NEWSPAPER

JULY 17, 1995

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24th ANNUAL AGENT/ BROKER PROFILE ISSUE

World's 20 largest brokers

COMPANY	Ranking 1994	Ranking 1993	Gross revenues (000) 1994	Gross revenues (000) 1993	% Change	Employees 1994	Employees 1993	% Change	Rev./employee 1994	Rev./employee 1993
Marsh & McLennan Cos. Inc.	1	1	$3,446,800	$3,175,300	8.6%	26,100	25,600	2.0%	$132,061	$124,035
Sedgwick Group P.L.C.	2	3	1,422,309[1]	1,208,659[1,6]	17.7	15,415	15,509	-0.6	92,268	77,933
Rollins Hudig Hall Group Inc.	3	4	1,422,100	1,215,000	17.0	11,850	10,650	11.3	120,008	114,085
Alexander & Alexander Services Inc.	4	2	1,323,900	1,341,600	-1.3	13,312	14,517	-8.3	99,452	92,416
Willis Corroon Group P.L.C.	5	5	1,087,260[1]	1,056,507[1,6]	2.9	11,283	11,110	1.6	96,363	95,095
Johnson & Higgins	6	6	1,008,600	961,900[6]	4.9	8,727	8,642	1.0	115,572	111,305
Acordia Inc.	7	8	466,396	364,779	27.9	5,485	4,234	29.5	85,031	86,155
JIB Group P.L.C.	8	9	367,680[1]	346,962[1]	6.0	3,739	3,763	-0.6	98,336	92,204
Arthur J. Gallagher & Co.	9	11	356,377	329,263[6]	8.2	3,308	3,169[6]	4.4	107,732	103,901
Minet Group	10	10	347,572	325,080	6.9	3,749	3,784	-0.9	92,711	85,909
Bain Hogg Group	11	7	331,146[1]	307,578[1,6]	7.7	4,386	4,695[6]	-6.6	75,501	65,512
C.E. Heath P.L.C.	12	12	283,029[2]	270,408[2,6]	4.7	3,142	3,295	-4.6	90,079	82,066
Jauch & Huebener KGaA	13	13	194,656[3]	183,315[3]	6.2	1,500	1,400	7.1	129,771	130,939
Gras Savoye S.A.	14	14	166,882[4]	145,067[4,6]	15.0	1,613	1,374	17.4	103,461	105,580
Lowndes Lambert Group Holdings P.L.C.	15	16	151,191[2]	125,311[2]	20.7	1,776	1,668	6.5	85,130	75,126
Hilb, Rogal & Hamilton Co.	16	15	140,810	141,656[6]	-0.6	1,630	1,640	-0.6	86,387	86,376
ABN-AMRO Verzekeringen B.V.	17	17	121,000[5]	123,740[5,6]	-2.2	1,300	1,400	-7.1	93,077	88,386
CECAR	18	18	110,410[4]	98,058[4,6]	12.6	699	608[6]	15.0	157,954	161,280
Groupe Le Blanc de Nicolay	19	20	100,455[4]	90,978[4,6]	10.4	500	500	0.0	200,910	181,956
Poe & Brown Inc.	20	19	99,507	95,570	4.1	971	980[6]	-0.9	102,479	97,520
TOTAL / AVERAGES			$12,948,080	$11,906,731	8.7%	120,485	118,538	1.6%	$107,466	$100,447

[1] British pound = $1.582 (1994), $1.502 (1993) [2] Fiscal year ending 3/31: British pound = $1.555 (1995), $1.505 (1994) [3] German mark = $0.616 (1994), $0.605 (1993) [4] French franc = $0.181 (1994), $0.177 (1993)
[5] Dutch guilder = $0.55 (1994), $0.538 (1993) [6] Restated

Source: BI Survey

GRAPHIC BY JOHN HALL

Buying spree fuels growth

Top brokers regain revenue momentum in '94

The world's 20 largest insurance brokers in 1994 turned in their best year of revenue gains since 1990.

The combined revenues of the 20 companies jumped 8.7% last year, which is the highest rate of increase for the Top 20 since 1990, when combined revenues shot up 15.9%.

Combined gross revenues increased only 2.3% for the top 20 in 1993, which was down from a 4.5% increase in 1992 and a 6.4% rise in 1991.

Much of the growth has been fueled by acquisitions, as consolidation in the market continues apace.

Although there were no mega-mergers during the year, the larger brokers went on a buying spree of small and mid-size firms. One of the largest of these acquisitions was Acordia Inc.'s January 1995 purchase of Bain Hogg Robinson Inc. in the United States from London-based Bain Hogg Group. The deal, along with other acquisitions, helped boost Acordia's revenues 27.9% last year, the largest gain among the Top 20.

Brokers also continued to emphasize fee-based services last year to offset sluggish commission growth in some sectors. While brokers' commissions on catastrophe-prone property risks rose, those gains were lost largely to ongoing price competition in casualty insurance lines.

Unlike in previous years, the exchange rate was not a major factor in the 1994 rankings. The U.S. dollar was only slightly weaker in 1994 than in 1993. *Business Insurance* uses average annual exchange rates to convert foreign currencies into U.S. dollars. For example, the average 1994 value of the British pound is only 1.9% greater than its 1993 value; a year ago, it was 15% lower than 1992.

Revenue gains in a broker's home currency are shown in a chart on page 4.

There were no new brokers among the top 20 in 1994, unlike previous years.

However, within the ranks there was some repositioning, as the restructuring Alexander & Alexander Services Inc. dropped to the No. 4 spot from No. 2 a year earlier, and Bain Hogg Group, without its U.S. operations, dropped to No. 11 from No. 7. Several brokers moved up one or two notches, as the chart illustrates.

The gap between No. 2 Sedgwick Group P.L.C. and No. 3 Rollins Hudig Hall Group Inc. continued to narrow in 1994, leaving the brokers separated by only a $209,000 margin, down from a $1.2 million margin in 1993.

In addition to the rankings of the top 20 brokers, this year's report on commercial insurance brokers includes listings of 239 companies that reported gross revenues for both years, for a total of $15.41 billion in 1994, up 8.6% from $14.19 billion in 1993.

The 24th annual Agent/Broker Profiles report, which begins on page 3, also includes:

- Charts of the 100 largest brokers doing business in the United States and the leading U.S. retail brokers.
- An overview of the commercial insurance brokerage business in 1994.
- A report on what the top officials of the publicly held U.S. brokerages earned in 1993.
- Profiles of the world's 20 largest brokers.
- A directory of commercial insurance brokers, followed by a geographical index.

The 100 largest U.S. brokers Page 3

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Updates

Underwriters Financial Group subject of probe by regulators

NEW YORK—New York broker Underwriters Financial Group Inc. is the target of an investigation by New York insurance regulators, who refused to comment on the nature of the probe.

Regulators are aware of a claim against UFG for allegedly falsifying information in order to obtain financing for policyholder premiums, according to a letter sent to wholesale brokers and insurers by the New York department.

Separately, sources claim the broker has

See **Updates** *on next page*

P/C stocks trail gainers in market

Multiline companies performing better than others in segment

By JUDY GREENWALD

Property/casualty insurance stocks are lagging other industries in the booming stock market and likely will continue to do so for the rest of the year.

However, analysts also point out that while the stocks are not keeping pace with the surging high-technology stocks, they continue to do well on a relative basis. They note that multiline stocks have done particularly well, in part because of brighter prospects as they restructure.



Stock analysts continue to recommend many old favorites, including American International Group Inc., General Re Corp. and Chubb Corp. (see story, page 104)

Meanwhile, several reinsurers have taken advantage of an apparent window of opportunity in the market and filed initial public offerings with the Securities and Exchange Commission (*BI*, June 19).

According to the *Business Insurance* Index, commercial insurers and reinsurers' stocks improved by 16.2% for the year as of July 7. This compares, however, to a 23.8% improvement for the S&P 500 Index for the same period.

"I think in general they've been underperforming (the market), but that doesn't necessarily mean it's so bad because the market's really been very, very strong," said David Seifer, vp with Donaldson, Lufkin & Jenrette Securities Corp. in New York. "They

See **Stocks** *on page 104*

401(k) deferral alternative for highly paid employees

IRS action could help some employees boost deferrals

By JERRY GEISEL

WASHINGTON—A soon-to-be released Internal Revenue Service private letter ruling could open up a new way for highly compensated employees to maximize deferrals to 401(k) plans while reducing employers' administrative burdens.

The ruling, obtained by a client of Diversified Investment Advisors of Purchase, N.Y., and expected to be released next month, involves the pairing of a 401(k) plan and a non-qualified deferred compensation plan to maximize the amounts top-paid employees can put in 401(k) plans.

The new ruling is not the first time the IRS has provided guidance on how 401(k) and non-qualified plans can work together to maximize deferrals for highly compensated employees. In 1993, the IRS issued a similar ruling, only to revoke it the following year (*BI*, Sept. 3, 1993).

Few employees are actually eligible to participate in non-qualified plans, though the plans have grown in importance in recent years after Congress reduced the amount of compensation that can be used to calculate contributions to qualified plans.

A private letter ruling does not carry the weight of IRS regulations or revenue rulings. It cannot be cited as a precedent. But it does reveal the IRS' reasoning on a key benefit issue.

The new ruling does more than offer a technique to enable top-compensated employees to make the highest possible contributions to 401(k) plans. Benefit experts say it also provides a way for employers to reduce the number of "excess" contributions they must return to employees and to avoid frequent calculations to ensure that 401(k) plans do not fail IRS non-discrimination tests.

"This is the only plan design we are aware of that allows highly compensated employees to maximize their contributions to a 401(k) plan. We see that as an employee advantage. From an employer perspective, we see this approach as a way of eliminating

See **401(k)** *on page 97*

Plan protests provider law

Suit claims 'any willing provider' law pre-empted by ERISA

By CHRISTINE WOOLSEY

LITTLE ROCK, Ark.—Arkansas Blue Cross & Blue Shield is the latest managed care company to challenge "any willing provider" statutes on the grounds that they are pre-empted by the Employee Retirement Income Security Act.

Such statutes, which typically require managed care plans to accept any health care providers willing to meet a plan's terms and conditions, are being opposed in several states by managed care companies that argue such laws jeopardize their ability to assure quality and control costs.

Despite the Supreme Court's recent narrow reading of ERISA's pre-emption clause, recent federal district and appeals court rulings indicate that any willing provider laws may have a strong enough impact on employee benefit plans to warrant an ERISA pre-emption.

ERISA generally pre-empts all state laws that "relate to" employee benefit plans. But the high court's unanimous ruling in *New York State Conference of Blue Cross & Blue Shield Plans vs. Travelers Insurance Co.* reversed a recent trend of courts finding that ERISA pre-empted many laws, including those that had only indirect impact on benefit plans (*BI*, May 1).

Following that decision, experts predicted that actions challenging state laws under ERISA would have to clear a higher hurdle. To succeed, they said, challengers would have to prove such laws have a direct or acute impact on benefit plans or force a plan administrator to make changes they would not have made otherwise (*BI*, May 15).

This spring, the 6th U.S. Circuit Court of Appeals in Cincinnati and a federal district court in Louisiana ruled that any willing provider laws are, in fact, pre-empted by ERISA.

Both of the rulings are being appealed.

"The question is, how does the Supreme Court's decision in *Travelers* affect these cases?" said Henry Saveth, a principal with A.

See **ERISA** *on page 103*

Aetna's reserving turns up pressure

By DAVE LENCKUS

HARTFORD, Conn.—The nearly $1.1 billion strengthening of Aetna Life & Casualty Co.'s environmental liability reserves raises some questions among analysts, including whether the amount will indeed cover all of Aetna's pollution liabilities.

Many analysts also say that the latest in a succession of dramatic environmental liability reserve increases by insurers since April turns up the pressure even more on other property/casualty insurers, especially CIGNA Corp., to either bolster their reserves or explain why they won't.

Aetna's action last week comes less than a month after Fireman's Fund Insurance Co. added $800 million to its environmental liability reserves. In April, Swiss Re America said it would bolster its incurred-but-not-reported environmental and asbestos loss reserves with a $700 million capital infusion from its owner, Swiss Re Group.

In addition, CNA Financial Corp.'s acquisition of Continental Corp. and Zurich Insurance Group's takeover of Home Holdings Inc.'s prime business were triggered at least partly by Continental's and Home's environmental liability problems, analysts said.

The combination of all of those events during the past eight months after analysts had complained for years about underreserving "is perhaps the most significant event in the property/casualty industry in decades," said Alan Levin, a managing director with insurance rating agency Standard & Poor's Corp. of New York.

Risk management consultant Tillinghast estimates that U.S. insurers' ultimate environmental liability—including amounts already paid or reserved—is less than $50 billion.

S&P estimates that U.S insur-

See **Aetna** *on page 101*

Comp savings forecast

24-hour plan cuts costs: Study

By MEG FLETCHER

Applying cost sharing and managed care to workers compensation care could save California employers at least $750 million annually, a new study says.

The study by the California Workers' Compensation Institute, an insurer-supported research organization, is one of the first that attempts to quantify the effects of implementing "24-hour coverage" proposals.

"Advocates of '24-hour coverage' proposals mandating merged coverage of group medical and workers compensation medical envision lower treatment costs through use of group medical managed care, benefit design and delivery mechanisms to treat work injuries," the CWCI report said. "Such plans antici-

See **CWCI** *on page 97*



GRAPHIC BY MIKE GARVEY

Updates

New York brokerage probed

Continued from previous page
failed to remit premiums to insurers and ceased operating.

UFG, which until 1994 had operated as BRI Coverage Corp. and was the 50th-largest broker of U.S. business in 1993, ceased day-to-day operations late last month due to alleged cash flow problems, local brokerage executives say.

Calls to UFG were answered by individuals who refused to identify themselves, though they did say the brokerage was still in business. UFG President Don Ferrarini did not respond to repeated requests for comment.

An Insurance Department spokeswoman confirmed that an investigation is under way but would offer no details.

Specialty underwriter Acceptance Insurance Co. of Omaha, Neb., said it did not receive nearly $70,000 in premiums from UFG that were financed by CPF Premium Funding Co.

In a July 7 letter to Acceptance obtained by *Business Insurance*, CPF asserted that between August 1994 and May, one or more officers at UFG converted financed premiums to its own accounts and arranged for financing of the same premiums from another firm, Imperial Premium Finance Co.

An Imperial Premium official declined to comment. Officials at CPF, which recently sued UFG alleging it used false information to obtain financing, could not be reached.

In another case, sources say that UFG allegedly failed to remit the down payment and first installment on more than $130,000 in financed premiums to two American International Group Inc. units that agreed to cover a waste water treatment firm.

UFG's failure to remit more than $40,000 of initial premiums resulted in two wholesalers getting no commissions and the policy being canceled, though it was later reinstated, sources said. AIG wouldn't comment.

CBOT adds insurance options

CHICAGO—The Chicago Board of Trade is adding nine catastrophe insurance options contracts, which probably will supersede its existing four contracts, in an effort to revive a struggling market.

The new contracts will be based on loss data from the Property Claims Services division.

The existing contracts use data from ISO Data Inc., a unit of New York-based Insurance Services Office Inc.

The PCS-based contracts will use loss estimates rather than ratios, which will make them easier to understand, said Patrick H. Arbor, chairman of the CBOT. "(This) will allow for more flexibility that will enable us to better compete with the growing over-the-counter market," he said, referring to insurers' increased use of financial tools to access capital markets and effectively reinsure risks (*BI*, May 29).

The trading volume for the ISO-based contracts has slumped to 400 in June 1995 from 3,000 in June 1994.

Meanwhile, Guy Carpenter & Co. Inc. says it plans to sell securities and specialized contracts based on the loss experience of 25 to 30 of its clients to insurers looking to hedge catastrophe risks.

Beginning in January, Guy Carpenter expects to offer a variety of contracts that will allow insurers to access capital markets to effectively cover catastrophe risks.

Merck sells Medco unit

WHITEHOUSE STATION, N.J.—Merck & Co. Inc. is selling its Medco Behavioral Care Corp. subsidiary to the unit's management and San Francisco-based leveraged buyout firm Kohlberg Kravis Roberts & Co. for $340 million in cash and stock.

The move marks Merck's exit from managed mental health care, a field it entered with its 1993 purchase of Medco Containment Services Inc. for $6.6 billion (*BI*, Aug. 9, 1993).

Merck, which will retain a small stake in MBC, a leading manager of mental health benefit programs for public entities, still owns Medco's prescription benefit operation.

One hail of a storm

RAHWAY, N.J.—The costliest hail catastrophe in history caused nearly $1.14 billion in insured property damage to portions of the Southwest United States in early May, estimates the Property Claim Services division of the American Insurance Services Group.

The most severe damage occurred in Texas (*BI*, May 15). The hailstorms, and thunderstorms and tornadoes resulted in 310,000 claims in Texas and 4,700 in New Mexico, PCS said. The hailstorm is the costliest on record, eclipsing a 1990 Denver-area storm that caused an estimated $625 million in insured property damage.

Also, PCS now estimates insured damage from the 1994 Northridge earthquake at $12.5 billion.

See **Updates** *on page 102*

Errors & omissions

• Due to an editing error, Price Forbes Group (Pty.) Ltd. could not be included in this issue's ranking of the world's 20 largest brokers before press time.

Johannesburg, South Africa-based Price Forbes reported gross revenues of $131.3 million for the fiscal year ending March 31, 1995, which would rank it as the world's 17th-largest broker. A profile of Price Forbes and a corrected version of the chart showing the world's 20 largest brokers will appear in the July 24 issue. As a result of Price Forbes' inclusion, broker Poe & Brown Inc. will be the 21st largest broker in the world and remain the 12th largest broker of U.S. business.

Maine comp law discord

By MEG FLETCHER

AUGUSTA, Maine—The new law designed to eliminate the deficit in the Maine workers compensation residual market is either a milestone or a millstone, depending on whom you ask.

In the former camp is Gov. Angus S. King Jr., who expects the complex package of assessments he signed into law last month to end years of legislative and legal wrangling, provide greater certainty about future assessments and ultimately improve the business climate in the state. Employers and many major insurers agree.

But to some—such as the property/casualty guaranty fund and insurers that wrote little or no workers compensation coverage in Maine—the law is a millstone that will require them to pay what they argue are unfair assessments to cover others' losses.

Opponents also say the law sets a dangerous precedent by using a guaranty fund designed to protect policyholders to bail out a system plagued by years of legislative in-

See **Maine** *on page 102*

Tort reform bill stalled

Product liability reform advocates pushing for action

By MARK A. HOFMANN

WASHINGTON—Product liability reform advocates aren't letting congressional foot dragging worry them—at least not yet.

Still, to many supporters of a uniform federal product liability standard, the sooner the House and Senate can agree on a bill the better.

Proponents had plenty to cheer about as separate product liability reform bills passed both the House and Senate this year for the first time (*BI*, May 15; March 13).

Among other things, H. 956 and S. 565 set out formulas for determining punitive damages, various new defenses against suits for manufacturers, and limitations on the time suits can be filed after certain manufactured goods are on the market.

But the bills differ on details of how these reforms would work, and some of the differences are more than technical. The biggest difference is that the House version of product liability reform came within comprehensive tort reform legislation; the Senate measure deals only with product liability.

The differences must be ironed out by a House-Senate conference committee, but the members of such a committee have not been

See **Products** *on page 101*

Court to rule on ESRD medical responsibility

HCFA won't appeal injunction

By JERRY GEISEL

WASHINGTON—The path is now clear for a federal court ruling on whether employers or Medicare are responsible for paying the massive medical bills of retired workers who develop end-stage renal disease.

A potential delay in resolving the complex ESRD issue was lifted when the Health Care Financing Administration agreed last month not to appeal an earlier court injunction barring HCFA from "retroactively" enforcing its most recent interpretation of an obscure provision in a 1993 budget law.

That injunction, won by National Medical Care Inc., the nation's largest operator of kidney dialysis centers, involves two different HCFA interpretations of the 1993 law.

HCFA, the federal agency that administers Medicare, initially interpreted the law as requiring employers with retiree health care plans to be the primary payer—for up to 18 months—for retired workers over 65 who are covered by Medicare and then develop ESRD.

Regulators, though, earlier this year reversed that position and said Medicare would continue to provide primary coverage for retired workers who develop ESRD after they turn 65 and are covered by Medicare.

National Medical Care sought and won a preliminary injunction—issued last month by Senior U.S. District Court Judge William Bryant in Washington—that temporarily blocks HCFA from retroactively applying the second interpretation that had shifted liability for retirees with ESRD back

See **ESRD** *on page 97*

BI workers comp conference nears

By LEE VELKER

The Third Annual *Business Insurance* Workers Compensation conference will give risk managers and others new insights into more effectively managing workers compensation programs.

The conference, presented by *Business Insurance* and New-York-based IBF/International Business Forum, will focus on several key risk management issues, including effective ergonomics in the workplace, 24-hour coverage programs, fraud prevention, developing a team strategy for claims management, new ideas in safety incentives and tips for dealing with a changing workforce.

Case studies also will provide attendees with real-life examples of effective programs for reducing repetitive stress injuries, allocating losses throughout an organization and returning injured employees to work through modified duties.

The Oct. 11-13 conference will be held at the Loews Coronado

See **Conference** *on page 100*

Inside

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• A pending appeal in a landmark case has led a U.K. insurer to delay its suit against a reinsurer. **PAGE 95**

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100 largest brokers of U.S. business

U.S. revenues are estimated based on reported percentage of revenue generated by U.S.-based clients.

Company	1994 U.S. revenues
1. Marsh & McLennan Cos. Inc.	$1,723,400,000[1]
2. Rollins Hudig Hall Group Inc.	1,038,133,000
3. Johnson & Higgins	810,914,400
4. Alexander & Alexander Services Inc.	685,780,200
5. Sedgwick Group P.L.C.	625,815,872[2]
6. Willis Corroon Group P.L.C.	587,120,616[2]
7. Acordia Inc.	465,323,289
8. Arthur J. Gallagher & Co.	320,739,300
9. Minet Group	194,640,320
10. JIB Group P.L.C.	154,425,600[2]
11. Hilb, Rogal & Hamilton Co.	139,401,518
12. Poe & Brown Inc.	99,507,000
13. Norwest Insurance Inc.	65,100,000
14. Lockton Cos.	57,820,000
15. Near North Insurance Brokerage Inc.	55,000,000
16. Kaye Insurance Associates L.P.	54,969,000
17. McGriff, Seibels & Williams Inc.	49,743,655
18. Frank Crystal & Co. Inc.	36,666,240
19. Keenan & Associates	35,300,000
20. John L. Wortham & Son L.L.P.	34,965,000
21. Palmer & Cay/Carswell Inc.	33,658,773
22. Frenkel & Co. Inc.	32,899,500
23. American Phoenix Corp.	29,432,000
24. NIA/Kornreich Group of Cos.	29,250,000
25. Lowndes Lambert Group Holdings P.L.C.	28,726,308[2,3]
26. Meadowbrook Insurance Group	25,863,750
27. Marshall & Sterling Enterprises Inc.	25,150,374
28. Bollinger Fowler Co.	24,779,000
29. Kalvin-Miller International Inc.	24,750,000[4,9]
30. C.E. Heath P.L.C.	24,283,859[2,3]
31. Healthcare Insurance Services Inc.	24,139,002
32. Hobbs Group Inc.	23,587,420
33. Robert F. Driver Co. Inc.	22,852,800[5]
34. Alburger Basso de Grosz Insurance Services Inc.	20,550,000[6]
35. Cannon Cochran Management Services Inc.	20,300,000
36. J. Smith Lanier & Co. Inc.	20,285,900
37. Meeker Sharkey Financial Group Inc.	19,686,804
38. Rebsamen Insurance Inc.	19,614,258
39. Tanenbaum-Harber Co. Inc.	19,602,000
40. Andreini & Co.	19,502,000
41. Insurance Management Associates Inc.	18,219,610
42. Calco Insurance Brokers & Agents Inc.	17,622,000
43. Timberline Insurance Managers Inc.	17,524,840
44. The Cal-Surance Cos.	16,785,891
45. Hastings-Tapley Insurance Agency Inc.	16,355,226[4]
46. Mesirow Insurance Services Inc.	16,330,575
47. Roanoke Brokerage Services Inc.	16,224,000
48. The Graham Co.	15,845,200
49. Saldana & Associates Inc.	15,138,000
50. Van Gilder Insurance Corp.	14,675,000
51. McElroy-Minister Co.	14,247,362
52. Bain Hogg Group	14,239,295[2]
53. The Daniel & Henry Co.	14,144,000
54. BWD Group Ltd.	13,974,800
55. Anco Insurance Managers Inc.	13,664,180
56. The BGS&G Cos.	13,489,945
57. Cameron M. Harris & Co.	13,392,957
58. Kelter-Thorner Inc.	13,008,000
59. Holmes, Murphy & Associates Inc.	13,000,000[4]
60. Anderson & Anderson Insurance Brokers Inc.	12,673,000
61. Allied Coverage Corp.	12,500,000[3]
62. Parker, Smith & Feek Inc.	12,276,000[7]
63. Insurance & Risk Management	12,231,000
64. The James B. Oswald Co.	12,100,000
65. Van Beurden Insurance Services Inc.	12,075,031
66. Henderson & Phillips Insurance	12,020,051
67. Hylant-MacLean Group	11,350,000
68. R.C. Knox & Co. Inc.	11,097,000
69. MLW Services Inc.	10,906,763
70. UVW/Elizabeth Group	10,864,000
71. Gow & Hanna Inc.	10,746,000
72. Dann Brothers Inc.	10,668,000
73. The Pilgrim Organization	10,490,596
74. The Loomis Co.	10,489,500
75. Daniel James Insurance	10,464,000
76. Haas & Wilkerson Inc.	10,388,000
77. Mahoney & Wright Insurance Agency Inc.	10,297,000[6]
78. Anchor Pacific Underwriters Inc.	10,137,000
79. USI Insurance Services Corp.	10,050,000
80. John Burnham & Co.	10,028,860
81. Berwanger Overmyer Associates	10,026,133
82. Thomas E. Wood Inc.	9,951,000
83. Lawley Service Inc.	9,895,599[4]
84. Robertson-Ryan & Associates	9,829,396
85. Bolton/RGV Insurance Brokers	9,700,000
Richard N. Goldman & Co.	9,700,000
87. Charles L. Crane Agency Co.	9,661,000
88. Fred A. Moreton & Co.	9,537,270
89. McCay Corp.	9,407,015
90. Lovitt & Touche Inc.	9,384,000
91. Clair Odell Group	9,291,998
92. NBD Insurance	9,200,000
93. Hibbs-Hallmark & Co.	9,153,920
94. Starkweather & Shepley Inc.	9,123,000
95. The Simkiss Cos.	9,011,000
96. Wharton/Lyon & Lyon	8,698,000[3]
97. LaGere & Walkingstick Insurance Agency Inc.	8,622,738[8]
98. Arthur A. Watson & Co. Inc.	8,546,741
99. The Anderson Co. Corp.	8,523,000
100. Mack & Parker Inc.	8,514,000
Total	**$8,431,187,250**

[1]*BI* estimate [2]Converted at applicable exchange rate [3]Fiscal year ends 3/31 [4]Fiscal year ends 9/30 [5]Fiscal year ends 7/31 [6]Fiscal year ends 1/31 [7]Fiscal year ends 11/30 [8]Fiscal year ends 6/30 [9]Company estimate Source: *BI* survey

The big brokers getting bigger via continued acquisitions

Consolidation plays large role in strengthening positions of world's biggest brokers

By DAVE LENCKUS

The world of commercial property/casualty insurance brokers is shrinking, and market pressures probably will squeeze it further and compel more consolidations over the next several years.

With insufficient premiums to go around during the extended soft market and alternative risk financing grabbing at least 40% of the total commercial risk financing market, many small and medium-sized agents and brokers are looking for buyers.

Many larger brokers worldwide are willing to buy, if they can obtain a special expertise or top-notch managers in the deal.

"There's a feeling in the market that the world's getting smaller and maybe there is some merit for a consolidation of the industry," said Peter Presland, chief executive of C.E. Heath P.L.C. He denies, though, that Heath is on the block.

The result of mergers for brokers and their clients, though, often is mixed, analysts say.

The ultimate goal for brokers is to improve their efficiency and strengthen their positions in the market.

But in the short run, brokers must focus on melding in their acquisitions, which sometimes leads to disappointing client service, analysts say.

For many acquisition-minded brokers, the most immediate result is higher revenues. Many of the biggest revenue gainers among the world's largest brokers in 1994 were among the busiest shoppers:

- Acordia Inc., which acquired three firms in 1994 and Bain Hogg Robinson in January and included all of those revenues in its 1994 revenues, grew 27.9%.
- Rollins Hudig Hall Inc., which acquired 19 firms, boosted revenues 17%.
- Gras Savoye S.A., which acquired stakes in three brokers, boosted its revenues 15%.
- Arthur J. Gallagher & Co., which acquired five firms, boosted revenues 12% from 1993 before restatement to reflect the revenues of the acquired companies.

Overall, revenues in 1994 increased a respectable 8.7% for the world's Top 20 brokers as ranked by *Business Insurance*, even though 13 brokers fell short of the average.

Not on the chart but a firm to watch is USI Insurance Services Corp., a startup broker in San Francisco that in the past 12 months has attained $61 million in annualized revenues through its numerous acquisitions.

There were some exceptions, though, to the acquisitions and revenue correlation.

Revenues at Lowndes Lambert Group Holdings P.L.C. and Groupe Le Blanc de Nicolay grew 20.7% and 10.4%, respectively, though only Lowndes reported an acquisition.

And, Hilb, Rogal & Hamilton Co. acquired eight agencies but also closed some under performing offices. On a pooled basis, its revenues dropped nominally, and before restatement of 1993 revenues, HRH grew 4.3%. Profits, though, jumped 37%.

Brokers, though, are not counting on acquisitions alone to improve their efficiencies and build business.

Many also are restructuring their operations. And, many say they must climb to the next step on the evolutionary ladder by broadening their risk management services.

"A lot of clients want to know how not to buy insurance rather than how to buy insurance," said John Barton, chief executive of JIB Group P.L.C. "So the broker's role has changed to a much wider role in helping clients manage risk."

"Just being a purveyor of insurance products is not a good game to be in," said J. Patrick Gallagher Jr., president and chief executive officer of Arthur J. Gallagher & Co.

The 1994 revenue gain for the Top 20 brokers was the second-largest in seven years. It ranked behind only the 15.9% gain in 1990, which was artificially inflated by a weak U.S. dollar. In 1993, the gain in revenue was a paltry 2.3%.

At just under 7%, the increase in revenue per employee for the Top 20 brokers was not quite as strong as revenue growth, but it was a marked improvement from the nearly 1% drop experienced in 1993.

While many large brokers in 1994 boosted revenues through mergers and acquisitions, there were no mega deals.

And, the pace of those deals was not as heated as it was in the late 1980s and early 1990s, according to Frederick E. Dopfel, president of San Francisco-based investment banking and consulting firm Russell Miller Inc.

Speaking from experience, Bernard H. Mizel, chairman and chief executive officer of USI, agrees.

Mr. Mizel founded American Business Insurance Inc. in 1984 and grew it through acquisitions until leaving two years before Acordia Inc. acquired it. In the mid-1980s, he said, he had to slug it out with five or six brokers for an acquisition target. That is no longer the case.

Still, Mr. Dopfel said, "Merger and acquisition activity on the whole has held steady in the last couple of years, having improved since the most recent recession."

Bill Weiland, president of Hales & Associates Inc. of Westchester, Ill., which helps agencies find buyers, agrees. "There's still a continued pace of very active acquiring firms," he said, noting that Hales' business has been steady for a few years.

And, analysts expect mergers and acquisitions activity to pick up because of pressing market and economic conditions.

Indeed, many brokers already report several acquisitions so far this year.

Rollins Hudig Hall has acquired 16 firms so far, many of them overseas. HRH has acquired eight firms. And, 21st-ranked Poe & Brown Inc. has acquired four companies and may close two or three more deals this year.

Executives at Alexander & Alexander Services Inc., which opened many new offices and formed a couple of joint ventures last year, also are on the lookout for good deals.

"The rumor *du jour* is who we're going to buy," said Frank G. Zarb, chairman, president and CEO. "We spend lots of time looking."

"It is definitely a trend, and it's a trend likely to accelerate because of the market conditions that are prevalent right now," said John L. Ward, CEO of Ward Financial Group, an insurance research and management consulting firm in Cincinnati.

"Mergers and acquisitions are going to be with the industry a long time. We are not insulated from the pressures driving mergers and acquisitions in a whole variety of service industries," observed Lucien P. Laborde Jr., immediate past chairman of the National Assn. of Independent Brokers and a senior vp in Nashville, Tenn., with Willis Corroon Group P.L.C.

The previous strong consolidation periods that straddled the late 1970s and early 1980s and the late 1980s and early 1990s were largely fueled by the alphabet houses that were filling out their weak presences in various geographic regions.

Buyers' motives have changed.

"Buyers on the whole are a lot more selective these days and are looking for an acquisition to fulfill a strategic need, that is, specialty business and management talent," Russell Miller's Mr. Dopfel said.

Many of the largest brokers, though, are focused on filling out their clients' needs in foreign markets.

Sellers, meanwhile, are under much greater pressure to entertain offers than they ever have been before, analysts said.

The biggest reason: the soft market, which requires producers to work harder to produce the

See **Brokers** *on next page*

Brokers

Continued from page 3

same revenues from year to year.

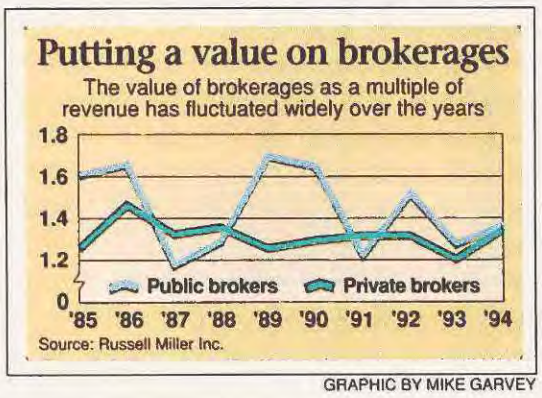
At the same time, some insurers are squeezing agents' commissions and reducing the number of agencies with which they do business.

In addition, some insurers have even purchased small agencies facing potential problems when control passes to the next generation, Mr. Ward said. The investments, generally, are passive, he said.

Mr. Ward also would expect a continued robust stock market to fuel more consolidations. Buyers tend to be more aggressive when their own stock rises, he said.

And, firms that believe their own stock is a good buy, like HRH, may plan to use those shares to finance future deals, Mr. Ward said.

Many analysts also say the value of brokers and agencies on average is lower than it was during the 1980s because growth has slowed and profit margins have been pinched by the soft market. That makes them more affordable takeover targets.



GRAPHIC BY MIKE GARVEY

The average value of publicly held brokerage firms reached its high mark during the past 10 years in 1989 at 1.7 times revenue, according to Russell Miller. Their value in 1994 was 19% lower at 1.37 times revenue. And, that was an improvement from 1.28 times revenue in 1993.

For privately held brokers, the highest value in the past decade was 1.47 times revenue in 1986. In 1994, the value was 8% lower at 1.35 times revenue, up from 1.21 times revenue in 1993.

But, specialty shops and those with talented management can fetch higher bids, Mr. Dopfel said.

Hales' Mr. Weiland said the price of agencies is more a multiple of earnings and that the sale price factors in intangibles, which "causes values to be all over the map."

'I don't believe we've seen the last of what I'd call a mega-merger,' says Willis Corroon's Lucien P. Laborde Jr.

Willis Corroon's Mr. Laborde finds that making any comparisons is difficult because the final price of an acquisition may depend on the acquired firm's financial performance over several ensuing years.

Some improvements in revenues and earnings this year could boost agencies' values, Mr. Ward noted. However, he said employee compensation as a percentage of revenues is rising, which means agencies are "going in the wrong direction."

Among the most active buyers are Acordia and USI, which are buying agencies and brokers in their quests to become two of the world's largest brokers.

Since jumping into the Top 20 rankings with its 1991 acquisition of Robinson-Conner Inc., Indianapolis-based Acordia has steadily climbed in the rankings by picking up other brokerages. Most recently, 6-year-old Acordia acquired substantially all of the U.S. operations of Bain Hogg Group.

USI, the 79th-largest broker of U.S. business based on its 1994 revenues, could soar into the rankings of the 10 largest U.S. brokers in the next two years and even vie for a spot among the world's Top 20 brokers.

USI reported $10 million of revenue for 1994, but more than a dozen acquisitions over the past 12 months give it $61 million of annualized revenues during that period, which would make it the 14th-largest broker of U.S. business.

And Mr. Mizel is not done yet.

USI is close to completing three more deals, which will bring it close to $90 million in annualized revenue for the year, Mr. Mizel said. He hopes to reach the $100 million plateau by early next year and to double that within three years.

While smaller firms are under the greatest pressure to consolidate, there also may be some blockbuster deals ahead, said Willis Corroon's Mr. Laborde. "I don't believe we've seen the last of what I'd call a mega-merger."

Acordia's relationship with Bain Hogg has prompted speculation about an eventual merger. The idea has been stoked by Bain Hogg CEO Ron Forrest, who envisions Bain Hogg as one of the three largest brokers in the world. And, Le Blanc de Nicolay continues to prowl for a major European retail broker, said Deputy Managing Director Olivier du

See **Brokers** *on page 6*

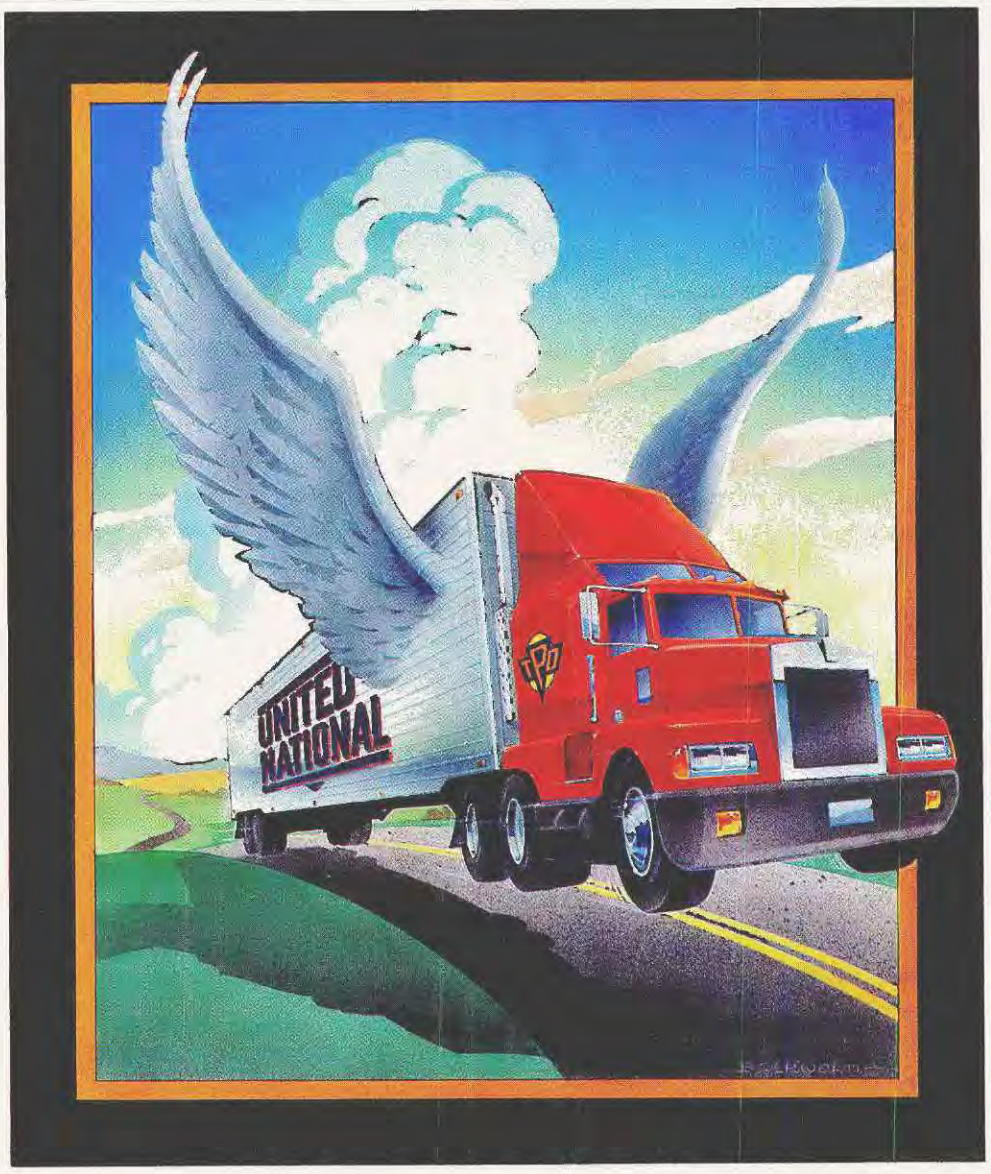
Top 20 brokers' revenue growth in home currency

Broker	1994 revenue growth
1. Acordia	27.9%
2. Rollins Hudig Hall	17.0
3. Lowndes Lambert	16.8[1]
4. Sedgwick Group	15.4
5. Gras Savoye	12.5
6. CECAR	10.1
7. Marsh & McLennan	8.6
8. Arthur J. Gallagher	8.2
9. Le Blanc de Nicolay	8.0
10. Minet Group	6.9
11. Bain Hogg Group	5.6
12. Johnson & Higgins	4.9
13. Jauch & Huebener	4.3
14. Poe & Brown	4.1
15. JIB Group	3.9
16. C.E. Heath	1.3[1]
17. Willis Corroon	0.9
18. Hilb, Rogal & Hamilton	-0.6
19. Alexander & Alexander	-1.3
20. ABN-AMRO	-4.3

[1]Fiscal year ends 3/31
Source: *BI* survey

GRAPHIC BY JERRY PARKS

Roger Beerworth/United National Group



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Brokers

Continued from page 4
Passage.

Mr. Dopfel of Russell Miller also would not be surprised to see a entity from outside the insurance industry buy a U.S. broker.

A "major international firm" recently expressed interest in acquiring an insurance brokerage, he said. "It happens all the time. Whether they truly follow through or not remains to be seen."

U.S. banks, however, can't gobble up agencies without some broad changes in banking laws.

Overseas, a French automaker and other industrial companies have bought stakes in CECAR. As they move into other markets throughout the world, those investors help fuel CECAR's expansion.

But as acquiring brokers seek long-term stability, the attention that some brokers must pay to integrating acquired firms can reduce customer service in the short term, some analysts said.

"It's very disruptive and has a very negative impact on the consumer" because the broker becomes focused more on its internal workings than its external dealings, Mr. Ward said.

"One of the first things you very often see is layoffs," which can hurt individual client knowledge or total client service, explained Willis Corroon's Mr. Laborde.

Willis Corroon, which laid off 800 people last year, has come under its share of criticism since its 1990 merger with Corroon & Black Corp. Analysts skewered the broker last year when poor U.S. results dragged down overall figures.

Despite long-term benefits, integrating acquired brokers 'is very disruptive and has a very negative impact on the consumer' in the short term, says John L. Ward.

"But the final chapter is not written on the future of our company," Mr. Laborde said.

Brokers are not counting on acquisitions alone to grow. They are re-engineering, strategizing and introducing fee-based services.

A&A, one of only three Top 20 brokers that reported a drop in revenues in 1994, has implemented a re-engineering and automation initiative in its U.S. offices and plans to introduce it at other units sometime next year.

The initiative is designed to improve productivity and to build disciplines into systems to reduce errors and omissions so employees can spend more time with clients.

Likewise, Willis has set its sights on five core strengths and has set up client teams to deal directly with major clients.

Some analysts also are pleased that Willis last year spent £21 million ($32.2 million) mainly to redevelop its North American retail and reinsurance operations. Of this, one-fifth went toward hiring a new construction team to replace a group that had defected to Rollins Hudig Hall the previous year.

Lowndes restructured its operating divisions, paring five main divisions to three, to reduce overlapping.

As part of its re-engineering plan, Jauch & Huebener KGaA also set up small broker teams to promote commercial casualty business, much of it environmental liability because of tough environmental liability standards in Germany.

The $10 million pretax loss reported by Minet Group for the year ending Sept. 30, 1994, masks the brokerage's strategy of building its specialty business by hiring key people rather than acquiring companies, explained Peter Christie, chairman and CEO.

This plan puts a kind of stress on the profit and loss statement that acquisitions do not, he said.

And, both Heath and Sedgwick Group P.L.C. cast off more underwriting operations so they could focus more on brokerage.

Even Marsh & McLennan Cos. Inc., the world's largest broker by far, is looking for greater efficiency. It is implementing its Global Broking Centre program companywide, after a three-year pilot run, to facilitate large placements for U.S. and foreign companies.

Brokers also are introducing new services that they hope will make them more than just insurance intermediaries in risk managers' eyes.

Gallagher, for example, established a division to provide group captive formation services to mid-sized U.S. accounts and another division to market alternative market services to public entities in the United Kingdom.

Along the same lines, CECAR has been arranging alternative risk-financing mechanisms for clients left without an environmental liability market when French insurers curtailed their writing of pollution coverage last year.

Under the terms of the BHR deal, Acordia and Bain Hogg Group are establishing a joint venture risk management consultant, which the brokers hope will attract large accounts.

Gras Savoye is using an innovative captive program to help French companies remove properties with plunging values from their balance sheets. It currently is available only in France, but the brokerage is exploring how it may be able to use it elsewhere.

Several U.S. and European brokers also are broadening their employee benefits and health insurance services.

Several of the world's largest brokers are dealing with management succession plans.

HRH's board named Andrew L. Rogal president and chief operating officer of the brokerage, thus spelling out the line of succession when Chairman and CEO Robert H. Hilb retires. But, Mr. Hilb makes clear that he does not plan to retire soon.

Johnson & Higgins also must decide who will succeed Chairman and CEO David A. Olsen and President and Chief Operating Officer Richard A. Nielsen, who are scheduled to retire at the end of 1997. J&H has not announced succession plans, but it is changing some managerial duties.

Willis Corroon is looking for a chairman to succeed Roger Elliott, who is stepping down at year's end. BI

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Opinions

Don't leave insurance behind

FROM THE COMMENTS of many insurance brokers these days, we're beginning to wonder if they soon will insist on being called risk financing advisers rather than insurance brokers.

After all, there are no life insurance salespeople anymore; they all call themselves financial planners.

But commercial insurance brokers should not be so quick to distance themselves from their vital role as experts on purchasing commercial insurance.

By all means, we agree that brokers must respond to the growing sophistication and unique demands of commercial buyers, searching out alternatives to conventional insurance. They also must continue to help buyers form alternative risk financing options when the commercial insurance market is unresponsive.

So far, brokers nimbly have expanded their role from that of market intermediaries to one of market makers. This shift is partly due to commercial buyers' demands and partly due to brokers' quest to generate alternative sources of revenues besides commissions.

"A lot of clients want to know how not to buy insurance rather than how to buy insurance," observed John Barton, chief executive of JIB Group P.L.C. "So the broker's role has changed to a much wider role in helping clients manage risk."

"Just being a purveyor of insurance products is not a good game to be in," said J. Patrick Gallagher Jr., president and CEO of Arthur J. Gallagher & Co., noting that today's buyer requires more.

We think this expansion of services has been of enormous benefit to the buyers that require creative solutions to their risk management needs.

However, brokers should not be too quick to abandon—or apologize for—selling insurance, which still remains for many one of the best ways to finance risk.

Many risk managers still depend on brokers to be their advocate in the market, seeking out the most affordable and secure coverage available.

Unfortunately, as brokers have branched out into different service areas, many appear to be trying to distance themselves from the role of selling insurance.

Listen to brokers these days and there is scant mention of insurance. Instead, they mostly tout their capability to manage risk, solve problems and provide financial advice.

Some brokers, however, appear not to have abandoned their roots.

At a recent conference, Donald Morford, president and chief operating officer of Sedgwick James Inc., said, "I'm not ashamed to say that I peddle insurance."

We think other brokers should be proud of their intermediary role, as well, rather than try to distance themselves from it.

We are encouraged to see some brokers divesting themselves of some operations that could put them in conflict with the best interests of their clients and markets, allowing the brokers to focus on the task at hand.



For example, C.E. Heath, Sedgwick Group and Willis Corroon all actively are trying to extricate themselves from the business of underwriting.

