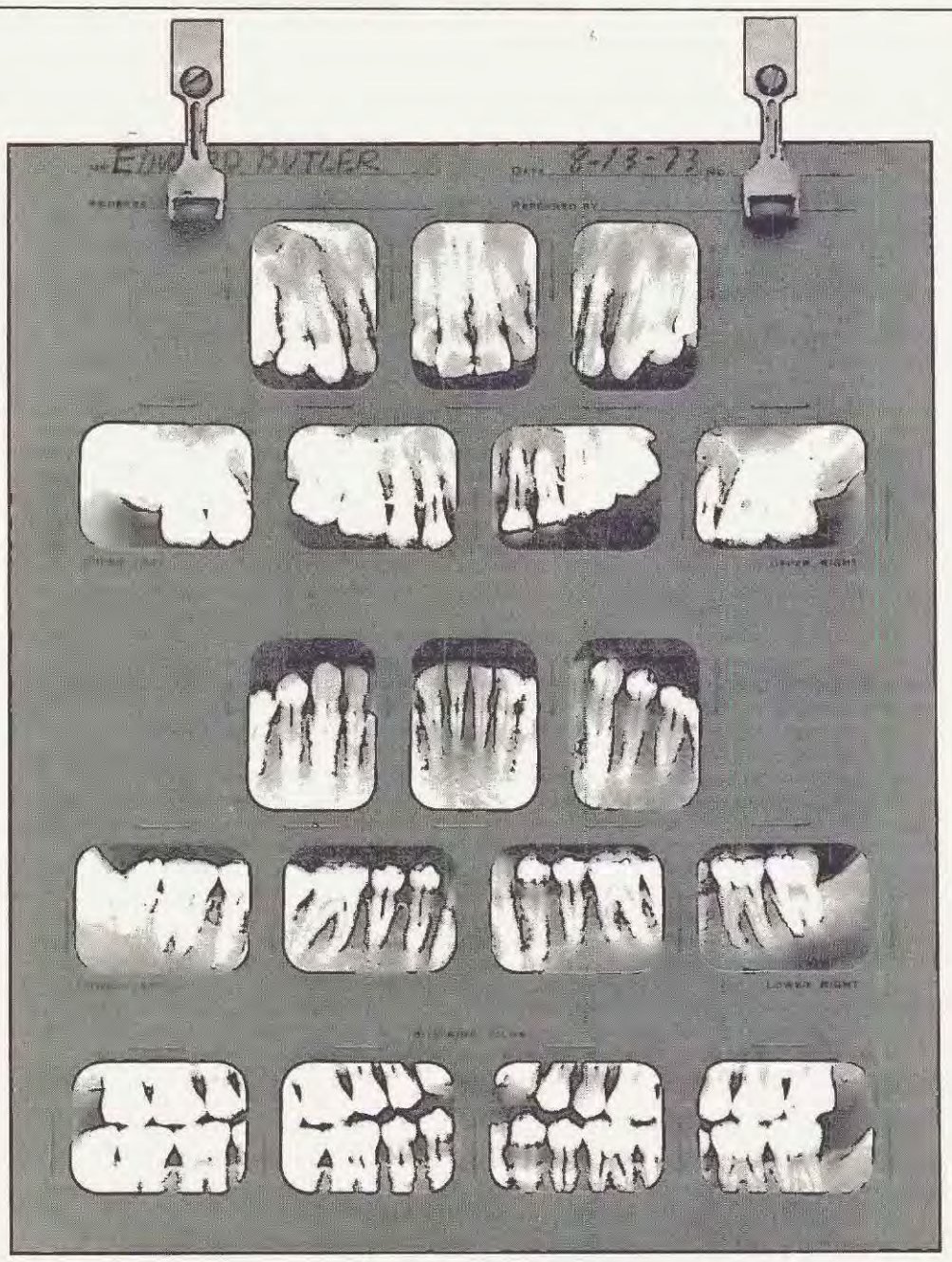
ZIMMERMAN INSURANCE ASSOCIATES INC.

500 Shatto Place, Los Angeles, Ca. 90020; 213-380-1780

	1974	1975
Premium vol. ..	$ 4,200,000	$ 4,000,000
Gross rev.	620,000	600,000
Employes	12	10
Commercial bus.	75%	75%

Principal Officers: D. C. Zimmerman Jr., chairman; J.J. Sweeney, president; L. P. Day, vp.

Compensation: commissions



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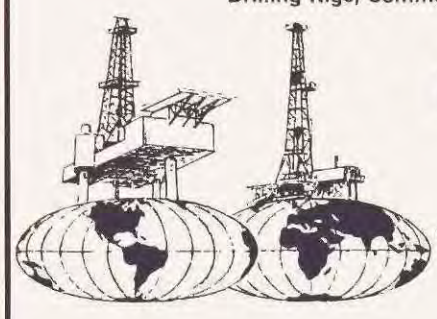
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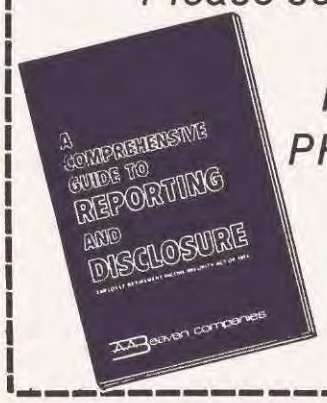
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Harlan revamps . . .

Continued from page 1

has taken place, it's for the better, as far as Harlan is concerned. "It's a stronger company and more closely controlled now," this source commented. "Their revenues are down but I think they're aggressively and competitively adding clients." There are "probably no acquisitions," he added.