And Alexander & Alexander Services Inc., as part of its restructuring, has shed operations like third-party claims administration that were not a good fit for the company.

At the same time, Marsh & McLennan Cos. Inc., the world's largest broker by far, is looking to improve the efficiency of insurance placements. It is implementing its Global Broking Centre program companywide, after a three-year pilot run, to facilitate large placements for U.S. and foreign companies.

We are not criticizing brokers for the many broker-aided advances in risk financing and risk management. We think they have responded to buyers' needs far more creatively and efficiently than many insurance companies and indeed have been trail blazers in advancing risk management techniques.

And we recognize brokers' need to find other sources of revenue besides commissions and fees for placing insurance, particularly in the ongoing soft market.

However, brokers should not forget that the buyer depends on the broker to maintain its expertise at placing insurance in the traditional market, in addition to improving its other services.

As William J. Kelly, president of the Risk & Insurance Management Society Inc., said in his inaugural address, risk managers and brokers should not disdain traditional forms of insurance coverage. "Insurance is no longer the hub around which the wheel turns, but one important spoke providing strength."

The traditional insurance market still has a place in most risk managers' programs, in spite of the growing alternative risk financing market. If brokers abdicate their role as intermediaries, insurers surely will seek a more direct relationship with their clients and prospects.

Letters

Business Insurance welcomes letters to the editor. This section is intended as a forum for readers' opinions and comments. We reserve the right to edit letters for clarity or space. We will not publish unsigned letters. Please send your letters to Letters to the Editor, Business Insurance, 740 N. Rush St., Chicago, Ill. 60611. Fax: 312-280-3174.

Don't underestimate cost of attorneys

To the editor: In his June 5 book review, "Natural Born Billers and How to Control Them," Kevin M. Quinley states that "experts estimate that the tab on O.J. Simpson's legal team is $20,000 per day, more than the daily gross national product of Grenada."

In fact, Grenada's GNP is closer to $500,000 per day.

Admittedly, the total GOJP (gross O.J. product) per day is considerably more than $500,000, in part because of the other lawyers hired by those involved, including the media, jurors, witnesses, etc.

Jack Gordon
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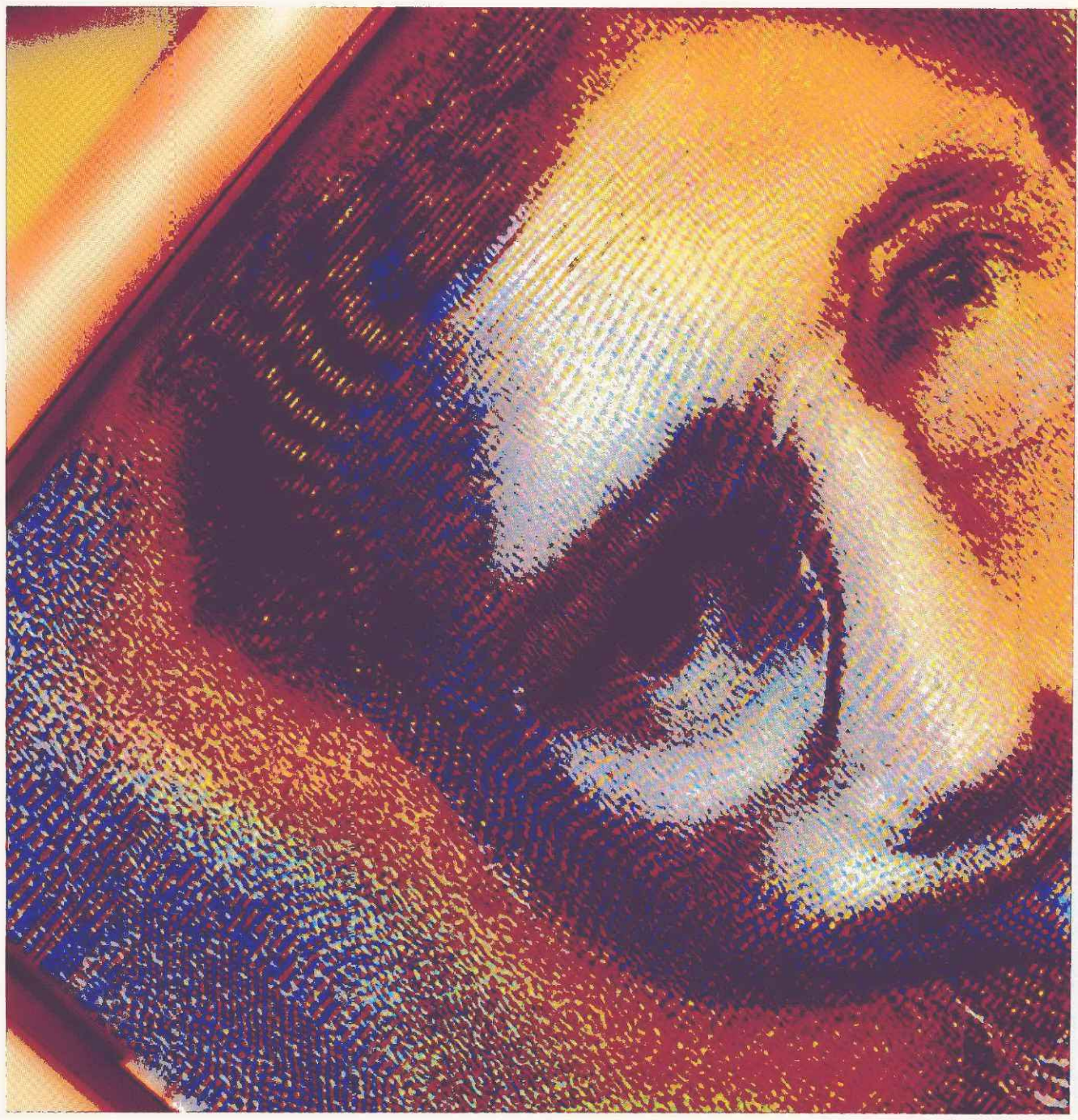


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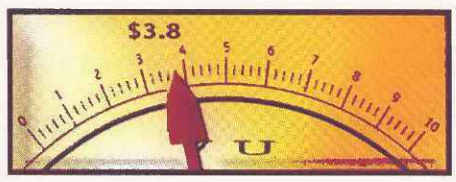
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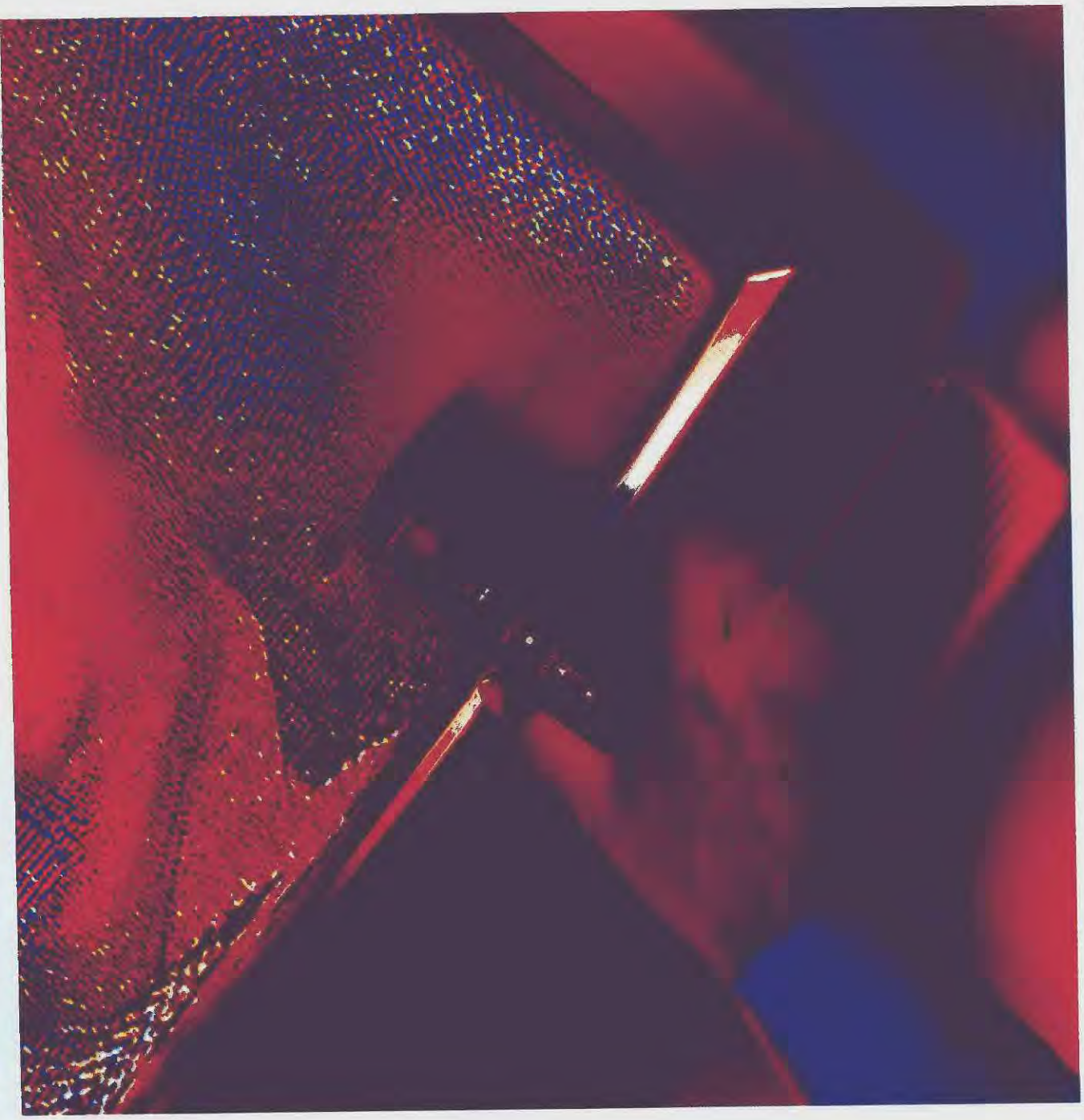
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1992 Treaty Reinsurance Premium Volume. Source: *Best's Review*, Nov. 1993

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Spotlight report

Retail revenues improving

U.S. brokers' revenues increase as players merge

By KERRY A. DZIUBEK

Brokers' U.S. revenues are rising as the industry consolidates, with larger brokerages buying attractive smaller firms and shedding unprofitable operations.

Gross revenues generated from U.S. clients by the Top 100 brokers of U.S. business jumped nearly 5.8% in 1994 to $8.43 billion from $7.97 billion in 1993 (see chart, page 3). That follows 1993's scant 0.4% increase in the Top 100 brokers' gross revenues.

Estimated 1994 revenues from the 20 leading U.S. retail brokerages climbed 7.4%.

Likewise, the cutoff for the 100 largest brokerages serving U.S. clients in 1994 rose to $8.5 million from $8.2 million in 1993.

A handful of newcomers joined the Top 100 this year. Most prominent was No. 28 Bollinger Fowler Co., which would have made the chart last year if it had submitted a questionnaire.

The rapidly growing USI Insurance Services Corp. entered the rankings at No. 79 this year, with 1994 revenues of $10.1 million. USI acquired last year's No. 63, WRIMS Corp., in August 1994. USI's annualized 1995 revenues have grown to $61.5 million.

And both this year's No. 87 Charles L. Crane Agency Co. and No. 92 NBD Insurance probably would have made last year's rankings had they submitted questionnaires.

The 1994 merger of Ulrich Voorhees Warner Associates and The Elizabeth Agency into UVW/Elizabeth Group catapulted the company into the rankings at No. 70. And the acquisition of two brokerages in 1994 landed Anchor Pacific Underwriters Inc. at No. 78.

Non-acquisition-based growth propelled five brokerages into the Top 100: Daniel James Insurance at No. 75, Fred A. Moreton & Co. at No. 88, Hibbs-Hallmark & Co. at No. 93, Arthur A. Watson & Co. Inc. at No. 98 and Mack & Parker Inc. at No. 100.

Besides WRIMS, another brokerage disappeared from the ranking due to acquisition: In October 1994, NIA Ltd./National Insurance Associates, which ranked 45th last year, acquired a majority interest in Kornreich Insurance Services, which ranked 35th. The resulting NIA/Kornreich Group of Cos. is now ranked No. 24.

Three companies that were ranked last year—No. 67 Steel Burrill Jones Group P.L.C., No. 96 RWP Group Inc., and No. 98 The Mathog & Moniello Cos. Inc.—fell below the revenue cutoff this year.

Several members of last year's Top 100 declined to submit information for this year's listing: Lawrence Agency Corp., No. 18 last year; Underwriters Financial Group Inc. at No. 50; Redland & Associates at No. 69; No. 93-ranked Waterfield Insurance Agency Inc.; and Posse-Walsh Inc. at No. 99.

Several well-known organizations of individually owned companies are not included in the annual worldwide or U.S. rankings.

Taken together, the 14 members of global brokerage network UNISON reported $1.6 billion in gross revenues, which would have made UNISON the world's second-largest brokerage.

Similarly, if the 56 members of the Columbus, Ohio-based agency network Assurex International could combine their annual gross revenues, they would rank No. 7. And if the 79 franchises in independent agency franchise organization ISU Corp. could combine their revenues, ISU would be No. 14.

The estimated revenues from purely retail insurance brokering by the 20 leading retail brokerages in the United States rose 7.4% in 1994 to $3.9 billion from $3.7 billion in 1993. A nearly identical group posted retail revenue growth of 3.2% last year (*BI*, July 18, 1994).

Five brokerages reported a decline in retail revenues from U.S. offices in 1994: Alexander & Alexander Services Inc., down 7.1%; Willis Corroon Group P.L.C., down 0.3%; JIB Group P.L.C., down 6.4%; Minet Group, down 3.6%; and Frenkel & Co. Inc., down 7%.

The five biggest gainers in retail revenue growth were: Palmer & Cay/Carswell Inc., where the increase was 39.8%, enough to put the brokerage at No. 20 in the U.S. retail rankings this year; Rollins Hudig Hall Group Inc., up 25.4%; Near North Insurance Brokerage Inc., up 19.4%; Lockton Cos., up 19.2%; and Acordia Inc., up 17.9% BI

Leading U.S. retail brokers

Based on estimates of commercial retail brokerage revenues from U.S. offices. In millions of dollars.

Company	1994	1993	% change
1. Marsh & McLennan Cos. Inc.	$688.7[1]	$650.9[1]	5.8%
2. Rollins Hudig Hall Group Inc.	639.9[1]	510.3[1]	25.4
3. Johnson & Higgins	455.7	434.2	5.0
4. Sedgwick Group P.L.C.	409.0[2]	377.0[2]	8.5[2]
5. Alexander & Alexander Services Inc.	383.4	412.9	-7.1
6. Willis Corroon Group P.L.C.	330.9[2]	331.9[2]	-0.3[2]
7. Acordia Inc.	195.1	165.5	17.9
8. Arthur J. Gallagher & Co.	185.5	165.3	12.2
9. Hilb, Rogal & Hamilton Co.	104.2	103.4	0.7
10. JIB Group P.L.C.	102.6[2]	109.6[2]	-6.4[2]
11. Minet Group	60.7	62.9	-3.6
12. Poe & Brown Inc.	53.7	51.6	4.1
13. Lockton Cos.	53.7	45.0	19.2
14. Near North Insurance Brokerage Inc.	46.8	39.2	19.4
15. Kaye Insurance Associates L.P.	45.6	42.2	8.1
16. McGriff, Seibels & Williams Inc.	42.8	37.6	13.9
17. John L. Wortham & Son L.L.P.	33.6	30.0	12.0
18. Frank Crystal & Co. Inc.	32.3	30.3	6.4
19. Frenkel & Co. Inc.	30.7	33.0	-7.0
20. Palmer & Cay/Carswell Inc.	27.9	20.0	39.8
TOTALS	$3,922.8	$3,652.8	7.4%

[1]BI estimate [2]Converted at applicable rate
Source: *BI* survey

GRAPHIC BY JOHN HALL

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Broker CEOs see huge jump in compensation

Increases in line with double-digit gains in net income of most large brokerages

By SALLY ROBERTS

Top brokerage executives' cash compensation jumped in 1994, keeping pace with double-digit increases in profits at many companies.

The chief executives of the seven largest U.S.-based publicly held brokers received a combined cash compensation of $6.4 million in 1994, which is 25.5% larger than the combined $5.1 million the brokers' executives received in salaries and bonuses in 1993.

In 1993, the brokerage CEOs' combined compensation grew only 4.1% from $4.9 million in 1992.

The seven CEOs' cash compensation in 1994 averaged $914,583, up 26% from $724,517 on average in 1993.

The hefty pay increases are in accord with the brokers' profit increases. Six of the seven largest brokers reported double-digit increases in net income in 1994.

The restructuring Alexander & Alexander Services Inc. reported a $138.7 million loss.

For the third year in a row, A.J.C. Smith, chairman and chief executive of New York-based Marsh & McLennan Cos. Inc., took home the largest paycheck in 1994.

Mr. Smith, 60, earned $1,050,000 in salary and $775,000 in bonus, which together was 9% higher than his combined $1,000,000 salary and $675,000 bonus in 1994.

Mr. Smith's raise tracked M&M's gross revenues' increase: 8.6% in 1994 to $3.45 billion from $3.18 billion in 1993.

Net income for the world's largest broker rose 11.8% in 1994 to $371.5 million from $332.4 million in 1993.

On Feb. 28, Mr. Smith has sole voting and investment power over 98,652 shares of M&M stock. At a July 7 stock price of $80.88, his shares would be worth nearly $8 million.

However, even if Mr. Smith were to take home his 1994 cash compensation and cash in his M&M stock, it would still not amount to the salary and bonus one of his colleagues took home in 1994.

Lawrence J. Lasser, 52, president of M&M subsidiary Putnam Investments Inc., earned $820,000 in salary and a $10,500,000 bonus in 1994.

His combined salary and bonus was nearly three times higher than his $3,970,000 cash compensation in 1993.

According to M&M's proxy, two-thirds of Mr. Lasser's bonus is a non-recurring amount reflecting: his role in Putnam's continued financial success and its contribution to the brokerage; Putnam's market share growth and profitability relative to its competitors; and the compensation of chief executives of Putnam's competitors.

Mr. Lasser has sole voting and investment power over 558 shares of M&M stock, which at the same stock price totaled $45,131.

During 1994, three individuals served as A&A's principal executive officer. Frank G. Zarb, 60, who became A&A's chairman, CEO and president in June 1994 to help turn around the broker's fortunes, debuts in the No. 2 spot on *Business Insurance's* list of the highest-paid chief executives.

For the last seven months of 1994, Mr. Zarb earned a $487,500 salary and $1,000,000 bonus.

Prior to his appointment at A&A, he served as vice chairman and group chief executive of The Travelers Inc., where he earned $2,933,333 in salary and bonus in 1993.

Mr. Zarb also beneficially owned 272,141 shares of A&A stock as of March 17. At a July 7 stock price of $24.75, those shares would be worth $6.7 million.

Prior to Mr. Zarb's appointment, Tinsley H. Irvin was CEO for the first three months of 1994 and earned a $137,500 salary. During the second quarter of 1994, Mr. Irvin made an additional $100,000 for consulting services and received $1,154,840 in severance benefits.

As A&A's CEO in 1993, Mr. Irvin earned a base salary of $550,000.

From April through June of 1994, Michael K. White, president and chief operating officer, served as A&A's chief executive. He earned $429,000 for his services until he left the company in September. Mr. White received $1,391,293 in severance benefits.

Revenues at A&A declined 1.3% in 1994 to $1.32 billion from $1.34 billion in 1993. A&A reported a $138.7 million net loss in 1994, following a $26.9 million profit in 1993.

Rounding out the list of million-dollar CEOs, Patrick G. Ryan, chairman and CEO of Rollins Hudig Hall Group Inc. and its parent, Aon Corp., earned $1,327,233 in 1994. His cash compensation of $832,233 in salary and $495,000 in bonus make him the third-highest paid brokerage executive.

His cash compensation is 17.2% higher than the $1,132,013 salary and bonus he earned in 1993. But Aon's proxy shows that Mr. Ryan deferred $375,308 of his 1994 salary.

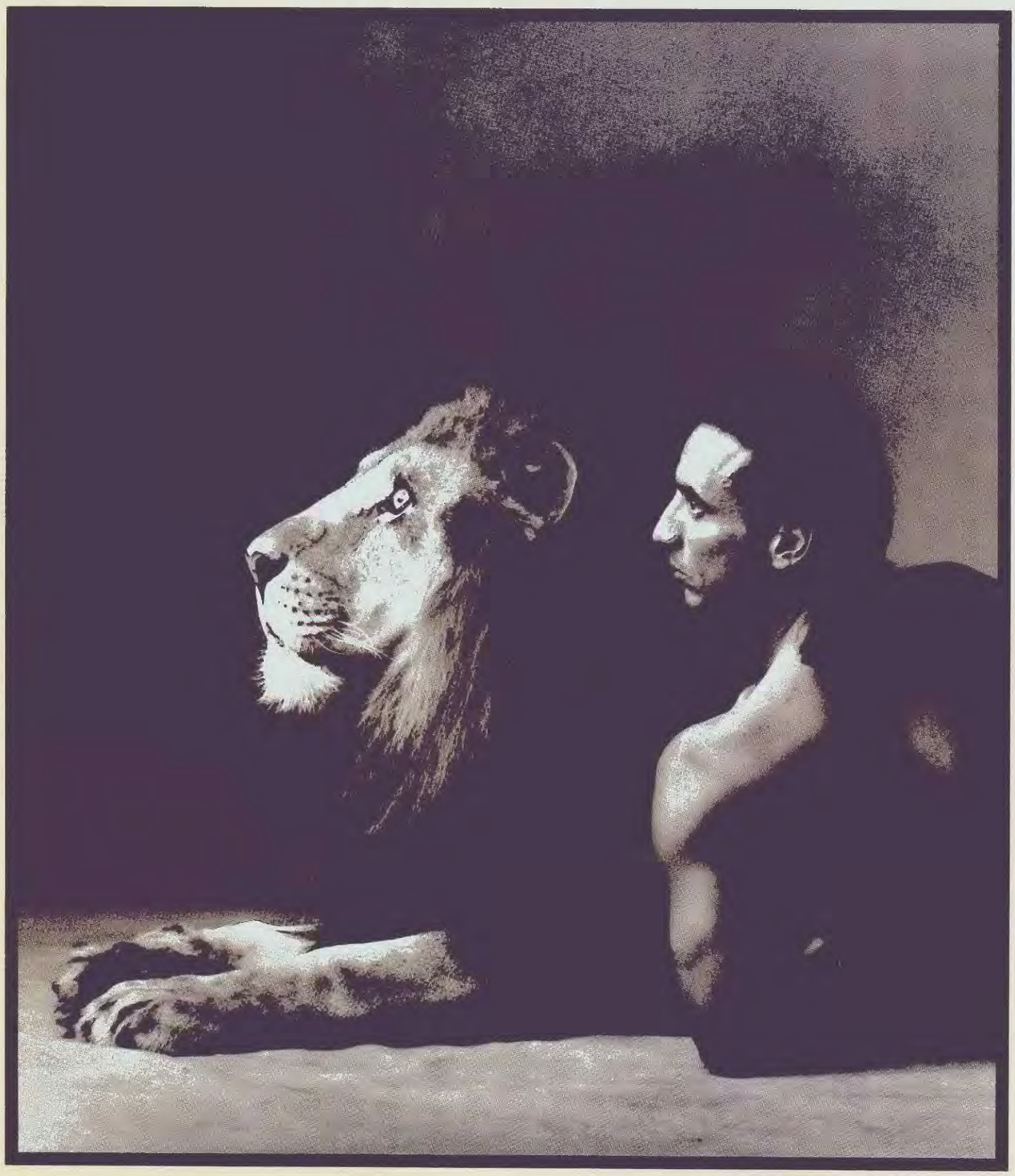
RHH's gross revenues grew at the same pace, increasing 17% to $1.42 billion from $1.22 billion in 1993.

Pretax profits were also up in 1994, rising 24% to $158.8 million from $128.1 million in 1993.

As of Feb. 28, Mr. Ryan, 57, beneficially owned 13,463,008 shares of Aon's stock. At a July 7 stock price of $36.75, his shares would be worth $494.8 million.

See **Broker** *on page 16*

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Spotlight report

Broker pay

Continued from page 13

Moving up one spot, Robert H. Hilb, chairman and chief executive of Hilb, Rogal & Hamilton Co., was the fourth-highest paid CEO.

Mr. Hilb, 68, received an 11.5% increase in his cash compensation in 1994 to $535,000 from $480,000 in 1993. While his salary remained flat at $360,000, Mr. Hilb's bonus increased to $175,000 from $120,000 in 1993. According to the company's proxy, the increased bonus reflects improvement in the broker's pretax profits over 1993.

Gross revenues at HRH decreased 0.6% to $140.8 million from $141.7 million in 1993, while profits increased 37.4% to $11.4 million from $8.3 million in 1993.

As of March 1, Mr. Hilb beneficially owned 344,050 shares of HRH stock. Excluding the 44,650 shares subject to exercisable stock options, Mr. Hilb's shares would be worth $4.2 million based on a July 7 stock price of $12.13.

At the helm of Poe & Brown Inc. as chairman, president and CEO, J. Hyatt Brown, 57, took home $492,350 in 1994, consisting of a $342,350 salary and a $150,000 bonus. This was 10.4% less than the $549,606 in salary and bonus he took home in 1993, making him the fifth-highest paid brokerage CEO. However, he received an additional $161,000 bonus in 1993 to reflect the financial performance of Brown & Brown Inc. prior to its merger with Poe & Associates Inc. Excluding the one-time bonus, Mr. Brown's compensation increased 26.7% from 1993.

As of Feb. 28, Mr. Brown beneficially owned 1,823,471 shares of Poe & Brown stock. At a July 7 stock price of $23.50, his shares would be worth $42.9 million.

Gross revenues at the Tampa, Fla.-based broker increased 4.1% in 1994 to $99.5 million from $95.6 million in 1993. Profits jumped 66% to $13.3 million from $8 million in 1993.

L. Ben Lytle, chairman and CEO of Acordia Inc., remained the sixth-highest paid brokerage CEO taking home $440,000—$240,000 in salary and $200,000 in bonus—in 1994. His cash compensation was 4.8% higher than the $420,000 salary and bonus he took home in 1993.

However, the $440,000 represents only the portion of Mr. Lytle's compensation for his services to Acordia. Mr. Lytle is also chairman, president and CEO of Acordia's parent, The Associated Group.

Pro forma gross revenues at the Indianapolis-based broker increased 27.9% to $466.4 million from $364.8 million in 1993. These figures include the January acquisition of Boston-based Bain Hogg Robinson Inc.

Net income also rose, increasing 12.6% to $28.8 from $25.6 million in 1993.

On March 27, Mr. Lytle, 48, beneficially owned 121,332 shares of Acordia stock. Excluding the 16,332 shares subject to exercisable options, Mr. Lytle's shares would be worth $3.3 million based on a July 7 stock price of $31.88.

Accepting his first pay raise since 1989, Robert E. Gallagher, chairman and CEO of Arthur J. Gallagher & Co., took home a $265,000 salary and $30,000 bonus in 1994. For the past five years, Mr. Gallagher earned a $240,000 salary and $25,000 bonus.

According to the company's proxy, the compensation committee believed the company's profitability and net pretax profit justified a much greater pay increase for Mr. Gallagher, but the committee acted on his request to limit his increase to only $30,000.

As of March 13, Mr. Gallagher beneficially owned 705,904 shares of company stock, which would be worth $25.4 million based on a July 7 stock price of $36.

At the end of 1994, Mr. Gallagher, 72, stepped down as CEO of the brokerage but remains as chairman of the board.

J. Patrick Gallagher Jr. succeeded his uncle, Mr. Gallagher, as CEO. In 1994, Patrick Gallagher served as president of the broker and earned $415,000 in salary and bonus.

Gross revenues for the Itasca, Ill.-based broker increased 8.2% to $356.4 million from $329.3 million in 1993. Net income rose even more, jumping 28.6% to $34.5 million from $26.9 million in 1993. BI

Top brokerage execs' 1994 compensation

Based on CEOs' salaries and bonuses; compared with brokerages' net income.

Name Broker	1994	1993	Percent change	1994 net income (in millions)	Percent change
A.J.C. Smith Marsh & McLennan Cos. Inc.	$1,825,000	$1,675,000	9.0%	$371.5	11.8%
Frank G. Zarb Alexander & Alexander Services Inc.	1,487,500	New CEO	—	(138.7)	(615.6)
Patrick G. Ryan Rollins Hudig Hall Group Inc.	1,327,233	1,132,013	17.2	158.8[1]	24.0
Robert H. Hilb Hilb, Rogal & Hamilton Co.	535,000	480,000	11.5	11.4	37.4
J. Hyatt Brown Poe & Brown Inc.	492,350	549,606	-10.4	13.3	66.0
L. Ben Lytle Acordia Inc.	440,000	420,000	4.8	28.8	12.6
Robert E. Gallagher Arthur J. Gallagher & Co.	295,000	265,000	11.3	34.5	28.6

[1]Pretax
Source: Securities and Exchange Commission documents

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1

Marsh & McLennan

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	1994	1993
Premium volume	N/A	N/A
Gross revenues	$3.45 billion	$3.18 billion
Brokerage: Retail*	37%	37%
Wholesale*	7%	8%
Reinsurance	9%	9%
Services	27%	27%
Investment income	2%	3%
Other	18%	16%
Employees	26,100	25,600
Rev./Employee	$132,061	$124,035
Offices*	172	170

* BI *estimate*.

Marsh & McLennan Cos. Inc.'s diversification continues to be its strength in another tough year for insurance brokers.

While U.S. commercial property/casualty markets remain soft, the world's largest broker is able to rely on consulting services, investment management operations and overseas brokerage to maintain growth.

Still, M&M is striving to improve its brokerage services through automation and streamlined systems.

In the past year, it has moved from the pilot stage to the implementation stage of its Global Broking Centre, which is designed to improve the placement of coverage for large risks.

And its utilization of a quality improvement system of adhering to "expert practices" has taken hold, M&M senior executives say.

However, non-U.S. markets like Canada, Germany and the Pacific Rim have led the growth in brokerage revenues for M&M, they say.

Other non-U.S. activity has included M&M's continued expansion of its network in Latin America, where it has established a subsidiary in Mexico and has bought out its partner in Brazil.

Future growth throughout the world is expected to flow from large companies seeking to outsource their insurance services needs in the same way that International Business Machines Corp. did last year with M&M and Johnson & Higgins.

And other areas of expansion could see M&M establishing new ways to access capital markets to provide coverage, the broker's executives say.

1994 revenues met the expectations of M&M executives, said John T. Sinnott, president and chief executive officer of M&M Inc., the retail brokerage unit.

"We are about where we expected to be when we formulated our plan," he said.

M&M's gross revenues increased 8.6% to $3.45 billion from $3.18 billion in 1993.

"We had anticipated that our growth would be a bit stronger in 1994 than in 1993," Mr. Sinnott said. 1993 revenues grew 7.5% over 1992.

Stronger growth was held back by the soft U.S. market, he said.

M&M's revenues are derived from insurance services, consulting services, investment management and interest income:

- Insurance services revenues increased 5.4% to $1.9 billion in 1994, from $1.8 billion in 1993.
- Consulting services revenue increased 9.2% to $933.1 million last year, from $854.8 million in 1993.
- Investment management revenues rose 18.8% to $615.4 million in 1994, from $518.1 million.
- Investment income fell 0.8% to $11.8 million from $11.9 million.

M&M is working to improve the efficiencies of its insurance brokering operations in several ways, Mr. Sinnott said.

The principal drive is the advancement of its Global Broking Centre from the pilot stage to full implementation, he said.

The project was devised three years ago to handle large-capacity property/casualty placements for large U.S. and foreign clients. It will replace conventional placements, where M&M account managers deal separately with several other M&M offices to place different coverages on a large account. Those offices then would deal separately with many insurers.

Under the new system, the account managers go directly to the Global Broking Centre, where those brokers deal directly with insurers and local M&M offices.

The 27 insurers now participating are linked to the system, which provides uniform underwriting data.

"It was a prototype, and it has shown that it was feasible to place the risk electronically. We are now in the production stage," said David D. Holbrook, chairman of M&M Inc.

The prototype used pieced-together, existing M&M software and computer systems. Now M&M will develop a new system to fully implement the system, he said.

M&M, with the help of consultants, is developing the new software, which should be installed by the end of 1996, Mr. Sinnott said.

"The pilot system tested our ability to transmit the information of risks in a set format. Now we are building something along those lines that will have all the bells and whistles," he said.

One of the main benefits that became apparent in using the pilot system was the ability to present the risks to different insurers in a uniform way, he said.

"There are areas where the submissions to the market should contain the same information and there is an advantage in creating a highway to put the business through," Mr. Sinnott said.

The system does not replace face-to-face discussions with lead insurers, but does provide a more efficient way of presenting risks to following underwriters on syndicated coverage, he said.

"It proved itself to be a far more professional way to syndicate risks, after you have a lead, and you then have to go to 10, 20 or more other markets," he said.

Also of benefit, the system eliminates much of the paperwork that burdens conventionally placed risks. And documents submitted to the system can be transferred to the electronic network through imaging technology, Mr. Sinnott said.

Several hundred placements have been made through the system so far, he added.

However, the new system has encountered one main problem: people's reluctance to use unfamiliar modes of placing insurance.

"People don't automatically like using it, but that is something we'll have to overcome," said Mr. Sinnott.

The pilot system linked seven offices to the system but eventually large placements from all offices will be placed through it, he said.

Other technological developments at M&M over the past year include the implementation of a global E-mail system, said Mr. Holbrook.

"That will connect all the offices around the globe and will also be available to connect with clients and markets," he said.

The system allows M&M staff to access numerous databases, including information on the global

Continued on next page

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Continued from previous page
network, internal resources, regulatory information in different states and market intelligence, Mr. Holbrook said.

M&M also has progressed with plans it began last year to establish "expert practices" for certain lines of coverage, Mr. Sinnott said. Under the expert practices system, M&M specialists in various lines are used to handle coverage placements and deal directly with clients rather than local offices.

For example, the global marine and energy practice has offices in San Francisco, Houston, New York and London. And the aviation practice is centered around staff in New York and London, with other aviation specialists in various M&M offices, including Los Angeles, Boston and Atlanta.

Professional coverages also are based in London and New York with other significant resources in Chicago and San Francisco.

Future expert practices will be developed for such areas as transportation, health care and construction, Mr. Holbrook said. "Before we take a practice and set it off, we have to make sure that we have the critical mass" of business in that line.

The practices ensure that clients have the best people servicing their type of account, Mr. Holbrook said.

"A client might be based in St. Louis or San Francisco, but the best resource might be in Chicago or New York. The practices make sure that the clients have unimpeded access to those resources."

M&M's network of offices contracted slightly in the United States and expanded slightly overseas over the past year.

In the United States, M&M closed its Baltimore office and transferred the Baltimore business, along with the brokerage business of the Washington office, to its Columbia, Md., office. Risk management business still is handled in Washington.

M&M did not open any new U.S. offices. "We are pretty well covered," Mr. Sinnott said.

Outside the United States, M&M has continued to buy up its Latin American partners.

"We have implemented our strategy of owning and managing our own business in Europe and now we are turning to Latin America," Mr. Holbrook said.

M&M went ahead with its plan to buy out its Brazilian partner, Tudor Insurance, and now operates in Brazil under the name Tudor-Marsh & McLennan. That purchase follows last year's purchase of its correspondent in Chile, where it now operates as Claro Marsh & McLennan S.A., and in Argentina, where it now operates as Marsh & McLennan S.A.

'We have implemented our strategy of owning and managing our own business in Europe and now we are turning to Latin America,' says Chairman David D. Holbrook.

Rather than purchase its correspondent in Mexico, M&M decided to establish a new M&M unit in Mexico City named Marsh & McLennan S.A. de C.V., he said.

"Latin America is an area where the insurance industry is more open than it used to be, and we are interested in the economic growth in Latin America," Mr. Sinnott said.

Elsewhere, M&M opened Marsh & McLennan Sigorta ve Reasurans in Istanbul, Turkey.

And in Asia, M&M has taken on a new correspondent, E.N. Associates Co. Ltd., in Thailand.

Previously, M&M had a correspondent relationship with Heath Hudig Langeveldt (Thailand) Ltd.

"We changed it on an amicable basis. We felt that there were better opportunities for growth with our new partner," Mr. Sinnott said.

M&M also is waiting for the Indian government to open its market for foreign insurers and brokers, as it has indicated it will, he said. "We think that there are good opportunities in India, just as there were in China," Mr. Sinnott said.

M&M's overseas units showed the strongest growth in 1994. In particular, M&M units in Germany and Canada had significant new brokerage business, which helped boost revenues and profits, he said.

The geographic split for M&M insurance services revenues in 1994 was unchanged from the previous year: U.S. operations, 54%; European operations, 38%; Canadian operations, 5%; Pacific Rim and other, 3%.

Non-U.S. units likely will continue to show the strongest growth this year, as the U.S. property/casualty market remains soft, Mr. Sinnott said. The U.S. domestic market is likely to remain competitive, while property rates, apart from earthquake coverages, may fall slightly further, he added.

Overall, though, M&M anticipates revenue growth levels similar to 1994 for 1995, Mr. Sinnott said. "We are optimistic that we will achieve that."

Large brokers like M&M also likely will see more business from large corporations seeking to outsource part of their risk management functions, Mr. Sinnott said.

Last year, IBM hired M&M and Johnson & Higgins to perform some of its day-to-day insurance functions, such as obtaining certificates of insurance and automobile identification numbers. Since 1987, IBM has reduced its risk management staff to two from 50.

Risk management outsourcing is part of the whole process of utilizing insurance brokers for services other than placing insurance coverage. Mr. Sinnott said. "Brokers already provide services like loss prevention, risk analysis, and captive management, and we keep on making those services more responsive."

All companies are seeking to focus on their core abilities and turn to outsiders for expertise in some areas, Mr. Sinnott said. "We do it ourselves with computer systems."

Ultimate decision making powers on insurance still rest with the IBM risk manager, Mr. Sinnott said.

Outside of pure insurance, Marsh & McLennan continues to develop and invest in insurance markets through its Marsh & McLennan Risk Capital Corp. unit.

M&MRC, through its insurance and reinsurance investment fund, Trident Partnership L.P., has about $660 million to invest. So far, $122.3 million has been committed.

M&M has long had a reputation for developing innovative insurance solutions to help clients obtain coverage when the traditional insurance market has been unwilling to offer coverage. For example, it was instrumental in setting up ACE Insurance Co. Ltd., X.L. Insurance Co. Ltd, and Mid Ocean Reinsurance Co. Ltd.

Continued on page 20

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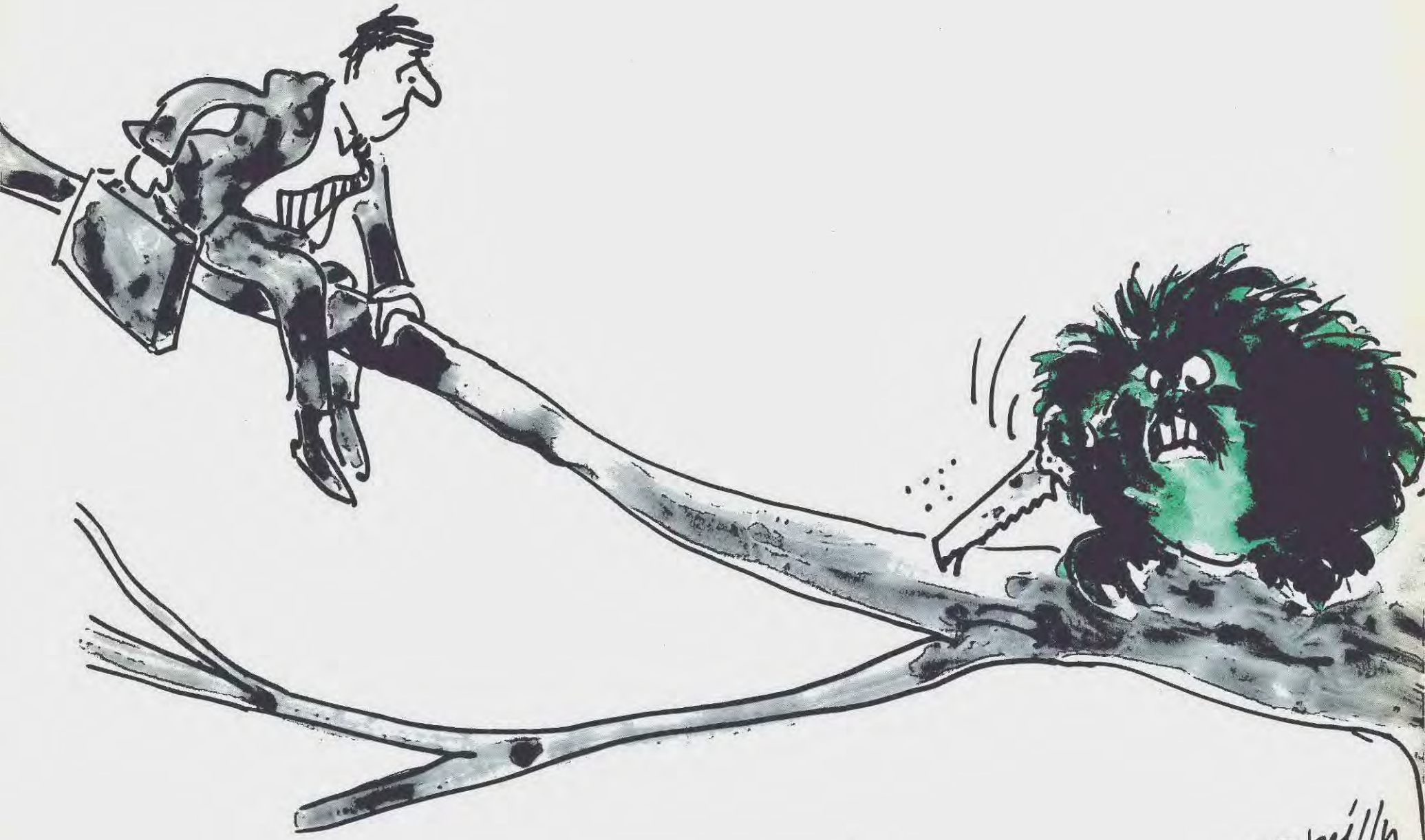
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Continued from page 18
In the future, M&MRC may help create other ways for clients to access more coverage, Mr. Sinnott said.

Earlier this month, M&M's reinsurance unit Guy Carpenter & Co. Inc. said it would develop tailormade vehicles to give clients greater access to capital markets for catastrophe coverage, including bonds and specialist reinsurance packages.

In addition to M&M Inc., M&MRC and Guy Carpenter, the company's insurance services units include Seabury & Smith Inc., an insurance program management and underwriting management unit; and Frizzell Financial Services, an insurance program manager unit in Britain.

M&M also derives $933.1 million in revenues from consulting operations, all of which comes from its Mercer Consulting Group Inc. subsidiary, which provides management consulting, employee benefit consulting, actuarial consulting and economic consulting services.

But, M&M's star unit continues to be investment manager Putnam Investments Inc., which generated revenues of $615.4 million in 1994.

The 19% rise in Putnam's revenues was due to increased institutional and mutual fund sales, which were partly offset by a decline in securities values.

Net income at M&M in 1994 increased 11.8% to $371.5 million from $332.4 million in 1993.

M&M's first quarter of 1995 continued moderate growth. Revenues increased 5.1%, to $959.3 million from $913.1 million in the same period in 1994.

Revenues from insurance services inched 1.6% higher to $541.1 million from $533.1 million last year.

Consulting service revenues rose 12.2% to $249.6 million from $222.4 million in first-quarter 1994.

Putnam's revenues were hit by the slumping bond market but still increased 6.1% during the quarter to $164.2 million from $154.7 million last year.

The first quarter also brought some management changes to M&M.

In January, Messrs. Sinnott and Holbrook both changed their job titles. Prior to that, they were co-CEOs. Both remain the senior executives at M&M Inc.

Mr. Sinnott was made president and CEO and took on direct responsibility for all of M&M's global risk management, insurance brokering and consulting operations. Mr. Holbrook was named chairman and is responsible for planning, technology, financial, human resources, legal and communications services.

Analysts remain keen on M&M.

"If they are not the best, they are certainly one of the best insurance brokers," said Michael A. Lewis, senior vp at Dean Witter in New York. M&M's worldwide network and reputation as a creative service provider remain undiminished, he said.

The profit levels in the past year have been in line with expectations, but the expectations have not been high, said Michael Smith, senior vp at Lehman Bros. in New York.

Insurance brokers all have suffered from the soft market, he said.

"The advantage of M&M is that it's only half an insurance broker. The other half is management consulting and Putnam," he said.

Also, M&M management has a tight control on the operations despite the broker's size, he said.

M&M's stock did not do well in 1994, posting a high of $88.75 and low of $71.25. On July 7, it closed at $80.88. In 1993, the stock hit a high of $97.63. M&M has taken advantage of the sluggish stock price to repurchase about 1.5 million of its shares since November 1994.

The poor stock performance is mainly due to slow growth in insurance services revenues and the slow down in securities markets that affected Putnam, Mr. Smith said.

Total cash compensation—including salaries and bonuses—paid to M&M's top five corporate officers as reported to the SEC, follows.

Compensation for Lawrence J. Lasser, president of Putnam, includes a $10.5 million bonus that reflects the performance of Putnam and its contribution to company stockholder value, its market share and profitability relative to other publicly owned investment management companies and the compensation of competitors.

A.J.C. Smith	$2,101,406
Lawrence J. Lasser	$11,320,000
Peter Coster	$1,024,822
David D. Holbrook	$986,093
John T. Sinnott	$978,501

—By Gavin Souter

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Sedgwick Group P.L.C.

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5350 Poplar Ave., Memphis, Tenn. 38119; 901-761-1550; fax: 901-684-3825

	1994	1993*
Premium volume	**$11.3 billion**	$10.8 billion
Gross revenues	**$1.42 billion**	$1.21 billion
Brokerage retail	**54%**	58%
Wholesale	**10%**	11%
Reinsurance	**8%**	9%
Services	**23%**	16%
Investment income	**5%**	6%
Employees	**15,415**	15,509
Rev./Employee	**$92,268**	$77,933
Offices	**230**	233

Converted at applicable exchange rates.
** Restated.*

After a year of consolidating acquisitions and curtailing underwriting, Sedgwick Group P.L.C. is focused on building its global retail brokerage and fee-based consulting businesses.

Consulting revenues grew sharply after the 1993 takeover of Noble Lowndes & Partners Ltd., now Sedgwick Noble Lowndes Group, and fees accounted for about 35% of the No. 2 brokerage's £928.7 million ($1.42 billion) in gross revenues last year, said CEO Sax Riley.

The merging of the benefit operations into Sedgwick's existing network is now largely complete, as are the acquisitions of insurance brokerages in Norway and Germany.

At the same time, Sedgwick has sold off or shut down two underwriting units—Mendip Insurance & Reinsurance Co. Ltd. and Americas Insurance Co.—while retaining a minority interest in a third, River Thames Insurance Co.

Sedgwick may not be entirely out of the acquisitions business just yet.

"We continue to look for the right strategic acquisitions, but a lot depends on conditions and price," Mr. Riley said.

"If something comes along that fits our strategy and makes economic sense, we are interested. But we aren't out making deals to make deals," agreed Quill O. Healey, chairman and CEO of New York-based Sedgwick James Inc., the firm's U.S. brokerage unit.

Instead, the firm is concentrating on building its worldwide brokerage and consulting operations.

In the United States, this means focusing on two major sets of clients, Mr. Healey said: Large

Continued on next page

Continued from previous page
global corporations and the smaller but fast-growing companies that Sedgwick has dubbed "Business America" accounts.

Mr. Healey defined global clients as those having more than $1 billion in annual sales, a full-time risk manager and operations in many countries.

Business America clients have less than $1 billion in sales, may or may not have a risk manager and are just moving into self-insurance and alternatives to commercial coverage that are already familiar to larger companies.

"We think the large Business America account needs a lot of the same services that global accounts need," including self-insurance programs, captive consulting, claims management and loss forecasting, Mr. Healey said.

As an example, he cited Atlanta-based building supply retailer Home Depot U.S.A. Inc. "It does not trade outside the U.S., but they are a huge company and they need the same things a global company would need," he said.

Sedgwick is trying to identify accounts like this and to marshal its own resources—ranging from Sedgwick Noble Lowndes to Sedgwick Re Inc., a reinsurance brokerage unit—to provide the services they require.

Sedgwick's philosophy, Mr. Healey said, is "one company, one team."

Making one team of Sedgwick's far-flung operations is no easy task, particularly since the acquisition of Noble Lowndes from British bank TAB Group P.L.C., which has made Sedgwick Noble Lowndes one of the world's largest benefit consultants.

Integrating the new firm into the Sedgwick system involved shutting offices in Knoxville, Tenn., and Troy, Mich., and laying off 150 U.S. employees. With that merger now largely complete, Mr. Riley expects fee-based revenue to rise.

Overall, Sedgwick's gross revenues rose 15.4% to £928.4 million from £804.7 million in 1993. In dollar terms, revenues rose 17.7% to $1.42 billion last year from $1.21 billion.

Both figures exclude several million dollars worth of investment income from underwriting operations.

Revenues from insurance and reinsurance services rose 5% to £717.9 million ($1.1 billion) from £683.4 million ($1.03 billion) in 1993, and those from benefit consulting rose 74.2% to £210.8 million ($322.9 million) from £121 million ($181.7 million).

With the formation of Sedgwick Noble Lowndes, fee-based consulting revenues rose to 23% of total revenue last year from 16% in 1993. The share generated by commercial retail brokerage, meanwhile, dropped to 54% from 58%.

Fees also accounted for 31% of Sedgwick's £504 million ($772.1 million) of commercial retail brokerage revenues last year, with commissions accounting for the other 69%.

Of total retail brokerage revenues, £267 million ($409 million) was generated through U.S. offices and £237 million ($363.1 million) outside the United States.

Sedgwick officials see a move to fee-based compensation as an inevitable result of the change in the broker's role from insurance middleman to risk consultant.

Large corporations around the world are "looking for more creative solutions to risk, and insurance is just part of that issue," Mr. Riley observed. "Brokers will be more risk advisers in those corporations' boardrooms."

Continuing soft insurance and reinsurance markets are making the limitations of commission-based compensation that much clearer, he suggested.

While premiums paid to captives and other alternative risk transfer mechanisms are growing by up to 10% a year, traditional commercial market premium volume is expanding at a much slower rate and perhaps would not be growing at all without the support of the workers compensation line, Mr. Healey said.

"From our perspective, the alternative risk business is our fastest growing business," he said.

A shift away from commissions—and the apparently dim prospect of a sudden boom in revenue from a hard market—also places a new burden on brokers to control costs, he added.

The biggest challenge facing Sedgwick, he said, is to recognize that "the risk management business has had a permanent change, and we have got to become more sophisticated in the way we manage our business."

Aside from ordinary expense controls, more sophisticated management involves such things as investment in information technology, which allows the firm's professionals to operate more efficiently, Mr. Healey noted.

As with most brokers, employee salaries and related expenses accounted for the lion's share—£535.9 million ($821 million)—of Sedgwick's 1994 operating expenses of £842.6 million ($1.29 billion).

After these expenses and other gains, losses and taxes, Sedgwick finished 1994 with net earnings before shareholder dividends of £60.2 million ($92.2 million).

The company's exceptional gains last year included a net profit of £5.1 million ($7.8 million) on the disposal or termination of several businesses. These included:

- The sale of Mendip Insurance & Reinsurance, a Bermuda-based financial reinsurer, to CentreLine Reinsurance Ltd. for £28.4 million ($43.5 million), including £7.4 million ($11.3 million) of deferred consideration. The profit on the sale was £8.5 million ($13 million).

Mendip's business consisted mainly of time-and-distance reinsurance policies for Lloyd's underwriters, noted Mr. Riley, who said the products are "passe."

Developing Mendip's business would have required adding more risk to its contracts and increasing its capital base, Sedgwick's annual report says.

- The sale of Sedgwick's 75% stake in CLM Advisors P.L.C., a company formed in 1993 to promote corporate Lloyd's membership, for a profit of £1.2 million ($1.8 million).

CLM Advisors in 1993 helped establish CLM Insurance Fund P.L.C., which raised £86 million ($129.2 million) in Lloyd's capital on the London Stock Exchange.

Sedgwick sold its stake in the company to CLM Underwriting Ltd., which is controlled by managers of the fund.

- The decision to shut down Americas Insurance Co., a U.S. underwriting unit that specialized in specialty marine and energy risks reinsured in the London market.

"There is not a great role anymore for this type of insurance company, which was geared to London market facilities," Mr. Riley observed.

Sedgwick will run off Americas' business and last year took a charge of £4.6 million ($7 million) to cover the direct costs of the termination and the estimated net losses of the insurer during its runoff period.

But, Sedgwick hasn't unloaded all of its underwriting operations. It still holds a 49% stake in U.K.-based River Thames, and last year contributed £12.2 million ($18.7 million) as part of the insurer's drive to raise £25 million ($38.3 million) of new share capital.

With its acquisitions and divestitures, Sedgwick is focusing on two major areas: its global brokerage network and a complementary consulting and benefits business.

In its 1994 annual report, Sedgwick breaks down its £888.7 million ($1.36 billion) in commission and fee revenue—excluding investment income—by several operating groups, which had varying results. These are:

- North American retail, responsible for about 33% of the revenue total.

Excluding the effect of exchange rates and acquisitions, underlying revenues were up about 9% for the company last year, despite a generally soft market. Mr. Healey attributed the increase to the company's success in gaining new multinational and Business America accounts.

Sedgwick also has targeted association and affinity groups, including associations of lawyers, accountants or dentists. Sedgwick is not alone in wanting this business, though: Several other brokers also have targeted it and underwriters apparently are interested. "There's not any lack of competition anywhere," Mr. Healey said.



Large companies are 'looking for more creative solutions to risk, and insurance is just part of that issue,' Sedgwick Chief Executive Sax Riley says.

- Europe retail, which includes brokerage operations in the United Kingdom, continental Europe, the Middle East, Africa and Latin America. The group was responsible for 20% of 1994 commission and fee revenues, and saw a 6% increase in underlying revenues over 1993.

Sedgwick strengthened its German operations with the January 1994 acquisition of Muenchener Versicherungsmakler GmbH for £7.1 million ($10.9 million).

The company reported signs of a softening property/casualty market in Europe, which could hold back growth this year, though Mr. Riley expressed confidence in the group's future. "Europe is a big place for us."

- Asia Pacific retail, which accounted for only about 5% of Sedgwick's revenues and where a 12% increase in underlying revenues from 1993 was offset by large business development expenses.

The firm set up a new Singapore-based wholesale and reinsurance brokerage unit, Price Forbes Asia Ltd., which it hopes will support retail operations in the region.

- Sedgwick Noble Lowndes, which generated 23% of Sedgwick's revenues and from which the brokerage is expecting big things. In Europe, for example, the benefit consulting unit sees opportunities in countries where governments face problems providing on-demand health care and publicly financed pensions.

The group began operating in Spain and Italy last year, and formed Probenefits Sedgwick Noble Lowndes Chile S.A. That Santiago-based health care and retirement planning company is a joint venture between Sedgwick Consulting Group (Chile) S.A. and two local companies—Iglesias y Associados, and Proconsult S.A. Sedgwick Noble Lowndes also is trying to drum up business in China, where it has offices in Beijing, Shanghai and Shenzhen. Earlier this year, the firm proposed forming a private employers' foundation in China to study how employer-sponsored benefit packages should be introduced there.

On the flip side, Sedgwick Noble Lowndes faces hurdles in the United Kingdom, where problems in the pension market have eroded public confidence in the plans.

While the Noble Lowndes acquisition significantly boosted Sedgwick's benefits consulting business, Sedgwick Noble Lowndes actually saw its underlying fee revenue decline 5% in 1994 from 1993.

Sedgwick disclosed in its annual report that the U.K. Securities and Investments Board has required pension providers and intermediaries to identify and compensate clients who, since 1988, may have suffered losses resulting from wrongful advice to transfer out of occupational pension plans and into personal pensions.

Sedgwick said it has not determined the extent of its potential liabilities but that any liabilities will not be material.

- Sedgwick Payne, the firm's specialty and reinsurance brokering arm, which accounted for 19% of revenues and had a tough time in 1994 as catastrophe reinsurance rates fell and the marine and aviation markets remained flat.

Underlying revenues fell 1% for the company. Much of the problem stems from troubles in the London market, which are centered around the troubles at Lloyd's.

"The reason the business is having difficulties here is the uncertainty at Lloyd's," Mr. Riley said. "Until that uncertainty is taken away, you will be faced with the issue."

Sedgwick Payne's strong marine operations were bolstered, though, with the £18.4 million ($28.2 million) acquisition of marine broker Arvid Berkvall A/S of Norway, completed in January 1994.

In January, Sedgwick also restructured its North American reinsurance units, combining the treaty operations of Sedgwick Payne with the facultative operations of Crump Re under the name Sedgwick Re.

Sedgwick also operates Sedgwick Lloyd's Underwriting Agents, a Lloyd's members agency that generated a small profit last year but has seen many of its names resign in the wake of poor 1991 results.

The brokerage disclosed in its 1994 annual report that the members agency and its subsidiaries are "actual or prospective" defendants in lawsuits brought by names who were hammered by losses in certain Lloyd's syndicates.

While noting that the outcome of the litigation is not yet known, Sedgwick said it will not have a material impact on its financial position.

The soft insurance market continued to dog Sedgwick in the first quarter of this year, holding back revenues and adding pressure to control expenses.

First-quarter brokerage and fee revenue totaled £234.4 million ($364.5 million), down a marginal 2.3% from £239.8 million ($360.9 million) in 1994.

At constant exchange rates, revenues would have been marginally higher, Sedgwick said.

Investment income was up 24% to £11.9 million ($18.5 million) from £9.6 million ($14.4 million).

This left total revenues of £246.3 million ($383.0 million), down 1.3% from £249.4 million ($375.3 million) in first-quarter 1994.

The broker managed to trim expenses 1% to £202.2 million ($314.4 million) from £204.3 million ($307.5 million) in 1993's first quarter.

After other gains and losses and taxes, Sedgwick reported net earnings of £27 million ($42.0 million), down 0.7% from £27.2 million ($40.9 million) in first-quarter 1994.

Two officials of Transamerica Corp. resigned from Sedgwick's board after Transamerica sold its 21% stake in the broker in April 1994. Named to the board last August was John Lehman, chairman of Sperry Marine Inc. and a former secretary of the U.S. Navy.

In addition to Messrs. Riley and Healey, Sedgwick officers include: Rob White-Cooper, vice-chairman of the parent company and chairman of Sedgwick Noble Lowndes; Jonathan Gilbert, chairman of Sedgwick Payne; Stuart Tarrant, group finance director; and Richard Titley, chairman of Sedgwick Europe Ltd.

—By Douglas McLeod

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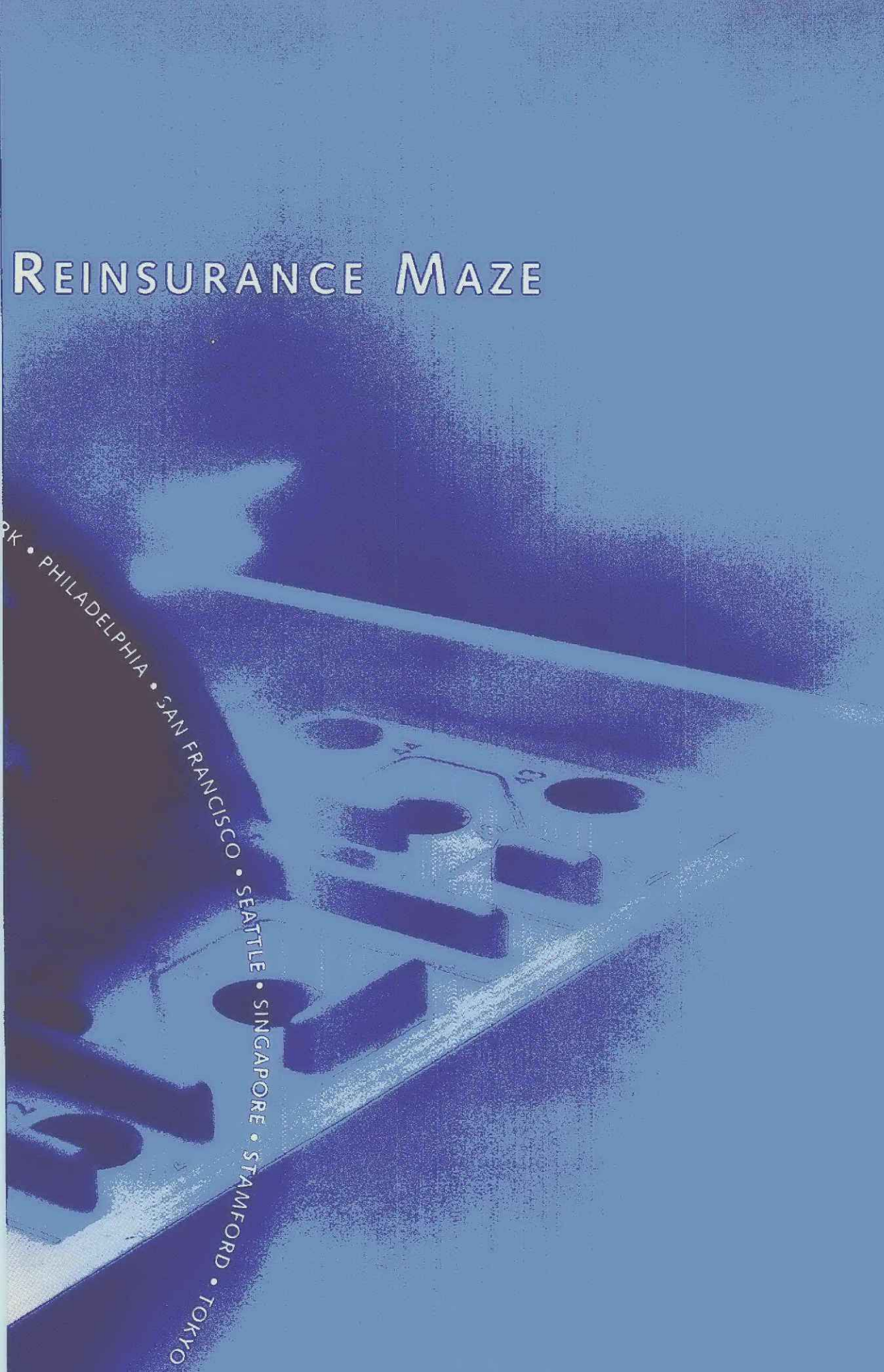
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Spotlight report

3

Rollins Hudig Hall Group Inc.

123 N. Wacker Drive, Chicago, Ill. 60606; 312-701-4000; fax: 312-701-4580

	1994	1993
Premium volume	N/A	N/A
Gross revenues	$1.42 billion	$1.22 billion
Brokerage: Retail	60%	56%
Wholesale	15%*	14%
Reinsurance	10%*	8%
Services	12%	19%
Investment Income	3%	3%
Employees	11,850	10,650
Rev./Employee	$120,008	$114,085
Offices	322	312

* *BI estimate.*

While Rollins Hudig Hall Group Inc. continues to climb in the ranks of the world's largest brokers, Chairman and CEO Patrick G. Ryan insists his intention is not to become the world's largest broker—merely the world's best.

"Our objective is to be the highest-quality provider of insurance services" to both insurers and insurance buyers, he said.

After just two years of consolidated operations, Chicago-based RHH has reached the No. 3 ranking with 1994 gross revenues of $1.42 billion, up 17% from $1.22 billion in 1993.

RHH was No. 4 when it debuted in the rankings as the combination of Aon Corp.'s Rollins Burdick Hunter Group Inc., Dutch broker Hudig-Langeveldt B.V. and Frank B. Hall & Co. Inc.

And it could increase its standing in the ranks in the future: RHH's 1994 revenues were just $209,000 behind No. 2 broker Sedgwick Group P.L.C.

In 1995, RHH's first-quarter gross revenues totaled $436.3 million, up 23.8% from $352.3 million in 1994.

Sedgwick's first-quarter revenues were £234.4 million ($364.5 million), down 2.3% from £239.8 million ($360.9 million) for the first quarter of 1994.

To achieve continued growth and success, Mr. Ryan has infused his own entrepreneurial spirit into RHH. Managers say they get the autonomy they need to do what it takes to meet the needs of RHH's growing roster of corporate clients.

"Everybody welcomes the idea that it's an entrepreneurial environment where performance and skills are all that count," observed Richard A. Riley, president of Rollins Hudig Hall Co., the U.S.-based retail operations, which also includes business in Canada and South and Central America.

Also, "most talented people like to be in a growth environment," added Michael D. Rice, chairman of Aon Specialty Group Inc.

But while RHH employees are encouraged to take the initiative—and are given the credit for doing so—they also work as a team.

RHH's new global electronic mail system, dubbed the "Knowledge Network," helps employees work together.

For example, an RHH office in Spain faced a tight deadline and might have missed an opportunity to bid on a new transportation system in Copenhagen, Denmark, if it weren't for the system, said Arthur F. Quern, CEO of RHH Co.

The broker in Spain simply sent out a query over the Knowledge Network and, after receiving responses from RHH's transportation experts around the world, assembled a proposal in a matter of days, he explained.

Without the expertise available over the e-mail system, the office in Spain would not have been able to get in a bid in on time.

Mr. Quern says RHH's "Knowledge Network"—referring not just to the e-mail system, but also to the market intelligence it taps—has evolved in response to client needs, which have changed as risk management has become more sophisticated.

By having such a "networked" organization, RHH "gives the power to the people who are closest to the client," said Dirk P.M. Verbeek, chairman of RHH Holdings B.V. in Amsterdam.

RHH "caters to the client who wants to achieve the maximum effect for the lowest cost," he explained. "We are not just insurance brokers but knowledge brokers."

In addition to giving its people the tools to attract new business, RHH has fueled its growth by acquisitions, including 15 in 1994 and 15 already this year. Most are made to enhance niche markets like fine arts, affinity groups, energy and employee benefits.

"We like to be niche players," explained Mr. Verbeek. "We like our acquisitions to strengthen a niche or to increase our critical mass to have the right geographic presence."

For example, in July 1994, RHH acquired Paris-based British Continental & Overseas Agencies S.A., France's leading art broker, to enhance its fine arts brokerage business, which operates under the name ArtScope, he said.

Together with its Huntington T. Block Insurance Agency Inc. operation in Washington, RHH is now one of the world's largest brokers of fine arts coverage.

Two other 1994 acquisitions—human resources consulting firm HRStrategies Inc. and Pecos River Learning Centers Inc.—will enable RHH to improve its human resource and employee benefit consulting business.

Under Aon's umbrella, Grosse Pointe, Mich.-based HRStrategies also will take advantage of the training programs provided by the Pecos River Learning Centers, a New Age sales and management training and consulting service based in Eden Prairie, Minn.

"It takes us into another area of consulting that integrates very nicely with what we're doing in the benefits area," explained Daniel T. Cox, chairman of Godwins International Inc., RHH's benefit consulting unit.

Other acquisitions this year included the following:

• RHH Holdings acquired COGRUP Correduria de Seguros S.A. of Barcelona, Spain, which offers insurance services to medium-sized and large companies and governments.

COGRUP, which has offices in Barcelona and Manresa, will be combined with the RHH Spain operations in Madrid, Barcelona and Bilbao. Francese Bonet of COGRUP will be president and managing director of the combined Spanish operations.

• RHH Holdings also acquired 100% of the shares of Corretores de Seguros S.A. of Lisbon, Portugal, a broker with offices in Lisbon and Porto experienced in providing insurance and risk management services to both mid-size and large companies from Portugal and abroad.

• RHH Holdings Ltd. of Sydney, Australia, acquired Steeves Lumley Ltd. of Melbourne, an Australian broker specializing in developing and placing coverage programs for groups, in January 1995 to create a worldwide program business that will also encompass RHH's affinity group program business in the United States and Europe.

• RHH Co. acquired Morency, Weible & Sapa Inc., a commercial brokerage in Naperville, Ill., specializing in insurance and surety bonds for the construction industry; and A.J. Horan & Co. of Chicago, also a construction specialist. Both acquisitions were in early 1995.

In another change, RHH, in a joint venture with C.E. Heath P.L.C. of London, became the first foreign brokerage to receive representative office licenses in Vietnam. RHH set up new offices in Ho Chi Minh City and Hanoi during 1994. Those moves will leave the brokerage in a position to take advantage of newly normalized relations between Vietnam and the United States.

After opening offices in 1994 in Russia, Finland, Turkey, Portugal and Slovakia, RHH now is actively pursuing expansion in Latin America and the Far East.

Rollins Hudig Hall 'caters to the client who wants to achieve the maximum effect for the lowest cost,' says Dirk P.M. Verbeek of RHH Holdings B.V.

For example, in August 1994, RHH launched the RHH Japan Business Group to serve the insurance and risk management needs of U.S. subsidiaries of Japanese corporate, government and institutional clients.

And, to increase its presence in the Middle East, RHH International launched an exclusive correspondent arrangement in December 1994 with Israel's AMINIM Insurance Brokers Ltd. RHH also formed a non-exclusive correspondent arrangement in Saudi Arabia.

At year-end 1994, RHH had 322 offices, up from 312 at the end of 1993. RHH also has a majority stake or affiliation with an additional 17 offices in the Pacific Rim nations, Ireland, Greece and Switzerland.

Pretax profits totaled $158.8 million for the year, up 24% from 1993's pretax profits of $128.1 million.

Aon does not break out net income for individual operating units.

Aside from the retail brokerage operations, RHH Group has four units:

• **Aon Specialty Group Inc.**

The companies of Aon Specialty Group Inc. generally market specialty insurance products and services for association and affinity groups, including those representing accountants, attorneys, chiropractors, dentists, insurance agents, nurses, pharmacists, physical therapists and podiatrists.

ASG companies include: Media/Professional Insurance Inc., a managing general agency specializing in libel insurance in the country; Bankers Insurance Service Corp., an underwriting manager for the mortgage banking industry; Scarborough & Co., an underwriting manager for community banks, mortgage and savings institutions; and GoPro Inc., an underwriting manager for property and liability programs for governmental entities, public officials, school boards and law enforcement entities.

The specialty group also includes a unit called The Aon Alliance, which was formed in 1993 to provide brokerage, risk management, loss prevention, software, actuarial and reinsurance services to the health care industry.

Specialty group revenues rose 52% to $155.9 million in 1994 from $102.5 million in 1993.

• **Aon Risk Services Inc.**

Aon Risk Services, which provides reinsurance brokerage, wholesale brokerage, captive management, underwriting management and third-party claims administration services, also contributed significantly to RHH's growth.

Its revenues rose 33.5% to $258.5 million in 1994 from $193.6 million in 1993.

As the "retail world is being affected by severe margin pressure and significant softness of the market, the reinsurance market, while only one segment of ARS, counterbalances the soft casualty market by the harder property market," explained Michael D. O'Halleran, chairman of unit.

Aon Re Worldwide, formed in 1993 to bring together all of the reinsurance operations of ARS, has become one of the largest reinsurance intermediaries in the world.

Aon Re Worldwide is the second-largest U.S.-based reinsurance broker based on 1993 revenues of $120 million (*BI*, Oct. 31, 1994). In 1994, revenues topped $154 million—a 28.3% increase.

Captive management and alternative market services in Europe were combined under the name Aon Risk Services (Europe) and new offices were opened last year in Luxembourg and the Netherlands.

In the United States, ARS established Aon Risk Technologies to research and develop risk evaluation systems.

At the end of last year, Sherwood Insurance Services, a wholesale brokerage unit of ARS, announced a cooperative venture with CNA Insurance Cos. to write commercial property insurance, targeting major companies both in the United States and abroad.

And, in early 1995, ARS acquired Agricultural Risk Management Ltd. in London, a consulting firm specializing in insurance and reinsurance for agricultural risks. ARM also has offices in Australia, Chile and New Zealand. ARS will use the new unit to enhance its captive management business.

This acquisition will enhance RHH's new agribusiness unit, formed in Kansas City, Mo., earlier this year, to offer specialized programs for grain elevators, grain and feed mills and related types of business such as seed and fertilizer operations.

• **Godwins International.**

The U.S. debate over health care reform, which prompted many U.S. companies to adopt a "wait-and-see" posture, put a damper on Godwins Booke & Dickenson's domestic revenues last year.

However, the consolidation during 1994 of these merged companies improved the unit's profitability.

Godwins International's worldwide revenues fell 2.2% to $164.8 million in 1994 from $168.5 million in 1993. Domestic business accounted for 67.5% of that total, or $111.2 million, and international business for 32.5%, or $53.6 million, up 3.3% over $51.9 million in 1993.

Future growth is expected to come from the late 1994 acquisition of consulting firm HRStrategies Inc., which specializes in human resources strategy development, skills assessment, employee selection and workforce development.

Using a philosophy it calls "high-tech, high-touch," HRStrategies is hired to assess the skills and competence of employees at both management and non-management levels.

HRStrategies, which has worked with nearly a third of the Fortune 100 companies in a variety of human resource projects, also is being used internally by RHH to help the broker roll out its own internal "interdependence game plan," applying the Pecos River education techniques, according to Mr. Cox. The "game plan" is a training program to get employees to think of themselves as members of a bigger team.

• **Nicholson Leslie Group.**

Brokerage revenues at Lloyd's of London brokers Nicholson Chamberlain Colls Ltd. and Leslie & Godwin Ltd., which began placing wholesale and reinsurance business in January 1994 under the merged name Nicholson Leslie Group, rose more than 28% to $112.1 million last year from $87.4 million in 1993.

These results were helped by the integration of the operations, headed by Chairman Alan H.C. Colls.

Aon bought the two companies in 1993 but did not merge them right away because of their differences, Mr. Colls said.

For example, while NCC was a major producer of aviation insurance, Leslie & Godwin was a major marine broker.

To consolidate the operations, L&G aviation business was integrated with NCC, and NCC's marine operation was moved into L&G's larger marine unit. Meanwhile, L&G's large U.K. retail operation was moved to RHH Co.

However, there was also a fair amount of unprofitable business, which Mr. Colls put into runoff.

Today, NLG's 14 units specialize in wholesale and non-U.S. reinsurance business in aviation, marine, energy, property/casualty and kidnap/ransom wholesale, among other areas.

Last year, Nicholson Leslie bought Jenner Fenton Slade Group Ltd., a Lloyd's insurance and reinsurance brokerage specializing in energy and petrochemical business. NLG plans to merge its energy business into JFS this year.

NLG also formed Nicholson Leslie Accident & Health to place managed health care business in the London market.

During last year, Aon's stock price ranged from $30.88 to $39 per share, which reflects a 3-for-2 stock split in May 1994. On July 7, it closed at $36.75.

The cash compensation, including salary and bonus, of the top five officers of Aon Corp. in 1994, as reported to the Securities and Exchange Commission, follows:

Patrick G. Ryan	$1,327,233
Michael A. Conway	$465,267
Daniel T. Cox	$606,847
Harvey N. Medvin	$687,201
Raymond I. Skilling	$685,904

—By Joanne Wojcik

4

Alexander & Alexander Services Inc.

1185 Ave. of the Americas,
New York, N.Y. 10036;
212-840-8500; fax: 212-444-4697

	1994	1993
Premium volume	N/A	N/A
Gross revenues	$1.32 billion	$1.34 billion
Brokerage: Retail	51.2%	51.6%
Wholesale*	18.5%	18.1%
Personal	3.1%	3.4%
Services	23.3%	22.9%
Investment income	3.9%	4.0%
Employees	13,312	14,517
Rev./Employee	$99,452	$92,416
Offices	260	360

** Includes reinsurance brokerage.*

Asked at his first annual meeting by a shareholder if he was a "miracle worker," Frank G. Zarb quickly asserted that there are no "silver bullets" responsible for Alexander & Alexander Services Inc.'s best financial position in years.

The firm is just beginning a long uphill battle to restore profitability, he added.

At this time last year, A&A was facing a bleak future of continued losses, a falling stock price, management changes, looming liabilities from discontinued operations and continuing restructuring efforts.

Since then, American International Group Inc. has put $200 million into the company and Mr. Zarb has succeeded Tinsley H. Irvin as chairman, president and chief executive officer.

'People are walking prouder and walking stronger, feeling they can do more than they thought they could ever do before,' says Executive Vp and CFO Edward F. Kosnik.

Since his 1993 appointment, Mr. Zarb has cut A&A's workforce by more than 10%, divested non-core businesses, addressed longstanding contingencies and litigation, appointed nine new directors and restored employees' confidence in themselves and the company.

While these restructuring efforts—primarily completed in the fourth quarter—resulted in $163.6 million in charges and a $138.7 million loss for the year, A&A has achieved its initial objectives and now is emphasizing growth.

The first signs of growth appeared in the first quarter of 1995, as revenues increased 0.4% to $324.2 million from $323 million for the first quarter of 1994. A&A also reported a $41.7 million profit in the first quarter, compared with a $4.4 million loss in 1994.

A&A not only has more than $300 million in operating funds on hand, but its stock price is rebounding. Trading prices during the past year ranged from $22.75 to $14. On July 7, the shares closed at $24.75.

"We are off to a good start," Mr. Zarb told shareholders at the annual meeting. But "if you thought the first 10 months were hard, you'll be surprised what will happen over the next 10 months." Acquisitions, new business development and growth in employee benefit consulting are some of the targets.

After analyzing the risk management environment, and reviewing all its operations, expense structure and stategies, A&A is poised to "comply with the new world and to emerge from this period a different company in a different industry in a lead position," Mr. Zarb said.

"A&A has proved that we can get through that difficult change process," said Lawrence E. Burk, chairman and CEO of A&A Inc., the U.S. retail brokerage unit. "We still have a long way to go, but we're certainly moving in the right direction and are starting to get ratification from our clients."

Among A&A's new clients is Federated Department Stores Inc. of Cincinnati, which owns Macy's.

A&A executives say their confidence is felt throughout the company.

Employees have regained an "image of themselves that they are winners and that they have accomplished a lot," said Edward F. Kosnik, executive vp and chief financial officer, who came on board last August after serving as chairman, president and CEO of JWP Inc., an electrical and mechanical contracting firm. "People are walking prouder and walking stronger, feeling they can do more than they thought they could ever do before."

The rebuilding of A&A has attracted new employees from virtually all of its competitors. And a new, pay-for-performance plan rewards A&A employees who best meet the needs of clients with stock and cash bonuses. Employees are judged not only on new business development but also client retention.

"The system allows employees to gain ownership within the company, which translates into people acting like owners when they deal with each other and when they deal with clients," said Mr. Burk.

"When employees have a stake in the company, it adds to the infusion of pride which is critical in driving the culture," he added.

Also, A&A is now in the position to invest in resources designed to train employees and to enhance client services, Mr. Kosnik said. "Employees feel better when they see more tools and better ways to serve clients."

A&A is investing half of its estimated $100 million savings from its restructuring initiative into information technology, product development and employee training.

Among other things, A&A's restructuring involved layoffs and early retirement programs involving about 1,100 people at the end of 1994. Of those, 650 were laid off in the United States, 242 were laid off overseas and 208 employees, primarily at A&A Inc., accepted early retirement. A&A cut an additional 380 positions last October through layoffs and attrition (*BI*, Oct. 31, 1994).

A&A took a 1994 fourth-quarter charge of $43.8 million to reflect the workforce reduction (*BI*, Feb. 20). However, as a result of the change, expenses were down 11.1% in the first quarter of 1995 to $282.5 million from $317.8 million in 1994.

"We've taken down costs and now will pay the price for the people lost," Mr. Zarb said, referring to revenue lost with some producers and businesses sold.

Some of this lost business results from the sale of A&A's third-party administration unit, Alexsis Inc., to Continental Casualty Co., a CNA Financial Corp. unit, for about $45 million (*BI*, Jan. 23).

A&A reported a $30 million pretax gain in the first quarter reflecting the deal. It also cut another 1,300 positions as a result.

Alexsis primarily administers workers compensation and general liability claims for about 1,000 self-insured clients nationwide. It ranked as the fifth-largest U.S. property/casualty claims administrator based on 1994 claims paid for self-insured clients (*BI*, Feb. 6).

While Alexsis produced more than $100 million in revenues in 1994, it presented other problems.

"When we're trying to cast ourselves as a broker of integrity, it becomes complicated when you're out there telling a client that 'you need a third-party provider and by the way, we own one,' " Mr. Zarb said. Selling the unit will "help everyone achieve the kind of culture we want."

The Alexsis sale came on the heels of A&A divesting from other non-core businesses. In November, A&A completed the sale of its U.S. personal lines business to Florham Park, N.J.-based Personal Lines Insurance Brokerage Inc., a wholly owned unit of Chubb Corp., for $30 million (*BI*, Aug. 8, 1994).

Also during the fourth quarter, A&A sold its stake in U.K. merchant bank Noble Grossart Holding Ltd., which resulted in a $7.2 million gain.

Also part of the restructuring plan, A&A took a $25.2 million charge for closing 48 offices worldwide, consolidating the business into other offices.

More than $8 million of the charge is related to the consolidation of its wholesale brokerage unit, Alexander Howden Ltd., and its reinsurance brokerage unit, Alexander Howden Reinsurance Brokers Ltd. The firm now is known as Alexander Howden Group Ltd. (*BI*, Dec. 5, 1994).

In addition to taking a $24.9 million charge to settle litigation and to strengthen professional liability reserves in the fourth quarter, A&A also took a $69.7 million pretax charge to cover indemnification related to Shand/Evanston Group Inc.

The $69.7 million in reserves was more than enough to pay the $47 million A&A agreed to pay Pennsylvania regulators in April to settle all lawsuits over its involvement in the Mutual Fire, Marine & Inland Insurance Co. insolvency. The regulators sued A&A and former unit Shand Morahan & Co. for $234 million, alleging Shand and A&A breached duties in providing underwriting management services for Mutual Fire (*BI*, Nov. 8, 1993).

During the third quarter of 1994, A&A also settled certain obligations stemming from the 1987 sale of Sphere Drake Insurance Group. The $20.9 million third-quarter write down ended A&A's obligation for various asbestos and pollution liabilities (*BI*, Nov. 14, 1994).

"We were keeping the legal profession well employed," Mr. Zarb quipped at the annual meeting, referring to A&A's contingencies.

While putting out old fires and streamlining the company, Mr. Zarb also has assembled a new management team. "The team is made up of a group of people from all parts of the world who have been in the insurance business most of their lives, and a group of people from the outside that now has almost one year of insurance brokerage business under their belts," he said.

"So you have a combination of outside talent mixing with people who know the business quite well, all pulling in the same direction," said Mr. Zarb.

This is important to provide non-traditional insurance and risk management services, he contends.

"We can sit with the most sophisticated chief financial officers and think through with them some of the risk management issues that presently affect their balance sheets who long ago have given up their ability to relate to the insurance environment," he said.

An insurance brokerage outsider himself, Mr. Zarb came on board after serving as vice chairman and group chief executive of Travelers Inc. Most notably, he was chairman and CEO of Smith Barney, Travelers' stock brokerage and investment banking subsidiary, and is credited with turning its 1988 $100 million pretax loss into more than a $200 million aftertax profit in 1993.

Nine other new directors came on board in 1994—including former President Gerald R. Ford, in whose administration Mr. Zarb served.

The restructuring efforts have "given us all the opportunity to start pushing in the same direction," Mr. Zarb said.



'We are off to a good start,' says Frank G. Zarb. But 'if you thought the first 10 months were hard, you'll be surprised what will happen over the next 10.'

Part of that direction is what is called "the A&A way"—a re-engineering and automation initiative under way in U.S. offices with plans to introduce it into other units next year to improve communication.

The preliminary initiative is designed to improve productivity and systems to reduce errors and omissions, explained Mr. Burk. This should free up more time for employees to spend with clients.

And while restructuring efforts by A&A's U.S. unit have been criticized in the past, this process has been "a key driver in helping us get new business," he said.

"We're already seeing some gains in the re-engineering process," he said. Even though not all the technology has been installed yet, A&A has redesigned some business processes and is putting greater discipline into the system, he said.

For example, early last year A&A focused its business into nine industry segments: risk management; middle-market accounts; insurance services; construction; health care; Japanese practice; association/programs; utilities; and oil/gas/marine.

A&A is focusing its resources on the specific needs of clients based on the industry segment and complexity of the risk, Mr. Burk said. For instance, in the risk management segment, A&A has "added services our clients tell us they value," including financial analysis, risk control and high-level claims advocacy.

In addition, through the new "A&A way" technology, A&A can communicate "with the rest of the world in a highly efficient way so our clients immediately have access to markets overseas," Mr. Burk said.

Indeed, two years ago, A&A's U.S. business was managed quite separately from its overseas operations, said Kenneth J. Davis, chairman of A&A International Inc. and CEO of A&A Europe.

"A&A felt each area was in a different stage of evolution in the insurance scene" and should be run separately, Mr. Davis explained. "The problem is, you lose all the experience you have with the people at the other end of the spectrum."

Now, "the way we give service is standardized around the world," Mr. Davis said. "We've brought all of the talent we've got to bear upon the problem to come out with the best results."

A&A also is looking to Continental Europe for growth in employee benefits as European governments seek to shift their social security obligations to the private sector.

Indeed, The Alexander Consulting Group Inc. is "one of the areas that gets overlooked at A&A, and it is one area in which we will make the biggest progress in the next 12 months in terms of capturing market share and added value," Mr. Zarb said.

"These guys are going to be focusing on those areas where you can push the envelope in terms of creativity," he said. "Every state in the union is changing very quietly, and if people get on top and in front of that parade, you're going to be the leader in that market and you're going to get the margins you want because of that."

And, the restructuring drive in American industry has had a dramatic impact on workforces, which puts the services ACG provides in demand, explained Donald L. Seeley, president and CEO of ACG.

In 1994, ACG ranked as the world's seventh-largest employee benefit consulting firm based on $206 million in gross revenues (*BI*, Dec. 19, 1994).

In addition to its restructuring efforts in 1994, A&A acquired two brokers, opened five new offices overseas, established eight new specialty groups and global business units and formed two joint ventures during the year and in early 1995.

In September, A&A Inc. acquired Corporate Financial Insurance Services Inc., a Houston brokerage. And in January 1995, A&A purchased a controlling interest in Marmorek Y Asociados Ltda., La Correduria de Seguros in Bogota, Colombia.

In November, Alexander Howden Group Ltd. opened an office in Johannesburg, South Africa, and in 1995, it opened three offices: Zurich, Switzerland; Piraeus, Greece; and Helsinki, Finland.

In March 1995, captive management unit Alexander Insurance Managers opened a Luxembourg office.

New speciality groups created include AlexEnvironmental, which coordinates environmental risk management and insurance services for U.S. corporations; global business units in Mexico City, Hong Kong, South Korea and Thailand; Alexander Underwriting Services, which offers comprehensive runoff and insurance management services worldwide; and a professional liability practice that provides products and services to major U.S. law firms through collaboration with select underwriters.

In January 1995, A&A Inc. established an affinity group marketing division, which manages group insurance programs for associations, franchises, trusts and related groups.

In January 1994, A&A Europe formed a joint venture in Vienna, Austria, with its German retail operation, Jaspers Industrie Assekuranz.

And most recently, A&A formed a joint venture with Hong Kong-based The Lippo Group in Beijing and bought a 50% stake in Lippo's insurance brokering operations in Indonesia. A&A and Lippo plan to expand in China with offices in Shanghai and Guangzhou. The two companies also have a 4-year-old joint venture in Hong Kong.

And A&A plans to keep buying.

"The rumor *du jour* is who we're going to buy," Mr. Zarb said. "We're obviously out looking. We spend lots of time looking."

The 1994 salaries and bonuses of the five highest-paid A&A executives, as reported to the Securities and Exchange Commission, follow:

Frank G. Zarb	$1,487,500
Kenneth J. Davis	$627,265
James S. Horrick	$499,880
Ronald A. Iles	$967,508
Dennis L. Mahoney	$953,190

—*By Sally Roberts*



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5

Willis Corroon

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	1994	1993*
Premium volume	$10.7 billion	$10.5 billion
Gross revenues	$1.09 billion	$1.06 billion
Brokerage: Retail	44%	43%
Wholesale	22%	18%
Reinsurance	12%	11%
Personal	5%	5%
Services	10%	10%
Investment income	6%	7%
Other	1%	6%
Employees	11,283	11,110
Rev./Employee	$96,363	$95,095
Offices	168	175

** Restated.*
Converted at applicable exchange rates.

Willis Corroon Group P.L.C. is confident that it has an effective strategy in place to turn its fortunes around after a difficult 1994.

A year ago, poor U.S. results led to sharply lower profits and a management shakeup. Today it has a strategy for getting back on track: focusing on five core strengths, getting rid of a layer of management, laying off 800 people worldwide, closing down or combining offices and setting up teams to handle major clients.

The broker also wants to sell certain assets to reduce debt, including its U.S. headquarters in Nashville, Tenn., and lease back the portion used by the company.

And, just last week, Willis Corroon announced that it was selling 1.5 million shares, or about half its 36% stake in U.S. underwriter Gryphon Holdings Inc., to the company for $24.75 million in cash in a "private transaction." The broker has hired Lehman Bros. Inc. to sell the remaining 18.4% stake in Gryphon within the next six weeks at a price of at least $16.50 per share. This will complete Willis' withdrawal from underwriting.

There were rumors last year that things were so bad Willis Corroon was trying to find a buyer. Not true, say its executives.

"We didn't have a single person through the door," said Executive Chairman Roger Elliott.

Instead, the company is working to strengthen itself internally.

"We have a very, very clear strategy which we intend to deliver on and is based on continuing to be what we are," said Chief Operating Officer J. Max P. Taylor. "It's within our power to take the business where we want it to be."

The company also aims to shore up its image with stock analysts, who reacted negatively to a 10.2% drop in pretax profits and a 5.2% fall in revenues in first-quarter 1994 (*BI*, July 18, 1994).

The fall was blamed almost entirely on problems in the U.S. operations, which culminated from ongoing problems associated with Willis Faber's 1990 merger with Corroon & Black Corp.

In particular, analysts were surprised to learn of the expenses associated with replacing a team of 60 people in one of Willis Corroon's two construction operations who had left in September 1993 to join Rollins Hudig Hall Group Inc.

Willis Corroon sought $25 million in compensatory and punitive damages from RHH but settled out of court earlier this year (*BI*, March 13).

Analysts reacted swiftly to the bad news and Willis Corroon's stock price dropped 22% the day after the first-quarter results were announced and plummeted 42% overall in the first half of last year. The high of 243 pence per share in January 1994 was nearly halved, and by year-end was trading at 137 pence ($2.10). As of July 6, it was up to 146 pence ($2.32).

As a result of the first-quarter shock, the group's 1994 results were depressed.

Gross revenues, excluding underwriting operations, rose only about 1% to £709.7 million from £703.4 million in 1993. Converted to U.S. dollars using average exchange rates, the gross revenues were $1.09 billion, up from $1.06 billion, enough to keep Willis Corroon No. 5 in the broker ranking.

Pretax profits plummeted 92.7% to just £5.6 million from £77.3 million (to $8.6 million from $116.1 million).

Had it not been for several exceptional charges, the brokerage's operating profit would have been £53.9 million ($82.5 million). Those charges, totaling £49.1 million ($75.2 million), consisted of:

- Expenses associated with cutting more than 500 jobs, including 300 in the United States, costing the company £20.1 million ($30.8 million) in severance compensation and benefits. Another 300 job cuts are expected this year. Willis Corroon had 11,283 workers at year-end 1994, and by the end of this year will have about 10,500, said Mr. Taylor.

Also gone from influential positions are several key executives: former Chief Executive Richard M. Miller is now group vice chairman; Frank F. White, former chairman and CEO of U.S. retail operations Willis Corroon Americas, is now chairman of the Tennessee region of Willis Corroon Americas; and Donald H. Payne, former CEO of the worldwide retail unit, who was located in Nashville when things went wrong last year, has left the company. Mr. Payne, who continues as a consultant to the broker, had been touted as the next chairman of Willis Corroon before the problems were uncovered.

Kenneth H. Pinkston, previously president and CEO of the U.S. property/casualty programs division, is now chairman and CEO of Willis Corroon Americas and U.S. holding company Willis Corroon Corp.

- Net lease expenses for property no longer needed, at a cost of £22 million ($33.7 million), including the Nashville headquarters.
- Staff relocation and office closures, accounting for £7 million ($10.7 million). Five offices have closed in Willis Corroon's U.K. retail operations; two offices merged in San Francisco; and an office in St. Louis is up for rent.

The brokerage expects the cuts to save £26 million ($41.9 million) in 1995, and £39 million ($62.8 million) in 1996.

Meanwhile, operating expenses grew last year by 4% to £651.8 million ($998.6 million). The expenses include £21 million ($32.2 million) mainly for the redevelopment of North American retail and reinsurance brokerage operations. Of this £4.2 million ($6.4 million) was spent hiring a new construction team.

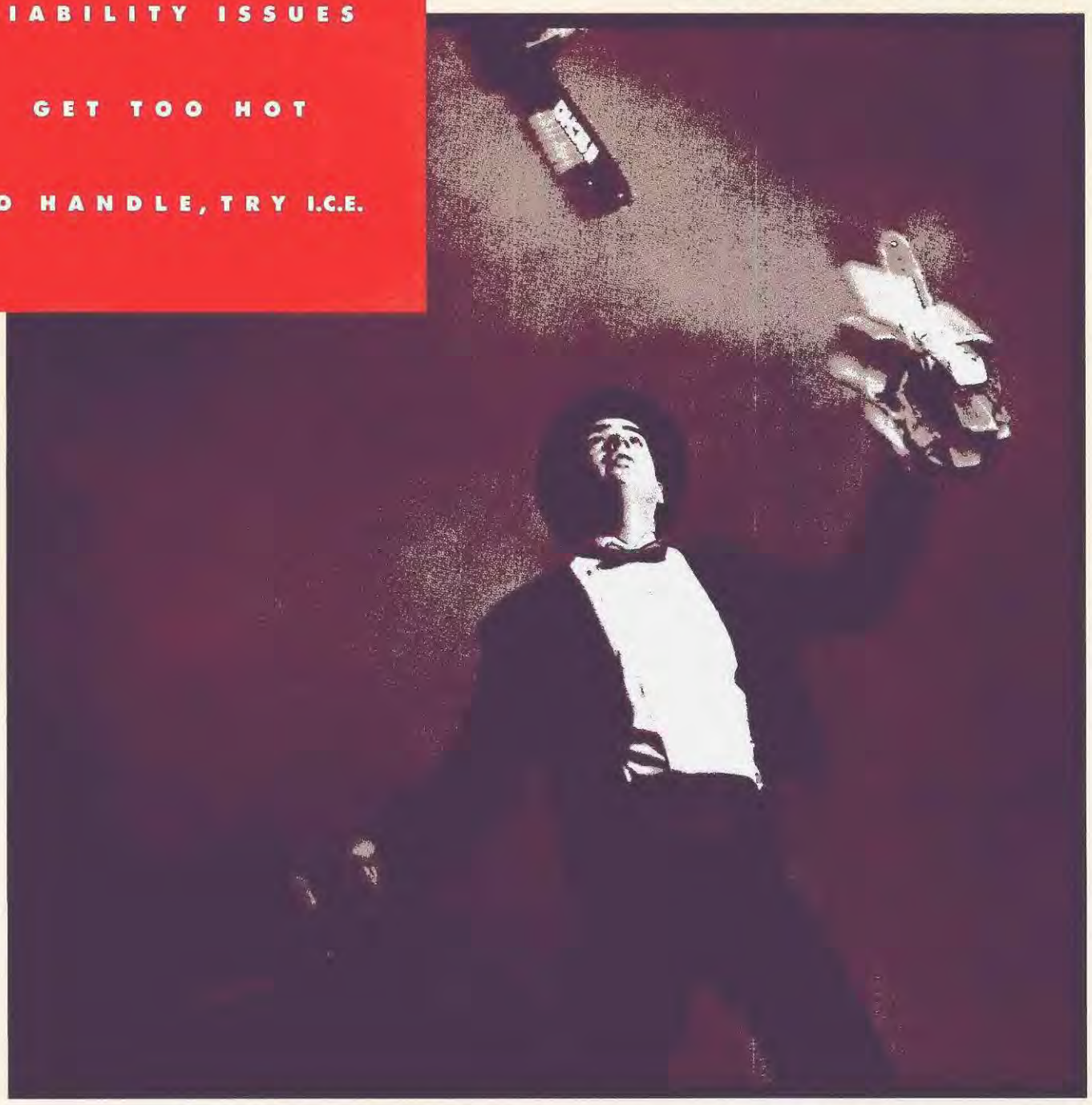
Analysts generally have been pleased that Willis Corroon has taken the extraordinary charge quickly and is restructuring. But some still think it could lose clients after further layoffs later this year.