This source, who also asked not to be identified, said that Harlan's 21 offices had been consolidated into "some nine or 10 offices in nine or 10 cities." He believes that Harlan's clients "might even be on the upgrade." Jacksonville, Fl., and Philadelphia reportedly do the largest volume of business after the Houston office.

Other theories about the impact of Harlan's changes were expounded by close observers of the restructuring: One source noted "a lot of turmoil at the top" of Harlan's management. Another echoed that observation of "political infighting among top officers" by saying that "a group of senior officers are retiring soon who are not partners in the new firm."

Another perspective was offered by those who knew the firm's dynamic founder, Bill Harlan, who was viewed as "a great salesman who intended to take the firm public." Apparently, when Mr. Harlan died, the firm consisted of some 23 branch offices and over 200 affiliated offices. This rapid expansion led to a number of administrative problems, according to this source.

Two rounds of merger negotiations, with Reed Shaw Stenhouse in late 1974 and with a Travelers' subsidiary, Plaza Corp., were broken off before fruition. The Reed Shaw merger fell through because of depressed stock prices for both parties, one source said. The Travelers merger was abandoned when that firm's executive committee worried about the possible ill effects on its agency business.

"This move (the buy-back by Harlan officials) may or may not mean a trend away from eventual public ownership of the company," one observer noted. It is his opinion that the Harlan officials instigated the offer to buy Halliburton's equity interest because "they were trying to get the stock in the hands of people in the insurance business and out of the hands of those who aren't."

Halliburton's Mr. Cruikshank, refused to comment on whether any of the Harlan offices sought to "buy back their independence," as one source speculated might have occurred. A St. Louis subsidiary, Ploeser-Watts, did just that in late 1974, according to one knowledgeable source. Reportedly, the St. Louis office had a contract with Harlan based on the firm's intention to go public. When this did not occur within the established time frame, it withdrew and later was acquired by Alexander & Alexander Inc.

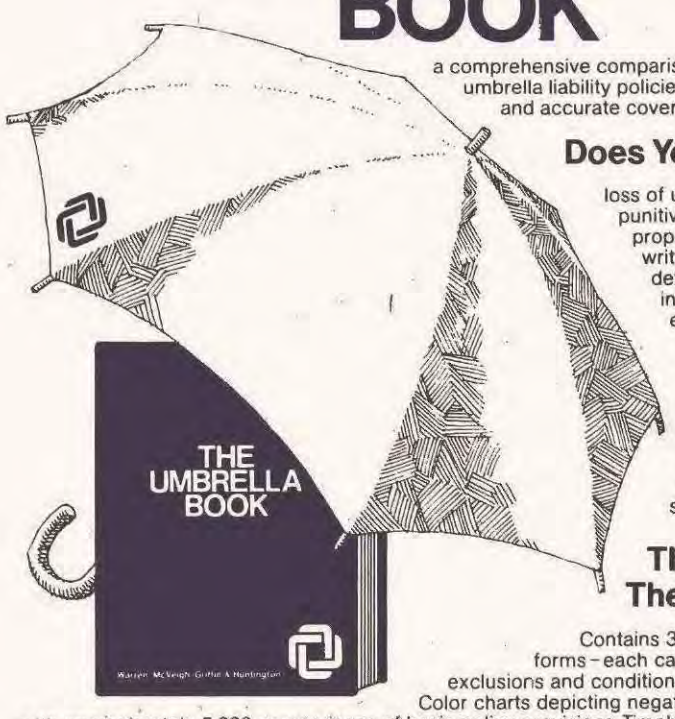
"It was the interest of anyone who went with (Harlan) that their stock would go public. They wanted to be part of a larger national firm," one source close to the company said.

After Bill Harlan's death a split in management philosophy took place. Halliburton, which at that time owned a 46% interest in Harlan, hired Joe E. Vincent as president and chief executive officer. Disputes between the Old Guard and Mr. Vincent caused Mr. Vincent to leave the firm last year. (Mr. Vincent is currently chairman of the board of ANCO/The Anderson Co., Houston.)

No client additions to or defections from Harlan were discovered by this magazine. Several sources commented favorably on the firm's reputation and on the navigational capability of its captain. ■

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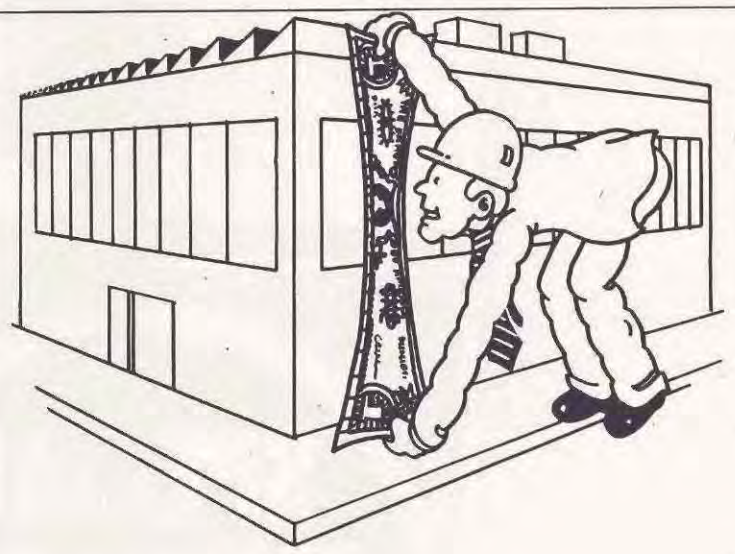
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James picks up six public bodies as clients for self-insurer services

By JOANNE GAMLIN

LOS ANGELES—July has to be regarded as a red-letter month for Fred S. James self-insurance services. The firm was able to claim six new public entity clients for its services at the time, not including the Pasadena unified school district which named the firm to administer its workers' compensation program a bit earlier.