Willis Corroon contends that it is retaining client support. "We have very loyal clients," said Mr. Taylor. "But fundamentally it comes down to the fact that we give our clients

Continued on page 3

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Continued from page 28
what they want. We give them good service. We give them good professional advice and that's not being impaired by anything that we're doing."

Some analysts share the optimism.

"We have been enthusiasts of Willis Corroon both for industry recovery potential and the scope to improve its own performance," noted Chris Hitchings, broker analyst at UBS Ltd. in London. "The former looks as distant as ever, but 1994's cost-cutting program looks better thought out than it was being given credit for."

In 1995, pretax profits for the first quarter rose 7.5% to £48.5 million from £42.2 million last year. And revenues also increased about 2%, to £206.3 million from £202.6 million.

Willis Corroon's restructuring started last June, when a team headed by Mr. Taylor examined the company's strengths and weaknesses. Management consulting firm McKinsey & & Co. was hired to help the team with its review. A report was produced for the November board meeting outlining the changes.

"With the McKinsey report we really did try to look at every nut and bolt in the group. I don't think we left many unturned," said Mr. Elliott. Some things are on the back burner—simple things like contributions to the group's charities in America, he said.

"What we set out to do was to streamline the organization, simplify the business—which means identify the core business activities where we know we are good and where we know we can grow and as an associated activity, reduce the outstanding debt," said Mr. Taylor.

Willis Corroon's structure now follows dual axes—"geography" and "discipline"—within which are five core strengths, he said.

According to Mr. Taylor, the broker's geographical strengths are:

• **North American retail.**

Willis Corroon Americas is particularly strong in the "middle-America market," which was Corroon & Black's historic strength. Since the 1990 merger, Willis Corroon has added teams in the United States to develop Willis Faber's historic strengths, namely in energy, aerospace and professional indemnity.

Commercial retail brokerage revenues generated through U.S. offices at year end 1994 dropped 2% to £216 million from £221 million in 1993 (to $330.9 million from $331.9 million).

"This is the year for restoring profitability levels" at Willis Corroon Americas, said Mr. Pinkston. "And we are well on the way."

• **U.K. retail brokerage.**

Willis Corroon boasts that is a leader in this market. The group's brokerage revenue in the United Kingdom rose 7% to £143.6 million at year-end 1994 from £134.4 million the year before (to $220 million from $201.9 million).

• **International.**

Each international office must "service our multinational client base with operations in that country; they need to be able to develop business locally, either retail or reinsurance; they need to be a partner of global specialities; and they must work with the rest of the retail network to develop multinational clients in their own back yard," Mr. Taylor said.

With a strong historical link to Japanese clients and a well-established agency in Tokyo, Willis Corroon is "watching carefully" insurance law changes in Japan that will allow brokers into the market for the first time, Mr. Elliott said. "Opportunities will arise, no question."

Willis Corroon now has offices in China, India, Europe and the Middle East. The broker also is building a Latin American network.

Brokerage revenues for "international" business rose 25% at year-end 1994 to £26.5 million from £21.2 million at year-end 1993 (to $40.6 million from $31.8 million).

Aside from these geographical strengths, there are "disciplines" of the group that cross geographical boundaries and offices.

These disciplines are included in the group's remaining core strengths:

• **Global specialties.**

This includes aerospace, marine and energy brokerage operations.

It also includes global reinsurance brokerage, headed by Chairman John Pelley, and Willis Corroon Faber & Dumas Global Broking Services, Willis Corroon's non-marine brokerage operations, headed by Chairman Richard Butnell.

Messrs. Pelley and Butnell recently were appointed to Willis Corroon's executive management committee.

Excess/surplus lines brcker Stewart Smith Group Inc. also could be categorized as a global specialty, said Mr. Taylor.

These global specialist business units, which are being set up worldwide, now offer insurance and reinsurance services to their clients. The first groups tc be merged along business lines are the marine division.

In London, these business units may trade under Lloyd's broker Willis Corroon Faber & Dumas Ltd. in order to access the market. The Lloyd's broker, formerly headed by Mr. Taylor, is now chaired by Martin Hedley, chairman of the aerospace division.

• **U.S. wholesale operations.**

This core strength is dominated by U.S. property/casualty wholesaler Public Entities National Co. and Professional Liability Underwriting Managers Inc. with Stewart Smith playing an integral part.

"What we're saying is that U.S. wholesale is simply a very good business" despite problems with PLUM, said Mr. Taylor.

Willis Corroon expects a £7 million ($11.2 million) drop in profits from PLUM this year because it lost its underwriter at year-end renewals when The Home Insurance Co. was downgraded. The business has now been switched to The Home's new parent, Zurich-American Insurance Group.

"We're retaining a good portion of the business," but it's not possible to cut PLUM's overhead, which means Willis Corroon retains the cost, said Mr. Taylor. "While business is still profitable, it's significantly less profitable."

Willis is building "client teams" to deal directly with its clients, Mr. Elliott said. This summer, Willis Corroon defined and gave directives to client teams for 200 of its most important customers, said Mr. Taylor.

This new strategy incorporates the company's existing account executives for each client. For each client, "there's a nanny," said Mr. Elliott.

Willis Corroon has also been able to eliminate a layer of man-

Continued on page 32

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Kaler Carney Liffler & Co. Inc.
Boston, Mass.
has been acquired by
Arthur J. Gallagher & Co.
Itasca, Ill.
Hales & Associates initiated the transaction and advised Kaler Carney Liffler.

Burkar Apple Insurance Associates Inc.
Parsippany, N.J.
has been acquired by
American Phoenix Corp.
Avon, Conn.
Hales & Associates initiated the transaction and advised Burkar Apple.

RMI Insurance Services
Granada Hills, Calif.
has been acquired by
Arthur J. Gallagher & Co.
Woodland Hills, Calif.
Hales & Associates advised RMI Insurance Services in the transaction.

ISI Insurance Services Inc.
Appleton, Wis.
was acquired by management from
M&I Fox Valley Bank
Appleton, Wis.
Hales & Associates advised the purchaser in the transaction.

R.C. Hanchette & Associates Inc.
Elgin, Ill.
has merged with
Mesirow Insurance Services Inc.
Chicago, Ill.
Hales & Associates advised R.C. Hanchette in the transaction.

United California Insurance Agency
North Hollywood, Calif.
has been acquired by
USI Insurance Services Corp.
San Francisco, Calif.
Hales & Associates initiated the transaction and advised United California.

Julius Moll & Son Inc.
Chicago, Ill.
has acquired
Insurance Management of Orland Park Inc.
Palos Park, Ill.
Hales & Associates advised Julius Moll in the transaction.

USI Insurance Services Corp.
San Francisco, Calif.
acquired
Flanigan, O'Hara & Gentry Inc.
Fort Washington, Pa.
Hales & Associates initiated the transaction.

USI Insurance Services Corp.
San Francisco, Calif.
has acquired
Hambrecht & Quist Insurance Brokers Inc.
San Francisco, Calif.
Hales & Associates initiated the transaction and advised USI.

USI Insurance Services Corp.
San Francisco, Calif.
has acquired
Association Growth Enterprises Inc.
Landover, Md.
Hales & Associates initiated the transaction and advised Association Growth Enterprises.

Julius Moll & Son Inc.
Chicago, Ill.
has been acquired by
USI Insurance Services Corp.
San Francisco, Calif.
Hales & Associates initiated the transaction and advised Julius Moll.

O'Rourke, Andrews & Maroney Inc.
Fort Wayne, Ind.
has been acquired by
Acordia Inc.
Indianapolis, Ind.
Hales & Associates advised O'Rourke, Andrews & Maroney, Inc. in the transaction.

Hayhurst Elias Dudek Inc.
Winnipeg, Manitoba
has been acquired by
Hilb, Rogal & Hamilton Co.
Glen Allen, Va.
Hales & Associates initiated the transaction and advised Hayhurst Elias & Dudek.

Cleaveland-Butts Insurance Agency Inc.
Rock Island, Ill.
formerly owned by
Equitable Life of Iowa
Des Moines, Iowa.
was acquired by agency management
Hales & Associates advised Equitable in the transaction.

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Spotlight report

Continued from page 30

agement. It used to have managers for all of its group and strategic business units—like global retail, and international reinsurance and specialty business—in addition to managers of the operating units. Most of these managers have been eliminated and the operating units now report directly to company management.

This change in structure also has allowed Willis Corroon to scale back administrative resources. Three administrative units devoted to strategic business units in the United Kingdom alone, for example, have been combined.

In addition, U.S. offices now have to comply with "best practices" in terms of business production and marketing.

Willis Corroon has been working for the past year in the United States to find the "perfect" Willis Corroon office with the appropriate costs and revenues, said Mr. Taylor. "We're in the process of adjusting every office (in the U.S.) and where the ratios are wrong, adjusting accordingly."

That may mean changing the office's business mix or its staff and concentrating on offices with the most value geographically, he said.

Essentially, this means finally amalgamating the Corroon & Black's network within Willis Corroon.

Willis Corroon now concentrates its major account and international resources in several key cities: New York, Chicago, Los Angeles and Toronto.

Nashville has been considered Willis Corroon's U.S. headquarters until now. Although it still is a major office and is "an excellent branch," Mr. Taylor said the company's U.S. operations are not specifically based anywhere. "We're based in New York and we're based in Chicago and we're based in Seattle and we're based in Atlanta and so on."

Willis Corroon doesn't intend to leave Nashville, but much of the old headquarters is being leased by other tenants.

The goal behind the changes is to build up key centers in the United States, according to Mr. Taylor.

When the decision to trim staff was made, Willis Corroon speculated that revenues would be unaffected, he said.

"We now can say, 'Yes, we've done it.' We've been through (year-end) renewals and the best part of 12 months' activity since we started the process and our revenues are intact and growing," he said. And "cost savings are being achieved."

There are now about 10,700 employees worldwide, but that number will drop to 10,500 by year end, said Mr. Taylor.

"That's still a helluva lot of people," said Mr. Elliott. "You should still be able to look after the average client with 10,000-plus people."

One question still unanswered is who will be the next chairman, now that Roger Elliott is expected to step down at the end of this year. Rumors abound that Willis Corroon is looking for an outsider. Others predict Mr. Taylor will get the nod.

Meanwhile, Peter T. Pruitt has taken over as chairman and CEO of Willis Corroon Faber North America in New York, replacing James F. Dowd, who has left to return to his former job as chairman and CEO of Skandia America Reinsurance Corp. (*BI*, July 10).

—By Stacy Shapiro

6

Johnson & Higgins

125 Broad St., New York, N.Y. 10004;
212-574-7000; fax: 212-574-7676

	1994	1993*
Premium volume	N/A	N/A
Gross revenues	$1.01 billion	$961,900,000
Brokerage: Retail	63.1%	62%
Wholesale	6.1%	5.6%
Reinsurance	4.9%	4.5%
Personal	0.3%	0.4%
Services	22.6%	24.6%
Investment income	2.9%	2.6%
Other	0.1%	0.3%
Employees	8,727	8,642
Rev./Employee	$115,572	$111,305
Offices	130	129

* *Restated.*

Johnson & Higgins is letting some outsiders inside its boardroom to help it expand.

J&H's senior management still owns the 150-year-old company, but the board was expanded early this year to include three executives from within the UNISON network as non-owner directors. The experience of those senior European executives should help J&H develop and grow, explained David A. Olsen, chairman and chief executive officer.

Even as it seeks experience from other companies, the broker will be losing some from its own ranks as both Mr. Olsen and Richard A. Nielsen, the president and chief operating officer, approach retirement at the end of 1997. No successors have been identified, though management duties are starting to be shifted at the top ranks.

Development is also the goal of a permanent employee training facility the broker recently established in Norwalk, Conn., and a quality initiative it began in 1992 to improve customer service. J&H also will try to improve customer service by reworking the commission split between brokerages in the UNISON network.

As it tries to improve its service, J&H is also expanding.

With the establishment of a facility to offer certificates of financial responsibility to ships that come in U.S. waters, it expanded operations beyond conventional insurance. And, with the opening of an office in Kazakhstan, it expanded its reach into developing foreign markets.

Non-U.S. operations led J&H's revenue growth to $1.01 billion from $961.9 million in 1994. Overall, the firm's revenues rose 4.9%, lower than the average among the top 20 brokers, but operations in the Far East and South America posted double-digit growth, said Mr. Olsen.

For the first six months of 1995, overall revenues are up 8% to $530 million from $491 million for the same period in 1994.

"Virtually every one of the J&H units is on or over plan and it is an aggressive plan," Mr. Olsen said.

One of the main changes at the world's sixth-largest brokerage over the past year was the appointment of its first non-employee directors

In January, three executives from firms within the UNISON network were appointed to the J&H board as non-owning directors: Christian Dahms, partner of Jauch & Huebener KGaA in Hamburg, Germany; Patrick Lucas, chairman and CEO of Gras Savoye S.A. in Paris; and Santiago Gil de Biedma, chairman of Gil y Carvajal in Madrid.

UNISON is a combination of subsidiaries, joint ventures and corresponding brokers in 72 countries. J&H owns 100% of the operations in 20 countries, it has majority or minority shares in operations in 12

Continued on next page

The Alexsis philosophy – No. 5 in a series

Vis

The ability to perceive

Continued from previous page
countries and has correspondent relationships, where it has no shareholdings, in the other 40 countries. J&H says the network services half of the Fortune 500 companies.

The appointments were among a series at UNISON members.

John W. Gussenhoven, a J&H director and president of UNISON, Daniel Naftalski, managing director of Gras Savoye, and Mr. Gil de Biedma were appointed to the Jauch & Huebener board.

Mr. Gussenhoven and Jochen Scheele of Jauch & Huebener joined the Gras Savoye board.

And Volker Preuss, partner at Jauch & Huebener, and Aad Strijbos, a managing principal of J&H and head of its Dutch unit, Mees & zoonen, joined the board of Gil y Carvajal, of which J&H owns half.

The cross-membership of the boards was instituted to enable the different directors to bring new experiences and insights to the three companies and enable the UNISON members to learn from each other more effectively, Mr. Olsen said.

At board meetings, financial information is shared and the outside board members comment on business plans like directors who are employed by J&H, he said.

The interaction helps J&H to learn new ways to handle insurance business and improve its service, added Joseph P. Platt, a director.

"We catalog the best practices around the world," he said.

And, by sitting on the boards of other UNISON member firms the J&H directors can learn more about European business, said Mr. Gussenhoven. "We learn a hell of a lot."

The experience helps J&H plan how to run businesses in foreign markets and gives it insights into how the other UNISON firms are run, Mr. Gussenhoven said.

The process was not designed to allow J&H to influence the other UNISON members, he said. "We are not sitting there and saying, 'Let me tell you about that business plan; it does not meet our expectations.' It's about the convergence of ideas," Mr. Gussenhoven said.

One insight gleaned from the meetings is that UNISON members work well together, he said. "We work as one company. People in France or Scandinavia subordinate their national goals to UNISON."

Along with the cross-membership on the boards, more J&H personnel are being stationed overseas for set periods. "We want to have a lot more people overseas learning more," said Mr. Olsen.

One example is Mr. Gussenhoven. After three years in London as chairman of Johnson & Higgins Holdings Ltd., he is returning to New York but will remain head of UNISON.

J&H could strengthen its bond with its French partner Gras Savoye by exercising an option to buy a stake in the broker.

J&H and Jauch & Huebener have an option to buy a 10% to 12% combined stake in Gras Savoye.

"There is no need for us to do it to improve service; the clients are already getting the service. It would be to take a share in a growing marketplace," Mr. Gussenhoven said.

J&H is changing the system of compensation for business placed through the network. Currently, the 36 members normally split commissions 70% to the servicing broker and 30% to the referring partner.

"That will change. There will be different ways to recognize contributions," Mr. Gussenhoven said. The existing system does not encourage all of the members to put their maximum effort into placing business when they are only likely to get 30% of the commission, he said.

Overseas business showed strong growth in 1994, Mr. Olsen said.

Commercial retail brokerage generated through non-U.S. offices grew 11.4% to $180.7 million in 1994 from $162.2 million in 1993.

U.K. operations grew strongly, particularly in wholesale business, Mr. Olsen said.

Prior to 1990, J&H placed business in London through its then-UNISON partner Willis Faber P.L.C. However, Willis Faber left the UNISON network after its merger with Corroon & Black Corp. J&H now has 420 employees in the United Kingdom after it set up its operations there virtually from scratch after the merger.

Far East operations also posted strong growth, Mr. Olsen said. The brokerage does not provide figures for regional operations.

J&H and UNISON have offices throughout the region, including China, where J&H has 80 clients. "We have to match where our clients go," Mr. Olsen said.

J&H also expanded its network in the former Eastern Bloc by opening a joint venture with Jauch & Huebener in Alma-Ata, Kazakhstan.

UNISON now has more than 500 clients in the former Eastern Bloc, Mr. Olsen said.

The establishment of the office has virtually completed the desired reach of UNISON, he said. "We are in all the countries that we have to be in," Mr. Olsen said.

South American business also grew with an increasing amount of revenues being derived from local companies rather than U.S. companies operating in the region, Mr. Gussenhoven said.

In Mexico, for example, many local companies spend significant amounts of money on insurance, he said.

"There are global companies in Mexico and some very large indigenous companies," Mr. Gussenhoven said.

The decline of the dollar against many currencies has not materially affected J&H's revenues, Mr. Olsen said. "It did not really have an impact. If one office was down (as a result of currency fluctuations) another was up."

Growth in U.S. operations, including domestic retail business, lagged well behind the overseas figures. Revenues generated through U.S. offices grew by 4.9% to $455.7 million in 1994 from $434.2 million in 1993.

J&H opened an office in Indianapolis last year and closed none.

The increase in revenues was not helped by any overall hardening in the U.S. property and casualty markets, said Mr. Platt. "If you melted it all together you see a soft market in the U.S. with some hard aspects to it."

The hard elements are property coverage for high-risk industries and catastrophe exposures, Mr. Platt said.

Liability business remains generally soft, he said.

Workers compensation business varies by state and generally is going through great changes due to an increased interest in health care costs. "Sixty percent of the workers comp dollar is spent on health care," he said.

Concern with health care costs also led to an increase in revenues at A. Foster Higgins & Co. Inc., which exceeded its budgeted growth, according to Mr. Olsen. Although benefit business fell slightly as a percentage of gross revenues to 22.3% from 24.3% in 1993 due to

Continued on page 36

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Continued from page 33
the sale of Fibson & Co., a benefit consulting firm based in Princeton, N.J., to Fibson management.

A continued focus on health care costs in many countries has helped boost consulting income, said Mr. Platt. "If you look into clients' minds then you see health care cost on the list of things they are working on."

The continued lackluster property/casualty market over the past several years has made the issue of fees or commissions for brokers a non-issue, Mr. Olsen said.

"If premiums went up or down a significant amount each year it would be a factor. Now the question is, 'Just how much are we getting paid and is it enough?' " Mr. Olsen said.

J&H was once a strong advocate of commissions over fees but now it bills most of its large clients based on fees or negotiated commissions, Mr. Olsen said.

And, over the past year, the number of clients that paid fees probably increased, he said.

J&H has also been deriving income from outside of conventional insurance in new ways over the past year.

In December, J&H was instrumental in establishing First Line, a facility in Bermuda designed to meet new requirements for shipowners under the Oil Pollution Act 1990.

That law requires shipowners to obtain certificates of financial responsibility before their vessels enter U.S. waters to demonstrate that they have resources to clean up any pollution they might cause. Protection and indemnity clubs, the traditional liability insurers for shipowners, refused to issue the certificates.

First Line, which is backed by financial reinsurer Stockton Reinsurance Ltd., was established to issue the certificates for a fixed cost. According to the National Pollution Funds Center, by May it had issued 779 certificates.

One of the main focuses of J&H over the past year has been education, Mr. Olsen said.

The firm continued the initiative it began in 1992 to improve staff performance. Some 5,500 employees have now gone through the fourth wave of the program, in which senior staff members visit J&H offices and work with the employees and clients to improve service levels, Mr. Olsen said. The fifth phase of the ongoing program is to build on acquired skills and measure performance, he said.

The corporate headquarters in New York and all of the brokerage's 52 U.S. offices have completed the phase where the notion of offering quality in client service is addressed. The next phase will introduce new methods of serving clients and emphasize measuring performance.

The initiative is currently being implemented in Britain and will eventually be applied to all of J&H's offices.

J&H has also opened a permanent training facility at Norwalk, Conn., called the J&H University.

"It has a permanent staff, but the faculty is really operating staff in J&H," Mr. Platt said.

The facility was established in response to client requests that brokers should be more knowledgeable about all insurance issues, he said. It will be used mainly to run in-house training courses.

Focusing on education, added Mr. Platt, should help the broker accelerate its growth. While not disappointed with J&H's growth, executives say they would like to see revenues grow more quickly.

Factors restricting growth—for example, common corporate challenges like employees' reluctance to learn new skills or embrace change—are being addressed by the quality initiative as well as training in J&H's Lotus Notes computer system, which allows all of the offices to communicate and pool resources more efficiently, Mr. Platt said.

Staff at J&H grew less than 1% in 1994 to 8,727 from 8,642 in 1993. That increase was made to service new business, Mr. Olsen said.

J&H made one new appointment to its board of directors in addition to the three non-owning European directors. John A. McMahon was promoted from managing principal to a full director in 1994.

The number of directors only rose by one to 31 as three directors retired: William C. Remington, Albert S. McGhee and Edward J. Buchwald.

Succession is beginning to become an issue at J&H as Mr. Olsen and Richard A. Nielsen, president and chief operating officer, approach retirement at the end of 1997.

No succession plans have been announced, though some changes already are being made. For example, Mr. Platt is moving to New York from his position as central region director in Pittsburgh to assist Mr. Nielsen in managing the retail operations.

Mr. Gussenhoven is also returning to New York after three years in London. He will remain head of UNISON. His position as head of Johnson & Higgins Holdings Ltd. in London will be taken over by Daniel L. Jones, a managing principal.

Since 1983, J&H has required directors to resign at age 62, or at age 60 if they have been directors for 15 years. That policy was recently found to violate the Age Discrimination in Employment Act.

The judge who made that ruling, in a suit brought by the Equal Employment Opportunity Commission, said he may have ruled differently if the policy didn't kick in until directors hit 65 or if directors could stay on as ordinary employees after leaving the board and selling their stock in the firm (*BI*, June 19).

J&H would not comment on whether it will change its retirement policy.

Other management changes included the appointment of four new managing principals: Donald H. Birdsong, William M. Choate, Paul P. Giunto and Kenneth J. Goodchild.

Managing principals hold shares in the company and have options to purchase more in the future. J&H now has 22 managing principals compared with 19 in 1993.

1995 marks the 150th anniversary of the brokerage, which was founded in 1845 as average adjusters of marine risks and insurance brokers under the name Jones & Johnson. It was renamed Johnson & Higgins with the arrival of A. Foster Higgins in 1854.

To mark the anniversary, all employees worldwide were given the day off on May 11 to do community work to help children. Projects ranged from taking handicapped and inner-city children on field trips to making repairs and improvements on children's facilities to teaching classes in local schools.

—By Gavin Souter

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Acordia Inc.

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	1994	1993
Premium volume	$3.89 billion	$2.98 billion
Gross revenues	$466,396,000	$364,779,000
Brokerage: Retail	41.84%	45.36%
Wholesale	7.02%	8.6%
Reinsurance	0.26%	0.18%
Personal	13.99%	15.99%
Services	34.61%	27.74%
Investment income	1.12%	1.8%
Other	1.16%	0.33%
Employees	5,485	4,234
Rev./Employee	$85,031	$86,155
Offices	136	122

Acordia Inc. is keeping up a fast pace as it moves down Main Street U.S.A., and up the Top 20 rankings.

The Indianapolis-based broker continued to strengthen its property/casualty insurance services via acquisitions in 1994, while its health business has grown in response to demand for managed care services.

And as Acordia continues to dominate mid-market accounts in mid-sized cities, its recent acquisition of Bain Hogg Group's U.S. operations suggests new international opportunities in the near term.

Gross revenues rose 27.9% in 1994 to $466.4 million from $364.8 million in 1993, bringing the brokerage up one notch to No. 7 in the *Business Insurance* rankings. Its 1994 revenues for the *BI* rankings are restated to reflect the acquisition of Bain Hogg Robinson in the United States. 1994 revenues are more than double the $210 million in 1992, when it debuted in the Top 20 at No. 14. Similarly, its stock price has more than doubled since a 1992 initial offering.



Internally, Acordia 'works better than any company I've every been associated with,' says L. Ben Lytle. 'It still amazes us every now and then.'

Profits rose 12.5% to $28.8 million in 1994 from $25.6 million in 1993.

Acordia attributes its success and strong growth to its unique management structure and incentive plan.

"All those crazy ideas we tried, the governing system, the decentralization, tying executive compensation to growth of the company, employee ownership of stock. . .it all works," said L. Ben Lytle, chairman and chief executive officer. Internally, Acordia "works better than any company I've every been associated with," he added. "It still amazes us every now and then."

Acquisitions have helped Acordia, once almost solely a health insurance brokerage, expand its property/casualty business. Since 1991, it has acquired such property/casualty brokerages as Robinson-Conner Inc., American Business Insurance Inc. and Pettit-Morry Co.

Most recently, Acordia acquired substantially all of the U.S. operations of London-based Bain Hogg Group for $50 million (*BI*, Jan. 9).

The purchase of Boston-based Bain Hogg Robinson Inc. not only strengthened Acordia's position in several locations, but also gave it its first big chance to sell its products and services overseas.

While Acordia remains U.S.-focused, "You're foolish—particularly if you can do it in such a way by not putting a lot of capital in it and taking a lot of risk—to not start exploring access to markets outside the U.S.," Mr. Lytle said.

Under the terms of the BHR deal, Acordia and Bain Hogg Group are establishing a 50/50 joint venture company to develop and sell products and services to multinational clients.

Acordia will also be part of a global correspondent network that Bain Hogg is forming with several partners (see story, page 46).

"Because we are a certain size, we have a certain amount of clients at a certain level that require international locations and international services on their accounts," explained Frank C. Witthun, who became president and chief operating officer in 1994.

However, "the majority of the reason why we are entering the joint venture really has to do with us entering other markets," he said.

Mr. Witthun noted that for Acordia the deal is driven largely by potential non-U.S. health insurance brokerage opportunities.

The relationship with Bain Hogg has raised speculation about an eventual merger. Adding to the speculation, Bain Hogg CEO Ron Forrest has said that the London-based firm aims to be among the world's top three brokers within five years by making one final acquisition (*BI*, Sept. 5, 1994).

Acordia executives would not comment about an eventual merger, except to say there is lots of synergy between the two firms (*BI*, Jan. 9).

While acquisitions have propelled Acordia into the Top 20 rankings, it still positions itself as an alternative to the alphabet houses.

"You just won't see us duke it out with M&M or J&H for the IBM account," Mr. Lytle said. While "we have competed against all the national brokers for years, it's very hard for them to really come in and play the game we play, and it will be very hard in the next few years for any of the alphabet houses to say they are the mid-market broker in the U.S., and I think we can."

Acordia primarily is located in mid-sized cities and is more familiar with local businesses than the alphabet houses, its executives say.

Another key facet of Acordia's strategy is for many of its operating companies to have the expertise to service all of a business' needs, from brokering health insurance and property/casualty coverage to providing consulting and other services.

Continued on next page

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Continued from previous page

"That's a value you are always bringing to a risk manager," Mr. Witthun said. "It is all there in one place," unlike other national brokers that have to call on separate operating units, with separate names and locations, to meet a client's needs.

And unlike independent agencies that are located in the mid-sized cities, Acordia has the resources to make needed investments in people and technology, Mr. Lytle added.

At a time when everything seems to be going Acordia's way, Mr. Lytle is quick to note Acordia is constantly challenged by factors like the soft market and increasing competition.

But Acordia continues to adapt. "We're constantly restructuring things," Mr. Lytle said. Last year, the broker consolidated several companies that had specialized in specific industries and also reduced capital and efforts to expand its life insurance sales.

Acordia is made up of 32 free-standing units in mid-sized cities, called "Acordia companies," designed to be one-stop shops.

The broker strives to have each unit provide full property/casualty brokerage, life insurance sales and managed care services, including group health and claims administration services. About half its units can provide meaningful levels of each service today.

After Acordia's spinoff in 1989 from Associated Insurance Cos. Inc. many units targeted specific geographic, demographic or industry markets.

However, due to the changing health care marketplace, Acordia has consolidated some of its operations. For example, in 1994 it consolidated six companies in Indiana that had specialized in specific industries and also merged two companies in Texas.

Those six include: Acordia Collegiate Benefits in Greenwood; Acordia Corporate Benefits in Greenwood; Acordia Financial Industry Benefits in Indianapolis; Acordia Health Industry Benefits in Indianapolis; Acordia Local Government Benefits in Indianapolis; and Acordia School Benefits in Indianapolis.

Indiana operations are now structured along three geographic lines: Acordia of Northeast Indiana, Acordia of Northwest Indiana and Acordia of Central Indiana.

And in Texas, Acordia merged Acordia Educational Benefits into Acordia Texas Gulf Coast.

"The focus of the early years of Acordia was to expand out of the Midwest and the fastest and easiest way to get out of your home turf was to specialize and build a book of business rapidly," Mr. Lytle said.

While all of these industry-focused Acordia companies were growing, "we looked at the future and how health care was changing, and we saw significant reduction headed down the road in the amount of association buying and a significant increase in buying local managed care products through the local communities," Mr. Lytle said. Acordia felt there was "no need to continue to try and market on an association basis."

In addition, Acordia no longer is seeking to generate one third of revenues in life insurance sales, one-third in health and one-third in property/casualty insurance business.

In 1994, Acordia's revenue distribution was 60% health, 31% property/casualty and 9% life, compared with 70%, 22% and 8%, respectively, a year earlier.

Because recent growth opportunities have been mainly in health and property/casualty, the broker has focused its capital efforts on those and related areas, executives say.

"We did not anticipate the casualty opportunities to come along as steadily as they have," said Patrick M. Sheridan, executive vp and chief financial officer, adding the health business also presents opportunities. "It would be very difficult for life to keep up with those two."

Health insurance by far remains Acordia's strongest card.

After it became clear that no national health care reform legislation would emerge from Congress, Acordia was there to take advantage of the opportunities as employers sought to make their own health plan changes, executives say.

Mr. Lytle said he sees about half the group health insurance market moving to highly controlled managed care products like health maintenance organizations, while the other half remains in preferred provider organizations or other fee-for-service plans.

"With a little luck we are extremely well positioned with both," he said.

Acordia also sets itself apart from other brokers as it continues to specialize in providing marketing and administration services for HMOs. In 1994, for example, Acordia entered an agreement with an affiliate of The Associated Group to administer a Jacksonville, Fla.-based HMO that serves 32,000 people. Acordia also signed a contract in 1994 to manage Alternative Health Systems, a Kentucky HMO that covers 140,000 lives.

In addition to the BHR acquisition in January, Acordia made three acquisitions in 1994 and has made two other acquisition so far in 1995.

During 1994, Acordia acquired Pettit-Morry Co., a Seattle-based property/casualty broker whose 1993 revenues were more than $23 million. The broker, which specializes in property/casualty niches such as ski resorts and the maritime industry, now operates as Acordia Northwest, a new Acordia company.

Also in 1994, Acordia acquired Irvine, Calif.-based Association Administrators & Consultants Inc., a third party claims administrator and insurance broker with 1993 revenues of $5.6 million. The company has since merged into Acordia of Southern California in Orange.

Its third 1994 purchase was O'Rourke, Andrews & Maroney Inc., a Fort Wayne, Ind.-based property/casualty insurance broker that was integrated into Acordia of Northeast Indiana Inc.

In January 1995, the broker acquired Criterion International Managers Inc., an excess and surplus lines insurance broker with offices in Dallas and Houston. Criterion was integrated with American E&S Insurance Brokers Inc. based in New York. The two Texas offices of Criterion were merged into one office in Houston.

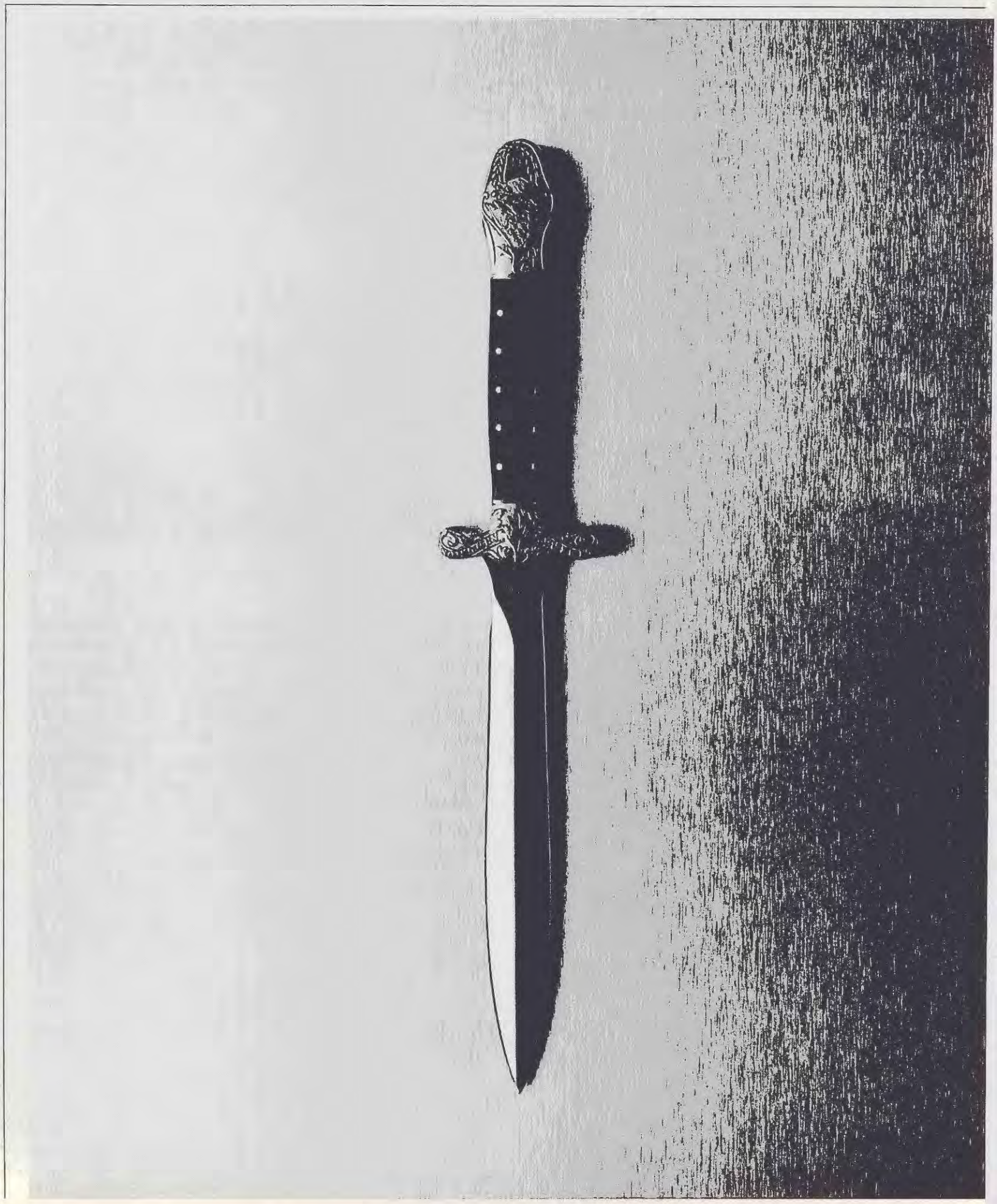
Most recently, Acordia announced that it will buy The McElroy-Minister Co., a Columbus, Ohio-based insurance broker with 1994 revenues of $14.2 million. The purchase, whose terms were not disclosed, is expected to close later this year.

Acordia's stock, which became public in October 1992 at $14.50 per share, hit highs of $33.50 in fourth-quarter 1994 and lows of $23 during the first quarter of 1995. On July 7, Acordia stock closed at $31.88.

The 1994 cash compensation paid to the five highest-paid Acordia executives, including salaries and bonuses, as reported in the proxy, follows. Mr. Lytle's compensation from Associated, where he is chairman, president and CEO, is not included.

L. Ben Lytle	$440,000
Frank C. Witthun	$345,626
Howard L. Korn	$297,202
Michael B. Henning	$292,963
Robert S. Schneider	$238,563

—By Sally Roberts



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	1994	1993
Premium volume	$3.15 billion	$3.02 billion
Gross revenues	$367,680,000	$346,962,000
Brokerage: Retail	64%	65%
Wholesale	17%	16%
Reinsurance	12%	11%
Investment income	6%	7%
Other	1%	1%
Employees	3,739	3,763
Rev./Employee	$98,336	$92,204
Offices	88	87

Converted at applicable exchange rates.

JIB Group P.L.C. weathered another tough year for brokers, producing a modest gain in revenues while expanding far-flung operations ranging from retail brokerage in Asia to benefit consulting in the United Kingdom.

A sharpened business focus and continuing reliance on information technology led to improved results by the London-based unit of Jardine Matheson Holdings Ltd.

JIB's gross revenues increased 3.9% last year to £240 million from £231 million in 1993.

In dollars, these results translated to 1994 revenues of $367.7 million, up 6% from $347 million in 1993.

The gain bumped up JIB to the No. 8 spot in the *Business Insurance* rankings of the world's largest brokers from the No. 9 position the year before.

The overall revenue growth masked varying results in different parts of JIB's business, though.

North American retail brokerage, the firm's largest single segment, actually recorded a drop in revenues, while smaller segments like Asia Pacific retail and international reinsurance brokerage posted gains.

JIB has broadened its brokerage and consulting network, forming several joint ventures in the Asia Pacific region while acquiring retail brokers in the United Kingdom, Canada and Australia and a U.K. benefit consulting firm.

It also has shed operations, including J. Besso & Co., a London-based wholesaler spun off earlier this year to Besso's management.

But, JIB also has sharpened its business focus in other ways, Chief Executive John Barton says.

In New Zealand, JIB and Marsh & McLennan Cos. Inc. agreed to swap blocks of business, with JIB selling a block of medium-sized corporate accounts to M&M while buying back a block of municipal clients. Each has agreed to support the other in its respective niche.

"Both of us, I believe, will make more money as part of the deal, and both have effectively removed a competitor from the marketplace," Mr. Barton said. "To me, that's smart consolidation."

Such deals may not come along all that often, though Mr. Barton said JIB is considering a similar proposal from another broker.

"What you are looking for is a better home for the business," he observed. "It allows you to be more efficient as an industry."

Meanwhile, JIB continues to emphasize information technology as an essential survival tool in an increasingly competitive field.

For one, computer technology will improve the speed and accuracy of brokerage and insurance company operations.

The wealth of new information also is feeding new demands from clients, who know more about their risks and want to know more about risk financing alternatives.

"A lot of clients want to know how not to buy insurance rather than how to buy insurance," he noted. "So the broker's role has changed. . .to a much wider role in helping clients manage risk."

Commissions and fees accounted for £226.2 million ($346.5 million) of JIB's 1994 revenues, while investment income produced another £13.9 million ($21.3 million).

The commission and fee total includes £13.6 million ($20.8 million) representing JIB's share of revenues from several associated companies. The most significant is JIB's 27% stake in French broker Societe Intercontinentale d'Assurances pour le Commerce et l'Industrie S.A.

Of the commission and fee revenue: insurance brokerage generated £195 million ($298.7 million), or 86.2%; reinsurance brokerage produced £29.3 million ($44.9 million), or 13%; and JIB's Lloyd's of London members agency operations accounted for the remaining £1.9 million ($2.9 million), or 0.8%.

Clients based in North America accounted for the largest part of these revenues, producing £100.4 million ($153.8 million), or 44.4% of the total.

U.K. clients were next, producing £55.1 million ($84.4 million), or 24.4%, followed by: Asia Pacific clients with £43.8 million ($67.1 million), or 19.3%; European clients with £19.5 million ($29.9 million), or 8.6%; and African clients with £7.5 million ($11.5 million), or 3.3%.

Despite an overall gain in commission and fee revenue, the fortunes of JIB's different business segments have varied widely. They include:

- North American operations, based in San Francisco and with retail offices in 16 other cities in the United States and five in Canada, where the broker operates as Jardine Rolfe Ltd.

Revenues in the United States and Canada fell 6% last year, both because of the soft property/casualty market and because JIB closed offices in Wichita, Kan., and Schenectady, N.Y. Earlier this year, Jardine also sold its office in Hawaii after several years of poor results.

However, JIB opened an office in Latham, N.Y., to house Jardine Group Services Corp., an insurance program manager for businesses, professional societies, trade groups and others.

Mr. Barton cited the affinity group segment as one of JIB's fastest growing businesses.

Other core U.S. units of JIB are: Jardine Special Risk, which handles brokerage and risk consulting for large corporations; marine and energy; and employee benefits consulting.

In Canada, Jardine Rolfe—a specialist in construction, surety and municipal coverages—last year acquired Ontario Municipal Inc., a municipal specialist broker.

Any improvement in JIB's commercial retail business—which includes a large number of middle-market accounts—depends on the

Continued on next page

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Continued from previous page
strength of the economy, he said.

JIB won't see "huge growth until we get some growth back in the U.S. economy," Mr. Barton said.

• The Asia Pacific region, where JIB and parent Jardine Matheson have long been a potent force.

The broker moved its Asia Pacific headquarters last year to Hong Kong from Sydney, Australia. This was the former domicile of Jardine Matheson before the holding company made its controversial move to Bermuda in 1984 and delisted its stock from the Hong Kong exchange in 1993.

Asia Pacific revenues soared 20% last year and profits rose at an even faster pace despite start-up costs of new operations in Hanoi and Ho Chi Minh City, Vietnam, and Delhi and Bombay, India.

JIB also formed new joint ventures in Malaysia and the Philippines and opened a risk management consulting unit in Malaysia to complement existing units in Australia and New Zealand.

'Global' is a marketing term to attract business, says John Barton. 'I would say there is a good deal of sizzle and not so much steak at that end of the market.'

Municipal business is a JIB specialty in Australia and New Zealand, where it says its clients include 60% of all local government entities. The firm last August acquired R.J. Abraham, an Australian municipal insurance specialist.

Mr. Barton said he sees more potential for growth in the Asia Pacific region than in the United States and United Kingdom because "across the general retail broking scene, I don't see strong growth in the developed world."

• U.K. and European retail, where JIB operates through its own offices and through partners, the main one being SIACI.

Overall commission and fee revenue rose a modest 5%, though some operations did better.

SIACI, for example showed strong revenue growth last year, winning the Air France account.

In the United Kingdom, JIB also saw rapid growth in its affinity group business, where it manages programs for business and professional associations.

Last June, it also acquired Reeves Brown Associates, a U.K. benefit consultant that now operates as Jardine Reeves Brown.

• International wholesale brokerage, where revenues including acquisitions grew by about 14% last year but were impacted by the soft market and disappointing results from Nicolls Pointing, a London market marine and energy specialist JIB bought in 1993.

Along with marine and energy, JIB's wholesale specialties include construction, aviation, fine art and international property/casualty coverages.

U.S. wholesale operations include: Horan Goldman Inc., a surplus lines broker with five offices in the East; and Frank R. MacNeill & Son Inc., a managing general agent based in Miami and Sumter, S.C.

Glanvill Enthoven North America Ltd. also acts as a London market broker for U.S. and Canadian agents.

In February, JIB sold J. Besso & Co., a non-marine wholesale unit, specializing in U.S. risk, that was not generating adequate revenue growth, the company reported. Terms were not disclosed.

• Reinsurance brokerage, where revenues grew 16%, partly on the strength of the Nicolls Pointing acquisition.

U.S. reinsurance operations include Jardine Sayer & Co., a Princeton, N.J.-based broker; and Intermediary Insurance Services Inc., a San Francisco-based MGA that writes stop-loss coverage for self-insured benefit programs reinsured in London and elsewhere.

• Jardine Lloyd's Advisers Ltd., which was formed last year in a reorganization of JIB's Lloyd's members agency operations.

JLA, a joint venture with Swiss Bank Corp. in which JIB has a 47.5% stake, acts as an agent for corporate Lloyd's members and individual names continuing as members in 1995.

JIB's previous members agency, Jardine (Lloyd's Underwriting Agents) Ltd., is now running off the business of names who dropped out of Lloyd's after 1994.

Over the last year, JIB has reorganized its diverse operations into four major units: United Kingdom; North America direct and specialist brokerage; Asia Pacific direct and specialist brokerage; and international treaty reinsurance brokerage.

As an extension of this, Jardine later this year will merge its London-based international wholesale operation into its U.K. retail unit, Mr. Barton said.

JIB had found that the majority of its aviation, marine and energy wholesale clients were insurance buyers, not other brokers, and that combining all of its direct brokerage operations under a single management team made sense, he explained.

"The rationale was just to simplify the structure," he said, though "we see some efficiencies," including reductions of back office staff.

JIB employed 3,739 employees in 88 offices around the world at the end of last year, down slightly from 3,763 in 87 offices at the end of 1993.

With its own network of offices, affiliates and joint ventures, JIB clearly qualifies as a global broker, though Mr. Barton downplays the much-touted importance of being "global."

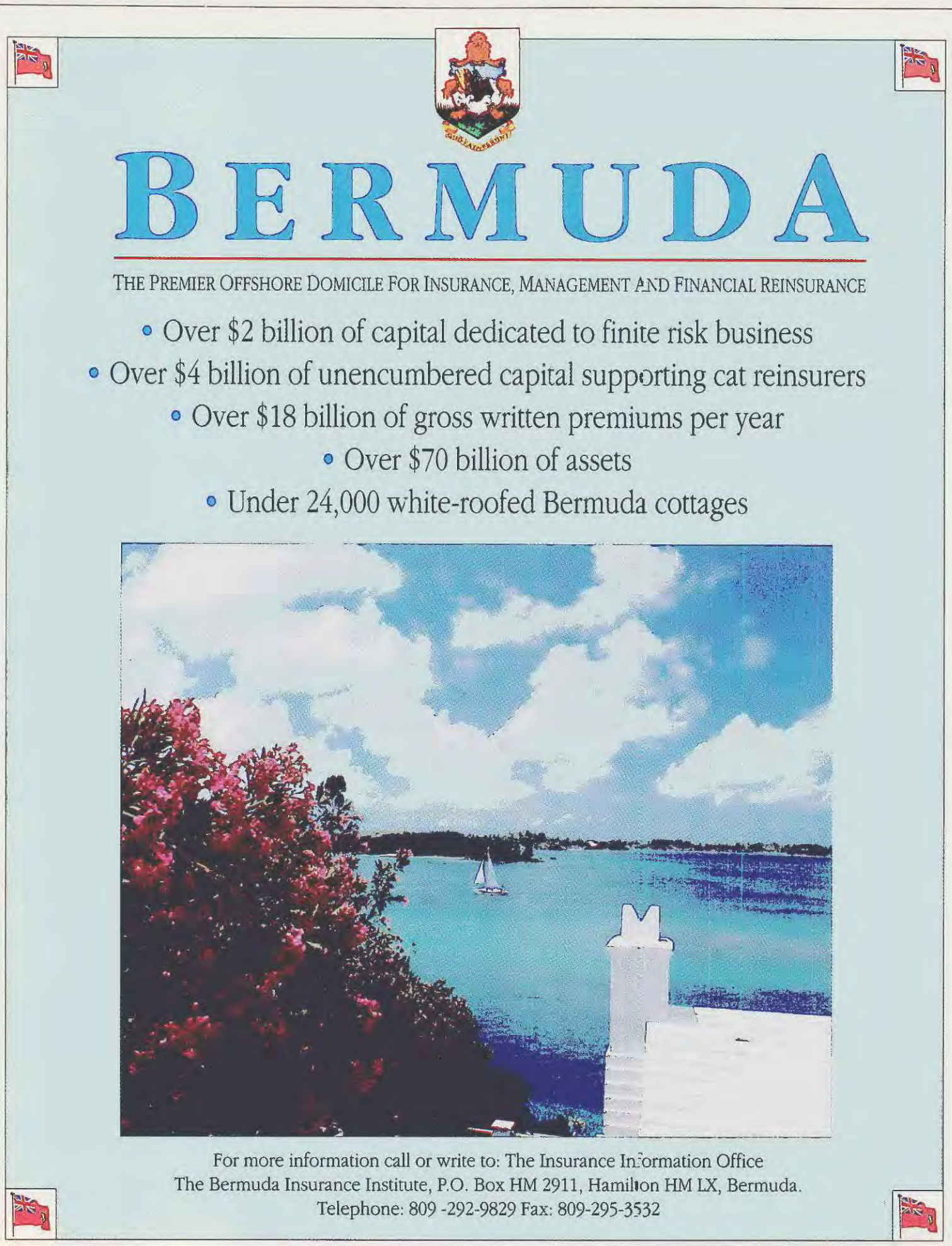
Most large multinationals use several brokers for various tasks and do not necessarily want one broker providing all services at every location around the world, he explained.

" 'Global,' I think, is a marketing term to attract that business," he said. "I would say there is a good deal of sizzle and not so much steak at that end of the market."

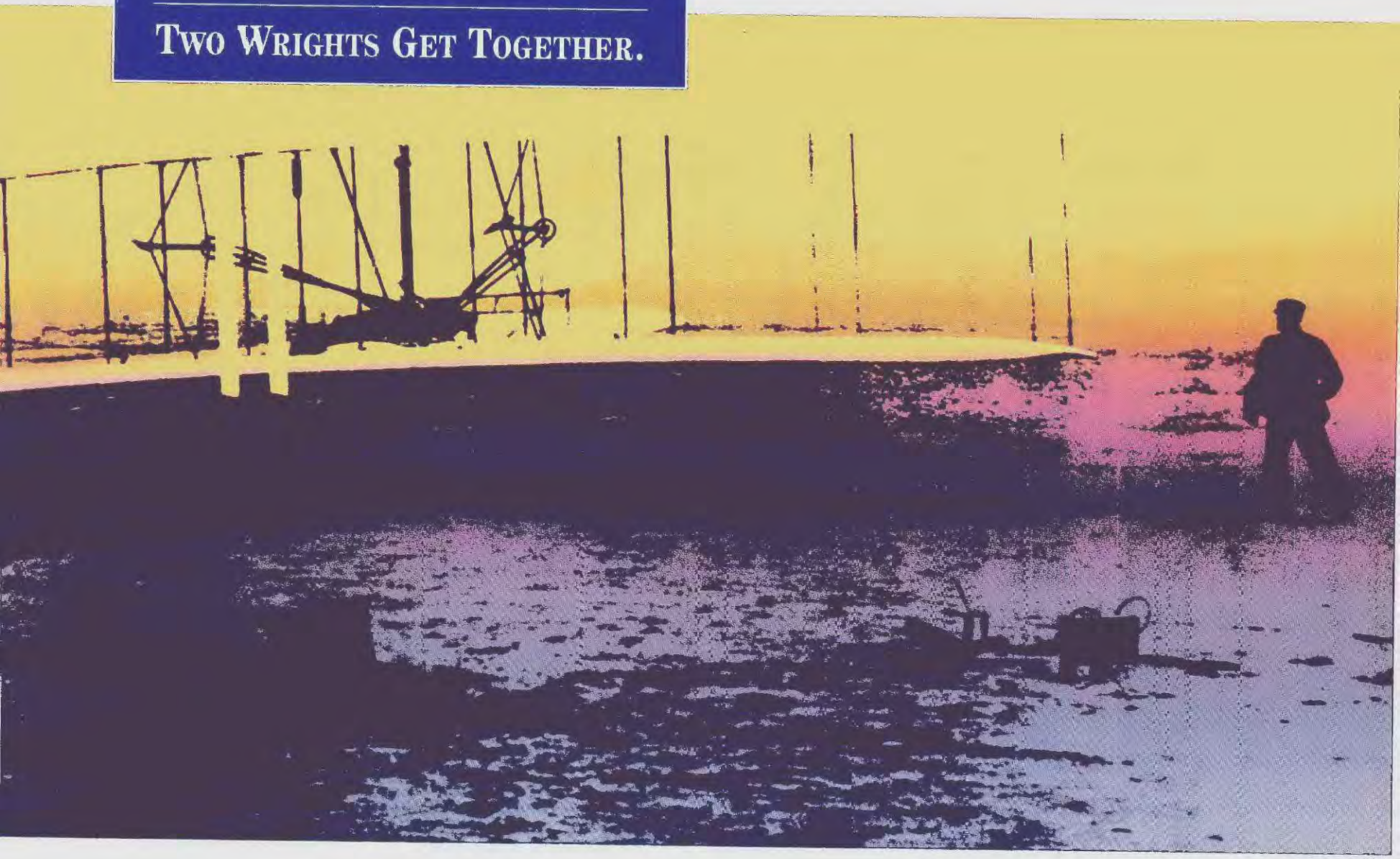
He also expressed no strong opinion on the value of a wholly owned office network vs. a web of correspondents, a key strategic question for some other brokers. "It's six of one, half-dozen of the other."

In addition to Mr. Barton, JIB officials include: Rodney Leach, chairman; Nicholas Cosh, group finance director; David Batchelor, chief executive in charge of U.S. retail David Corben, chief executive in charge of reinsurance; Michael Gribbin, chief executive in charge of wholesale and U.K. retail; and Dennis Guy, CEO in charge of the Asia Pacific region.

—By Douglas McLeod



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Spotlight report

9

Arthur J. Gallagher & Co.

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708-773-3800; fax: 708-285-4000

	1994	1993*
Premium volume	N/A	N/A
Gross revenues	$356,377,000	$329,263,000
Brokerage: Retail	56%	54%
Reinsurance	1%	1%
Personal	1%	1%
Services	39%	39%
Investment income	3%	5%
Employees	3,308	3,169
Rev./Employee	$107,732	$103,901
Offices	109	110

** Restated.*

Arthur J. Gallagher & Co. will not stick to its knitting to the exclusion of all other opportunities, but it is banking that its core middle-market and public entity business will lead the next major movements in risk financing.

Projecting that mid-sized insurance buyers will turn to risk-financing alternatives soon, the world's ninth-largest broker last year created Gallagher Captive Services to serve that market.

And, anticipating that European insurance buyers soon will burst into the alternative risk-financing market, Gallagher has teamed up with Princeton, N.J.-based Ameri-



'Just being a purveyor of insurance products is not a good game to be in,' says J. Patrick Gallagher.

can Re-Insurance Co. to form London-based Risk Management Partners Ltd. The joint venture initially has zeroed in on public entities.

The two new service units may not be novel among brokers as they search for additional revenue sources, but Gallagher's top executive believes that the units' middle-market focus places Gallagher squarely in position to capture what he thinks will be the next wave of new business opportunities for brokers.

Though Gallagher has been pursuing large accounts more aggressively in recent years, its business is largely built on a stable of mid-sized commercial, public entity, educational, religious and agricultural accounts.

Gallagher's latest moves reflect how the brokerage business is changing, according to J. Patrick Gallagher Jr., president and chief executive officer of the Itasca, Ill.-based company.

Risk managers take for granted that brokers are capable of lining up markets to cover their risks, he said.

"Now, we have to stop being merely purveyors of insurance, and we have to be purveyors of solutions," whether that means tackling clients' insurance, loss control or claims-handling concerns, he said.

"Just being a purveyor of insurance products is not a good game to be in," he said.

The numbers explain why: While revenues among the world's Top 20 insurance brokers grew 8.7% on average in 1994—after only a 2.3% climb a year earlier—a dozen of the Top 20 brokers fell short of that mark.

Gross revenues for Gallagher, which continues to buy a handful of strategically located small agencies on a pooling basis, grew a respectable 8.2% to $356.4 million from a restated $329.3 million in 1993.

Indeed, Gallagher ascended two notches in this year's *Business Insurance* ranking of the world's 20 largest brokers from 11th place last year.

The reason is twofold, according to Michael Smith, a senior vp and analyst with Lehman Bros. in New York.

Calling Gallagher's management team "excellent" and "highly skilled," he observed: "They have been able to leverage off of the alternative market movement extremely well and at the same time grow their business opportunistically by buying small agencies."

As in the past several years, Mr. Smith recommends holding Gallagher stock, saying it is trading at its fair market value. It reached a high in 1994 of 28.13. On July 7, Gallagher stock closed at $36.

Net income for Gallagher grew 17% to $34.5 million in 1994 from $29.4 million in 1993.

Reversing a trend in recent years, the percentage of Gallagher's gross revenues attributable to commercial retail brokerage business edged up in 1994 to 56%, or $199.6 million, from 54%, or $177.8 million, the year before. But, that primarily was due to a drop in investment income to 2.7% of gross revenues, or $9.5 million, from 5%, or $16.4 million the year before and from several agency acquisitions.

Commission-generated revenues for Gallagher overall grew 11.8% last year to $205.8 million from $185 million the year before.

Commissions now represent 58% of gross revenues, up from 56% in 1993 but still down from 59% in 1992.

That is the first time in years that commission growth has outpaced the brokerage's growth in fees. Fee-generated revenues grew 9.6% to nearly $140.1 million last year from $127.8 million in 1993. Risk management services subsidiary Gallagher Bassett Services Inc. accounted for most of that growth by increasing its client base 28% and boosting its revenue 12%, according to Mr. Gallagher.

Fees now account for 39% of gross revenues, only nominally higher than in 1993 and up slightly from 37% in 1992.

Gallagher has reported even slightly stronger results so far this year. During the first quarter, gross revenues rose 9% to $90.5 million from $82.9 million during the same period last year.

Net income during the period grew 20% to nearly $6.3 million from a little more than $5.2 million in 1994's first quarter.

Providing solutions to client's problems "is not entirely tied to how well you arrange their insurance," Mr. Gallagher said.

"Anything risk managers don't want to do or can't do, they look to us to get it done. That's a force in the marketplace that's driving changes. Brokers are changing," he said. "All of the things we're doing are tied to that."

Insurance market experts estimate that alternative risk financing accounts for more than 40% of the risk-financing market but that the soft commercial market has slowed growth (*BI*, Feb. 6).

Experts, though, still believe more insurance buyers will turn to the alternative market.

Mr. Gallagher agrees, and he thinks middle-market accounts—those generating $250,000 to $2 million of premiums annually—will ac-

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It's Not fo



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Continued from previous page
count for a significant part of that growth.

"Clearly, the soft market makes it difficult" for now, he said.

"But, we have no trouble getting people to listen to our story on the alternative market," he noted. "The alternative market is not all about price. It's all about long-term cost control. That's what the middle market is starting to understand."

Whether mid-sized companies decide to group together with similar or disparate risks, they will need help setting up shop and running their backroom operations, Mr. Gallagher said.

That is what Gallagher Captive Services is designed to do. The new subsidiary has helped form one new captive this year.

"We know how to do this very well," Mr. Gallagher asserted. "Pooling is a core competency of our company," which is among only five or 10 brokerages that "really know how to do this," Mr. Gallagher said.

'The alternative market is not all about price. It's all about long-term cost control. That's what the middle market is starting to understand,' says J. Patrick Gallagher.

Gallagher has helped create six captives in past years. Those have turned out so well that the brokerage decided to create a group that could help all of its branches provide this service.

In addition, Gallagher Bassett helped clients form 18 risk-sharing pools last year. At year end, it was servicing 132 pools, 30 of which are workers compensation pools, which comprise the fastest-growing segment of that business. The remainder of the pools cover a variety of risks, mostly for public entities.

Mr. Gallagher expects that mid-sized companies will turn in droves to the alternative risk-financing market.

"We expect it to be a very, very significant contribution to our revenues within 10 years," he said.

Gallagher also sees an opportunity to establish itself as a leading provider of alternative risk-financing services in the much bigger European market.

With no ties to a major European brokerage, Gallagher mainly has participated in the global insurance marketplace through risk management services units Gallagher Bassett Services and Gallagher Bassett International Ltd., which operate at arms length from the brokerage division.

In looking for a way to expand that business, Gallagher hooked up with American Re to write coverage excess of alternative risk-financing arrangements serviced by Gallagher Bassett International. GBI provides, among other things, claims management and loss control services.

The joint venture is keying in on public entities for now because that is a particular specialty of the Risk Management Partners staff, Mr. Gallagher said.

Among its half-dozen clients so far is the city of Edinburgh in Scotland.

Gallagher also continues to grow through its acquisitions of a handful of small agencies that either are geographically strategic or are successful specialists.

Gallagher acquired five agencies in 1994:

- Kaler, Carney, Liffler & Co. Inc. of Boston, a general agency that also gives Gallagher a presence in Concord, N.H.
- Donald P. Pipino & Associates Inc. of Youngstown, Ohio, which specializes in placing coverage for real estate agencies.
- James S. Pipino Insurance Agency Inc. of Youngstown, Ohio, a general agency.
- The Steel Agency of Wayne, N.J., which adds to Gallagher's expertise in public entities.
- The Sullivan Co. Inc. of Greenville, S.C., another real estate agency specialist.

So far this year, Gallagher has acquired three general agencies, all on a pooling basis:

- BHK&R Inc. of Minneapolis.
- Walther Bryce Insurance Agency Inc. of Tulsa, Okla.
- RMI Insurance Services Inc. of Granada Hills, Calif.

A disappointment last year was that Gallagher Bassett's 24-hour process of integrating managed care and other cost management activities for employers' group health care and workers comp coverage programs did not take off as Mr. Gallagher had hoped.

In California, where Mr. Gallagher thought demand for the program would be high, workers comp insurance rates have plunged, which dampened demand.

In other states, Gallagher Bassett has been bogged down in obtaining policy wording approval, Mr. Gallagher said.

About three or four employers have signed up for the process, he said.

Gallagher's other units are:

- Lloyd's of London broker Arthur J. Gallagher (U.K.) Ltd., formerly known as Gallagher Plumer Ltd. The unit last year established a specialty risks division to place political risk and other coverages for risks that finance and lease transportation equipment. A new marine team handles all marine risks emanating from Europe.
- Wholesale brokerage unit International Special Risk Services Inc.
- Reinsurance intermediary Arthur J. Gallagher & Co. (Bermuda) Ltd., which specializes in placing excess coverage for captives, pools, risk retention groups and other self-insurance arrangements. The intermediary formed the Gallagher Bermuda Scholastic Risk Services division to access education facility insurer School, College & University Underwriters Ltd.
- Reinsurance intermediary and surplus lines brokerage Arthur J. Gallagher Intermediaries Inc., which last year opened its wholesale brokering activities to retail brokers other than Gallagher.
- Gallagher Bassett Services, which provides various employee benefit products and services, including its new services for companies that want to outsource their employee benefit and human resource administrative functions. Revenues for this unit grew 16% last year.

The cash compensation, including bonuses, paid to Gallagher's five highest-paid officers in 1994, as reported to the Securities and Exchange Commission, follows:

J. Patrick Gallagher Jr.	$415,500
Michael J. Cloherty	$367,000
Gary M. Van der Voort	$351,000
Robert E. Gallagher	$295,000
John P. Gallagher	$292,000

—*By Dave Lenckus*

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Minet Group

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	1994	1993
Premium volume	$3.84 billion	$3.6 billion
Gross revenues	$347,572,000	$325,080,000
Brokerage: Retail	43%	44%
Wholesale	22%	24%
Reinsurance	23%	22%
Personal	2%	1%
Services	2%	1%
Investment income	6%	6%
Other	2%	2%
Employees	3,749	3,784
Rev./Employee	$92,711	$85,909
Offices	150	150

Minet Group continues to rely on support from its parent, The St. Paul Cos. Inc., to weather a period of losses as it continues to implement its specialization strategy.

But the brokerage's executives contend the strategy will pay off within the next 18 months, returning the London-based broker to the black and leaving it well-positioned for sustained growth.

According to St. Paul's 1994 annual report, Minet reported a $10 million pretax loss for the 12 months ending Sept. 30, 1994, a slight improvement from fiscal 1993's $13 million loss and a great step forward from the disastrous $433 million pretax loss in 1992.

Minet Chairman and Chief Executive Peter Christie contends that these poor results do not accurately reflect its well-planned strategy to build the company's specialty-focused business by hiring key people rather than buying companies. This approach puts stress on the profit and loss account that acquisitions would not, he added.

If a company buys teams of people to replace others, it's an expense that initially hurts the bottom line, he said. An acquisition, however, is considered a capital investment, so the cost would not be included in the profit and loss account.

Since the hefty losses of 1992—which were caused when St. Paul wrote down $356 million, or 79%, of Minet's goodwill—the broker has been hiring and firing people to improve its business, said Mr. Christie, adding that this isn't reflected in the group's employee count, which totaled 3,749 at year-end 1994, down slightly from 3,784 in 1993.

St. Paul has made $142 million in capital contributions to Minet to "enhance liquidity," which Mr. Christie says is to cover the group's losses; and "facilitate the acquisition of several specialty brokers."

Some analysts might think this strategy to buy people is "unattractive" because of its negative consequences on earnings, admitted Mr. Christie. But it's less disruptive and more productive to incorporate new employees into existing operations than to merge offices during an acquisition, which "can go horribly wrong," he said.



'If we're going to compete effectively, we better choose those areas where we can compete,' says Peter Christie.

St. Paul also is big enough to absorb these costs and take the flak from stock analysts, he added. St. Paul's income rose 3.6% to $442.83 million at the end of fiscal 1994.

In 12 to 18 months, however, the "investment phase" should have paid off and Minet should come into the black, Mr. Christie said.

Minet also may consider forging stronger commercial links with its parent, executives said.

"We ought to have more business with St. Paul than we do and they ought to have more market share of our account," said C. Richard Peterson, group executive vp and CEO of Minet North America. St. Paul is "an excellent company, excellent in every way. But because it's part of the family there's a tendency not to make as many submissions to St. Paul as we ought to be making."

Minet has met with St. Paul to improve this business link, said Mr. Peterson. The broker's executives could not quantify what percentage of the $3.8 billion in premiums it handles now goes to St. Paul.

Minet hit its gross revenue growth target in 1994, increasing 6.9% to $347.6 million at year-end from $325.1 million in 1993.

Revenue growth will continue, but attaining hoped-for levels of sustained growth "is taking longer than we thought," said Mr. Christie.

Minet is building its expertise in certain specialty areas where it sees itself as one of the top three or four brokers in its field, at least in the United States. Minet aims to be the best in those specialties and build profit centers around them, rather than organize along geographic lines.

Specialities include financial services institutions, biotechnology firms, energy, the media and accountants.

"We strongly believe, and our shareholder strongly believes, that the business is changing dramatically, and if we're going to compete effectively, we better choose those areas where we can compete," said Mr. Christie. Minet cannot do this by offering all things to all clients, he said.

St. Paul "is willing to support us in building those businesses through investment in people where we don't see the revenue for a number of years," he said.

The game plan is to provide all types of services to the specialist client through Minet's Global Specialty Practices, from captive insurance consulting to insurance brokering. "Our real focus will be those coverages (the client needs), which are different because of the nature of the industry. Generally, we're looking to add value" to unique services and coverages for specialty markets, he said.

"We see ourselves more as consultants than as transactional brokers," added Mr. Peterson. "We feel that it's extremely important to us to understand the business of our client not just superficially but truly understand it—and then provide a consultant service that may or may not involve an insurance policy."

The goal of being one of the top brokers or not being in the business line "carries with it the obligation that if something isn't working for us, we have to exit the business," said Mr. Peterson.

"We have had massive investment from St. Paul in terms of substandard results. One of the responsibilities that carries with it is to. . .recognize when those investments aren't working and get out," added Mr. Christie.

But it takes three or four years to build up a business and make it profitable. "We are now getting to the point where those decisions will

Continued on next page



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Continued from previous page

made," said Mr. Christie.

Growth across the United States is uneven in Minet's specialty areas. But "in a couple of our specialties we're doing very, very well," said Mr. Peterson.

In particular, Minet's North American financial services division—headed by President and National Practice Leader Jennifer McElroy, who joined Minet last October from Marsh & McLennan Cos. Inc. where she was managing director in New York—has seen "dramatic growth in just a very short period of time," said Mr. Peterson. This practice now has offices in Los Angeles, Chicago, New York, Houston and Montreal.

Minet also is building a global specialty financial services unit, headed by John Sewell, who is senior executive director and global specialty coordinator, but the group "has a way to go to build elsewhere the same level of clout that we have in the U.S.," said Mr. Christie.

The financial services unit offers all types of services, from directors and officers liability insurance to office contents coverage. Clients include banks, savings and loan institutions and insurance companies.

The big issue in this area is not cost but the coverage provided, said Mr. Christie. Following the Barings debacle earlier this year and the alleged Maxwell pension fund swipe, financial institutions are having difficulty defining what is an "insurable risk" rather than a business risk, said Mr. Christie. "I don't think that's very clear yet. . . .The exciting thing is that you have an industry involved in enormous change. . . .Insurance or risk transfer responses are struggling to catch up."

A lot of these risks may not be insurable, so Minet and the institutions must look at other ways to protect balance sheets.

Minet also considers itself a leader in offering services to the U.S. technology field with offices in Boston and Palo Alto, Calif. "Here we believe we're close to being No. 1 in the industry," said Mr. Peterson. The next step is to build this practice in Europe and elsewhere.

The technology unit is headed by North American practice leader Philip Edmundson and global technology coordinator William W. Gallagher III, who were president and chairman, respectively, of William Gallagher Associates in Boston, which Minet acquired in February.

In Boston, this unit emphasizes the biotechnology field and boasts being broker for 24 out of the top 100 biotechnology companies. Minet also is the broker to the British Biotechnology Assn. in the United Kingdom.

"The difficult cover for a company in the biotech field is D&O. Insurance companies tend to look at that exposure and see (risks such as) third arms growing out of a person's forehead. It's very difficult to place that kind of business," said Mr. Peterson.

D&O underwriters' worries at the moment center around the nature of the new capital being raised by the biotechnology companies, the volatility of results, and each company's dependence on one or two products, added Mr. Christie. The next worry, though, "will be the Jurassic Park problem—does your general liability policy cover you when a dinosaur knocks down the Empire State Building?" he said.

Media services is another specialty that is new to the group this year. "It's gestational as we are already the broker for a number of advertising agencies," said Mr. Christie. These burgeoning fields such as media and technology "present a whole new set of challenges that I don't think the insurance market is very organized to respond to."

Another area that is not a specialty per se is "Japan Insurance Services" based in Los Angeles and Palo Alto, Calif., which focuses on the "massive" Japanese investment in the U.S. marketplace, said Mr. Peterson.

Meanwhile, in the United Kingdom, Minet has joined all of its international and American broker services into a resource unit. This unit, known as Minet Broking Services, is headed by group executive vp and CEO Steven J. Quick.

While several of Minet's specialty practices are North American-dominated, in April Minet restructured its three global specialty practices:

- Energy, mining and construction, headed by Group Executive Vp and CEO Paul Cotterill. Minet has aggressively built its North American energy practice over the past few years into 60 people with offices in Calgary, Los Angeles, New York and Houston. This complements its long-time London operations.

Mining is a new area that Minet is exploring.

Construction, however, needs a boost to become one of the leaders in its field, Minet executives say. "In construction we are not in the top three of four, so that is our challenge," said Mr. Peterson.

Minet wants to create a team to take it to "a leadership position" in construction, via acquisition of a company or people to create that team, he said.

- Minet Risk Services, the risk management consulting unit, headed by Group Executive Vp and CEO J. Bernard Friemann.
- Global Professional Services, a dedicated unit of nearly 200 professionals who service Minet's long-term Big Six accounting firm clients. Group Executive Vp and CEO Geoffrey W. Morris heads this unit.

The Big Six have more appetite for risk financing than risk transfer, so Minet is more of a consultant and financial adviser than a broker for these multinational clients.

In addition to these specialty practices, Minet still has three strategic business units that offer services to the whole group:

- North America, led by Mr. Peterson, which includes Swett & Crawford, the largest U.S. wholesale brokerage, William Gallagher Associates and Enterprise Structure Settlements in Providence, R.I., which was purchased in May.
- International Retail, led by Group Executive Vp and CEO James R. McGriskin. This includes the recent acquisitions of Chesfield Insurance Brokers (Pte.) Ltd. in Singapore in August 1994; and Minet's re-entry into South Africa in May with the purchase of a 25% shareholding in broker M.I.B.
- Reinsurance, led by Group Executive Vp and CEO Michael K. Rossor, which accounts for 23% of the group's gross revenues. U.S. operations include Intere Intermediaries Inc., RFC Intermediaries Inc. and Tailored Awards Inc.

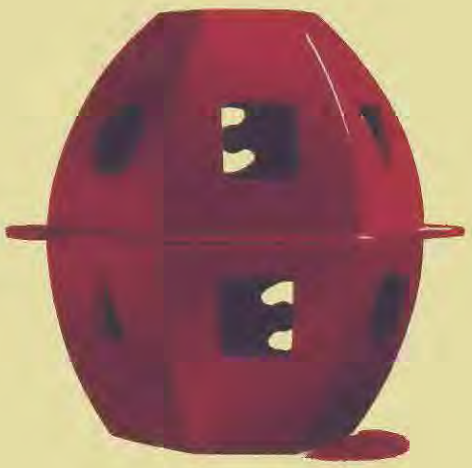
Minet has undergone a few executive changes. Mr. Rossor stepped down in his capacity as chief financial officer to be replaced by new group finance director, Will Simpson, who has served as financial controller of the Global Professional Services unit since 1988.

In late June, Minet also appointed Alpin MacGregor as its first director of professional standards. Mr. MacGregor, previously a partner for one of Minet's long-standing clients, KPMG Peat Marwick, is responsible for developing and maintaining quality standards throughout Minet's worldwide operations.

—By Stacy Shapiro



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11

Bain Hogg Group

Lloyds Chambers, 1 Portsoken St., London E1 8DF, England; 44-171-680-4000; fax: 44-171-480-6137

	1994	1993*
Premium volume	N/A	N/A
Gross revenues	$331,146,396	$307,578,058
Brokerage: Retail	55.3%	58.3%
Wholesale	15%	16.8%
Reinsurance	13.2%	12.1%
Personal	6.8%	5%
Services	0.6%	0.2%
Investment income	7.8%	7.2%
Other	1.3%	0.4%
Employees	4,386	4,695
Rev./Employee	$75,501	$65,512
Offices	129	145

Converted at applicable exchange rates.
** Restated.*

After a year of consolidation, Bain Hogg Group is barely pausing for breath before launching plans for new ventures.

Created last year from the merger of Bain Clarkson Ltd. and Hogg Group P.L.C., Bain Hogg spent much of 1994 and early 1995 shedding unwanted operations—including its United States retail brokerage unit—and refocusing its remaining businesses.

"I think we're the largest broker in the world that doesn't have a U.S. operation," conceded Chief Executive Officer Ron W. Forrest.

The sale of U.S.-based Bain Hogg Robinson Inc. to Indianapolis-based Acordia Inc. contributed to Bain Hogg's drop to the No. 11 spot in the *Business Insurance* rankings of the largest brokers from No. 7 in the previous year's ranking. Acordia moved up one notch to take that No. 7 rank.

Still, the divestitures have allowed Bain Hogg to concentrate on more profitable businesses like brokering in the United Kingdom, Asia and Europe, Mr. Forrest said.

In addition, Bain Hogg has several plans in the works, including a joint venture with Acordia to offer risk management consulting services and health care insurance products through both brokers' offices.

Acordia, already Bain Hogg's U.S. correspondent, also will be part of a global correspondent network that Bain Hogg is forming with several partners, Mr. Forrest reported.

Aside from strengthening the business, the consolidation and repositioning are aimed at making the broker as profitable as possible for the day, possibly two years away, when parent Inchcape P.L.C. follows through with its announced plan to sell a minority stake in Bain Hogg to the public, Mr. Forrest said.

If stock market conditions are right and Bain Hogg performs well this year and in 1996, Inchcape in 1997 may seek to spin off a stake of less than 50%, he noted.

Mr. Forrest said he expects profits to rise and costs to be kept under control both this year and next.

Overall, Bain Hogg finished last year with revenues of £216.2 million, a 5.6% increase from £204.8 million recorded in 1993.

Converted to dollars, revenues rose 7.7% to $331.1 million last year from $307.6 million the previous year.

This 1993 revenue number is far below the 1993 figure of $397.1 million estimated by *BI* by combining the Bain Clarkson and Hogg Group numbers on a pro forma basis.

Much of that revenue difference, Mr. Forrest said, relates to operations of the combined companies that were disposed of after the merger.

After the April 1994 merger, Bain Hogg decided it would focus on what it determined were its core businesses and sell off the others, Mr. Forrest explained.

"What we decided is that we want to have a dominant market position in those areas we chcose to be in," he said.

The briefly merged U. S. operations of Bain Hogg Robinson—which generated between $60 million and $70 million in revenues, mainly in the Northeast—thus presented a problem.

The operation ranked as roughly the 13th largest broker in the country, but had a weak market position and poor recorc of profitability in some areas, he explained.

"When you have a weak market position and are not making money, client service can suffer," he observed.

"We had a choice as far as the U.S. was concerned," Mr. Forrest explained. "Do we invest more and get bigger or do we pull out?"

"We decided strategically it was better for us not to be in the United States," he said.

By December, Bain Hogg had completed its deal with Acordia, shutting down a few unprofitable Bain Hogg Robinson offices and selling the majority of the business for about $50 million.

Apart from its correspondent relationship with Acordia, Bain Hogg's only U.S. presence now is a few offices of Credit Risk Assn., its credit and political risk brokerage unit, Mr. Forrest said.

Over several months, Bain Hogg sold off five other non-core units, including:

- Bain Hogg Financial Services Ltd., a pension products agency with operations in the United Kingdom and Hong Kong; Bain Hogg Asset Management Ltd.; and Gardner Mountain Financial Services Ltd. All were sold to U.K.-based Hogg Robinson P.L.C. for a total of £12.8 million ($19.6 million).
- Capel-Cure Agencies Ltd., a Lloyd's of London members agency, which was sold to Murray Lawrence & Partners.
- Hogg Insurance Marketing Services Ltd., a third-party administrator of extended warranty programs, which is now in the process of being sold, according to Mr. Forrest.

As the divestitures were in the works, Bain Hogg also was merging the other operations of Bain Clarkson and Hogg, a process that was completed last September and that "has gone extremely well," said Anthony Howland Jackson, Bain Hogg's chairman.

"We went for speed. We wanted the thing set up and moved quickly," he said, explaining that Bain Hogg wanted to keep the merger from drawing too much of management's attention awy from day-to-day operations.

"Inevitably, you get a period during which your pipeline of new business gets a little bit of a hiccup," he observed. "Having gotten through that quickly, the hiccup was a small one," he said.

There was some overlap in a handful of cities, causing the layoff of roughly 300 workers, most of whom were back office clerical staff and not brokerage professionals, Mr. Forrest said.

"We never had intended that professionals would be reduced,'

Continued on next page

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Continued from previous page

he said. "Frankly, we need all the professionals we can get in a market like today's."

Bain Hogg employed 4,386 people in continuing operations at the end of last year, down 6.6% from 4,695 in those operations the previous year.

Including the disposed operations, employment at the firm has been cut from a high of about 6,000 before the merger, with the bulk of that reduction related to the divested U.S. unit, Mr. Forrest said.

All of these moves have made Bain Hogg a larger presence in the core areas it has targeted for growth, he said. These comprise:

- The U.K. retail brokerage market, where the merger has taken what were the third- and fifth- or sixth-largest brokers and combined them into what is now the largest, Mr. Forrest said.

A side benefit of this is a big boost to morale, he added.

"It's quite nice to stick your chest out and say you are No. 1 in the market," he commented.

- The Asia-Pacific region, where Bain Hogg could argue it is the largest retail broker if Australia and New Zealand—strongholds of competitor JIB Group P.L.C.—are not included, Mr. Forrest said.

Last year, the firm opened a Fiji office and formed a joint venture in the Philippines with Zuellig International Ltd., a trading company.

- Retail brokering in Continental Europe, where Bain Hogg has been building up its presence.

Along with its majority stake in Belgian broker Boels & Begault, Bain Hogg last year increased to 27% its stake in French broker Cie. Europeenne de Courtages d'Assurances et de Reassurances (CECAR), and will increase that stake again to 35% by the end of this year.

Wesselhoeft Ahlers & Schues, a German joint venture partner of CECAR, also became a Bain Hogg correspondent.

Meanwhile, Bain Hogg also increased its stake in Revasa S.p.A. of Italy to 55%.

- London-based Credit Insurance Assn., the world's largest export credit and political risk insurance broker, and Commercial & Political Risk Consultants, a unit that advises companies on overseas projects and assists with claims handling.
- Bain Hogg International Ltd., a London-based wholesale, specialty and reinsurance brokering operation.

The unit operates through product-line divisions, including accident and health, specialty aviation, marine, energy, political risks, professional liability, worldwide property, worldwide casualty and reinsurance.

About half of the unit's business throughout the various divisions is reinsurance. About 10% of wholesale and reinsurance placements are with Lloyd's syndicates, Mr. Forrest said.

Bain Hogg also has insurance or reinsurance brokerage operations in Africa, the Caribbean, South and Central America, Malta and the Bahamas.

About 46% of Bain Hogg's insurance brokerage revenues are derived from U.K.-based clients, according to the firm's 1994 annual report, which does not include revenue of the merged operations for the whole year and whose figures thus do not match those the company provided to *BI*.

Another 19% came from clients in the rest of Europe, 16% from Asia Pacific clients, 4% from North American clients, 2% from African clients, 2% from Australian clients, 3% from those in other parts of the world and 8% from discontinued operations.

Of the $331.1 million in 1994 revenues that Bain Hogg reported to *BI*, only 4.3% was generated by U.S.-based clients, the company says.

Commercial retail brokerage accounted for 55.3% of last year's revenues, while wholesale brokerage brought in 15%, reinsurance brokerage 13.2%, non-brokerage services 0.6%, investment income 7.8% and other activity 1.3%. Personal lines brokerage accounted for the remaining 6.8%.

As Bain Hogg seeks to expand its business worldwide, it is in the process of formalizing a "global client service network" of several correspondent partners.

The network, due to be unveiled later this year, will include Bain Hogg and its affiliates, Boels & Begault and Inchcape Insurance Services; Acordia; CECAR; and Toronto-based Dale Parizeau Inc., Mr. Forrest reports.

"To some extent, it's a defensive move," he said, explaining that as the mainly European and U.S. clients of network members expand their own operations globally, Bain Hogg and its partners will have to be ready to compete with the largest global brokers.

In the debate over correspondent vs. wholly owned office networks, Bain Hogg is thus going the route of Johnson & Higgins and its UNISON network rather than that of Marsh & McLennan Cos. Inc. and other large brokers with wholly owned offices worldwide.

Meanwhile, Bain Hogg also has agreed to form a new 50/50 joint venture with Acordia to be called Acordia Bain Hogg, Mr. Forrest said.

As Bain Hogg seeks to expand its business worldwide, it is in the process of formalizing a 'global client service network' of several correspondent partners.

One focus of the joint venture will be to develop a fee-for-service risk management consulting operation, he said. No decision has been made on a headquarters for this venture, Mr. Forrest said.

Both Acordia and Bain Hogg traditionally have targeted middle-market accounts, and "we both see the need to widen the range of our skills," he noted, explaining that the risk management consulting unit could be used as a tool to crack larger accounts.

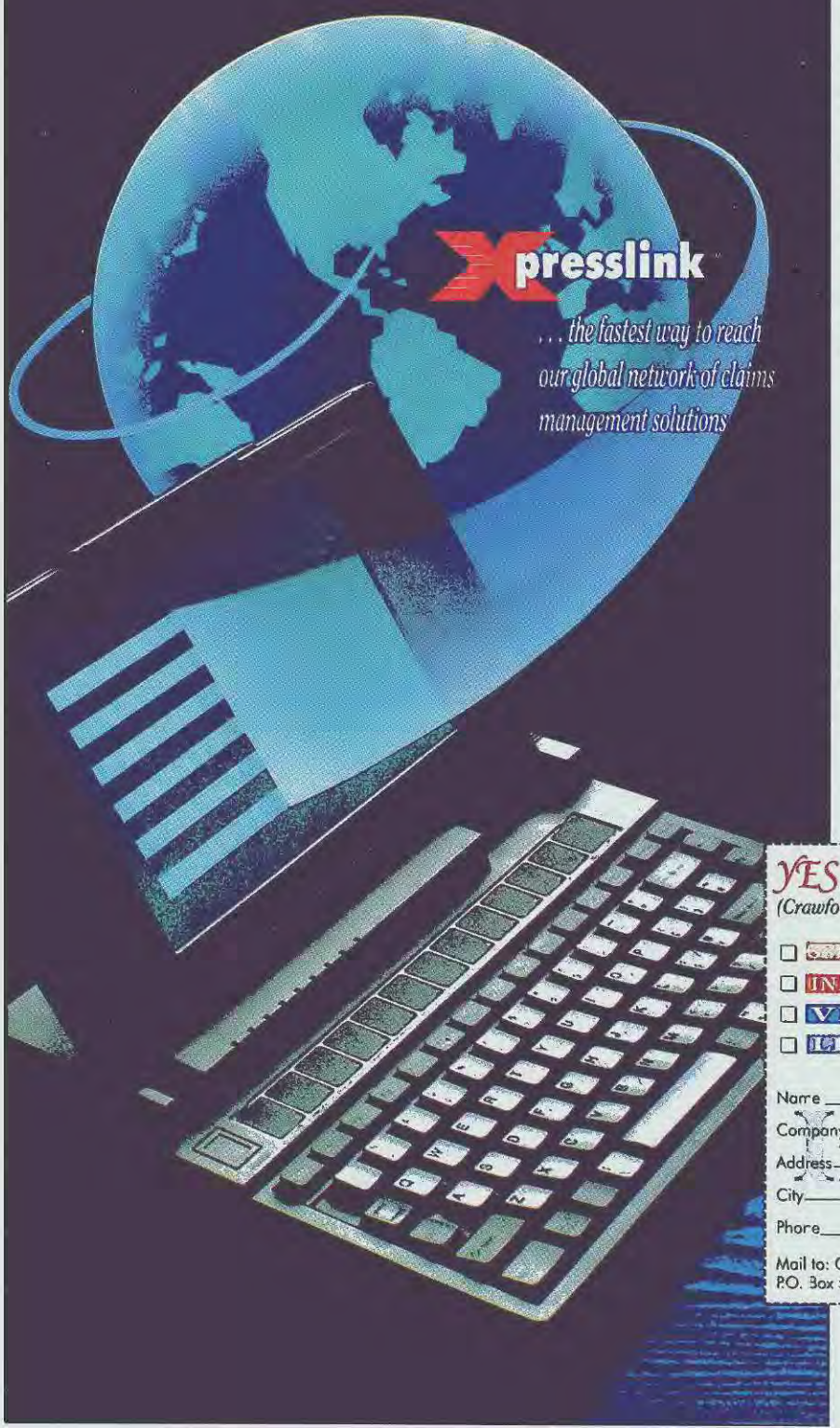
The unit will provide a variety of services, including loss forecasting, captive consulting and finite risk insurance analysis.

Separately, the joint venture also will develop health care insurance products, an area where Acordia is particularly strong, he added.

The health care products would be marketed by Bain Hogg outside North America, mainly through offices in the United Kingdom and Hong Kong, he said.

—By Douglas McLeod

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12

C.E. Heath P.L.C.

133 Houndsditch, London EC3A 7AH, England; 44-171-234-4000; fax: 44-171-234-4111

	1994/95	1993/94*
Premium volume	N/A	N/A
Gross revenues	$283,028,660	$270,407,865
Brokerage: Retail	22.5%	26.1%
Wholesale	21.8%	21.3%
Reinsurance	13.8%	15.2%
Personal lines	6.6%	6.4%
Services	0.6%	0.4%
Investment income	6.8%	6.0%
Other	28.0%	24.7%
Employees	3,142	3,295
Rev./Employee	$90,079	$82,066
Offices	60	57

Converted at applicable exchange rates. Fiscal year ends March 31.
** Revenues and offices restated.*

Cuthbert Eden Heath must be turning in his grave now that C.E. Heath P.L.C. is virtually out of the underwriting business.

Mr. Heath, one of the most famous and successful underwriters in Lloyd's of London's history, launched C.E. Heath & Co. in 1890. He created the brokerage "to feed his syndicate with business," according to a biography.

Now the broker is on the verge of selling one of its last underwriting operations, as soon as regulators and all shareholders of the Australian unit agree to the spinoff, which will nearly complete its withdrawal from underwriting.

That will leave the London-based broker to focus on boosting its other businesses, including commercial and personal lines brokerage and computer services.

"Apart from a small North American underwriting investment, we're out of underwriting completely, worldwide, forever, never ever, altogether," said Heath Chief Executive Officer Peter Presland.

Heath continues to hold a $5 million investment in Lloyds New York Insurance Co., an underwriting consortium which last year broke even. Heath owns 7% of the company directly and owns a majority stake in the company that is its largest shareholder. Heath may eventually sell its Lloyds New York stake, too, to get out of the underwriting business completely.

Mr. Heath "may well be turning in his grave," Mr. Presland said of the moves to distance C.E. Heath from underwriting.

The process began in 1986, when Heath was forced to sell its Lloyd's of London managing agency because the Lloyd's Act of 1982 barred brokers from owning managing agencies.

"He probably turned in his grave when his own syndicate (404) went into run-off two years ago," added Heath Chairman Michael Kier. "He was a very impressive individual, but he ain't here to pick up the tab."

And what a tab it is. Losses at underwriting operations, mainly in Australia, have cost the company £65 million ($103.7 million) in the past few years.

Management now will turn its energies into building Heath's wholesale and retail brokerage units, its thriving computer service business, and its budding U.K. personal lines marketing operation.

Heath sees itself as a "collection of nine or 10 niche brokers," said Mr. Kier. The niches include: aviation, marine, North American facultative reinsurance, U.K. retail, and employee benefits.

These divisions are autonomous, but have the company's resources to back them up when necessary, he said.

"We're not a big baron broker," Mr. Kier added. "We're not a small niche broker, but neither are we a medium-sized company floundering in the middle. We're a collection of niche brokers."

Heath says it focuses on markets where it can add value, particularly in London wholesale business.

For example, Heath has a small oil and gas brokerage team in London, but "their expertise is such that people like British Petroleum and Shell use them," said Mr. Kier.

In addition, "we think we have one of the largest non-marine (reinsurance) treaty teams in the market," added Mr. Presland.

Although Heath is not as large as some other brokers in London, "we are third or fourth on the list and we have an excellent team there with a good reputation. And people still come to us because we can add value," Mr. Presland said.

A company does not have to be a big global retail broker to be profitable, he said, adding that Heath produces results by having "specific expertise in specific areas." The closest analogy, he said, would be to investment banking, where some firms that are not among the largest in the world are blue chip firms with expertise to handle big-ticket items.

Heath's international strategy is similar: It offers its wholesale brokerage expertise in countries where major projects outstrip local insurance market capacity.

Heath, for example, has built a primarily wholesale South American brokerage network since 1987, and has offices in the Far East, Australasia and the Caribbean.

"Our strategy is that if you're not a Marsh & McLennan and don't compete globally, and a lot of what you do is London-market wholesaling, then it's important that you develop supply lines into London to wholesalers," said Mr. Presland. Heath is focusing on areas "that have those high exposures in terms of infrastructure risks—like dams, electrical plants and airports—where the local market is a reinsuring market or just doesn't have any size or complexity to handle those risks."

When the Heath brokers in these areas go out marketing, they don't say they are a local broker, he said. "We say we actually represent all this worldwide dimension that we can bring to your doorstep through our company."

There is no point in investing large amounts of money in expanding retail brokerage operations in Europe or the United States, Mr. Presland added. "Why would we want to go head to head with Marsh or J&H or A&A in Atlanta when they're all there and they all have huge offices? What would we bring?

"However, in Atlanta we have a very good surplus lines office. Why? Because the local market has to use them to access markets they can't get to," he explained.

Heath's results, though, remain weak.

Excluding associated companies in which the group has only a minority shareholding and net premiums from underwriting, its gross revenues rose just 1.3% to £182 million for the 12 months ending March 31, from a restated £179.7 million in the prior fiscal

Continued on next page

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Continued from previous page
year.

Converted to U.S. dollars using average exchange rates, Heath's gross revenues actually slipped 2.2% to $283 million last year from $270.4 million a year earlier.

Heath's pretax profits also dropped 38% in the year ended March 31 to £19.1 million ($29.7 million) from £30.4 million ($45.8 million), before exceptional charges the previous year. After exceptional charges, previous year profits were £3.84 million ($5.8 million).

Mr. Kier blamed the poor results on the group's continued withdrawal from the underwriting market; a softening insurance market, which has led to more competition; and the group's new investment in a personal lines direct marketing operation called "Premium Search."

Since last September, customers have been able to buy homeowners or auto insurance 24-hours a day by phone. By March 31, Premium Search had issued about 30,000 policies generating annual premiums of about £10 million ($15.9 million) for its panel of insurers. But start-up investment costs meant the new entity produced a net loss of £4.3 million ($6.7 million) through March, though that was forecast.

Profits from insurance brokerage dropped 8% to £17.3 million ($26.9 million) from £18.8 million ($28.3 million) the previous year.

Brokerage revenues dropped 6% to £117.1 million ($182.1 million) from £124.6 million ($187.5 million), largely as a result of declines in the United Kingdom.

"On the commercial side of our retail business, premium rates have softened and the market is extremely competitive with tremendous pressures on commission and fee levels," Heath said in a statement.

'The thought that Heath has a 'for sale' sign over it is completely wrong and it's not very helpful for our business,' says Chief Executive Officer Peter Presland.

Competition at January reinsurance renewals in the London market was particularly severe, with some rates falling 15% to 20%.

Overseas, however, increases in brokerage revenues have been "excellent," the broker reports, particularly in Australia, New Zealand, Portugal, the United States, Venezuela and Colombia.

One bright spot in Heath's results was a 20% rise in the profits—to £6.4 million ($9.9 million)—of the Heath Computer Services Ltd. division.

The division consists of Datasure Ltd. based in Southend, east of London, which has historically provided software to the insurance industry; and Peterborough Software Ltd. in the Northern British city of Peterborough, a human resources software specialist.

Heath Computer accounted for 28% of the company's gross revenues for the year ended March 31 and that figure could rise to 50%. Some analysts speculate that Heath may spin off the unit to the public or to another company later this year to concentrate on brokerage.

"We might do (that). We might not," said Mr. Presland.

Meanwhile, Heath's underwriting days are almost over.

In a complex deal struck in April, two Sydney-based insurance companies, C.E. Heath International Holdings Ltd. and CIC Insurance Group, agreed to merge to become Australia's third-largest publicly traded insurer.

This deal is subject to approval by Australia's Insurance and Superannuation Commissions and the Foreign Investment Review Board; and by an extraordinary general meeting of shareholders in Sydney this month. The approval is expected any day.

Underwriting in Australia has been a headache for the parent company in the past few years, though, culminating in a $30 million Australian ($20.6 million) exceptional charge to cover the run-off of aviation business in 1992 and a $50 million Australian ($34 million) exceptional charge in 1993 stemming from a lawsuit involving the nationalization of workers comp insurance in Victoria in 1985 (*BI*, July 18, 1994).

Heath already has sold several other underwriting operations, including Pinnacle Reinsurance Co. Ltd. of Bermuda in 1990.

Heath's yo-yo performance has left employee morale low, some say.

Heath executives demur—sort of.

Mr. Kier said Heath has had a succession of bad news all involving underwriting: being hit very hard two years by the court case in Canberra, Australia, which overturned every other previous decision; and problems with Australian underwriting.

"The two things together cost £65 million ($103.4 million) over two years, which affected share price," he said. "We've always had a reputation for rewarding as big a percentage as possible of our staff (with stock options), so they tend to watch the share price a little more closely than other companies do and maybe that has an effect on morale," he said.

"I was here in 1985/1986 when everyone was leaving, with half of our broking people walking out of the door," said Mr. Presland. "The environment that we're now in is still a million times better than that."

Continual rumors in London say that Heath may be for sale.

Heath acknowledges that it spoke about a possible merger with Bain Clarkson Ltd. several years ago, before Bain Clarkson merged with Hogg Group.

Heath executives say that it is their duty to evaluate all possibilities for the company—including merger talks—to increase the company's value for shareholders.

"If someone phoned me up and said 'We'd like to talk to you about selling' then it's probably my responsibility regardless of my personal preference," said Mr. Presland.