The new list of public entity clients reads as follows: Anaheim Union school district, San Bernardino unified school district, city of Arcadia, city of Seal Beach, city of Oxnard and the Corona Norco unified school district.

All six entities named James to administer their now self-insured workers' compensation programs. All six, too, had been either insured or self-insured with the California state fund. The state fund late last year discontinued its administration services for self-insured workers' compensation plans.

The San Bernardino unified school district with its 2,500 employes is one of the larger of the new clutch of clients, although far smaller than the Pasadena unified school district with its 5,000 workers. (*Business Insurance*, July 26.)

Jim Wheeler, director of fiscal services for the San Bernardino unified school district said the district's workers' compensation program has been self-insured for some time, using the state fund.

When the state fund got out of the administration business, the district, naturally, looked for a replacement and picked Fred S. James over two competitors, said Mr. Wheeler.

Although the district has self-insured for some time, except for a $100,000 excess layer, he said that he estimates that by remaining self-insured the district is racking up savings in the neighborhood of $410,000 a year.

"We were facing a total premium of about $600,000 if we remained insured. We are now paying out about $190,000 in the self-insured program and so I figure that we're saving $410,000."

John Harper, director of employe relations, Corona Norco unified school district, said his district contemplates savings of around $150,000 for its new self-insured workers' compensation program.

Dissatisfaction with the state fund impelled the district to investigate self-insurance, Mr. Harper said.

"Actually, we concluded a long time ago that self-insurance is a good idea because it permits real control," he said.

The Anaheim Union school district also dropped the state fund to become self insured for workers' compensation. Stanley Lattimer, business manager, explained that workers' compensation premiums from the state fund were expected to rise from $350,000 to $450,000 at the next renewal.

Because the district expects to be able to keep costs down to the $350,000 level, it anticipates savings of about $100,000, he said.

The city of Seal Beach also anticipates savings of about $100,000, said Dennis Thomas, finance officer for the city's new self-insured workers' compensation program. The city had been insured with the state fund.

Mr. Thomas said that premiums from the state fund were $145,000 for 1975-76 and $180,000 for 1976-77.

"The trend is only for still higher premiums," he underlined. "By self-insuring, we believe we will save between $80,000 and $100,000."

Fred S. James self-insurance services, headed by Andy Fink, has 20 public entity clients in California, including the Pasadena school system.

Corporate clients are nationwide and include Indian Head Inc. and Potlatch Forests Inc. ■

Policy for clinics

Comprehensive coverage for social service professional liability is offered by Northeastern Fire Insurance Co. of Pennsylvania, Haverton, Pa. Insurance is available to agencies and clinics with optional features to include administrators, professionals, para-professionals, volunteers and clerical personnel. Coverage can be incorporated for psychiatrists. Services included are drug and alcoholism rehabilitation clinics; agencies relating to retarded/autistic and psychotic children and family therapy.

Nordstrom . . .

Continued from page 11

er agencies (the latest purchases taking place in 1974) but that's just not our kick."

The young president guesstimates that the brokerage firm now has about 12,000 to 13,000 commercial clients. "As we've grown, our typical commercial account has gotten much larger," he said, so that about 50% of revenue growth is now traceable to large accounts —of the Fortune 500 variety—although only 15% to 20% of annual increases used to be attributed to those clients.

Commercial property insurance generates roughly 65% of revenues for Nordstrom Larpenteur, with casualty lines contributing about 25%, group and benefits business about 5%, and personal lines about 5%. "We're very heavy in commercial property with a lot of clients like hotels, office buildings, shopping centers, apartments, that sort of thing," he added.

He envisions opening two more offices in the next 12 months, in Milwaukee and either Pittsburgh or Portland, Or. Portland is being considered because "we're starting to do very well in the Seattle area."

The average age of account executives in Nordstrom Larpenteur is about 35, Mr. Nordstrom estimated. Revenues per employe work out to be about $38,500 in 1975, up very substantially from revenues per employe of about $27,500 for 1974.

Five years ago, Nordstrom Larpenteur had only 62 employes on its rolls, with premium inflow (for 1970) of only $8 million and commission and fee revenues of only $1.5 million.

The firm offers a full range of services, and also does self-insurance administration on a fee basis. Nordstrom manages two captive insurance companies for clients, one offshore and one onshore.

Principal officers besides Mr. Nordstrom are Steve Nordstrom, executive vp and national sales manager; Roger Walsh, senior vp and manager of underwriting; Louis Golinvaux, senior vp of finance and administration.

Commercial clients of Nordstrom Larpenteur include Lincoln Property Co. of Dallas, and Ramada Inns, based in Phoenix. ■



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Public pension plans seen unable to pay future retirement benefits

NEW YORK—Employe pension systems in state and local governments may not be able to meet the future benefit claims which some employes have been led to expect in their retirement years.

According to a new study by the Tax Foundation Inc., a publicly supported non-profit research organization here, the number of people receiving monthly benefits under state and local pension plans rose 35% between 1962 and 1972 to almost 1.5 million, up from 739,000 persons.

Total dollar benefits rose considerably more, in fact more than tripling. Thus there was a substantial increase in the average amount paid to each beneficiary—$223 a month in 1972, up from $137 a month 10 years earlier, a 63% rise. Adjusted for the change in the consumer price index over these years, the increase in average "real" benefits amounted to 18%.

The study covered about 2,300 state and local pension systems, with overall receipts of $16.5 billion in fiscal year 1974.

It found that the most pronounced trend in the way these systems were financed was a substantial increase in the share of assets furnished by earnings on investments of the pension funds.

In the other two sources of financing—contributions from the government employer and contributions from the employes themselves—the study found a clear indication that government contributions have been rising steadily in relation to those of employes.

Nationally, employer contributions averaged slightly less than one-half of total receipts of pension funds.

The major state pension systems are generally more sound financially than many of the local systems, the study found.

It reported that in a number of cities which have inadequately financed their retirement plans, municipal administrations have hidden this fact by such "subterfuges and financial gimmickry" as underestimating the costs of obligations incurred.

In some cases, they have simply refused to disclose the terms of pension agreements. For some time it was the practice of New York City, for example, not to publicize the terms of public employes' pension contracts, while the actuarial projections for the city's pension funds were made on the basis of assumptions calculated in 1908-1914.

In other jurisdictions such as Philadelphia and the states of Minnesota and Ohio, it was the custom to react to pension cost pressures by raising the assumptions concerning rates of return on pension fund investments.

The study even found some instances of governmental units engaging in "bizarre actions" such as using the receipts of the pension system to finance current operating expenses, a practice reported in the city of Hamtramck, Michigan.

Governmental jurisdictions with "pay-as-you-go" funding systems (including Massachusetts and, to a large extent, the cities of Atlanta, Indianapolis, Seattle and Washington, D.C.) could experience serious problems in complying with ERISA's amortization requirements, at least initially.

There is a trend to consolidate small local pension plans into larger state systems, the study pointed out. Although the most typical state or local pension system consists of fewer than 100 members, the report found a marked tendency for consolidation of membership in the nation's largest plans —those with 200,000 or more members.

These big plans, although few in number, have had the most spectacular growth, with their membership more than doubling in total between 1967 and 1972, while membership in all other plans increased at a rate of only 11% in the same period.

In 1972, the nine plans with a membership of 200,000 and over held one-third of the assets of all state-local pension systems combined.

While such consolidation leads to economies in administration and reduces obstacles to employe mobility, it also poses a serious drawback in that the very large systems gain concentrated political power. While the report does not cite specific abuses in this area, it warns that such power "may be exercised in ways not commensurate with the overall public good."

The study also points out that in governmental units, the politicians responsible for pension policy will often enrich future pension benefit in lieu of agreeing to salary increases. This leaves to some future politicians the task of eventually making good on the promises; pension benefits have to be paid by successors in office (and later taxpayers), whereas the cost of a current wage boost would have to be met immediately.

Copies of the report are available for $3 from The Tax Foundation, 50 Rockefeller Plaza, New York, N. Y. 10020. ■

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Lloyd's biggest payer in $4 million solution

By JOANNE GAMLIN

SACRAMENTO—Three firms owned by the late William Penn Patrick and their two insurance companies, Lloyd's and Chicago Insurance Co., paid about $3.25 million of the over-$4 million out-of-court settlement reached in the trial of consolidated civil lawsuits arising from the sensational 1972 plane crash into Farrell's Ice Cream Parlour, *Business Insurance* learned.

The consolidated lawsuits sought more than $25 million in damages. Involved were 25 plaintiffs representing 22 deaths and 33 persons injured in the crash. There were 25 defendants.

The well-known William Penn Patrick owned Spectrum Air, U. S. Universal and Holiday Magic, all three of which were major defendants in the lawsuit. Spectrum Air, for instance, owned the plane which in the process of a stunt airshow abruptly swooped into the ice cream shop, causing 22 persons to die.

It was these three firms which paid the bulk of the $4 million-plus out-of-court settlement, according to defense attorney sources. For the three companies, Lloyd's paid $2 million of the settlement and Chicago Insurance Co. paid $1.25 million.

The next largest contributor to the settlement was the Crossroads Shopping Center near Executive airport where Farrell's was located. Crossroads, through its underwriter, Mission Equities, was assessed $300,000 for the settlement.

The city and county of Sacramento paid $200,000 of the settlement through their insurance carrier, Eagle Star. Craven Dargan & Co., San Francisco, is the broker for the two public entities.

The ice cream parlour itself, through its carrier, Liberty Mutual, paid $100,000 of the settlement. Likewise, the sponsors of the air show which preceded the fateful takeoff attempt paid the same amount through their underwriter, Ranger Insurance Co.

Finally, the state of California paid $10,000; it is self-insured.

In addition, attorneys for the plaintiffs said their suit against the federal government in U. S. District Court was settled for $100,000. ■

Refunds for nuclear

Operators of nuclear power plants and related facilities were due to receive insurance premium refunds in July totaling more than $1.6 million because of their "excellent safety record" over the last 19 years. Premium refunds to the industry have been made since 1967 and now involve 350 insureds of the Nuclear Energy Liability-Property Insurance Assn. (NELPIA) and the Mutual Atomic Energy Liability Underwriters (MAELU).

QE2 ship fire losses could hit $2 million

LONDON—Marine insurers are waiting for details of the fire which damaged the engine room of the Queen Elizabeth 2 and forced it to return to Southampton after a U.S.-bound voyage at the end of July.

Informal reports suggested that repairs to the engine and other expenses might cost its owners, the Cunard Line, up to $2 million, as the return trip from New York slated for July 27 had to be cancelled in view of the tight schedule on which the liner operates.