However, "the thought that Heath has a 'for sale' sign over it is completely wrong and it's not very helpful for our business," he added. "Yes, we've had conversations. Yes, we may continue to have conversations. Who doesn't? But, we're not talking to anybody at the moment."

—By Stacy Shapiro

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Jauch & Huebener

Katharinenstrasse 10, Hamburg 20457, Germany; 49-40-36050; fax: 49-40-367787

	1994	1993
Premium volume	N/A	N/A
Gross revenues	$194,656,000	$183,315,000
Brokerage: Retail	82%	84%
Reinsurance	11%	10%
Personal	2%	1%
Services	5%	5%
Employees	1,500	1,400
Rev./Employee	$129,771	$130,939
Offices	25	24

Converted at applicable exchange rates.

Trying to infuse the brokerage with a fresh approach, Jauch & Huebener KGaA executives are looking to open a window of opportunity every time a door closes on a formerly reliable source of revenue.

As policyholders balk at commissions, reduced coverage and rising rates, Jauch & Huebener is finding new ways to serve its customers and generate revenue.

Helped by the wide-reaching economic and political changes in Germany, the brokerage has made inroads in key areas.

Despite revenue decreases in certain areas, upticks in others helped push gross revenues up 4.3% to 316 million deutsche marks in 1994 from 303 million deutsche marks in 1993. Converted to U.S. dollars, revenues increased to $194.7 million from $183.3 million.

A highlight among its new ventures was the placement of catastrophe reinsurance for flood, avalanche and earthquake coverage written by a state-owned insurance company.

"Until 1994, several public insurers had monopolies in several regions, a good balance in their portfolios and didn't need reinsurance," explained Christian Dahms, one of six partners in the Hamburg-based brokerage. "But last year, they were forced to give up those monopolies in line with European Union deregulation guidelines."

Jauch & Huebener's client had been the only German underwriter to offer comprehensive flood and earthquake coverage, primarily because it insured every building in its southern region.

"We placed an (exceptionally difficult) catastrophe cover for property reinsurance. . .It's an accomplishment for which we are very proud," said Mr. Dahms.

One advantage was an increase in world reinsurance capacity. "We didn't have an Andrew or Hugo in 1993 or 1994," he said. "More reinsurers are appearing on the market, and the Bermuda establishment has helped a lot to get a grip on prices."

Reinsurance brokerage constituted 11% of the firm's business in 1994, up from 10% in 1993.

In environmentally sensitive areas like recycling, Jauch & Huebener met similar challenges. In the wake of wide-reaching changes to German environmental laws, recycling companies have become particularly difficult risks to place.

"Companies like these are loaded with environmental exposures," said Mr. Dahms. "In fact, it's really 100% of their business. As a result insurers don't want to touch this sort of thing."

By doing a thorough analysis to give insurers a better picture of the risk, on which Mr. Dahms declined to elaborate, the broker was able to find the coverage its client needed in Germany. It also strengthened the broker's reputation as a problem solver for difficult corporate risks.

With pollution exposures haunting German companies last year, Jauch & Huebener completed the mammoth task of rating, placing and often negotiating new conditions for 80% of clients' policies to meet legal requirements.

Germany has the world's toughest environmental penalties: Air, soil, noise pollution or illegal waste disposal can bring up to 10 years in prison.

Most unsettling for Jauch & Huebener clients are statutes that extend liability for damage caused by regular operations and impose liability for past acts even when they were legal at the time. Under German law, companies might be subject to compensatory damages

Continued on next page



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Continued from previous page
of up to 160 million deutsche marks ($116.1 million) for both property loss and personal injury.

"In EIL, you'll never have a limit that is sufficient," Mr. Dahms said."You're lucky to get coverage of several million, which we are succeeding in doing in certain instances." Even if insurers were willing to cover an EIL exposure, Mr. Dahms said clients have not been able to pay the premium.

"It's a case in which many companies were forced to retain a lot of the risk themselves," said Mr. Dahms. "It's a serious problem. They have exposures and come to us for a solution."

Captives are one solution Jauch & Huebener has been promoting for years. In 1994, it set a company record by forming five.

And part of its more customer-oriented operation includes the Hamburg-based captive consulting and management department, which was set up in 1994 and has a staff of three. The brokerage has also set up small units of broker teams to promote commercial casualty business, much of it environmental liability.

Under economic constraints, Jauch & Huebener clients last year also pushed for "negotiated commissions" on brokerage and consultant remuneration.

The question of deductibles also became a focus of Jauch & Huebener's negotiations with its clients last year, "both to reduce premium and cover those risks which insurers where not willing to cover," Mr. Dahms said.

"The general cost-consciousness of our clients had an effect on all sides of business, including reinsurance, retail and employee benefits," he said. "We lost revenues because we helped our clients to avoid premium increases and found they negotiated our commissions even further down."

One area to benefit from German penny-pinching was consulting, which often is conducted on a fee basis—especially for employee benefits.

"Last year, a lot of our clients needed us to reduce their expenditure for the employee benefit plans they introduced 20 or 30 years ago," he said. Outsourcing was one method of holding down expenditures by allowing clients to trim their benefit staffs.

Mr. Dahms said consulting revenues grew significantly.

Another development that aided business last year was a series of spectacular fraud and bankruptcy cases, which climaxed in the Juergen Schneider case. The real estate baron skipped the country after amassing a multibillion-dollar bank debt (*BI*, May 29). The fiasco boosted demand in Germany for credit insurance.

Personal lines business was another area of new clients. "We've always responded to the needs of our corporate clients for group homeowners, automobile and life insurance, but only if we were asked. But now we are out aggressively acquiring new business."

Business Insurance estimates that personal lines business increased to 2% of total revenues last year from 1% in 1993.

The brokerage is a member of the UNISON network and last year it agreed with other UNISON partners to act as a single company when making bids and advertising. "We no longer make typical French, German or American submissions, it's a UNISON submission," he said.

The strong sign of unity is partly due to changes in international insurance markets, he said. "In Germany, 130 of 150 insurers have already said goodbye to corporate insurance lines. Of the 20 left, only five are valid and viable markets for companies."

Clout means something in the broker business, said Mr. Dahms. He estimates between 5% and 8% of Jauch & Huebener's revenues comes from UNISON referrals. Much of its domestic revenues are earned because the brokerage is part of the network.

Last year, Jauch & Huebener gained foreign ground as well. According to Mr. Dahms, efforts in Central and Eastern Europe earned substantial revenues.

The brokerage completed an insurance proposal for a large Russian paper mill with a probable maximum loss of $500 million. "We sent in our engineers, our experts and put the submission together. And on the basis of this, we got the coverage we needed," he said.

With only a small deductible, the broker used markets outside Russia, placing the risk in Europe and in the London market.

Changing markets have also forced Jauch & Huebener to restructure its retail business unit and the company is planning similar steps for its reinsurance, employee benefits and administration units.

Jauch & Huebener plans to make its retail unit more international with the help of its UNISON network.

By tapping into the network's database, Mr. Dahms said Jauch & Huebener by year end will be able to inform its clients about changes in legal requirements in different countries.

The brokerage's strongest rivals are other international brokers, which have strengthened their position in the German market.

But, several factors keep it ahead of the pack, Mr. Dahms said. "It may sound paradoxical, but our advantage over and against our competitors is our national, independent standing. But, at the same time, we can offer global solutions through UNISON.

"I think a client is better off with a leading national broker—be it in Spain or Germany—that can do its job in an international network."

—By Don Lewis Kirk

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14

Gras Savoye S.A.

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	1994	1993*
Premium volume	N/A	N/A
Gross revenues	$166,881,799	$145,066,793
Brokerage: Retail	77.7%	79%
Reinsurance	1.85%	0.9%
Personal	10.9%	11.1%
Services	1.05%	2.1%
Investment income	8.2%	6.2%
Other	0.3%	0.7%
Employees	1,613	1,374
Rev./Employee	$103,461	$105,580
Offices	71	61

Converted at applicable exchange rates.
** Restated.*

Chairman and Chief Executive Patrick Lucas' optimism about future growth for France's largest insurance brokerage comes in no small part from the creation last year of an internal Department of Development and Innovation.

Originating as a one-man operation, it now has 10 members who place all lines of insurance. Its task, explained Mr. Lucas, is to look for opportunities to develop all Gras Savoye's commercial activities.

"The best way for us to increase our commercial activity was really to dedicate this department to new clients or new services to existing clients," he added.

The impact of the new unit has yet to be felt. "We expect this department, which has been fully implemented only at the end of last year or the beginning of this year, to be more operational for 1996," explained Mr. Lucas. "The aim is that 1996 should make a real change in our activity."

One potentially important change may already be in the works. In May, Gras Savoye was appointed to do a feasibility study to develop and manage non-life insurance products to be sold by one of France's largest banks, Societe Generale. While many other French banks sell insurance companies' products in their branches, Societe Generale is the first planning to sell its own policies using a broker. If it goes ahead, the policies could available for sale in 1996.

Growth in all branches helped the world's 14th-largest brokerage improve revenues 15% in dollar terms in 1994, one of the strongest performances among the Top 20. Growth in French francs was a slightly more modest 12.5%, to 922 million French francs in 1994 from 820 million in 1993.

Apart from having the largest regional brokerage network in France with 21 domestic offices, Paris-based Gras Savoye is very much an international brokerage. The company has built up a network of 28 foreign subsidiaries, concentrated in Europe, Africa and the Middle and Far East.

Founded in 1907 in the northern city of Lille, Gras Savoye is still some 60%-owned by the Gras and the Lucas families. The latter family, to which the chairman belongs, bought their stake from the Savoye family. The remaining 40% is held 10% each by other management and staff, and three French insurers—Union des Assurances de Paris, Assurances Generales de France and Athena Assurances.

Almost 78% of Gras Savoye's business is derived from commercial retail brokerage. The proportion of revenues coming from its reinsurance unit is still small, but having dipped to less than 1% in 1993, it recovered to 1.85% in 1994.

Its clients fall into three main categories: mid-sized to multinational companies; municipalities; and personal lines customers, 11%.

Other services accounted in 1994 for just over 1% of revenues, half their rate of contribution in 1993.

Within the company there are a number of specialized units, including: intermediary Gras Savoye Reinsurance; SAGERI, which specializes in consulting and managing technical and natural risks; Gras Savoye-Greig Offshore, which places risks linked to offshore petroleum activities; and Tetard Gras Savoye, which specializes in agricultural risks.

Also, the company in 1994 acquired a 25% stake acquired in Groupe Eyssautier, the leading French marine hull broker.

Recently SAGERI bought a 51% stake in the similarly-named company, SAGER, which primarily studies human behavior, particularly the behavior of drivers. Mr. Lucas said that this fits in nicely with SAGERI, which had no similar expertise, and with Gras Savoye's philosophy "of helping our clients to reduce exposure to losses." He also said it will increase fees from services.

Mr. Lucas also stressed the importance of the company's participation since 1975 in the UNISON brokerage network. This relationship gives it particularly strong links with Johnson & Higgins, with which it participates in some joint venture companies, such as UNISON Management Luxembourg, a reinsurance captive management company. Some firms in the network also have members on one another's boards.

Serving multinational clients of UNISON helps provide business for Gras Savoye both at home and in its foreign offices.

In the Far East, for instance, a planned Southeast Asian expansion via two Vietnamese offices has yet to materialize, a fact Mr. Lucas attributes to the heavy volume of work over the past year in serving Gras Savoye's own and UNISON clients in Vietnam.

"Our people have been so busy with their own operations within Vietnam that they have concentrated within Vietnam," he said. "So we need to send more resources, more people, to cope with the job they have to cope with."

In Africa, where Gras Savoye owns SOGERCO, a brokerage that operates in Western Africa, business over the past year was unchanged at around 5% of gross revenues. African business may have been better than that figure would indicate though. Mr. Lucas said that exchange rates helped mask growth of all lines of business in Africa, with especially strong growth coming in employee benefits and health care consulting.

In June, Gras Savoye created two companies in Tunisia. One is pursuing insurance brokerage in the local market and the other is concentrating on reinsurance brokerage throughout the southern Mediterranean and Arabic northern Africa. Gras Savoye has other African offices in Morocco, Senegal, the Ivory Coast, Togo, Gabon, Benin and Cameroon.

In Eastern Europe, Gras Savoye has reached agreement with partners in Romania and expects to have a brokerage venture operating there by the end of the year.

At home, French insurers' 1994 decision to withdraw gradual pollution coverage from the market continues to provide a challenge in financing liability risks.

Gras Savoye still arranges environmental liability coverage for French clients with other Euro-

Continued on next page

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Meeting the advertising challenge of marketing to general audience

Two insurer ad campaigns take widely different paths to get intended marketing messages out to the public

By GAVIN SOUTER

Catching the attention of magazine readers is a challenge for all advertisers, and explaining complex insurance products can be doubly challenging—but some insurers have found creative ways to do both.

Using startling or unusual images and punchy captions can enable insurers to get a complex message across, insurance marketing experts say.

By distilling common themes into simple, everyday concepts, UNUM Corp. was able to produce a series of award-winning advertisements for disability insurance.

The advertisements play on common concerns, which are effective ways to communicate with a wide variety of potential customers, the insurance marketers say.

And by using a startling image, St. Paul Fire & Marine Insurance Co. was able to increase the interest in its already well-established golf course coverage program, the company says.

Without needing to detail the coverages of a well-established product, St. Paul has been reasserting itself by using a visually striking image, the insurance company says.

Expanding the awareness of disability insurance and the company that provided it was the task of UNUM Corp., Maine, according to Charles Hurdman, director of advertising for the Portland, Maine-based insurer.

"We had to capture people's attention for a product which they might not have a top-line interest in and a company they might not have heard of," Mr. Hurdman said.

In 1992, UNUM set out to do that through a series of ads in trade publications, business magazines like Forbes and Fortune, and news magazines such as Time and U.S. News.

The advertisements, put together by UNUM's advertising department and San Francisco ad agency Goodbyn, Silverstein & Partners, started running in July 1993.

With the common slogan "UNUM We See Farther," the advertisements use eye-catching photographs with bold captions printed in a variety of typefaces to help attract the reader's interest.

'We had to capture people's attention for a product which they might not have a top-line interest in and a company they might not have heard of,' says Charles Hurdman.

For example, one has a picture of an elderly woman holding a bowl of wholesome-looking soup with the caption: If you never had an overprotective mother it's not too late to buy one.

The main body copy in the ad then explains that UNUM's short-and long-term disability coverage emphasizes prevention and rehabilitation, as well as financial compensation.

Another advertisement in the series depicts a person slipping with a series of exclamations in a variety of languages in the accompanying caption. Then in parentheses: We can help people no matter which language they're injured in.

The main copy then explains that UNUM offers disability insurance in the United States, Canada, Britain and Japan.

The campaign was designed to distill the variety of UNUM products into simple images for all of the company's customers, Mr. Hurdman said.

The bold captions and accompanying photographs should stop readers from skipping over them as they leaf through the magazines, Mr. Hurdman said.

"We needed it to be thought-provoking and we needed it to be motivating," he said.

The ads are suitable for brokers, benefit managers, employees of companies and just about anybody who might have a need for disability insurance, he said.

"The key thing was that we really wanted to capture the brand essence of UNUM," he said.

And the tag line, "We See Farther," can be applied at many different levels, Mr. Hurdman said.

For example, it can invoke images of strength in insurance or alternatively, it can imply concern over the way UNUM treats policyholders, he said. "It projects an image about UNUM and what we stand for."

The ads themselves are part of a marketing campaign designed to fuel ambitious growth at UNUM, he said.

Disability insurance has a huge potential market and few people realize that UNUM is a major insurer in the field, Mr. Hurdman said. "Disability insurance is largely an unpenetrated market and the more we can get our name out there, the more we can penetrate it."

UNUM's own research has



shown that the campaign has been successful in increasing sales of UNUM's products and the ads also have received national and international awards, Mr. Hurdman said.

The series won the Silver Effi Award by the American Marketing Assn. for advertising effectiveness; two Gold Clios, an international award, for best print campaign in the financial category; and it was a finalist for the Kelly award for excellence in print advertising, which is given by the Magazine Publishers Assn., he said.

St. Paul's had a different aim with its ad for its Eagle 3 golf course coverage program, said Greg Krause, senior program development director at St. Paul in Minneapolis.

Eagle 3 offers property/casualty coverage, management liability and other specialty coverages for golf course owners.

The program was already well known within the country club and golf course industry but as that industry is rapidly growing, St. Paul wanted to increase the sales of its product, he said.

However, there was no need to explain the coverage in detail through advertisements as even new customers were likely to be familiar with the coverage, Mr. Krause said.

"We are not talking about a product that we are introducing to the marketplace. We don't feel like we have to go out and explain the product," he said.

The ad was designed principally to maintain the awareness of the program, Mr. Krause said.

"We have developed a strong reputation in the market and we wanted to reassert ourselves in the market," he said.

The advertisement the insurer developed shows a bolt of lightning striking a golfer, who appears as a skeleton. The caption says: It was an act of God, but you can bet He won't be the one who gets sued.

St. Paul developed the ad with the Clarity Coverdale Fury ad agency in Minneapolis.

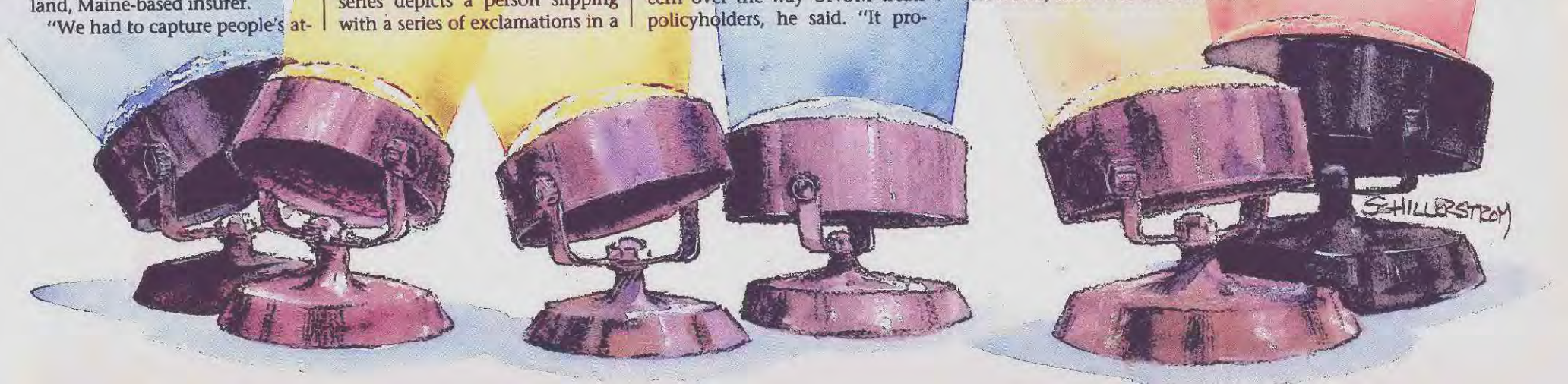
It was one of four options, and the insurer selected it primarily for the shocking picture, Mr. Krause said.

"No pun intended, but it was very striking and with the combination of a two-page layout it gave us the high impact we were looking for," he said.

Bold captions and photographs stop readers from skipping over ads as they leaf through magazines.

The ad runs in Club Management magazine. It was developed over three months and first ran in spring 1995.

St. Paul has received an increase in inquiries that can be traced to the ad, though the insurance company declined to release any figures on the number, Mr. Krause said. BI



Insurer Topics

It's the processes, stupid

Industry urged to focus on insurance process, not end product

By SARA MARLEY

The insurance industry must alter its fundamental processes to compete in the next century.

That was a message shared by several speakers last month at the Insurance Marketing Communications Assn. summer meeting in North Falmouth, Mass.

Almost three out of four re-engineering, benchmarking and best practices efforts fail, said Jay T. Deragon, executive director of the Quality Insurance Congress and chairman and CEO of Alternative Management Solutions Inc., a Nashville consulting firm.

"The answer is not in a fad, it's in a set of new skills and knowledge," he said.

Quality improvement should be viewed as a continuum with knowledge and skills being added and systemic thinking changed.

Mr. Deragon suggests viewing insurance as a series of processes, from identifying a prospect to soliciting the account to designing the program to marketing the proposal and, finally, issuing the policy.

Customers buy only the final product, but pay for each step along the way. That means they also pay for the inefficiencies and defects, which insurers should quantify.

"Find the glitch in the system flow and fix it," advised Michael P. McKinley, president of McKinley Cos. Inc., an Eau Claire, Wis., publishing firm specializing in speech, language and hearing issues.

The frame of reference for quality improvement must change along with the method.

"Think progress, not goal," Mr. McKinley said. "Otherwise you'll go crazy trying to get better."

"When the gap between reality and vision is too big, employees lose hope," Mr. Deragon agreed.

One impediment to improvement is that the industry asks itself the wrong questions. "We count after the fact and wonder, 'Did we make any money?' " Mr. Deragon said. "That gives information, not knowledge."

Instead, insurers should ask if their processes are effective, what is the defect ratio and how can they change behavior.

Results can be misleading when they focus only a single point in time, rather than look at the trend over time and the variation between low points and high points.

"We cannot solve today's problem with yesterday's thinking," Mr. Deragon said. "We can't throw a solution at a problem we don't understand. The distribution system has got to change."

One new option some insurers are considering is the Internet and its user-friendly subset, the World Wide Web.

John Frierson, partner of advertising agency Frierson & Mee in New York took IMCA attendees on a cyberspace tour of several insurance sites, or "home pages."

"It can be accessed by anyone anywhere, any time," Mr. Frierson said. "That's why people are excited about it, that's why



they're afraid of it and that why they're talking about it."

Mr. Frierson likens the Internet today to TV in its early days. "Speed is a problem," he said. "Compared with the information and the volume of images you can get on TV, it can be painfully slow."

He gave potential advertisers several tips on Internet use:

- Be interactive, don't just transfer written material to the Internet. If users are not engaged in a two-way exchange, the advertising effort will be wasted.
- Provide meaningful content. There must be something valuable for the user. For example, one auto insurer provides information on the safest cars. Users can also get a sample quote.
- Provide linkage. The beauty of the Internet is the ease of moving from site to site, and most home pages offer links to related sites.

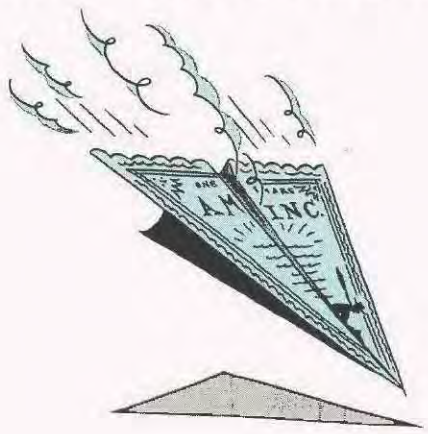
"The Internet allows you to be non-linear," he said. "The last thing you want is for someone to get trapped in your site."

- Have an attitude. The Internet's underground roots are still alive and well in the tone of most material. It also means that many users shun direct selling, and look instead for valuable information and ready links.

Some marketers expressed concern that many people are only playing with the Internet, using false identities and could provide false information.

"Long-term, it's definitely a place you want to be," Mr. Frierson said. "But there will be much more editing."

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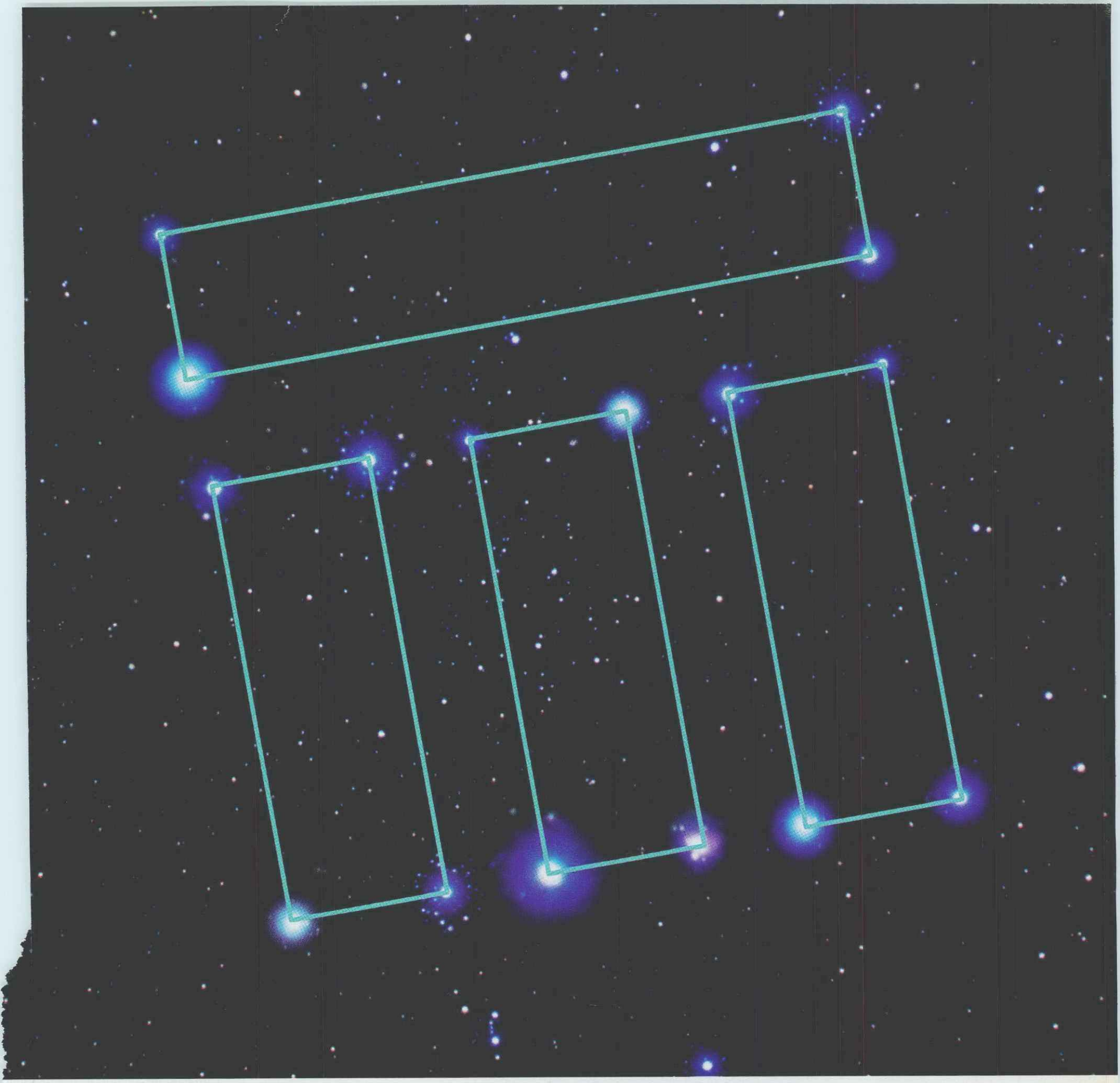
His company invested in a portfolio of AAA-rated collateralized mortgage obligations that was decimated by unexpected interest rate activity. Some CMO tranches represent outstanding value for the related risk; others are so risky as to be virtually unmanageable. In pursuit of attractive yields, his company forgot that reinvestment risk can be just as dangerous as credit risk.

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Insurer Topics

Marketers profile their duties

IMCA aims to benchmark tasks of insurer communications, PR staff

By SARA MARLEY

The Insurance Marketing Communications Assn. now knows not only the demographics of its individual members but also what they do in their jobs.

IMCA followed up last year's Profile of Members with benchmarking studies of insurers' internal communications and public relations departments, which were released last month at its summer meeting in North Falmouth, Mass.

Communications departments at property/casualty insurers with more than $500 million in premium volume employ an average of 8.6 people in communications and have an annual operating budget of $650 million on average. Public relations departments have an average of 6.4 employees and a budget of more than $1 million.

Insurers with less than $500 million in premium volume have staffs of similar size but much smaller budgets.

These smaller insurers spend an average of $441,000 on communications and less than $500,000 on PR. They employ an average of 4.4 people in communications and 3.4 in PR.

But, size wasn't always an indicator of company resources, IMCA found.

Few insurers of any size, for example, have a quality initiative, said Kenneth R. Lamm, senior vp and management supervisor at Cramer-Krasselt Co., the Milwaukee-based advertising and marketing research firm that compiled the survey results.

Only 23% of insurers reported that they have a quality initiative.

Large insurers were more likely than small insurers to have a crisis communications plan, at 61% compared with 42%, respectively.

In separate communications and public relations surveys sent out to 90 IMCA member insurance companies, researchers asked for number of employees, what their duties are, whom they report to and how insurers are using their communications and public relations resources.

Of the 180 total questionnaires, 72 were returned.

About half of insurers—large and small—had between two and five employees in each of the comi nications and public relations partments.

More than 40% of those emp ees have been with their cor nies for fewer than five years, w just over 20% have been with company between six and 15 ye public relations departments at insurers have a slight edge in e rience, with employees having average of 8.3 years of employm with the company compared v 7.8 years for communications sonnel.

Public relations and commur tions departments tend to repor managers at the top of the co rate structure, IMCA found.

At 36% of insurers, the mos nior person in public relations ports to a senior vp, president, c operating officer or chief execu officer. Similarly, for commur tions employees, 34% of the to ficers report to the senior vp l or higher.

Communications departm typically allocate 62% of their l gets for internal resources and for external resources.

National communications ef



take up 52% of most insurers' gets, while 30% go to local ef and 18% to regional efforts.

Public relations efforts m communications efforts, with going to national efforts, 30% t cal and 19% to regional.

Smaller insurers spend mor their public relations resource customers—68%—compared 38% at larger companies. Ins with more than $500 million premium volume spend 20% their public relations dollars on th insurance industry and another 20% on internal or corporate rela tions, while smaller insurers spent only 11% and 14% on those audiences, respectively.

Insurers with more than $500 million in premium volume split their communications resources evenly between personal and commercial lines. Smaller insurers allocated much more of their resources to commercial lines than personal—64% to 36%

Smaller insurers allocated a similar proportion—68%—of their public relations efforts to commercial lines, while larger insurers split their resources 60/40 between commercial and personal lines.

Communications and public relations departments at large and small insurers are producing videos and publications for internal and external use.

Nearly 70% of all communications departments script and produce videos. Seventy-five percent of the departments use them for sales support; 67% for management communication; and almost half for employee training and motivation.

Continued on next page

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Profiles

Continued from previous page

Two-thirds of smaller insurers and 72% of larger ones report that their public relations departments script and produce videos.

At larger insurers, more than three times out of four, those videos are used for management communication. That may be because of greater downsizing at large companies and therefore a greater need for internal communications, IMCA reported.

Three-fourths of the smaller insurers produce videos for sales support, compared with just over half of larger insurers.

At smaller insurers, the public relations department was much more likely to produce videos for employee training than at larger insurers, 50% to 15%. However, larger insurers most likely have training or human resources departments that handle that function, Mr. Lamm said.

More than a third of the communications departments surveyed publish newsletters.

Half publish materials for employees and one-quarter direct their publications at policyholders, customers or members. Nearly 20% publish something directed at agents.

More than 80% of public relations departments publish newsletters or brochures. Twice as many large insurers publish brochures as small companies, 25% compared to 14%.

Insurers with more than $500 million in premium volume published materials an average of 39 times per year, compared with 13.9 times for smaller insurers. That figure could include electronic publications, Mr. Lamm noted.

Publications produced by larger insurers had an average of 14 pages, twice as large as those published by smaller insurers.

Insurers with less than $500 million in premium volume were six times as likely to produce more than 90 publications per year, at 18% compared with 3% for larger insurers.

The benchmarking studies follow a survey done by IMCA last year to compile a profile of individual members, updating a 1990 study.

The typical IMCA member is 41 years old, has an annual salary of $59,000 and is a college graduate.

Members are nearly equally divided between men and women, 51% to 49%, compared with 57% men in 1990. In companies with less than $500 million in annual premium, however, men outnumber women 52% to 48%.

Nearly nine out of 10 members are college graduates and one in five has a graduate degree. Most members studied journalism or communications in college.

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Profile of Members is available to non-members for $25 by writing to IMCA at 344 Commercial St., Boston, Mass., 02109; 617-723-1230. IMCA has not decided whether to release the communications and public relations studies to non-members.

Swiss Re America takes honors

IMCA awards salute insurance company advertising efforts

By SARA MARLEY

Swiss Re America won the highest honor at the Insurance Marketing Communications Assn. recent Showcase Awards.

Swiss Reinsurance America Corp. won the SAMMY Award for its total 1995 media campaign voted on by IMCA members at the summer meeting in North Falmouth, Mass., last month. The SAMMY, or Special Award from Members, is given annually to Showcase entries for outstanding contributions to the advancement of insurance advertising and communications.

Utica National Insurance Co. won eight separate awards, and Reliance Insurance Co. and SAFECO Corp. won five each.

In all, IMCA bestowed 78 awards to 32 companies in 23 categories.

• Marketing and sales promotion directed toward commercial lines producers: Best of Show to Reliance; Awards of Excellence to General Accident Corp. of America, Markel Corp., Reliance and Swett & Crawford Group.

• Marketing and Sales Promotion Directed to Business Consumers: Best of Show to Zurich-American Insurance Co.; Awards of Excellence to The Chubb Corp., General Accident, Princeton Insurance Co., St. Paul Fire & Marine Insurance Co. and Utica National.

• Print Product Advertising Directed to Business Consumers: Best of Show to Utica National; Awards of Excellence to Hartford Fire Insurance Co. and Swiss Re America.

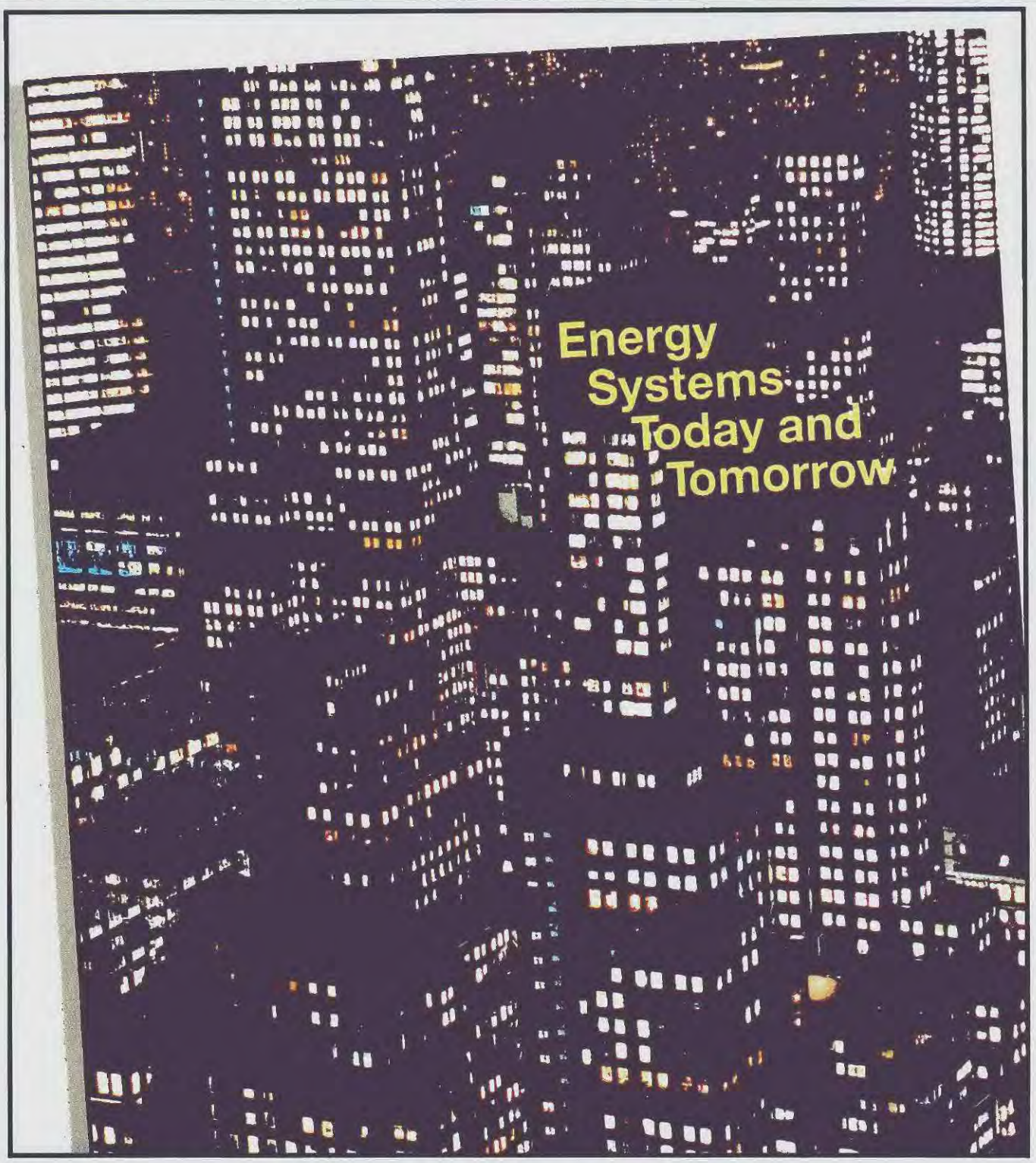
• Print Product Advertising Directed to Producers: Best of Show



to Reliance; Awards of Excellence to The Hanover Insurance Co., Markel and Reliance.

• Print Corporate Image Ad-

See **Showcase** *on next page*



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Insurer Topics

Nationwide using ad campaign to recruit more women agents

Ads in women's magazines put insurer on track to meet goal

By RODD ZOLKOS

Nationwide Mutual Insurance Co.'s effort to recruit an equal number of male and female insurance agents in 1995 is nearly on target.

Nationwide launched its Women in Nationwide Sales program two years ago with the intention of increasing the number of women in its sales force and the goal of recruiting an equal number of male and female agents in 1995.

Through the first five months of this year, 46% of Nationwide's newly hired agents—approximately 50 new agents—were women.

Nationwide's campaign was designed to touch on common frustrations of professional women ages 25 to 54 that could lead to a career change.

"Our goal is to have 50% of our new hires be women, so we are pretty close," said a spokesman for the Columbus, Ohio-based multiline insurance company.

The WINS program couples a training effort with a $1 million advertising and public relations campaign.

As part of the program, Nationwide runs print ads in various national magazines aimed at recruiting women.

The advertising campaign was designed to touch on common frustrations of professional women ages 25 to 54 that could lead to a career change, such as the desire to own a business, lack of opportunity with current employers or inadequate earning potential at their current jobs.

The campaign still is appearing in such publications as Working Woman magazine, the company's spokesman said.

And, as the WINS program continues, it is changing slightly in that the responsibility for running it is moving to Nationwide's various state operations from its Columbus, Ohio, headquarters.

"Now, instead of being run out of the home office, it's being sent out to each of the states to implement," the spokesman said.

"So WINS in each state will be a more local management setup," he said.

"Every one of our state offices has an objective that 50% of their hires will be women," said Jon Chabra, agency development manager at Nationwide in Columbus. Because that objective is in writing, it's something the offices are very aware of, he said.

The WINS program also has a goal of appointing women to at least one-third of the insurer's new agency manager positions this year.

Dina Tutton of the Dina Tutton Agency Nationwide Insurance in North Dallas, Texas, is one of the agents brought into Nationwide through the program, having joined the company in May 1994.

She came to Nationwide from a State Farm agency where she had worked for 10 years.

"I actually took over an existing agency of somebody who had retired," Ms. Tutton explained.

"It's going excellent," Ms. Tutton said. "Everything's been working out just fine. We have a full staff here, we've made all the quotas and received the awards," she said.

After spending about six months "cleaning house" when she first took over the agency, "we're now a sales machine," Ms. Tutton said. "That's what they want us to be."

She believes Nationwide's incentive for implementing the WINS program is obvious.

"The reason they're doing it, naturally they don't want to have just a one-sided company. They don't want to have all men," she said.

In fact, Ms. Tutton said, being a woman running the insurance agency offers certain business advantages. As a woman, she is bringing more business to the insurer from female insurance buyers.



"Actually, we're getting a lot of good response to my being a woman," she said. "We're getting a lot of women in business calling in."

Ms. Tutton has only praise for Nationwide's WINS effort. "I can't say anything bad about the program," she said. "I'm certainly glad I was able to get in when I did."

Nationwide currently has 407 women agents, representing about 9% of the insurer's total sales force of 4,524. Reaching the goal of 50% will take some time, Mr. Chabra said.

"Obviously, that has to be a long-term goal," he said.

"It's an ongoing program. We recognize that females have the same talents as males do in sales. We are committed to serving the market with the proper mix," Mr. Chabra said. BI

Gray skies not likely to rain on industry's parade: Broker

By ROBERTO CENICEROS

In the cloud hanging over the insurance industry—a prolonged soft market and continued interest in alternative financing—a Sedgwick James Inc. executive sees a silver lining of opportunity.

Even as the market remains soft and alternatives thrive, insurers and producers will have more business opportunities in 1995 than in past years, said Charles R. Fiske, group director of national brokerage for the Memphis, Tenn.-based firm.

"I'm optimistic and upbeat in this kind of market," said Mr. Fiske, referring to the assessments in a report, "Insurance Market Trends and Developments 1995," prepared by Sedgwick's national brokerage division. "I think our industry today presents more opportunities than it has in the last 25 years."

No dramatic market changes are expected in 1995; instead, the market is expected to continue the gradual softening that characterized it last year, the report said.

In this climate, there will be few availability and capacity problems and insurers will offer attractive rates, Mr. Fiske said.

That is good for retaining clients, said Craig Sturges, president of Garland-Sturges & Quirk Insurance Services Inc. in San Jose, Calif., and chairman of the commercial lines committee of the San Francisco-based Insurance Agents & Brokers of the West.

Doing so would be more difficult if rates were dropping quickly rather than gradually, Mr. Sturges explained.

In a market where rates change rapidly, clients could be tempted to switch insurance companies every time a competitor visited them with substantially lower rates.

"The overall marketplace has not fallen off the map. It's softening gradually and almost predictably. There's not a tremendous amount of volatility," he said.

The growth of self-insurance and the alternative market also is helping to keep the market from hardening, Sedgwick's report said.

"The alternative insurance market component is approximately 43% of the total (market)," the report stated. "This percentage has grown steadily over the past 10 years, and it will probably continue to grow," but not as rapidly as before unless significant change occurs in the conventional market.

But, more insurers are considering business they otherwise might leave to the alternative market.

Insurance company directors are trying to gain new business and looking at ways to maintain profitability as investment income continues to slide.

"Even with $15.7 billion in catastrophe losses during 1994, the declining investment gains still exceeded all underwriting losses," according to Sedgwick's report.

Investment gains, including realized gains, fell 18.2% in 1994 to $34.7 billion from $42.4 billion in 1993.

The investment income portion from interest and dividends increased slightly last year, while realized capital gains plummeted 82.7% to $1.7 billion from $9.8 billion. That drop was precipitated by rising interest rates and higher bond costs.

Insurers are interested in new areas that will produce revenue, Mr. Fiske said.

Now is a good time to approach the insurers with unique client

See **Trends** *on page 52H*

Showcase

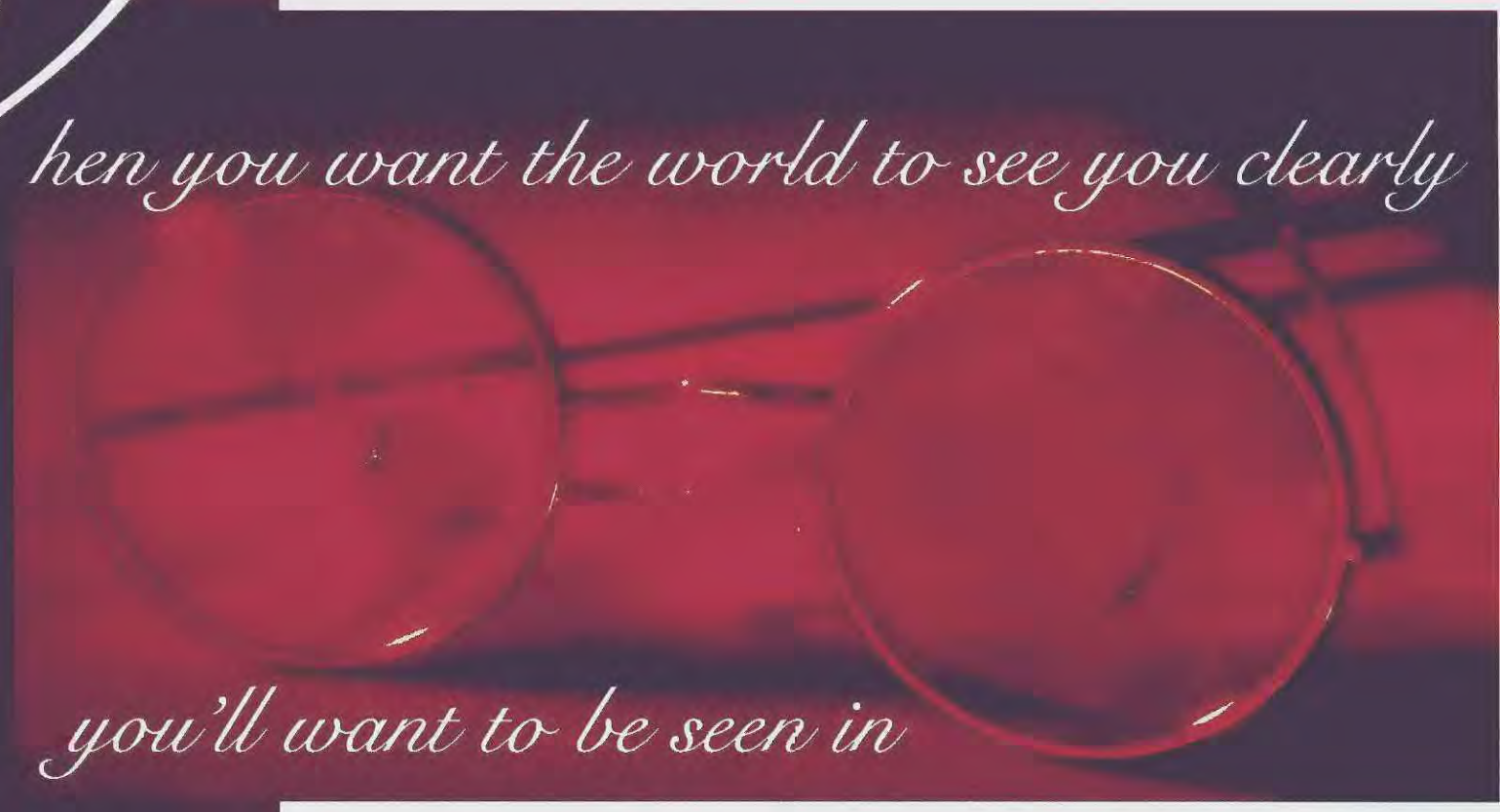
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vertising Directed to Producers or Consumers: Best of Show to Royal Group Inc.; Awards of Excellence to Commonwealth Risk Services Inc., Fireman's Fund Insurance Co., Nationwide Mutual Insurance Co. and the Workers Compensation Fund of Utah.

- Radio Advertising: Best of Show to SAFECO.
- Television: Best of Show to Nationwide; Awards of Excellence to Liberty Mutual Insurance Co., Employers Insurance of Wausau and the Workers Comp Fund of Utah.
- Other audio/visual communications: Best of Show to Harleysville Mutual Insurance Co.; Award of Excellence to Zurich-American.
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- Producer publications: Best of Show to Hartford; Awards of Excellence to Aetna Life & Casualty, Markel and SAFECO.
- Communications $1,000 or under: Best of Show to Utica National; Awards of Excellence to State Automobile Mutual Insurance Co. and Utica National.
- Potpourri: Best of Show to Aetna Life & Casualty; Awards of Excellence to Hanover, Kemper National Insurance Cos., Wausau and Westfield Cos.
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- Marketing and Sales promotion Directed to Personal Lines Consumers: Best of Show to Prudential Property & Casualty Insurance Co.; Awards of Excellence to Chubb, St. Paul and Utica National.
- Print Product Advertising Directed to Personal Lines Consumers: Best of Show to Nationwide; Award of Excellence to Utica National.
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Insurer Topics

Trends

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markets in need of coverage.