Altogether 18 ships whose hull and machinery values are over $1 million each have been involved in major casualties in the first six months this year. They have led to claims for more than $100 million on the world's marine insurers, according to an assessment by Lloyd's intelligence department.

An engine room mechanic was hurt in the QE2 fire and taken ashore for hospital treatment. Cunard Line had to make special arrangements for hundreds of passengers due to sail on the QE2 between New York and Southampton. These alternate arrangements cost Cunard heavily. ■

Bureaucrat apathy blamed for computer crime

WASHINGTON—A Congressional watchdog agency recently said apathetic management in federal installations was responsible for more than $2 million worth of computer-related crime in 69 incidents uncovered so far.

In addition, some of the crimes violated the privacy of individuals although there was no dollar loss to the government.

The study, by the General Accounting Office (GAO), said that most of the fraud was perpetrated by persons with limited technical knowledge of computers.

The loss figures may be lower than the actual experience, GAO said, because some federal agencies do not separate computer-related and other crimes. Moreover, military investigative officers told GAO that in one inventory system, only one-fifth of all losses were reported and an estimated 80% of all thefts may have been computer-related.

Compared to computer crimes in the private sector, government losses are more frequently the result of financial fraud rather than vandalism and unauthorized use of services. Information compiled for the GAO by the Stanford Research Institute said 67% of the government cases were financial fraud, compared to 33% in private industry, and vandalism or misuse accounted for only 3% of the crimes against the government as opposed to 40% in the private sector.

A comparison of GAO and Stanford cases showed in both instances that the majority of crimes were committed by system users, although the proportion was higher in government.

Losses in the private sector were significantly larger, however. The average loss for each crime in 144 cases since 1963 was $450,000 for the private sector, while the average government loss was $44,000, according to the GAO report.

"In every case we reviewed in detail, the incidents were directly traceable to weaknesses in system controls," the GAO report said.

These weaknesses were the result of deficient system designs, failure to implement operating controls, or both, the report said.

The GAO laid the blame on the failure of managers to recognize the importance of controlling systems. In one case study, the installation of new computers without redesigning the system led to the theft of $15,000 by an employe making fraudulent claims against the agency's social compensation program. "The system was not redesigned because of pressure to get the new computers running," the report said.

In another case, a contractor ordered government-furnished material for approved contracts through a remote terminal device, in a system that had no controls to make sure the ordered material was in the contract. Before detection the contractor was able to requisition $300,000 worth of material.

"In designing the system, officials had emphasized speeding up the requisition process; they considered time more critical than controls that might delay delivery," the report said.

In addition, the GAO found that most of the federal agencies involved in the cases it studied did not analyze the threats and losses to both physical and data security, until crimes were discovered.

"In view of the crimes discovered to date and the potential for more losses, it is important that top managers recognize the need for proper security, systems controls, and supervision," the GAO report said.

Another failing of management scored by the GAO report was the failure to audit the controls. In nine of the 12 cases studied in depth by GAO, it found that auditors had not reviewed controls in the systems involved.

"Proper auditing of system controls and procedures can detect weaknesses that facilitate criminal activity and can help discourage potential criminals," GAO said.

This is because computer criminals are not usually "professional" criminals, the report said, "but persons who have encountered difficulties on a short-term basis and who commit their crimes to help them solve their problems.

"They experience great personal suffering when their acts are discovered," the report said. "Therefore, a highly visible and active audit function could dissuade them from attempting crimes."

In addition, auditors should be told of computer crimes to plan for prevention of future occurrences.

The report said computer-related crimes were reported by the the Army, Navy and Air Force; Department of Defense; including Agriculture; Treasury; Health, Education and Welfare; and Interior, plus the Veterans Administration.

The GAO recommended that managers of federal agencies with computer installations should take four basic steps to assure security:

- devise an organizational plan that separates individual duties to minimize the potential for misuse;
- provide a system of authorization and record procedures to provide effective accounting control;
- establish practices to be followed for each duty and function of each part of the organization;
- institute an effective system of internal review, including an audit staff to review system controls both when the system is being designed and after it becomes operational.

In addition, the GAO is working on other projects for computer installations, including a review of what some internal audit staffs are doing in computer security, preparation of an audit guide for automated systems and an audit guide for assessing the reliability of computer-produced information, and establishing GAO criteria for evaluating automated accounting systems. ■

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Gentlemen:
We need some help from the Texas specialists.

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OPIC offers insurance for letter of credit

WASHINGTON—The Overseas Private Investment Corp. (OPIC) is now offering insurance against the political risks of obtaining letters of credit for construction projects abroad.

OPIC will cover 90% of the letter of credit against a call by a foreign government for political reasons.

Letters of credit, which guarantee performance by the contractor and are required by most foreign governments, usually amount to between 2% and 20% of the gross contract.

If the letter of credit is called by the foreign government, arbitrators will determine whether the construction work was satisfactorily completed or whether the call was politically motivated.

If it is political, OPIC will pay the claim. Otherwise, a surety company pays.

In another OPIC development, the insurance reserve now stands at an all-time high of $204 million, following the infusion of $20 million from retained earnings in early July.

For the first six months of fiscal 1976 ended December 31, OPIC's gross income was $24.1 million, compared to $23.1 million for the same period in the previous year. ■

New employer association formed

Here's your complete answer to implementing the HMO option!



The non-profit National Association of Employees on Health Maintenance Organizations (NAEHMO) became operational July,1, 1976. Charter memberships have been completed and NAEHMO is a fully functioning association.