As for insurance industry mergers and acquisitions, there was about $5.7 billion in activity during 1994, the Sedgwick report states. That exceeded "the 1988 level of $5.6 billion when junk bond financing and hostile takeovers were in fashion," the report said. There were 65 transactions last year, up from 33 valued at $1.9 billion in 1993. While not offering a projection on mergers and acquisitions, Sedgwick says the industry will continue to react to economic factors in 1995.

Shareholders questioning poor returns and industry managers seeking economies of scale and greater market share could help insurers secure better competitive positions, although those actions are no guarantee of higher returns, the report stated.

But, Mr. Fiske believes it could result in better products as companies pool their expertise. And, if economies of scale are achieved, lower prices may result.

Sedgwick anticipates a slightly higher number of insurer insolvencies in 1995, especially if voluntary runoff is considered. In 1994, there were approximately 20 property/casualty insolvencies totaling more than $10 billion. Sedgwick projects that more than 25 insurers will become insolvent this year, totaling more than $15 billion.

"If the current trend for consolidation—Home business into the Zurich, Continental into CNA—continues, we will see some long-term names leaving the U.S. domestic marketplace," the report states.

"This will pose a whole new area in the solvency evaluation process if it is allowed to continue, as the financial strength of a company's parent or pool participation cannot be relied upon solely."

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Free copies of the survey are available from Sedgwick James Inc.'s communications department, 5350 Poplar Ave., Memphis, Tenn. 38119.

Industry must strive to boost its image: Exec

By SALLY ROBERTS

Insurance agents' and brokers' biggest concern is not competition or the soft property/casualty marketplace; it's the industry's negative image, an insurance brokerage executive contends.

"The general image of the industry is lousy," said Donald Morford, president and chief operating officer of Sedgwick James Inc. in San Francisco. "It should concern you more than any other," he told attendees at the recent Insurance Marketing & Management Services convention June 8-11 in Vancouver, British Columbia.

One only has to look back to voter support of California's Proposition 103, which mandated that property/casualty insurers roll back rates and issue rebates to customers, Mr. Morford said. While the insurance industry spent big money advertising its opposition to the legislation, it lost because "the public thought if we were against it, they must be for it," he said.

"I'm not ashamed to say that I peddle insurance," Mr. Morford said. "This is a great industry."

But in order for the general public to view the insurance industry in the same way, the industry must implement a quality initiative, hire good people, wave the industry banner and become client-focused, Mr. Morford said.

One way to start is by changing hiring and recruiting practices in the industry, he said. To do this, companies should not only conduct formal campus recruiting, but they also should psychologically test all new hires to ensure they will be effective within their position and the company.

At the same time, the industry needs to implement a quantifiable quality initiative, he said.

For example, Mr. Morford suggests agents and brokers become ISO 9000 certified. This is important because many manufacturers already have received certification from the International Safety Organization 9000, which set international quality assurance standards, he said. These manufacturers will look to their service providers to have the same quality standards in the near future, he said.

In addition to having qualified people and a true quality company, personnel "need to be out waving a banner about the industry all the time," he said.

At Sedgwick, "we have designed, at every level of the company, a video tape and written speech about the industry," he said. Every community has groups like Kiwanis or Rotary clubs, for instance, and these groups need speakers.

"We make it a requirement that employees are in a community activity," he said. And for those who do not like to speak in public, the company funds seminars on public speaking, Mr. Morford said. BI

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pean insurers, but is also promoting the environmental risk auditing services of its loss control unit, SAGERI, which can help companies to minimize their exposure.

Mr. Lucas said the French Ministry of the Environment still seems "receptive" to the idea of starting to let French companies set up tax-free loss reserves in alternative risk financing facilities like captive insurance companies to pay for environmental liability losses. However, the government has still not made a formal decision on this issue.

One captive program that Gras Savoye currently is using is an innovative practice prompted by the current French real estate crisis.

Using a corporate finance technique known as "defeasance," Gras Savoye aims to let banks or other clients remove properties that have fallen in value from their balance sheets and then to "smooth out" any eventual losses, said Paul Jaeger, director of the risk financing unit of the Department of Development and Innovation.

A bank, for example, places properties that have fallen in value into a separate legal entity called a Special Purpose Vehicle. In doing so, that separate entity incurs a debt to the bank, a debt that is to be repaid at a certain time. That obligation replaces the property on the bank's balance sheet. The bank's captive insurer then issues a credit policy to its parent to cover the risk that the legal entity will not be able to meet its obligations. This legal maneuver lets the bank remove a property whose value has sunk below book value from its balance sheet temporarily.

To smooth out some of the imbalance if they must eventually put properties back on their balance sheets at lower-than-book values, banks could also put properties that are increasing in value into the separate entity, explained Mr. Jaeger.

Currently the practice is available only in France but, given the fall in property values being experienced in other countries, Mr. Jaeger said his department is working to extend the product into other markets.

Acquisitions played an important role in Gras Savoye's increase in gross revenues last year.

Apart from the 25% stake in Groupe Eyssautier, these purchases included: the takeover of Icera, a French broker based in Nante; a 44% stake in a GSAD, another French broker based in Valance; and Gras Savoye Belgium's purchase of 40% of Belgian brokerage Menage & Nowa.

Looking at current prospects, Mr. Lucas said: "We expect to increase our income this year by about 10% before acquisitions." However, after further reflection he added: "Frankly, that may be a little too ambitious."

The "tremendous" commercial activity that the company has seen offers "considerable" prospects, but on the other hand the market remains competitive.

"If you want to increase on these types of figures, you really have to get a big number of new accounts, develop a lot of new services, and develop new branches throughout your existing clients," said Mr. Lucas. He concluded that for 1995 "we would like to reach growth by two figures, and exceed it in '96."

The company also wants to improve performance by increasing productivity of its staff and units. Some personal lines brokerage and alternative risk financing units are currently not profitable. Investments in two regional offices are not yet profitable, but Gras Savoye expects the latter to be profitable by the end of 1995.

—By Edwin Unsworth

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Brokerage: Retail	68%	64%
Wholesale	14%	19%
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Investment income	3%	5%
Employees	1,776	1,668
Rev./Employee	$85,130	$75,126
Offices	58	65

Converted at applicable exchange rates. Fiscal year ends March 31.

Following a corporate restructuring and successful integration of several acquisitions, Lowndes Lambert Group Ltd. Chairman Richard Shaw is bullish about the future of Lowndes Lambert in particular and London brokers in general.

As the London-based broker continued its path of steady growth through acquisitions of new operations and staff last year, its revenues increased for the fourth consecutive year since it began trading on the London Stock Exchange in 1991.

Revenues for the whole group, including revenues from associated brokerage-related companies, rose 16.8% to £97.2 million for the year ended March 31, up from £83.3 million in fiscal 1993.

Converted to dollars, gross revenues rose nearly 21% to $151.2 million from $125.3 million, moving Lowndes Lambert up a spot to No. 15 in the *Business Insurance* brokerage ranking.

Pretax profit, meanwhile, increased 15% to £15.3 million ($23.4 million).

About one-fifth of the broker's total revenues continues to stem from U.S.-based clients.

Mr. Shaw called the acquisitions of U.K. broker Whiteley Henshaw Hindle Holdings Ltd. in July 1994 and specialist U.K. protection and indemnity brokerage Godfrey Merritt Robertson Ltd. in February as two of the most significant 1995 developments.

Analysts say these acquisitions helped boost Lowndes' revenues by £5.9 million ($9 million).

Lowndes Lambert's purchase of WHH, which based in the northern England city of Preston, has brought it additional expertise in that region as well as WHH's small Lloyd's of London broker unit specializing in life and health business, said Mr. Shaw.

The acquisition of WHH "has strengthened our position in the North of England, brought us excellent business which complements our international book and enabled us to continue building up our financial services," he said.

Godfrey Merritt Robertson, at the time of the acquisition one of the largest independent P&I brokers in the London market, provides Lowndes a valuable specialty in its marine division. Lowndes Managing Director David Margrett expects the P&I broker will contribute annual revenues of £3 million ($4.8 million).

Though Lowndes Lambert usually quickly integrates firms it acquires under its own name, Godfrey Merritt Robertson will retain

Continued on page 54

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Continued from previous page
its name for now as it has such a presence in the P&I market, said Mr. Shaw.

Lowndes only accounted two months of Godfrey Merritt in its gross revenues, but these months total most of the group's annual revenue because P&I reinsurance programs renew on Feb. 20.

Meanwhile, Mr. Shaw does not rule out further acquisitions, but the broker has no plans simply to acquire for the sake of growing. "Our strategy is to make acquisitions where we can merge them into the group effectively. We have been careful to make acquisitions where the people are complementary and fit and we will continue to fulfill that strategy," he said.

Lowndes has no plans at the moment to move into the U.S. retail brokerage market via acquisition because the "cost of entry is so huge," Mr. Margrett said.

Other acquisitions in the last few years include the May 1993 purchase of the brokerage and financial services operations of Norex P.L.C.; a 20% stake in Belgian broker Thibault Colson de Nef S.A. and the more recent purchase of Auckland, New Zealand-based commercial broker Purdy Sterling Ltd., now doing business as Lowndes Lambert (New Zealand) Pty Ltd.

Another important development during the last year has been restructuring Lowndes' operating divisions from five main divisions to three: marine and aviation; U.K. non-marine; and international.

"We were finding a lot of contracts were overlapping between divisions and a lot of things were becoming very similar," he explained.

As a result, the North American division became integrated into the international division, "as many of the placing brokers (in each division) were going to the same" insurers, said Mr. Margrett.

For example, many London underwriters, particularly Lloyd's of London syndicates, which have traditionally specialized in North American business, now are writing more non-U.S. international business because they often cannot compete with the soft U.S. domestic market, said Mr. Margrett.

In addition, the former professional indemnity division has been integrated within the U.K. non-marine division because the expanding U.K. retail operations mean more growth in retail professional indemnity business, said Mr. Margrett.

The consolidation has led to streamlining, improving costs and effectiveness, said Mr. Margrett. Some cost reductions have been achieved through back-office staff cuts and the reduction of management, "without losing those we didn't want to lose," he said.

Changes in senior management include the move of Michael Barnfield, who ran the former North American division, to chairman of the U.K. non-marine division, and the appointment of John Crisford, previously a non-executive director of the professional indemnity division, to managing director of the non-marine division.

The streamlining also has resulted in a reduction of Lowndes Lambert offices worldwide to 58 from 65, of which 15 are located in the United Kingdom and the remaining 43 are around the globe. Fueled by the acquisitions, the number of employees has increased 8% to 1,776 from 1,668 in 1993. Revenue per employee, meanwhile, increased 19% to £88,290 from £74,128 (to $85,130 from $75,126).

Overall, Messrs. Shaw and Margrett are happy with the progress during the last year, though some areas have fared less well than others due to poor market conditions or increasing competition.

For example, the marine and aviation division suffered from lower insurance rates generally and on the oil and gas side in particular, noted Mr. Margrett. However, Lambert's oil and gas brokers maintained revenues by seeking out new business and maintaining a buoyant political risk account, he said.

The U.K. non-marine division saw many changes with the acquisition of WHH, which has increased its regional retail accounts and strengthened its life and pension business. Although the market in the United Kingdom for personal financial services is currently in a decline, Mr. Margrett believes Lowndes can use its financial services skills to tap into the corporate pension needs of its growing U.K. clients. Although U.K. citizens have a state-provided pension, most employers offer supplemental pension plans.

In the international division, the group's treaty reinsurance broker Kinonmonth Lambert Ltd. performed well and attracted new business, said Mr. Shaw.

"Recent investment in people and systems is paying off. We are very pleased with the non-marine business and are now looking to expand the marine business through hiring new staff and possibly acquiring (another broker)," said Mr. Margrett.

On the wholesale side, the group's substantial construction account is looking up following several years of global recession in the construction industry, he noted.

Lowndes Lambert is a specialist in the construction industry and is continuing to expand its contacts worldwide.

As a result of increased levels of activity, particularly in Hong Kong, Lambert Brothers Insurance Brokers (Hong Kong) Ltd. produced good results last year, he said.

The company's Australian activities also increased as the retail business and construction side improved. Lowndes Lambert Australia Pty Ltd. also last year acquired New Zealand commercial broker Purdy Sterling Ltd., increasing the broker's presence in Australasia.

In Canada, Lowndes Lambert continues to focus on wholesale business and has no plans to expand into retail brokering.

In the United States, Lowndes Lambert started a small armored

Continued on next page

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Continued from previous page
car brokerage business in Connecticut, called Lambert Green Inc. And Ambrit International Insurance Inc., its specialist wholesale energy broker in Houston, had a good year, Mr. Shaw noted.

Lowndes' European operations, which generally performed less favorably, are one of the broker's priorities for improvement during the upcoming year—particularly Germany, Italy and Scandinavia, Mr. Shaw said.

Leipzig, Germany-based Lowndes Lambert Deutschland A.G. is making slower progress than anticipated, he said.

And, business was flat for Italian subsidiary LLG Italy S.p.A., Lowndes Lambert Estonia A/S and Oy Lowndes Lambert Finland Ltd., but Lowndes Lambert Norway A/S fared better, he said.

Satisfactory trading results were achieved through Lowndes Lambert's 45% shareholding in Paris-based broker La Securite Nouvelle S.A. and its 20% stake in Brussels, Belgium-based broker Thibault Colson de Nef S.A., noted Mr. Shaw.

Meanwhile, the company continues to keep its eye on developments in the former Eastern European states through joint ventures such as London-based Lonzag Ltd., a brokering agreement with the Croatian insurer, Slavija Lloyd Reinsurance Ltd.; and Lonmac Ltd., an agreement with the Insurance & Reinsurance Co. of Macedonia.

A similar Hungarian joint venture also is being examined by Paris-based LSN, he said.

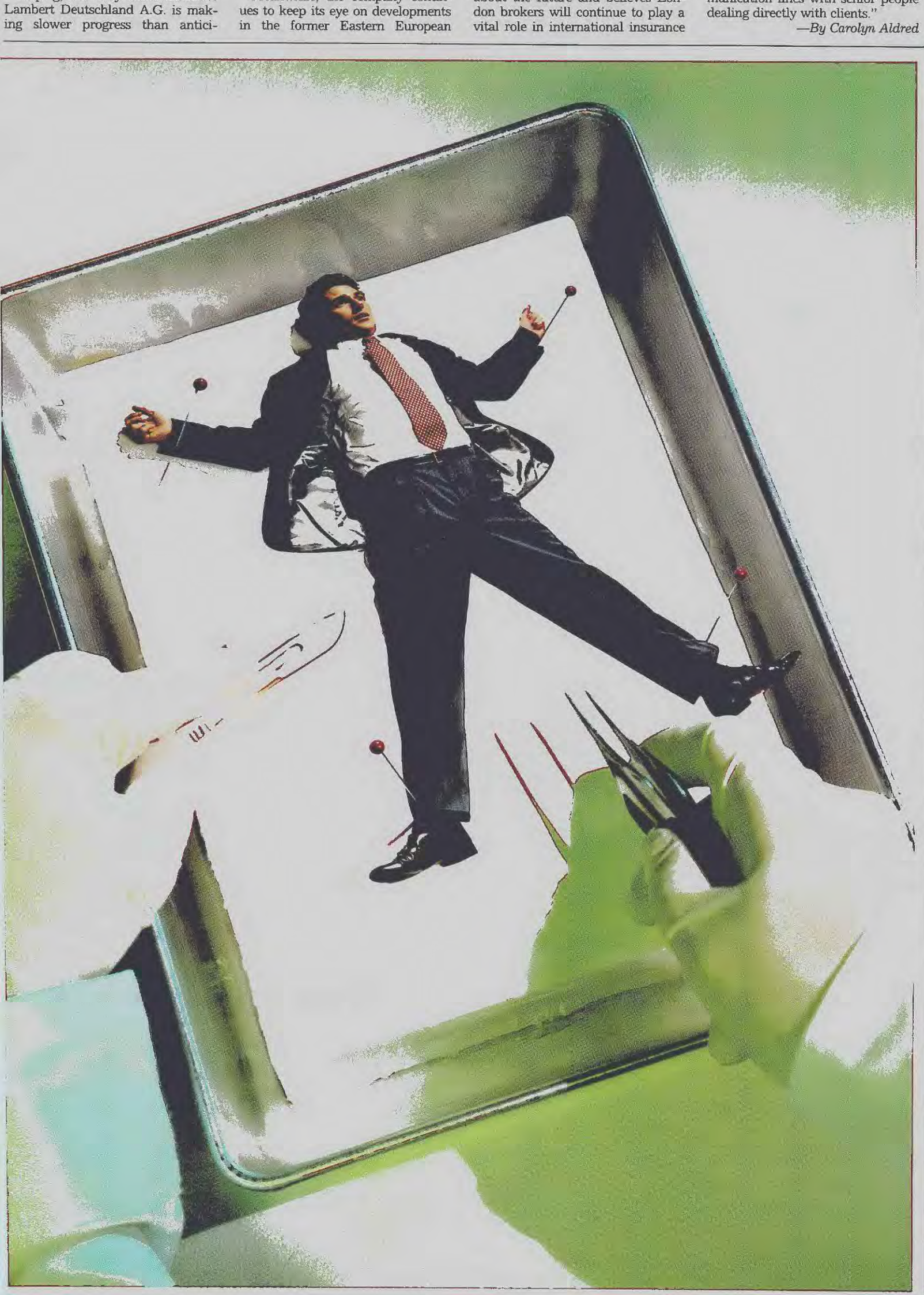
Despite the recent upheavals among insurers and reinsurers in the London market as well as Lloyd's, Mr. Shaw remains bullish about the future and believes London brokers will continue to play a vital role in international insurance and reinsurance.

Most clients "find that the London market is very much the place still to come to. There are excellent brains here and no problem with capacity," he said.

Mr. Shaw also is confident that Lowndes Lambert will hold its ground in the years ahead.

As a medium-sized broker among the world's top 20, he feels that Lowndes Lambert is "big enough to serve its clients (around the world) but small enough to have short communication lines with senior people dealing directly with clients."

—By Carolyn Aldred



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Hilb, Rogal & Hamilton Co.

4235 Innslake Drive, P.O. Box 1220, Glen Allen, Va. 23060-1220; 804-747-6500; fax: 804-747-6046

	1994	1993*
Premium volume	$950,000,000	$925,000,000
Gross revenues	$140,809,614	$141,656,180
Brokerage: Retail	74%	73%
Personal	16%	17%
Services	7%	7%
Investment income	3%	3%
Employees	1,630	1,640
Rev./Employee	$86,386	$86,376
Offices	52	52

** Restated.*

Three major initiatives—one focused on the past, one on the present and one on the future—set the direction for Hilb, Rogal & Hamilton Co. during the past 12 months.

Looking back, the Glen Allen, Va.-based brokerage virtually has completed a long-term initiative of shedding offices that did not perform to corporate standards.

Now, it is engaged in a major stock repurchase program, an initiative that should be completed this fall.

And looking ahead, HRH's board named Andrew L. Rogal president and chief operating officer of the brokerage, spelling out the line of succession when Robert H. Hilb, the brokerage's chairman and chief executive officer, retires. Mr. Rogal, son of one of the brokerage's three founders, was executive vp of the company and assumed his new titles Feb. 8.

Mr. Hilb makes clear, however, that he's not planning to take up golf full time anytime soon.

"Everybody wants to be sure that a replacement is in position and certainly it means that he will be my replacement. But there isn't any set time. I've been saying for four or five years that God willing and I feel good, that I'll keep going. At this moment, we haven't picked out a date, whether it will be a year from now, two years from now, five years from now," said Mr. Hilb.

"We're excited about the coming year. We're excited about Andy and what he's going to bring to the table," he said.

"I would guess that we will have as good a year in 1995 as we did in 1994, but I don't make predictions," said Mr. Hilb.

And in terms of profitability, 1994 was a good year for HRH. Even though gross revenues dropped marginally to $140.8 million from a restated $141.7 million in 1993, the company's profits grew by 37.4% to $11.4 million from $8.3 million a year earlier (*BI*, Feb. 20).

HRH's gross revenues placed it No. 16 on the *Business Insurance* world's 20 largest brokerages ranking, a shift down one notch from last year's rank. The portion of HRH's revenue attributable to commercial brokerage grew by a single percentage point to 74% in 1994 compared to 1993.

The broker's increase in profitability reflected a 5.1% cut in total expenses to slightly more than $122 million in 1994 compared to nearly $128.6 million in 1993.

Mr. Hilb said that while the brokerage continues to pursue savings aggressively, "there are no controls from the standpoint that you can't do this or you can't do that." There has been no hiring freeze and no wage freeze, he said.

Continued on next page

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There also has been no freeze on acquiring agencies to further HRH's traditional strategy of growth through acquisition. HRH acquired eight agencies in 1994. Those acquisitions came in: Mesa, Ariz.; Anaheim, Fresno and San Raphael, Calif.; Rockville, Md.; Dallas; and two in Grand Rapids, Mich. Since the first of the year, HRH has acquired agencies in Benicia and San Raphael, Calif.; Denver; New Haven, Conn.; and Houston. And HRH just completed the process of acquiring two agencies in Baltimore.

HRH would like to expand in the Midwest, where it has operations only in Grand Rapids, and in the Pacific Northwest, where it has no presence, Mr. Hilb noted. Lacking offices in these regions represents "a big void in our company," he admitted.

If HRH can "find something that fits with us, we'd make a deal in minute," he said, adding that "we have certain parameters we have to stay" within. The parameters for a potential acquisition in a new geographic area include at least $3 million in annual revenues, an ability to mesh with HRH's corporate cultural and expertise in handling a broad range of accounts.

HRH did get closer to its goal of adding an office in the Pacific Northwest earlier this month, albeit in a roundabout way. On July 1, HRH acquired Hayhurst Elias Dudek of Winnipeg, Manitoba, Canada. In addition to its headquarters in Winnipeg, Hayhurst Elias Dudek has offices in Calgary and Edmonton, Alberta; Montreal; Toronto and Vancouver, Canada's principal Pacific Northwest port.

"We wanted to stick our toe in the water" of international operations, said Mr. Hilb. Canada's proximity made it a much more attractive beachhead than Europe or elsewhere, he said.

The acquisition, which will do business as Hilb, Rogal & Hamilton of Canada Ltd., "is a regular across-the-board insurance agency," said Mr. Hilb. However, it does focus much of its efforts on association business. Art Elias, the acquisition's current head, was named CEO of the new unit.

HRH also is completing an initiative it launched 18 months ago to sell off offices that do not meet its long-term goals. "We concluded at end of '93 that there were certain of our offices that just couldn't be rehabilitated," said Mr. Hilb.

The management in some acquired offices could not accept HRH's corporate culture. Other offices presented other problems. As a result, HRH withdrew from San Diego, Hartford, Conn., and Memphis, Tenn., in 1994, and in early 1995, divested itself of its Green Bay, Wis., office.

"We think that we now divested the offices that were causing us consternation," he said.

HRH was a $15 million agency when it was founded in 1982, with 15 offices in a handful of Southeastern states. Mr. Hilb and the other founders had to borrow about $17 million to launch the company. The last of that debt was paid off early this year, with HRH having become a national brokerage generating gross revenues of more than $140 million "with no debt other than some mortgages on some buildings," Mr. Hilb said. "From this little bitty company 13 years ago, we now have a company that's doing spectacularly well."

HRH has embarked on a program of significant repurchase of its own stock. Mr. Hilb pointed out that this strategy means that HRH cannot carry out pooling of interest acquisitions, one of the ways it traditionally has acquired new businesses.

"We're in process of aggressively buying back more than 1 million shares of our stock. We think it's the best buy we can find. In looking at acquisitions, right now the best acquisition we can make is our own stock," he said.



'I think that our growth is going to come from our internal sales. We've brought a lot of additional tools to our sales force,' says Robert Hilb.

The effort began in April, and HRH hopes to complete it by end of the third quarter, he said.

HRH's stock price ranged from $11 to $13.38 per share in 1994. The stock, which is traded on the New York Stock Exchange, closed at $12.13 a share on July 7.

Mr. Hilb said that although he remains disappointed with general market conditions, 1994 was "a good year." The market remains "just the same as it has been for the past eight years," he said. "It's competitive, but I don't think it's more competitive today than it was a year ago or two years ago. Other than the same old story that there's pockets of this and pockets of that, the market is just the same way its been for a long, long time."

The exception is Florida property exposures, which are not soft. On the other hand, the once-troubled California workers compensation market is very soft, he said.

To compete in that long-term market, Mr. Rogal has been charged with ensuring HRH has internal growth, said Mr. Hilb.

"I do see a slight improvement in new sales. I think our offices seem to be able to produce better results for us, and I attribute that to Andy and what he's doing with the offices. When they have someone who's really concentrating on that area of leadership, you do get some results," he said.

HRH continues to pursue a Main Street brokerage strategy, targeting accounts that many other large brokerages would consider too small, said Mr. Hilb.

"It's our bread and butter. A $100,000 account is a damn good account," he said, adding that HRH also has accounts that generate larger premiums.

HRH doesn't pursue any particular industry segment, allowing individual offices to determine that themselves. "It all depends on what the office's specialty is," Mr. Hilb said.

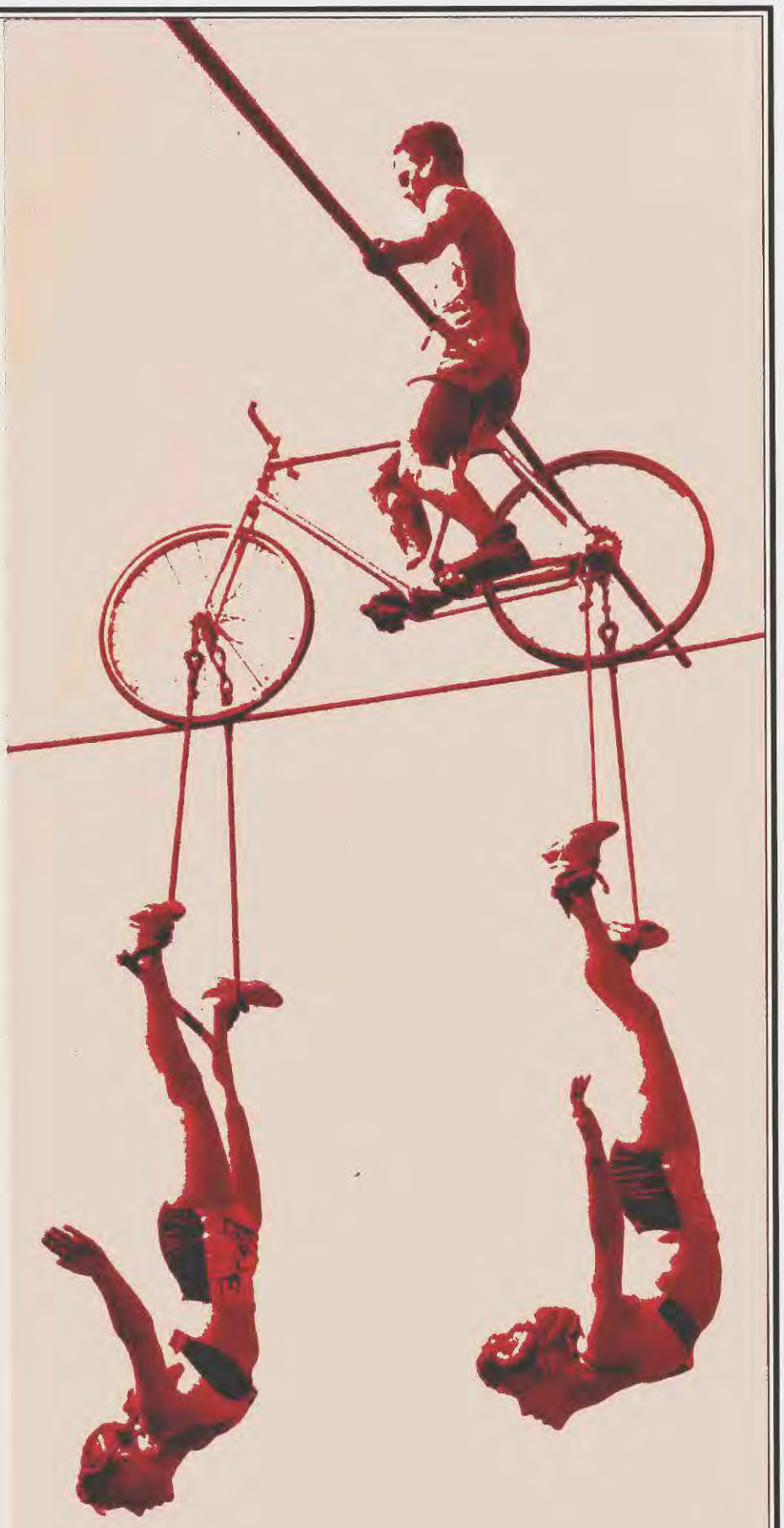
"I think that our growth is going to come from our internal sales. We've brought a lot of additional tools to our sales force. Whatever the offices are comfortable with whatever business they can talk about. . . .Whatever the particular office and particular producers are interested in, we're going to enhance it, we're going to help them, and we're going to see to it that we get as much of that business as we can.

The cash compensation, including salaries and bonuses, paid to HRH's five highest compensated executives according to Securities and Exchange Commission filings, were:

Robert H. Hilb	$535,00
Andrew L. Rogal	$325,00
John C. Adams Jr.	$300,00
Ronald J. Schexnaydre	$232,00
Timothy J. Korman	$147,00

—By Mark A. Hofman

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ABN-AMRO Verzekeringen B.V.

Bernhardstraat 1, Zwolle, Netherlands; 31-38-992106; fax: 31-38-225948

	1994	1993*
Premium volume	$742,500,000	$688,640,000
Gross revenues	$121,000,000	$123,740,000
Brokerage: Retail	55%	56%
Wholesale	1%	2%
Personal	32%	30%
Services	6%	7%
Investment income	6%	5%
Employees	1,300	1,400
Rev./Employee	$93,077	$88,386
Offices	33	33

Converted at applicable exchange rates.
** Restated.*

ABN-AMRO Verzekeringen B.V. held its grip on an unwieldy Dutch market in 1994 by thinking small and shifting priorities.

Zwolle, Netherlands-based ABN-AMRO is counting on that strategy to reverse a three-year decline in gross revenues.

Formed in 1991 in the wake of the Netherlands' largest bank merger, ABN-AMRO represents the union of insurance brokerages owned by Algemeine Bank Nederland and Amsterdam-Rotterdam Bank, which formed ABN-AMRO Bank N.V.

Jan F. Haverkort, senior vp and newly installed director of commercial lines brokerage, blames problems in adjusting to the merger for the broker's declining commercial market position.

"Departments weren't working well and too little energy was focused outward. But that's changed. Now we're now bringing in business from outside," rather than relying too much on business from the bank's clients, he said.

A management shakeup last year placed Mr. Haverkort, a former ABN AMRO Bank executive, at the head of the insurance brokerage. He replaced Hans Bosman, who became director of Consultass, ABN-AMRO's pension consulting arm.

The new leadership also refocused attention on ABN-AMRO's large base of small and midsize commercial clients, which make up the bulk of its customers.

"One problem we saw in the market was that insurance for smaller companies was just too complicated," said Mr. Haverkort. "They wanted a simple product that filled basic insurance needs." After assessing risks for various types of industries, the brokerage is developing a generic commercial package policy whose limits will vary according to the policyholder's sales volume.

"It will save us a lot of individual risk assessment we cannot afford and give clients a simple product at a better price," he said.

The brokerage also continues to utilize ties to its parent, ABN-AMRO Bank, to serve and win the business of smaller commercial clients that are also bank customers. Overall, 15% to 20% of ABN-AMRO Bank's customers are also clients of its brokerage.

"The bank is a key asset in our business," since customers trust the bank, Mr. Haverkort said. "In many cases, we can offer new products we feel companies need with bank-owned insurers. That is especially valuable to crafting solutions for small companies."

In addition to the brokerage, ABN AMRO Bank also owns two insurance companies, a non-life insurer called Schadenverzekeringen N.V. and a life insurer, ABN-AMRO Levensverzekeringen N.V.

Mr. Haverkort expects the broker's development of "simple products" for smaller commercial clients to fuel a turnaround in revenues, which he said are up 10% in the first half of the year.

Gross revenues fell 4% to 220 million guilders in 1994, from 230 million guilders a year earlier. 1993 revenues had plunged 11.3%, while 1992 revenues fell 2.3%.

Converted to U.S. dollars using average exchange rates, ABN-AMRO remained the world's 17th-largest broker based on 1994 revenues of $121 million, down 2.2% from $123.7 million a year earlier.

One positive factor for the brokerage is a growing book of life insurance brokerage business, which is made easier by the life insurance affiliate owned by the bank. The affiliation has helped the brokerage design and offer certain life insurance and annuity products for corporate and individual clients.

Indicative of the growth in this

'One problem we saw. . .was that insurance for smaller companies was too complicated,' says Jan Haverkort.

sector, the life insurer saw premium volume soar to 105 million guilders ($57.8 million) in 1994 from 17 million guilders ($9.1 million) in 1993.

Changes in the Dutch political and economic climate are also expected to mean new growth for the broker, said Mr. Haverkort. Dutch legislators last year modified tax laws, which have hampered ABN-AMRO's life and pension sales since 1992.

"New regulations allow employers to arrange income tax-free saving schemes for their employees of up to 2,500 guilders ($1,617) per worker per year. Employees can use these funds for purchasing extra retirement benefits," like life insurance, or put them in savings accounts, said Mr. Haverkort. The broker expects a 30% increase in the volume of life insurance it places this year, largely due to the growth of private pension plans.

"The government has cut social security benefits and placed more responsibility on the private sector," said Mr. Haverkort. "As a result, our clients need solutions for risks they didn't have in the past."

Dutch health care and workers compensation reforms placed additional pressure on ABN-AMRO clients—and created new opportunities for the broker.

Beginning this year, "employers must pay employee sick leave for a full year without government assistance. Until now, their liability was limited to two or three weeks," Mr. Haverkort said.

In addition, changes in Dutch legislation to take effect next year will place much of the burden for workers compensation benefits on the private sector. "What used to be the responsibility of state-run (disability insurance) plans called *Bedraefsvereinigingen* will in future be in the hands of companies," he explained.

As a result, the brokerage has gained new clients seeking to purchase coverage for their expanded exposures. ABN-AMRO, among other things, has designed a product that meets both sickness and workers comp disability insurance needs.

"Again, we sought the simplest solutions possible," said Mr. Haverkort.

ABN-AMRO also gained new clients as a result of the government's ongoing privatization program, in

Continued on the next page



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Continued from previous page
which many entities formerly uninsured are purchasing insurance for the first time.

In addition to corporate clients facing new exposures, ABN-AMRO also was challenged to help companies cope with a firming market for property insurance in the Netherlands.

Property insurance rate hikes were widespread last year, which continues a trend of the past few years of insurers seeking to price themselves back to underwriting health.

"Jumps of 25% were common," said Mr. Haverkort. With property insurance rates rising like that, many businesses re-examined their strategies for risk financing and considered whether they could afford to take on higher retentions, he said.

But, after considering alternatives such as a higher deductible or self-insurance, many swallowed the rate hikes.

One popular solution is the so-called "FLEXA" property insurance policy, which covers only catastrophic property losses like fire, lightning, explosion and aircraft collision.

Many of ABN-AMRO's clients are multinational and require insurance solutions for their operations in other countries.

Therefore, the brokerage has cooperation agreements with several international brokerages, including Jauch & Huebener KGaA, Sedgwick Group P.L.C. and Willis Corroon Group P.L.C.

Despite those ties, ABN-AMRO still had problems last year finding capacity to meet the U.S. product liability coverage needs of its clients.

Dutch insurance companies mostly did not want to touch U.S. product liability, Mr. Haverkort said.

"A Dutch manufacturer of paper recycling machinery needed coverage for exporting to the U.S.A., including vendors liability. We solved this by arranging coverage with international insurance companies via the Dutch Insurance Bourse," said Mr. Haverkort.

The Bourse is an insurance exchange in Amsterdam and Rotterdam at which brokers can solicit bids from underwriters to take shares of large risks.

ABN-AMRO last year also was challenged to find political risk insurance coverage for its parent company.

The coverage was placed in the London market, and the bank uses it to back lines of credit for clients exporting to Africa and Eastern Europe.

"With the bank behind us, we feel credit insurance is something we can expand on," said Mr. Haverkort.

ABN-AMRO saw increasing demand on the part of corporations for commercial casualty insurance. "Capacity problems, which we confronted two years ago, are no longer a problem," said Mr. Haverkort.

As a result, he said, the brokerage was better able to help its clients, whose environmental and product liability exposures have grown, largely due to changes in European Union directive and in the environmental laws of the member states.

The brokerage is also particularly active in placing medical malpractice liability insurance for physicians and hospitals.

—By Don Lewis Kirk

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CECAR

75 Rue de Tocqueville, 75017 Paris, France; 33-1-4-415-5500; fax: 33-1-4-415-5505

	1994	1993*
Premium volume	$1.27 billion	N/A
Gross revenues	$110,410,000	$98,058,000
Brokerage: Retail	85%	86%
Reinsurance	3%	2%
Personal	2%	2%
Services	2%	2%
Investment income	8%	8%
Employees	699	60
Rev./Employee	$157,954	$161,28
Offices	44	4

Converted at applicable exchang rates.
** Restated.*

France's second-biggest insuranc broker, Cie. Europeenne de Courtag d'Assurances et de Reassurances continues to grow as a result of plac ing coverage on behalf of its majo shareholders and aggressive pursui of new accounts.

Many of Paris-based CECAR's in vestors are also its biggest client and refer their own and others' busi ness to the broker, which benefit both parties.

Given that trend, the acquisitio by automaker Renault S.A. of small stake in CECAR in Marc could signal additional growth.

CECAR Co-President Philipp Carle noted, for example, tha Renault—which is already a client the broker—has plans to expand i manufacturing facilities in Sout America, investing $1 billion in Br zil and $500 million in Argentina.

As multinational clients expan their operations, CECAR expects be along for the ride, placing cove age and providing needed services.

"That's where we are, because t growth is there," said Mr. Carle.

CECAR also is looking to a pote tial new investor in Italy to open t door to new opportunities a growth in that market.

Although he did not say when might happen, Mr. Carle said "one the major" Italian industrial grou will likely become a shareholder CECAR.

Business placed on behalf shareholders is a significant reas for CECAR's success. The compa is 51% owned by an investor gro called CECAR Participation. CEC directors and management hold 7 of the investor group's shares, wh French industrial and financial ho ing company, Suez Group, ho 22.5%; Rhone-Poulenc has 5%; a Renault 2.5%.

The remaining 49% stake in C CAR is held by: Inchcape P.L. parent of U.K. broker Bain H Group, with 27%; the Carle fam and directors, with 14%; and t major French energy companies, Aquitaine S.A. and TOTAL S. each with 4%.

This mixed ownership has hel CECAR to become one of the larg brokers in Europe with control maining in the hands of its mana ment. "We want to keep that str ture, because we think it's the b motivation for the team," said Carle.

The investment by various ind trial companies also has helped it come one of the biggest broker Europe for industrial risks.

"All this group is international this pushes us to be and to think ternationally every day. In follow this type of client, it's an opportu really for us to find either new n kets or new opportunities," he sai

Thanks in part to having Aquitaine and TOTAL as shareh ers, CECAR has developed a str specialty in energy insurance.

Continued on next p

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GA GENERAL ACCIDENT INSURANCE

Continued from previous page

CECAR is also using its expertise to market spare capacity in the French energy insurance sector elsewhere, particularly in Asia and South America.

One client gained as a result of this capability is recently privatized Argentinean petroleum company YPF.

Another shareholder that has created opportunities for CECAR is the British conglomerate Inchcape.

A year ago, Mr. Carle said Inchcape might increase its stake in the French brokerage. This has not happened, but it might still come to pass during the year.

"We are exploring restructuring of our capital in '95," which could lead to Inchcape increasing its stake in the broker this year, Mr. Carle said. However, he added, "The Inchcape group has no intent to control CECAR, and the other partners have no intent to be controlled by Inchcape."

CECAR and Inchcape are "good partners and what we try to do is to reinforce our common views concerning the international network," said Mr. Carle. "That means we are going to use more and more the Inchcape organization in the countries where they have an office."

These areas would include Belgium, Germany, Greece, Italy, Luxembourg, Portugal and Switzerland, in addition to France, the Far East, the countries of the British Commonwealth and North America.

The two already have one joint office in Hong Kong, CECAR Inchcape Asia, which is a partnership between CECAR and Inchcape Insurance Holdings (Hong Kong) Ltd.

The Hong Kong venture is concentrating on marketing to French and German multinational companies which have operations in Asia.

Nearer to home, there is the possibility of closer links with Bain Hogg's European units "in order to become one of the largest brokerage firms in continental Europe," said Mr. Carle, adding the two sides complement one another.

Bain Hogg is good at handling small to medium-sized accounts, while CECAR has greater experience with big accounts, the executive said.

In addition to obtaining business contacts from its shareholders, CECAR also aggressively pursues new business.

Two major clients won last year in the face of stiff competition are the Italian-owned concrete maker Ciments Francais and French foods group Bongrain. Together, they operate in about 25 countries. Property/casualty premiums for each exceed $10 million.

Mr. Carle said CECAR expects this year we are going to have at least two more successes of this type."

CECAR also is continuing to pursue the account of Arianespace, the French-based satellite launch organization owned by the European Space Agency. Although the broker is now an adviser to some of Arianespace's suppliers, "we know that it will take some years" before CECAR is named the broker of Arianespace, Mr. Carle said.

Marketing successes helped CECAR increase gross revenues in 1994 to 610 million French francs, up 10.1% from 554 million French francs in 1993.

Converted to U.S. dollars using average exchange rates, CECAR ranks as the 18th-largest insurance brokerage in the world, based on gross revenues of $110.4 million in 1994, up from $98.1 million in 1993.

Since the early 1980s, CECAR has been expanding its international network, and it currently has 10 subsidiaries abroad generating about 30% of the company's revenues.

Spanish unit IberCECAR was set up in 1986, and through acquisitions has become Spain's fourth-largest broker, Mr. Carle said.

In Italy, CECAR has an 80% stake ItalCECAR, formerly known as Eurocourtage.

Portuguese participation is through its 50% stake in broker CECAR Inchcape Portugal.

Other international units are CECAR Belgium and CECAR Deutschland, which is a joint venture with German broker Wesselhoeft, Ahlers & Schues K.G.

In addition, an Eastern European partnership agreement with broker Risiko Service International, owned by UAP International, gives CECAR a presence in Hungary, the Czech Republic, Slovakia and Austria.

CECAR expects to soon open an office in Tunisia, pending expected approval from the government. That follows CECAR's recent appointment as broker to the national oil company, Entreprise Tunisienne de Petroles.

In moving into Tunisia, CECAR is keeping pace with French broker Gras Savoye S.A., which opened a Tunisian office in June.

On its home turf, CECAR recently acquired a one-third share in Le Havre-based Cabinet Guian, one of the country's largest marine brokers. It has been agreed that CECAR will take complete control of this company within two years.

"This reinforces all our activities in marine, cargo and hull transportation, and now we are one of the leaders, if not the leader, in this area" in France, said Mr. Carle.

There are more possible acquisitions in France under discussion. However, the only one Mr. Carle would mention is a deal that is "close" to being completed with Franchelli & Louvet, another broker to Renault.

In any acquisition, CECAR is looking for two things, Mr. Carle said.

The first is that any purchase should enable CECAR to better serve its main clients, and the second is either to consolidate some of its activities or to acquire new technologies in areas where it is not strong enough today.

CECAR has been instrumental in helping companies deal with the risk financing problems arising from the decision of French insurers to withdraw pollution coverage last year.

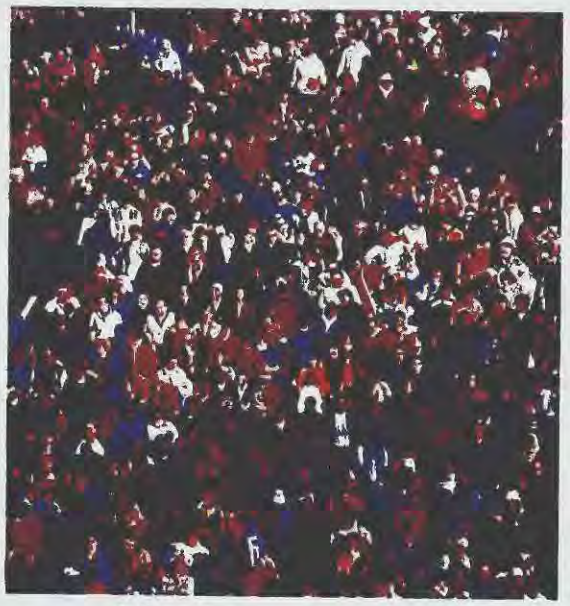
As a result, CECAR has been arranging alternative financing for companies. Mr. Carle said the broker deals with captives and programs like financial reinsurance with the help of reinsurers or banks.

Other areas in which CECAR hopes to grow in the future include employee benefits and mass marketing, such as setting up programs for employers or consumer finance companies to market personal lines coverages to employees and customers.

Mr. Carle also expects to see development in credit and political risk business.

—By Edwin Unsworth

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Groupe Le Blanc de Nicolay

134 rue Danton, F-92300 Levallois-Perret Cedex, France; 33-1-47-59-11-11; fax: 33-1-47-59-93-82

	1994	1993*
Premium volume	N/A	N/A
Gross revenues	$100,455,000	$90,978,000
Brokerage: Retail	37%	39%
Reinsurance	55%	54%
Investment income	8%	7%
Employees	500	500
Rev./Employee	$200,910	$181,956
Offices	5	5

Converted at applicable exchange rates.
** Restated.*

Like its two bigger French competitors, Groupe Le Blanc de Nicolay, the third-largest French insurance brokerage, improved its financial performance in 1994.

Unlike its rivals, however, GLN was the target of an unsolicited takeover bid last year, by Marsh & McLennan Cos. Inc. In the end, talks between the two companies stalled when they could not agree on terms.

Olivier du Passage, GLN deputy managing director, said there are no other potential buyers in the picture—and this suits the company just fine. In fact, far from being acquired, it continues to look for a major acquisition in Europe.

Faced with an average decrease of around 10% in rates for non-proportional reinsurance, which is a large part of the group's reinsurance brokerage revenues, GLN's improvement all came from the acquisition of new business, he said.

An 8% increase in gross revenues to 555 million French francs from 514 million French francs in 1993 helped move Groupe Le Blanc de Nicolay up a notch in the *Business Insurance* rankings.

When gross revenues are converted to U.S. dollars, GLN ranks as the 19th-largest broker in the world with gross revenues of $100.5 million in 1994, up 10.4% from $90.9 million in 1993.

Mr. du Passage said the company last year also increased its share of the market in which it does business.

Landing new business and increasing revenues when rates were not increasing was "satisfactory" for GLN, and 1995 should show the same trend, said Mr. du Passage. "There again it will have a decrease in rates of approximately 8% to 10%, now that all the storms in France have been paid back to reinsurers."

The company owes some of its success to brokering business obtained from non-traditional sources.

In France, it has been the broker of the direct mutuals, which now control more than 50% of the private vehicle market. "We are a broker for the banks distributing insurance, for the direct phone companies, for any kind of mass distribution really," said Mr. du Passage. He explained that this role will increase in importance because "the revolution of the end of the century will be in the distribution of mass products."

An important example of new business in 1994 is a contract awarded by the International Telecommunications Satellite Organization to International Space Brokers, a Rosslyn, Va.-based consortium which includes GLN, Crawley Warren & Co. Ltd. and Frank Crystal & Co. Inc.

The consortium will place $2 billion worth of coverage for 10 launches by Washington-based Intelsat between 1995 and 1997. The premium is approximately $185 million, making it the biggest satellite insurance contract since commercial coverage of orbiters began in the 1960s. It was also GLN's "major success" of last year, said Mr. du Passage.

GLN, he said, places some business from the consortium in France "with more and more success and very good support from the insurance and reinsurance market."

The consortium also hopes to broker insurance for a major French aerospace manufacturer that Mr. du Passage would not identify.

Paris-based GLN, founded in 1928, is still 44% owned by two families—the Nicolays and the Rediers. A 40% stake is held by insurance company clients of its reinsurance broker branch. These include: Societe Centrale d'Etudes et de Participations, a subsidiary of the French Agricultural Mutual System, which holds 30%; Financiere du CIC et de l'Union Europeenne with 7.5%; and Group GAN with 3%. Groupe Schneider owns 7.5%, and miscellaneous other entities hold the remaining shares.