The need for an association of this type has been clearly demonstrated and NAEHMO is qualified to meet this need. NAEHMO is not an overnight idea, but comes from a regional association (TCHCDP) that was founded and staffed in 1972 at a cost of $500,000.

NAEHMO is the only organization developed exclusively to assist the employer in implementing the HMO option.

Membership Services in NAEHMO include:

National Directory of HMO's contains information on all the operating HMO's in the United States offering the dual choice option.

HMO Workkit for Employers includes the step-by-step process of offering the HMO option.

NAEHMO National Report a bi-monthly newsletter on HMO developments and legislation — both state and national.

HMO Checklist for Employers — an evaluative tool for the employer choosing an HMO.

HMO Fact Book for Employers describes the HMO Act of 1973 and its implications for the employer.

Audio Visuals describes "What is an HMO" and its advantages and disadvantages for the employer and employee.

National Conferences and Workshops on the HMO concept with national leaders and representatives of companies experienced with the HMO option.

Remember it is not a question of "if" but rather "when" you will be approached by an HMO. Join NAEHMO now and be prepared!

naehmo

Federal Reserve Bank Bldg.
Minneapolis, Minn. 55401

☐ I would like to join NAEHMO ☐ Please send me the booklet — "THE STORY OF NAEHMO"

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people

W. Anderson to Fibreboard from Kaiser

Effective August 16, **Woodrow B. Anderson,** 35, will start his job as risk manager for Fibreboard Corp., San Francisco. He replaces **Horace B. Sturtevant,** corporate insurance manager, who joined Kaiser-Aetna, Oakland (*BI*, May 17). The different title represents an "upgrading of the position," according to Mr. Anderson, but he declined to be more specific about what he will be doing at Fibreboard. Currently, he is risk manager at Kaiser Industries, Oakland. No one has been named to replace him there yet. Mr. Anderson will report to Fibreboard's treasurer.

* * *

John E. Hogue, 41, is scheduled to join Farmland Industries Inc., Kansas City, Mo. on August 9 as director of risk management services. It is a newly-created position. **Gene Clements,** insurance manager for Farmland, will remain in that position. Previously, Mr. Hogue was manager of loss control at Ingram Corp., New Orleans. No one has been named to replace him there yet. At Farmland, Mr. Hogue will be responsible for "the complete risk management function" including loss control and self-insurance.

* * *

Merrill Lynch & Co. Inc., New York, promoted **Charles M. Mulle,** 28, to risk manager effective July 23. He formerly was assistant risk manager for the Wall St. holding company. Mr. Mulle replaces **Thomas A. Seery,** who joined Frank B. Hall & Co. Inc., New York. Reporting to the controller, Mr. Mulle is responsible for property/casualty and surety risks. He also monitors self-insurance and loss prevention programs and negotiates workers' compensation coverage, although he said he does not handle claims. No one has been named as assistant risk manager.

* * *

Daniel International Corp., Greenville, S. C. named **Curtis N. Culver,** 26, insurance manager on July 22. He reports to the vp-law and takes over the position held by **Ray Partain,** who went to Austin Industries Inc., Dallas (*BI*, May 17). Mr. Curtis comes to Daniel International from Fayetteville, Ar., where he was in private legal practice. Daniel International is a general building firm engaged in construction both in the U.S. and abroad.

* * *

Textron Inc., Providence, R. I., appointed **Richard L. Thompson,** 47, insurance manager effective July 1. His promotion reflects the company's decision to merge the insurance aspects of employe benefits with the corporate insurance department. Mr. Thompson previously held the title of group insurance manager and said he will continue to handle the $46 million-a-year benefit coverage. He replaces **William H. Burnham,** who joined Marsh & McLennan Inc., Boston. Reporting to the vp-finance and treasurer, Mr. Thompson is responsible for all property, casualty and workers' compensation insurance as well as benefits coverage. Before coming to Textron in 1971, Mr. Thompson was employe benefits manager at U. S. Envelope Co. Prior to that, he worked as a systems specialist for Sentry Insurance Co. He has an MBA from American Int'l. College.

Other changes in the insurance department at Textron include the to assistant insurance manager from staff assistant-insurance, and **Judith A. Wesley,** 35, who was promoted to property and casualty insurance administrator from insurance assistant. She performs the function previously handled by Mr. Hoffmann. Both report to Mr. Thompson.

* * *

An expansion in the insurance department at Monsanto Co., St. Louis, Mo. made way for **Thomas A. Caldwell Jr.,** 34, to be hired as manager of insurance on July 6. He reports to **R. B. Chapman,** director of insurance, who previously handled Monsanto's U.S. property insurance program as part of his other duties. In addition, Mr. Caldwell serves as Mr. Chapman's assistant in the overall corporate insurance program. Mr. Caldwell was assistant insurance manager at Philadelphia Electric for 11 years. He holds a diploma in risk management.

* * *

Charles H. Harry, 41, was appointed corporate insurance manager for Dynalectron Corp., McLean, Va. on June 21. He replaces **M. F. Kirkwood,** whose plans are unknown. Mr. Harry oversees property and casualty risk management for the electronics firm's 28 divisions and subsidiaries and reports to the treasurer. Previously, he worked at RPS Products Inc., Baltimore. His duties were taken over by **Marion F. Diamond,** corporate secretary and others. Mr. Harry recently stepped down as president of the Chesapeake chapter of the Risk and Insurance Management Society.

* * *

Lester M. Hilchey, 48, was promoted to assistant vp-insurance at Eastern Gas and Fuel Associates, Boston, effective July 1. The appointment reflects a corporate upgrading of the insurance function, Mr. Hilchey said. He continues to report to the vp-administration and does not expect to take on additional responsibilities as a result of the promotion. Mr. Hilchey, who formerly was director of insurance, joined the company in 1947 and has worked in the insurance department for over 20 years. He is a director of the Massachusetts Insurance Buyers Assn. and the Risk & Insurance Management Society (RIMS). Eastern Gas and Fuel Associates has operations in bituminous coal, gas utility, river/ocean barge and coke industries.

* * *

Richard M. Inserra, 27, was appointed administrative assistant to the director of insurance at Nabisco Inc., East Hanover, N.J. on July 1. He is responsible for international property/casualty insurance programs and assists the director on domestic property risks. Formerly, Mr. Inserra was an insurance specialist at Nabisco. **Donald H. Fields,** director of insurance, previously held Mr. Inserra's new position before his promotion one and a half years ago. The job remained unfilled until last month.

Stephen R. Giles, 28, also an insurance specialist, has assumed some of the responsibilities formerly handled by Mr. Inserra.

* * *

Theodore A. Runck, 41, was promoted to director of property and casualty insurance for Federated Department Stores Inc., Cincinnati. His previous title was manager of casualty insurance; the new job title is the result of a restructuring within the department. As before, Mr. Runck reports to the firm's director of corporate insurance, William P. Stouffer, who is this year's conference vp for the Risk and Insurance Management Society. Mr. Runck will be responsible for identification and evaluation of property/casualty insurance coverage needs for the corporation and its divisions, as well as recommendations on how to best meet these needs. He has been with Federated since 1968, when he started as an insurance analyst. With Mr. Runck's promotion came another insurance department job appointment at Federated: **Jacob Ivkovic,** 30, joined the firm as insurance analyst; he reports to Mr. Runck. Mr. Ivkovic will be responsible for review and evaluation of property/casualty coverages throughout the corporation. He was formerly insurance manager for the Higbee Co. in Cleveland.

* * *

Raymond J Miller, 25, was promoted to assistant to the treasurer and insurance manager at Higbee Co., Cleveland. Mr. Miller, who was formerly an auditor at Higbee's, replaces **Jacob Ivkovic,** who left to become an insurance analyst at Federated Department Stores Inc., Cincinnati. Mr. Miller reports to Higbee's vp and treasurer. In his new job, he will be responsible for corporate insurance and risk management. He will eventually assume responsibility for benefits for the 6,000 employe retailer in addition to his other duties.

* * *

The J. Hillis Miller Health Center, located at the University of Florida, Gainesville, appointed **Tom Stalnaker,** 31, associate insurance coordinator in May. He reports to **Martin Smith,** 36, professional insurance coordinator, who took over his position in February when **Richard J. Morrissey** left to join Medical Trust Fund Group in Northern Florida (*BI*, May 31). Mr. Stalnaker's responsibilities include investigating potential medical malpractice claims for the University's medical complex. Previously, he was an independent adjuster with Crawford & Co., Gainesville. Mr. Smith, who formerly was manager of the Gainesville office for Insurance Co. of North America, reports to the vp of the University's medical center. He is in charge of all casualty risks including malpractice, premises liability and property damage as a result of negligence. He said he conducts regular safety and loss control orientation programs for medical staff personnel. ■

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MISCELLANEOUS

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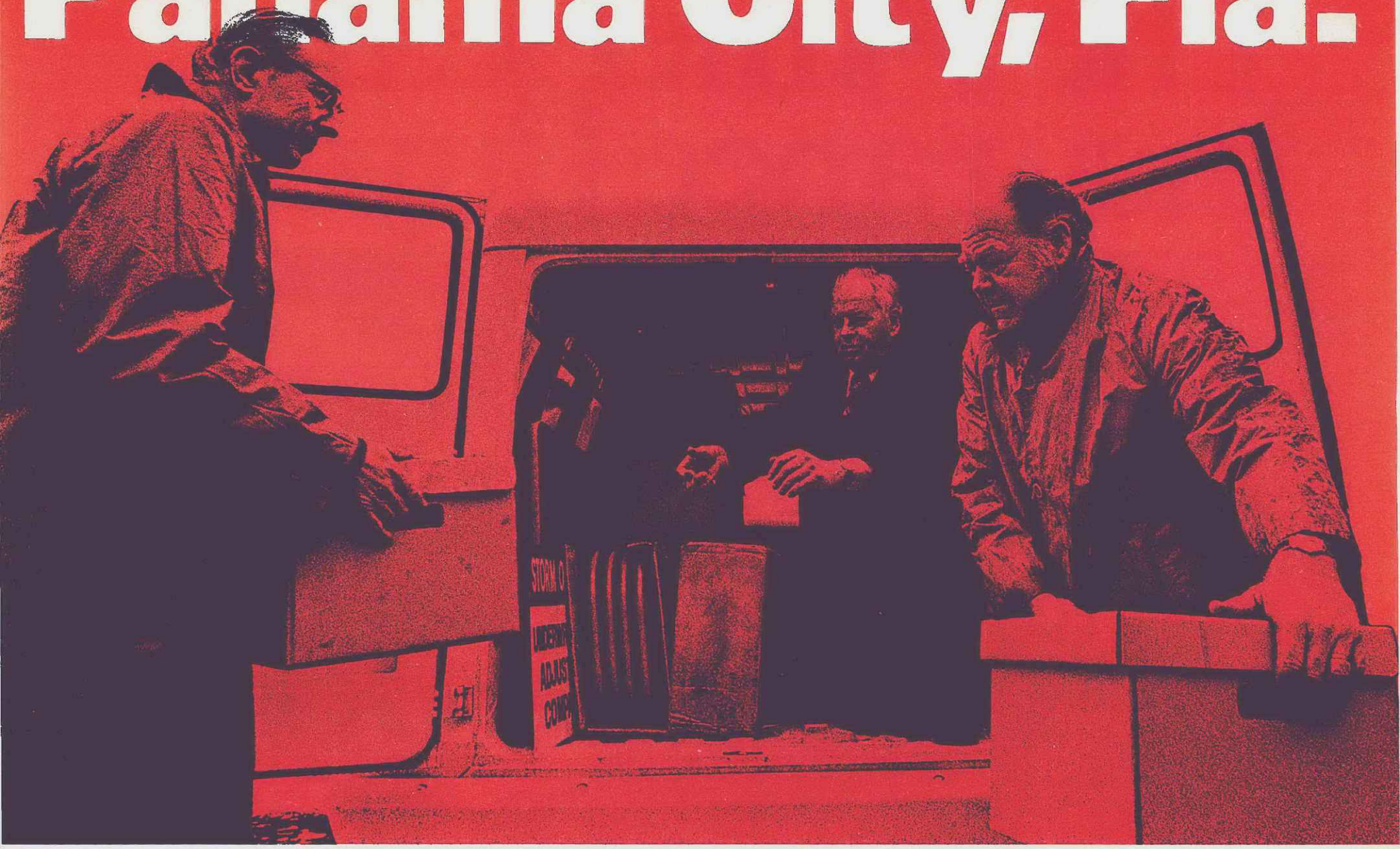
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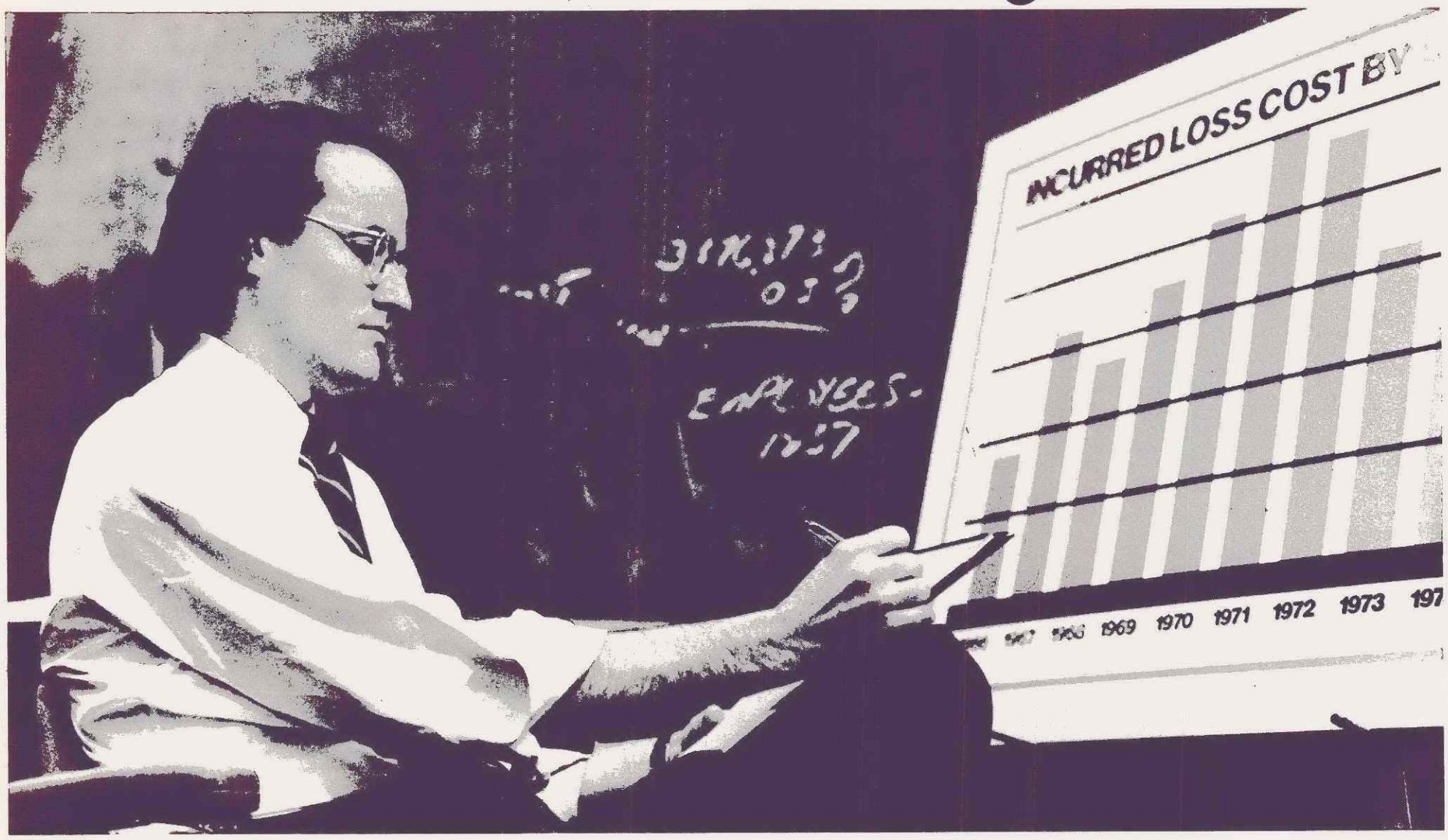
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