The group is divided into two branches: Le Blanc de Nicolay Assurance, the insurance broking arm specializing in industrial risks, fleet auto business and employee benefits which last year accounted for 37% of gross revenues; and Le Blanc de Nicolay Reassurance, which contributed 55% of revenues. The remaining 8% came from investment income.

Growth through these "two strong feet—insurance and reinsurance," is GLN's main goal, said Mr. du Passage.

For more than a year, LBN Assurance has been looking to buy a major European retail broker to strengthen its retail operations. The resources for such an acquisition remain on hand—in fact, they have increased following GLN's improved results—but finding the right company at the right price has proved elusive. "We didn't find the right one, but we're still very much studying files for an acquisition," he said.

A Continental European broker, including one in France, is the most likely acquisition choice. Takeover of a British broker would be considered, but GLN acknowledges that most are beyond its means, and would be "extremely careful regarding the past of the British brokers. Were GLN to expand into the U.K. market, it would most likely be through opening its own office or in association with another broker, said Mr. du Passage.

Last year LBN Assurance developed and began marketing an environmental liability policy. Most insurers in France have stopped writing the coverage altogether.

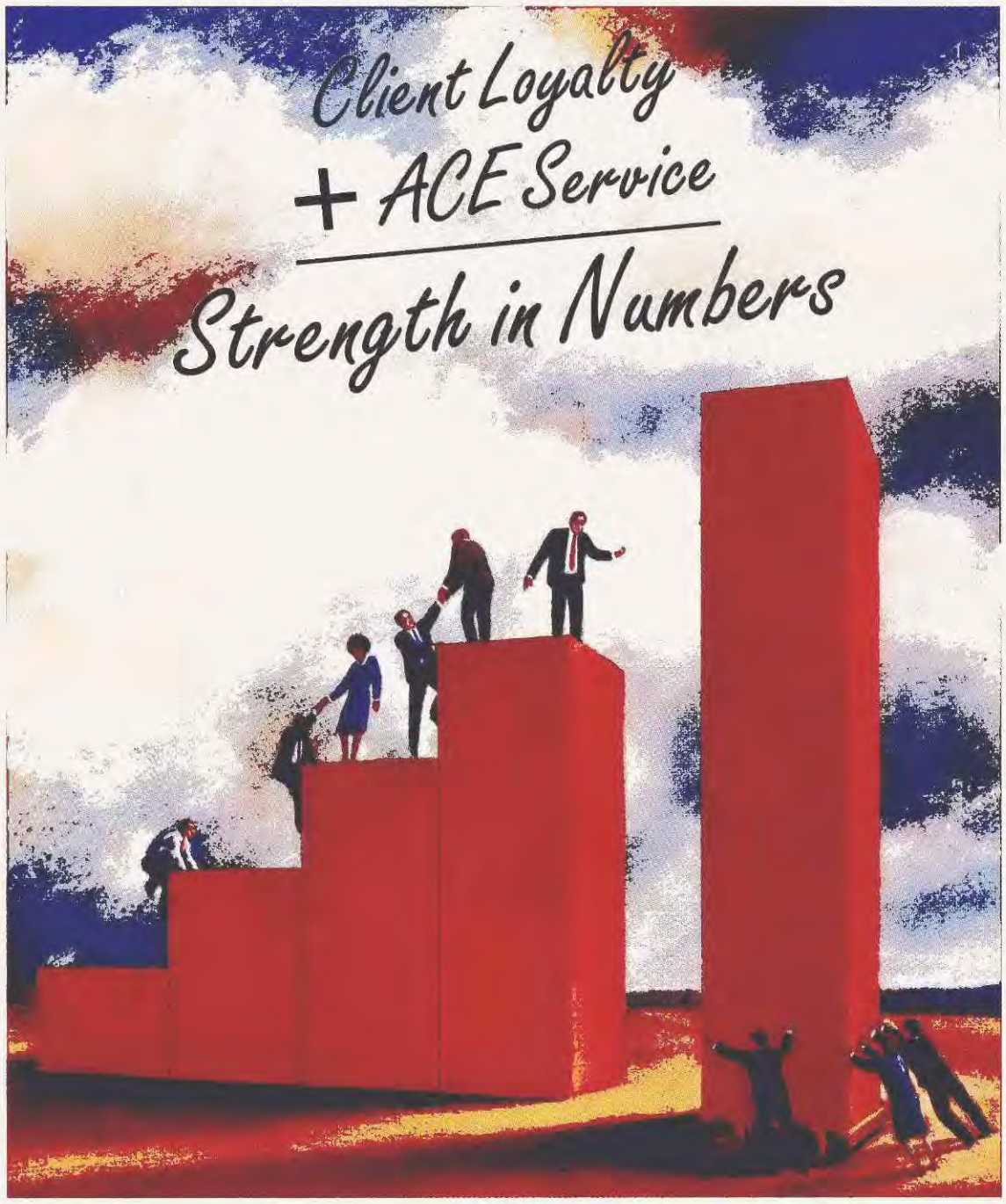
Sales have been modest so far for the policy, which is designed for small to mid-sized companies.

One major customer has signed on though. The Federation des Industries Mechaniques, a group of about 7,000 engineering firms, bought the coverage for its members, said Jean de Fumichon, LBN Assurance managing director.

He added that LBN Assurance is "working hard" to market the policy to customers in other areas.

The other side of the group, LBN Reassurance, meanwhile, had what Mr. du Passage described as a "fair" year in 1994. As in past years, growth was mainly internal rather than through acquisitions. The proportion of revenues originating in France fell to around 60% in 1994 from 66% the previous year, reflecting both exchange rate fluctuations and greater growth outside France.

Continued on next page



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"The growth has been very satisfactory in Belgium, Italy and the countries of the Eastern Bloc, especially Czechoslovakia and Poland," Mr. du Passage said. German results were "good, although the figures were not where we would like them to be" in not matching the rest of the market. Results from France and Spain were "steadier." Japanese business was flat, while that from the United Kingdom and Scandinavia proved disappointing in the face of "very fierce competition with the London brokers."

On the U.S. side, apart from its stake in the space consortium, GLN has a New York subsidiary, Le Blanc de Nicolay U.S., which places property and casualty reinsurance in Continental European markets for U.S. companies.

To help maintain what Mr. du Passage said is GLN's No. 1 position in French reinsurance brokerage, the company is examining prospects for placing new types of coverage.

Political risk coverage is one avenue being explored, with GLN examining whether it should launch a political risk sector as it did for space risks in both insurance and reinsurance. Mr. du Passage said: "There will probably be an announcement very soon."

The company also opened its first retrocession department in May and hired a specialist to run it. This was done in response to needs expressed by reinsurers after the contraction of capacity in recent years.

"We see new possibilities coming, not on the same old form with the recycling of risks with two, three or four levels up to the spiral. No, but very specific coverage which tackles the exposure in certain zones or certain branches," said Mr. du Passage. "The first contacts we've had with reinsurers are very promising," he added.

Looking generally at the reinsurance scene, Mr. du Passage remarked on two trends. One is the increasing presence of American reinsurance companies, either through a London office, or, increasingly, from acquisition of a continental European base. The second factor is the growth of Bermuda-based companies. While these latter have not had a direct impact on rates, there is the "psychological" factor: they give the impression of increasing capacity and that is leading traditional reinsurers to reduce their rates.

On the American influence, Mr. du Passage said: "All the major U.S. players seem to have eyes for Continental Europe." However, he believes that whereas previous investment in Europe by U.S. companies was reactive and often temporary, this round of investment appears to be part of a planned strategy.

"There is a plan of investment, and not just of a presence coming and going," he said. This means the investing U.S. reinsurers will be more demanding on internal reinvestment than the traditional shareholders of reinsurers in the past, with market share being less important than return on investment.

"Which means in the long term a movement to decrease expenses and more volatility in their commercial approach. I think they will enter fields and leave fields much more than in the past. To that extent, the American touch will reach Europe. The continuity of companies will be there, but the continuity of their approach is not guaranteed."

The end result means more reinsurance being placed with U.S. companies. "It's much easier to deal with a reinsurer that is very close to us and is used to our way of accounting and we are used to them," said Mr. du Passage.

—By Edwin Unsworth

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Poe & Brown Inc.

220 S. Ridgewood Ave., Daytona Beach, Fla. 32114; 904-252-9601; fax: 904-239-7252

	1994	1993
Premium volume	$800,000,000	$786,000,000
Gross revenues	$99,507,000	$95,570,000
Brokerage: Retail	54%	54%
Wholesale	29%	25%
Personal	1%	7%
Services	11%	12%
Investment income	5%	2%
Employees	971	980*
Rev./Employee	$102,479	$97,520
Offices	22	21

** Restated.*

Poe & Brown Inc. is looking for new business, acquisitions and tighter expense controls to reach its revenue and profit goals in the continuing soft insurance market.

The 1993 merger of Poe & Associates and Brown & Brown produced a company intent on steady growth in an insurance market that is marked by depressed pricing in many lines of business.

"We're very pleased that the merger is behind us," said Chief Executive J. Hyatt Brown. "The combined forces are doing very, very well."

Bright spots in the past year for the Daytona Beach, Fla.-based broker included strong growth in its wholesale brokerage and national programs divisions. Both produced large revenue gains for Poe & Brown at a time when one of its largest markets—Florida—has been buffeted by a difficult property insurance market.

Poe & Brown occupies the No. 20 spot among the world's largest brokers based on $99.5 million in gross revenues in 1994, which is up 4.1% from $95.6 million in 1993, when the newly merged firm broke into the top 20 ranks. It slipped a notch, due to bigger revenue gains by French broker Groupe Le Blanc de Nicolay.

Net income amounted to $13.3 million last year, a 66% jump from $8 million in 1993. The 1994 figure contains a one-time gain of $1.3 million from the sale of stock the company held in paper manufacturer Rock-Tenn Co.

That gain far exceeded the brokerage's goal of increasing net income by at least 15% annually.

"This year we are continuing to monitor expense controls very closely," said Jim W. Henderson, executive vp at Poe & Brown. "To obtain the 15% increase, it will have to come about from new business sales as well as the expense side controls."

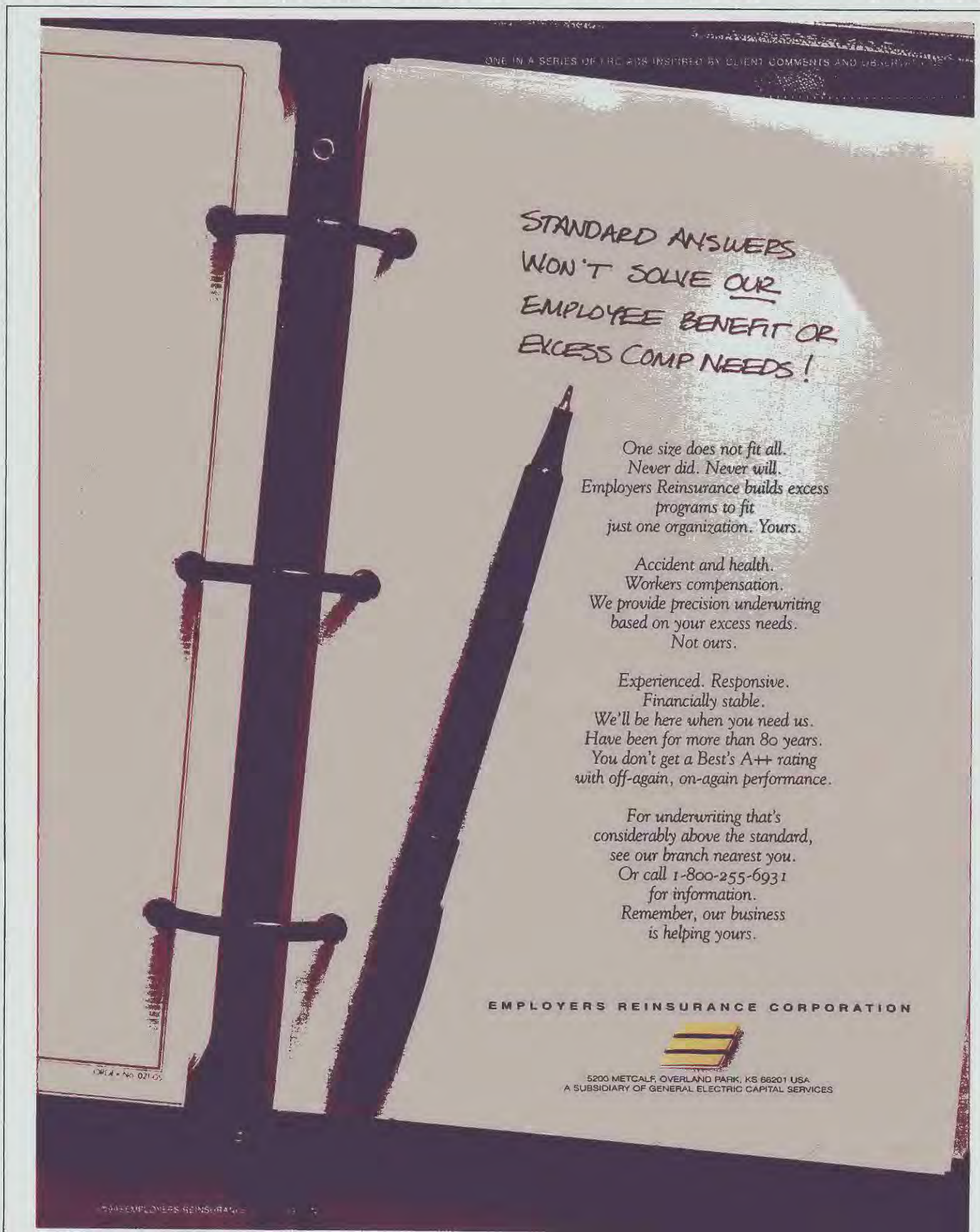
If Poe & Brown falls short of its earnings goal, Mr. Henderson said, it will be due to lower commissions from soft pricing in the commercial insurance market, where there are little or no price increases in many areas.

Still, he said, the brokerage is "fully prepared to deal with the market we have. We feel we perform best in a tough market."

Poe & Brown is still coping with the aftermath of Hurricane Andrew, the 1992 storm that left widespread destruction in southern Florida and disrupted the state's property insurance market.

Some of the firm's long-standing accounts are watching their property insurance rates "go out of sight," said Mr. Henderson. "That places a strain on the relationship they have with us and on the existing carrier. It's creating the need in many cases to totally re-market and restructure

Continued on next page



Continued from previous page
the insurance programs" and retentions because some exposures can't be covered at a reasonable price, he explained.

While increases in property insurance prices have helped boost Poe & Brown's revenues, Mr. Henderson said that "it would be hard to say that the increase has paid for the additional cost associated with replacing and reorganizing the business."

Property insurance rates in Florida continue to go up, but not at the pace they were climbing in 1993 and 1994, he said.

However, any increases are "more than mitigated by the continued pressure on casualty lines," Mr. Henderson added.

Poe & Brown's wholesale brokerage operation produced the greatest gains for the company in 1994.

Halcyon Underwriters Inc., a wholesaler based in Maitland, Fla., increased the premiums it placed to around $12 million from $7 million the year before. Halcyon specializes in umbrella and inland marine coverages to about 200 retail agencies in Florida, Alabama and Georgia.

Halcyon was "one of our star performers," said Mr. Henderson. "It had the most dramatic growth. . .of any profit center in 1994 and '95."

He said Halcyon's success is due largely to insurers scaling back their business with agencies, which means agencies have to turn to the wholesale market to meet client needs.

MacDuff Underwriters Inc., a wholesaler and managing general agency based in Daytona Beach that specializes in difficult product liability, general liability and property coverages, placed premiums of around $17 million, up from around $12.5 million in 1993.

MacDuff may expand via an acquisition in another Florida city, according to Mr. Henderson. "They will acquire some excellent people and markets" if the acquisition is completed, he said.

Poe & Brown's National Programs division also continued to "return the type margins we had hoped for," said Mr. Henderson. Its revenues rose to about $300 million in 1994 up from $271 million in 1993.

The National Programs division targets specific market segments and puts together proprietary insurance programs for policyholders within those areas. Currently, programs include professional liability insurance for dentists, lawyers, physicians and optometrists. Other programs arranged by the division provide property/casualty coverage for towing operators and automobile dealers.

Companies that generate $25,000 to $500,000 in annual premiums are Poe & Brown's tradition client profile. Almost all—92%—of its commercial retail brokerage revenues come from commissions, with the remainder from fee-based services.

While medium-sized clients continue to be the main focus of Poe & Brown's marketing efforts, the brokerage began last year to pursue larger accounts.

"We have developed a large-accounts unit in the Daytona Beach office," said Mr. Henderson, and it will concentrate on insurance buyers that spend $1 million or more on coverage. Most of the insurance buyers in the large accounts market generally spend at least $2.5 million to $3 million on insurance, he noted.

"It's a team sales concept," Mr. Henderson said of the large-accounts unit, "with full support of safety engineering, loss control and consulting services."

One subsidiary in Poe & Brown's service operations division grew last year while another's revenues dipped slightly due to the changing health care environment.

United Self-Insured Services. an Orlando-based subsidiary that administers workers compensation coverage for more than 2,000 self-insured employers with a combined payroll of $1.7 billion, generated an 8% increase in revenues to $6 million in 1994. Mr. Henderson said the unit's growth continues in 1995.

Poe & Brown Benefits Inc. produced $4.5 million in revenues last year, down from $4.8 million in 1993. The Daytona Beach-based subsidiary is a third-party administrator and benefits consultant to self-insured employers.

As the national health care debate has waned, though, Poe & Brown Benefits has seen some renewed interest in its services.

"Companies are back focusing on what they have to do with their own programs," Mr. Henderson noted.

Poe & Brown's sole acquisition in 1994 is considering an expansion.

Arch-Holmes Insurance Agency Inc. in Hollywood, Fla., mainly handles accounts related to the construction industry and specializes in surety insurance.

"The bond operation there is profitable," said Mr. Henderson. "They continue to grow that book and are looking to expand the bond operation to a statewide and possibly national operation."

Looking forward, Mr. Brown said he expects double-digit revenue growth to come from the National Programs division and wholesale brokerage operations in 1995. "It's going to be difficult to grow our standard retail brokerage operation much more than 5% to 6%' this year, he remarked.

Poe & Brown has acquired four companies in the first half of 1995 and is setting its sights on two or three more later this year.

Companies acquired so far this year are: King Insurance Inc. in Naples, Fla.; Russell Lee Jacobe Insurance Agency in Houston; Insurance West Inc. in Phoenix; and S. Lloyd Underwriters in Fort Lauderdale.

The merger that created Poe & Brown resulted in a reduction in employees from 1992's count of 1,100 to 980 by the end of 1993 and 971 at the end of last year.

Overall, the merger was well-accepted by the two companies' workers, Mr. Henderson said. "We've had no material or significant turnover of people. We've had a couple of producers leave but that's been very limited. Probably less than 1% left because the Poe & Brown operation would not necessarily fit in their game plan. That's been better than expected."

Mr. Henderson said Poe & Brown believes the quality of its staff sets it apart from its competitors.

Competition for Poe & Brown is "focused at a few of the national brokers and is equally intense from several large Florida-based brokers of significant market share in the communities," Mr. Henderson noted.

In the current insurance market, a broker that can offer property capacity has a leg up on the competition, he said.

Poe & Brown stock is performing better than in 1994, when it reached a high of $22.75 and a low of $17. It closed July 7 at $23.50 a share.

The cash compensation received in 1994 by the highest-paid officers of the brokerage, according to the company's proxy statement filed with the Securities and Exchange Commission, follows:

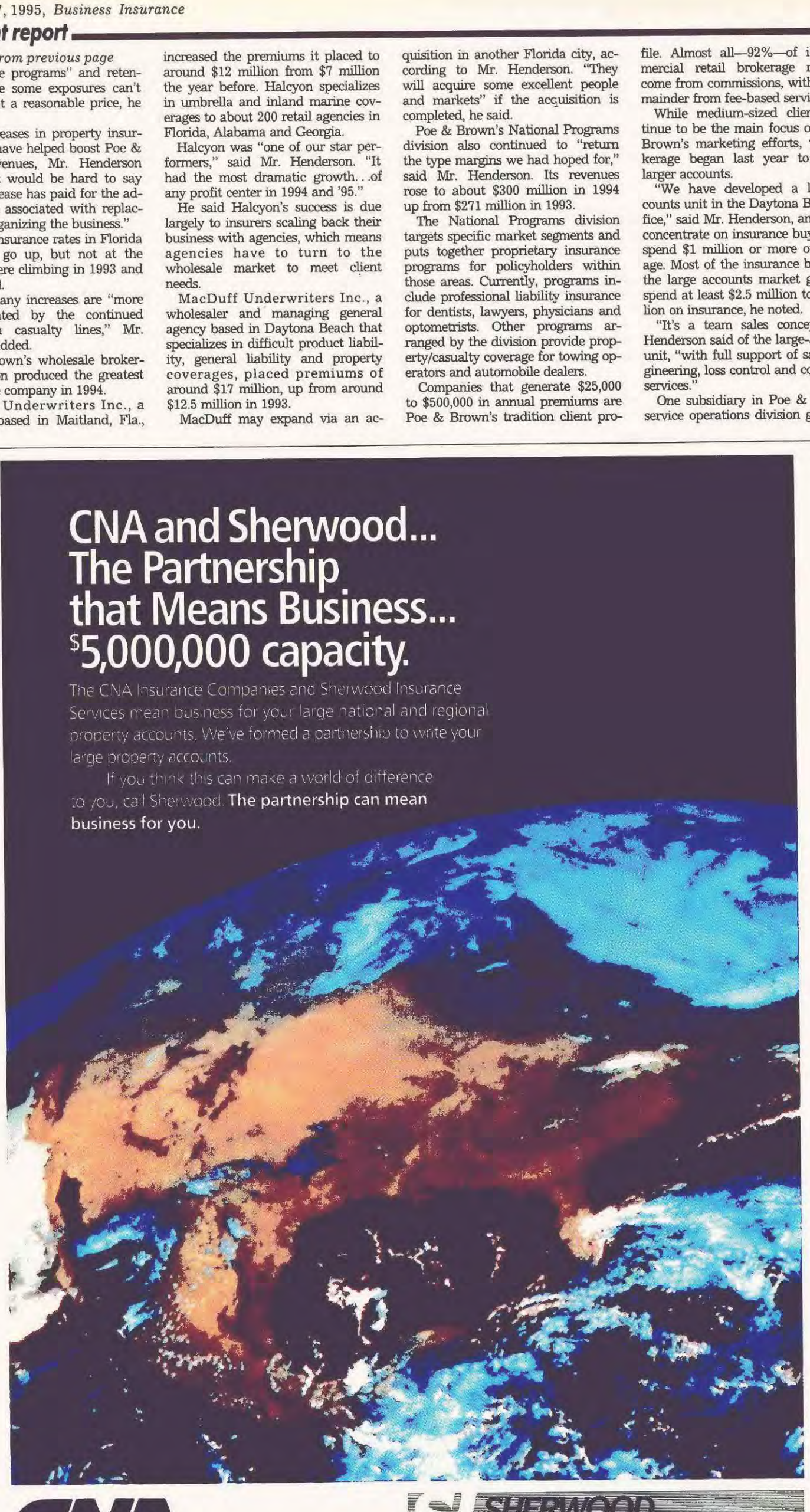
J. Hyatt Brown	$492,3
Kenneth E. Hill	$478,9
Jim W. Henderson	$302,6
Bruce G. Geer	$299,3
V.C. Jordan Jr.	$157,9

—By Michael Bradfo

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	1994	1993
Premium volume	$742,500,000*	$688,640,000*
Gross revenues	$121,000,000*	$123,740,000*
Non-U.S. clients	100%	100%
Brokerage: Retail	55%	56%
Non-U.S. offices	$66,550,000*	$69,294,400*
Wholesale	1%	2%
Personal lines	32%	30%
Services	6%	7%
Invstmt. income	6%	5%
Employees	1,300	1,400
Offices	33	33

* Converted at applicable rates.

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Retail brokerage: 100% commissions.
Retail brokerage branches: Verzekerings Advies Kantoor: Alkmaar, Amersfoort, Amsterdam, Apeldoorn, Arnhem, Assen, Beek, Breda, Delft, Den Bosch, Den Haag, Dordrecht, Eindhoven, Groningen, Haarlem, Hengelo, Hilversum, Leeuwarden, Leiden, Middelburg, Nijmegen, Rotterdam, Terneuzen, Tilburg, Utrecht, Venlo, Zaandam and Zwolle, Netherlands.
Officers: C.H. Sipsma, B. Wapstra, J.F. Haverkort, K. v.d. Velde, L. van Herk.
Contact: J.F. Haverkort.

AGA Inc. (Associated General Agency Inc.)

620 Lindsay St., Chattanooga, Tenn. 37403; 615-756-4452; fax: 615-756-7629

	1994	1993
Premium volume	$19,549,152	$17,833,178
Gross revenues	$3,100,809	$2,964,933
U.S. clients	100%	100%
Brokerage: Retail	80.9%	83.6%
U.S. offices	$2,508,554	$2,478,684
Personal lines	12.6%	13.0%
Services	1.5%	1.6%
Invstmt. income	1.3%	0.7%
Other	3.7%	1.1%
Employees	39	43
Offices	1	1

Founded: 1926.
Retail brokerage: 94.9% commissions, 5.1% fees.
Employee benefits: 36.7% of revenues.
Licensed excess/surplus broker in: Tennessee.
Officers: Llewellyn Boyd, chairman; Robert L. Albritton, president/CEO; Martin Boyd, secretary; Julia A. Sampson, assistant secretary.
Contact: Patricia J. Johnston.

ARISCO (Aaron Richardson Insurance Services Corp.)

417 Montgomery St., Sixth Floor, San Francisco, Calif. 94104; 415-986-3999; fax: 415-986-4421

	1994	1993
Premium volume	$8,600,000	$8,000,000
Gross revenues	$925,000	$830,000
U.S. clients	100%	100%
Brokerage: Retail	99.5%	50.0%
U.S. offices	$920,375	$415,000
Services	NA	49.5%
Invstmt. income	0.5%	0.5%
Employees	12	30
Offices	2	2

Founded: 1990.
Retail brokerage: 80% commissions, 20% fees.
Retail brokerage branches: Los Angeles.
Licensed excess/surplus broker in: California.
Officers: Aaron Richardson, CEO; Ingrid Merriwether, Rollen Maski, senior vps; Michael Johnson, vp; Rosemary Rinauro, assistant vp.
Contact: Ingrid Merriwether or Rosemary Rinauro.

Acordia Inc.

120 Monument Circle, Indianapolis, Ind. 46204-4903; 317-488-6666; fax: 317-488-6547

	1994	1993
Premium volume	$3,886,871,000	$2,975,055,000
Gross revenues	$466,396,000	$364,779,000
U.S. clients	99.77%	99.89%
Non-U.S. clients	0.23%	0.11%
Brokerage: Retail	41.84%	45.36%
U.S. offices	$195,140,086	$165,454,364
Wholesale	7.02%	8.60%
Reinsurance	0.26%	0.18%
Personal lines	13.99%	15.99%
Services	34.61%	27.74%
Invstmt. income	1.12%	1.80%
Other	1.16%	0.33%
Employees	5,485	4,234
Offices	136	122

Founded: 1989.
Parent: Associated Insurance Cos. Inc.
Retail brokerage: 73.6% commissions, 26.4% fees.
Employee benefits: 41.4% of revenues.
Acquisitions: Association Administrators Consultants, Irvine, Calif., March 1994; Bain Hogg Robinson, Boston, January 1995; Criterion International Managers Inc., Dallas, January 1995; O'Rourke, Andrews & Maroney, Fort Wayne, Ind., October 1994; Pettit-Morry Co., Seattle, April 1994.
Retail brokerage branches: Acordia Benefits of Florida Inc.: Jacksonville, Sarasota and Tampa, Fla.. Acordia Benefits of Northern California Inc.: Auburn, Burlingame, Grass Valley, Lodi, Sacramento and San Francisco, Calif.; Reno, Nev. Acordia Benefits of Texas Inc.: Austin and Tyler, Texas. Acordia of Central Florida: Clearwater and Maitland, Fla. Acordia of Central Indiana: Anderson, Greenwood and Indianapolis, Ind.; Cleveland. Acordia of Cincinnati Inc.: Fort Wright, Ky.; Cincinnati. Acordia of Cleveland Inc.: Cincinnati, Cleveland and Pepper Pike, Ohio. Acordia of Colorado Inc.: Colorado Springs, Durango and Montrose, Colo. Acordia of Evansville Inc.: Evansville, Ind.; Owensboro and Paducah, Ky. Acordia of Lexington Inc.: Roswell, Ga.; Greenwood, Ind.; Lexington, Ky. Acordia of Louisville Inc.: New Albany, Ind.; Louisville, Ky. Acordia of Michigan Inc.: Grand Rapids, Saginaw and Southfield, Mich. Acordia of Minnesota Inc.: Schaumburg, Ill.; Overland Park, Kan.; Minneapolis. Acordia of Mississippi Inc.: Ridgeland, Miss. Acordia National Inc.: Charleston, W.Va. Acordia of New Jersey: Boston; Manchester, N.H.; Morristown, N.J.; New York. Acordia of North Carolina Inc.: Asheville, Chapel Hill and Greensboro, N.C.. Acordia of Northeast Indiana Inc.: Jacksonville, Fla.; Fort Wayne, Indianapolis and South Bend, Ind. Acordia Northwest Inc.: Sacramento and Truckee, Calif.; Golden, Colo.; Newport and Portland, Ore.; Bellingham and Seattle, Wash. Acordia of Northwest Indiana Inc.: Indianapolis. Acordia of Pennsylvania Inc.: Bala Cynwyd, Erie, Mechanicsburg and Pittsburgh, Pa. Acordia of Phoenix Inc.: Kingman and Phoenix, Ariz. Acordia of San Francisco Inc.: Long Beach, Mill Valley, and San Francisco, Calif. Acordia Senior Benefits Inc.: Honolulu; Indianapolis; Austin and Dallas, Texas; Salt Lake City. Acordia Senior of the Southeast Inc.: Bowling Green, Lexington and Louisville, Ky. Acordia Small Business Benefits Inc.: Indianapolis. Acordia of the South: Atlanta and Duluth, Ga.; Nashville, Tenn.; Virginia Beach, Va. Acordia of South Florida Inc.: Boca Raton, Miami, Stuart and West Palm Beach, Fla. Acordia of Southern California Inc.: Encino, Irvine and Orange City, Calif. Acordia Texas Gulf Coast Inc.: Phoenix; Culver City, Calif.; Atlanta; Albuquerque, N.M.; Corpus Christi, Dallas, Houston, Irvine and Lubbock, Texas. Acordia of West Virginia Inc.: Ashland, Pikeville and Pineville, Ky.; Alexandria, Bigstone Gap and Roanoke, Va.; Beckley, Charleston, Elkins, Huntington, Morgantown, Parkerburg and Wheeling; W. Va. American E&S: San Francisco; Seminole, Fla.; New York; Houston. Newman, Hayes & Dixon: Indianapolis.
Non-retail brokerage subsidiaries: American E&S Insurance Brokers California Inc.: San Francisco. American E&S Insurance Brokers Texas Inc.: Houston. American E&S Insurance Brokers New York Inc.: Seminole, Fla.; New York. United Financial Network: Charleston, W.Va. LWP Services Inc.: Sacramento, Calif.; Denver; Seattle. Puget Sound Underwriters Inc.: Seattle.
Licensed excess/surplus broker in: Arizona, California, Colorado, Florida, Georgia, Hawaii, Indiana, Illinois, Kansas, Kentucky, Massachusetts, Michigan, Minnesota, Mississippi, Nevada, New Hampshire, New Jersey, New Mexico, New York, North Carolina, Ohio, Oregon, Pennsylvania, Tennessee, Texas, Utah, Virginia, Washington, West Virginia.
Officers: L. Ben Lytle, chairman/CEO; Frank C. Witthun, president/COO; Patrick M. Sheridan, executive vp/CFO; Michael B. Henning, executive vp; Robert S. Schneider, senior vp/controller; Russell W. Sherlock, senior vp.
Contact: Robert S. Schneider.

T.J. Adams & Associates Inc.

2021 Spring Road, Oak Brook, Ill. 60521; 708-572-1550; fax: 708-574-3278

	1994	1993
Premium volume	$45,000,000	$41,000,000
Gross revenues	$5,950,000	$5,818,815
U.S. clients	100%	100%
Brokerage: Retail	89.0%	90.0%
U.S. offices	$5,295,500	$5,236,934
Personal lines	2.2%	2.1%

Continued on next page

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Continued from previous page

Services	7.3%	6.5%
Invstmt. income	1.5%	1.4%
Employees	58	57
Offices	1	1

Founded: 1967.
Retail brokerage: 99% commissions, 1% fees.
Employee benefits: 13% of revenues.
Officers: Richard Miller, chairman/CEO; Dennis Gamache, president/COO; John Adams, executive vp; John Kegaly, vp.
Contact: Dennis Gamache.

Affiliated Insurance Consultants Inc.

7650 S. County Line Road, Burr Ridge, Ill. 60521; 708-789-1234; fax: 708-789-1294

	1994	1993
Premium volume	$41,649,000	$42,093,000
Gross revenues	$3,834,640	$4,183,730
U.S. clients	100%	100%
Brokerage: Retail	86%	88%
U.S. offices	$3,297,800	$3,681,700
Personal lines	14%	12%
Employees	41	69
Offices	1	1

Founded: 1967.
Retail brokerage: 99% commissions, 1% fees.
Employee benefits: 20% of revenues.
Non-retail brokerage subsidiaries: Great-Plains Agencies Insurance Network Services Inc. (GAINS), Burr Ridge, Ill.
Licensed excess/surplus broker in: Illinois, Indiana.
Officers: Edwin E. Tomei, chairman; Thomas G. Klehr, president/CEO; Daniel C. Pancake, vice chairman; Raymond Sommers, Miki Pankow, vps.
Contact: Miki Pankow.

AirSure Ltd.

25548 Genesee Trail Road, Golden, Colo. 80401; 303-526-5300; fax: 303-526-5303

	1994	1993
Premium volume	$23,120,000	$22,824,000
Gross revenues	$3,021,490	$2,744,548
U.S. clients	97%	98%
Non-U.S. clients	3%	2%
Brokerage: Retail	77%	75%
U.S. offices	$2,326,500	$2,058,411
Wholesale	13%	14%
Personal lines	4%	5%
Services	1%	1%
Invstmt. income	5%	5%
Employees	16	16
Offices	3	3

Founded: 1984.
Parent: AirSure Ltd. Holdings Inc.
Retail brokerage: 98% commissions, 2% fees.
Employee benefits: 1% of revenues.
Retail brokerage branches: Boise, Idaho; Philadelphia.
Licensed excess/surplus broker in: Colorado, Idaho, Pennsylvania.
Officers: Bill Behan, president; Anne Salemmo, senior vp; Todd Guelich, vp-sales; Bill Tabbert, general manager, Patricia Courtney, CFO.
Contact: Bill Behan.

Alburger Basso de Grosz Insurance Services Inc.

301 Island Parkway, Belmont, Calif. 94002; 415-598-0900; fax: 415-598-0370

	1994*	1993*
Premium volume	$350,000,000	$300,000,000
Gross revenues	$20,550,000	$18,400,000
U.S. clients	100%	100%
Brokerage: Retail	83%	84%
U.S. offices	$17,056,500	$15,456,000
Personal lines	6%	7%
Services	8%	5%
Invstmt. income	2%	2%
Other	1%	2%
Employees	160	150
Offices	4	4

* Fiscal years ending 1/31/95 and 1/31/94.
Founded: 1946.
Retail brokerage: 90% commissions, 10% fees.
Employee benefits: 30% of revenues.
Acquisitions: Bayside, Menlo Park, Calif., May 1995; DVM, Los Angeles, December 1994.
Retail brokerage branches: Brea, Capitola and Santa Rosa, Calif.
Licensed excess/surplus broker in: California.
Officers: Douglas Alburger, chairman; Bruce Basso, president; Fred de Grosz, CEO; Sam Jones, George Jaynes, Andrew Sterngold, executive vps.
Contact: Fred de Grosz or Bruce Basso.

Alexander & Alexander Services Inc.

1185 Ave. of the Americas, New York, N.Y. 10036; 212-840-8500; fax: 212-444-4697

	1994	1993
Gross revenues	$1,323,900,000	$1,341,600,000
U.S. clients	51.8%	54.2%
Non-U.S. clients	48.2%	45.8%
Brokerage: Retail	51.2%	51.6%
U.S. offices	$383,400,000	$412,900,000
Non-U.S. offices	$294,400,000	$279,400,000
Wholesale*	18.5%	18.1%
Personal lines	3.1%	3.4%
Services	23.3%	22.9%
Invstmt. income	3.9%	4.0%
Employees	13,312	14,517
Offices	260	360

* Includes reinsurance brokerage.
Founded: 1899.
Employee benefits: 23.3% of revenues.
Retail brokerage branches*: Phoenix; Costa Mesa, Newport Beach, Pasadena, San Francisco, San Jose and Santa Barbara, Calif.; Denver; Greenwich, Hartford and Stamford, Conn.; Washington; Coral Gables, Fort Lauderdale, Miami, Orlando and Tampa Fla.; Atlanta; Honolulu and Wailuku, Hawaii; Chicago; Indianapolis; Des Moines Iowa; Lexington and Louisville, Ky.; Alexandria, New Orleans and Shreveport, La. Baltimore and Owings Mills, Md.; Boston and Newburyport, Mass.; Detroit; Minneapolis; Kansas City and St. Louis, Mo.; Lincoln and Omaha, Neb.; Lyndhurst, N.J.; Albuquerque, N.M.; Buffalo, Melville, New York, Syracuse and Utica, N.Y.; Charlotte and Winston-Salem, N.C.; Cincinnati, Cleveland, Columbus and Independence, Ohio Tulsa, Okla.; Portland, Ore.; Harrisburg Philadelphia and Pittsburgh, Pa.; Nashville Tenn.; Austin, Dallas, Fort Worth, Houston Midland and San Antonio, Texas; Burling

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1995 agent/broker listings explained

The 1995 directory of agents and brokers is based on companies' responses to a *Business Insurance* questionnaire.

The directory is published as an editorial service and there is no charge to be included. However, companies must generate at least $500,000 of their gross revenues from commercial retail brokering in order to be listed in the directory.

Listings begin with the address, telephone and facsimile machine numbers of the company.

Next is **premium volume** and **gross revenues** for both 1994 and 1993, and the percentage of gross revenues generated from **U.S.-based clients** versus **non-U.S.-based clients**. Percent of gross revenues generated by commercial **retail brokerage** is next, followed by a breakdown in dollars as generated through **U.S. offices** versus **non-U.S. offices**. **Wholesale** brokerage, **reinsurance** brokerage, **personal lines** brokerage, fee-based services, **investment income** and **other** activities follow.

The number of **employees** in full-time equivalent and commercial retail brokerage **offices** for 1994 and 1993 also are included.

Next, the year **founded**, **parent** company and the percent of commercial **retail brokerage** generated by commissions and by fees are given.

Acquisitions, locations of **retail brokerage branch offices** and **non-retail brokerage subsidiaries** and states in which companies are **licensed** as **excess/surplus lines brokers** are listed. Principal **officers** and a **contact** for those seeking more information complete the listing. If the location and telephone number of the contact is different from that of the main office, it also is provided.

If you wish to locate a company by state or country, refer to the geographic index following the directory listings. Locations of home offices as well as retail brokerage branch offices are included.

All figures are listed in U.S. dollars. The applicable yearly average exchange rate was used to conver figures for non-U.S.-based organizations. Exchange rates are noted on the page 1 chart, except the following: Canadian dollar=$0.732 (1994) $0.775 (1993), $0.79 (fiscal year ending (FYE) 8/31/94), $0.85 (FYE 8/31/93), $0.74 (FYE 10/31/94), $0.8 (FYE 10/31/93); Colombian peso=$0.0012 (1994), $0.0015 (1993) Hong Kong dollar=$0.129 (FYE 6/30/95 and FYE 6/30/94); Japanes yen=$0.01 (FYE 3/31/95 and 3/31/94); Mexican peso=$0.2857 (1994) $0.3125 (1993); South Africa Rand=$0.28 (FYE 3/31/95), $0.3 (FYE 3/31/94).

The information in each entry wa compiled by *Business Insuranc* based on data supplied by the agent and brokers. Although every effort made to provide complete and accurate information, no public record are available to allow *BI* to verif the information supplied by private ly-held brokers.

If you would like to be listed i next year's Agent/Broker director contact Rich Trout, *Business Insurance*, 740 N. Rush St., Chicago, I 60611-2590; 312-649-5483.

Continued from previous page

ton, Vt.; Richmond, Va.; Seattle; Green Bay and Milwaukee, Wis.; Hato Rey, Puerto Rico; St. Croix and St. Thomas, U.S. Virgin Islands; Anguilla; St. John's, Antigua & Barbuda; Buenos Aires, Argentina; Aruba; Adelaide, Brisbane, Cairns, Canberra, Darwin, Gold Coast, Hobart, Melbourne, Newcastle, Perth, Rockhampton, Sydney, Toowoomba and Townsville, Australia; Vienna, Austria; Freeport, Marsh Harbour and Nassau, Bahamas; Bahrain; St. Michael, Barbados; Antwerp and Brussels, Belgium; Belize City, Belize; Hamilton, Bermuda; La Paz, Bolivia; Campinas, Rio de Janeiro and Sao Paulo, Brazil; Road Town, British Virgin Islands; Calgary, Edmonton, Grande Prairie, Halifax, London, Montreal, Ottawa, Prince George, Regina, Saskatoon, St. John's, Thunder Bay, Toronto, Vancouver, Victoria, Whitehorse, Winnipeg and Yellowknife, Canada; George Town, Cayman Islands; Santiago and Valparaiso, Chile; Beijing; Bogota, Colombia; San Jose, Costa Rica; Willemstad, Curacao; Cyprus; Prague, Czech Republic; Denmark; Djbouti; Santo Domingo, Dominican Republic; Quito, Ecuador; Egypt; San Salvador, El Salvador; Birmingham, Bournemouth, Bristol, Chelmsford, Croydon, Grimsby, Harrow, Leeds, Liverpool, London, Manchester, Newcastle upon Tyne, Potters Bar, Reading, Redhill, Romford, Sheffield, Southampton, Southend on Sea and Woking, England; Nadi and Suva, Fiji; Helsinki, Finland; Lyon, Paris and Strasbourg, France; Berlin, Bielefeld, Cologne, Frankfurt, Hamburg, Hannover, Leipzig, Munich, Stuttgart and Wiesbaden, Germany; Athens and Piraeus, Greece; St. George's, Grenada; Baie and Mahault, Guadeloupe; Guatemala City; Guernsey; Georgetown, Guyana; Haiti; Honduras; Hong Kong; Budapest, Hungary; Bombay, India; Jakarta and Surabaya, Indonesia; Dublin, Ireland; Douglas, Isle of Man; Tel Aviv, Israel; Genoa, Milan, Rome and Turin, Italy; Kingston and Montego Bay, Jamaica; Tokyo; Almaty, Kazakhstan; Mombasa and Nairobi, Kenya; Kuwait; Senningerberg, Luxembourg; Ipoh, Johor, Baharu, Kuala Lampur and Penang, Malaysia; Chihuahua, Guadalajara, Matamoros, Mexico City, Monterrey, Puebla, Tehuacan and Tijuana, Mexico; Montserrat; Morocco; Amsterdam, Rotterdam and The Hague, Netherlands; Auckland, Blenheim, Christchurch, Dunedin, Gisbourne, Hamilton, Hastings, Masterton, Nelson, New Plymouth and Wellington, New Zealand; Managua, Nicaragua; Ibadan, Kaduna and Lagos, Nigeria; Belfast, Northern Ireland; Oslo, Norway; Oman; Pakistan; Panama City; Lae and Port Moresby, Papua New Guinea; Paraguay; Lima, Peru; Manila, Philippines; Warsaw, Poland; Lisbon, Portugal; Qatar; Seoul, Korea; Dammam, Jeddah and Riyadh, Saudi Arabia; Aberdeen, Edinburgh and Glasgow, Scotland; Singapore; Johannesburg, South Africa; Barcelona, Bilbao and Madrid, Spain; St. Kitts & Nevis; Castries, St. Lucia; St. Vincent; Paramaribo, Suriname; Mbabane, Swaziland; Stockholm, Sweden; Geneva and Zurich, Switzerland; Taipei, Tawain; Bangkok, Thailand; Port of Spain, Trinidad & Tobago; Ankara and Istanbul, Turkey; Providenciales, Turks & Caicos Islands; Dubai, United Arab Emirates; Uruguay; Tashkent, Usbekistan; Caracas, Maracaibo and Valencia, Venezuela; Cardiff, Wales; Kinshasa, Zaire.

Non-retail brokerage subsidiaries: Alexander Howden Group Ltd.-U.K.; Alexander Howden Asia Pacific; Alexander Howden North America Inc.-U.S.; Alexander Consulting Group Inc.-U.S. & International.

Licensed excess/surplus broker in: Nationwide.

Officers: Frank G. Zarb-chairman/president/CEO; Edward F. Kosnik, executive vp/CFO; Elliot S. Cooperstone, senior vp/chief administrative officer; Lawrence E. Burk, chairman/CEO-Alexander & Alexander Inc.; Kenneth J. Davis, chairman-Alexander & Alexander International Inc., CEO-Alexander & Alexander Europe; James S. Horrick, president/CEO-Alexander & Alexander/Reed Stenhouse Cos. Ltd.; Donald A. Iles, chairman-Alexander Howden Group Ltd.; Donald L. Seeley, president/CEO-The Alexander Consulting Group.

Contact: Gary Sullivan, director, corporate communications.

** Includes branches and subsidiaries; offices may operate under a name other than Alexander & Alexander.*

Alliance Insurance Group Inc.

3420 E. Shea Blvd., Phoenix, Ariz. 85028; 602-996-7600; fax: 602-494-1175

	1994	1993
Premium volume	$15,000,000	$15,500,000
Gross revenues	$2,020,717	$1,996,000
U.S. clients	98%	98%
Non-U.S. clients	2%	2%
Brokerage: Retail	77%	69%
U.S. offices	$1,555,952	$1,377,240
Wholesale	2%	3%
Personal lines	15%	22%
Services	5%	5%
Invstmt. income	1%	1%
Employees	29	30
Offices	3	3

Founded: 1976.

Retail brokerage: 95% commissions, 5% fees.

Employee benefits: 7% of revenues.

Retail brokerage branches: Tuscon, Ariz.; Laguna Hills, Calif.

Licensed excess/surplus broker in: Arizona.

Officers: Guy Labelle, president; Elton Baker, executive vp; Edith Lasson, vp; Patrick Shinn, controller.

Contact: Guy Labelle.

Allied Coverage Corp.

390 N. Broadway, Jericho, N.Y. 11753; 516-733-9200; fax: 516-681-7390

	1994*	1993*
Premium volume	$125,000,000	$110,000,000
Gross revenues	$12,500,000	$11,000,000
U.S. clients	100%	100%
Brokerage: Retail	93%	90%
U.S. offices	$11,625,000	$9,900,000
Wholesale	3%	4%
Personal lines	2%	2%
Invstmt. income	2%	4%
Employees	115	82
Offices	4	4

* Fiscal years ending 11/30/94 and 11/30/93.

Founded: 1979.

Retail brokerage: 83% commissions, 17% fees.

Employee benefits: 1% of revenues.

Retail brokerage branches: Albany, Roslyn Heights and Tarrytown, N.Y.; Allied Brokerage Services Group Inc., Cranford, N.J.

Non-retail brokerage subsidiaries: Atlantic Star Intermediaries, Syosset, N.Y.

Licensed excess/surplus broker in: New Jersey, New York.

Officers: William A. Marino, president; David H. Stevenson, Henry C. Lombardi, executive vps; Nicholas E. Castellano president-Allied Brokerage Services Group Inc.; Daniel Zirpoli, vp; Anthony J. Auliano, treasurer.

Contact: Henry C. Lombardi.

Alper Services Inc.

60 W. Superior St., Chicago, Ill. 60610; 312-642-1000; fax: 312-944-7000

	1994	1993
Premium volume	$29,000,000	$28,000,000
Gross revenues	$4,600,000	$4,400,000
U.S. clients	99%	99%
Non-U.S. clients	1%	1%
Brokerage: Retail	76%	76%
U.S. offices	$3,496,000	$3,344,000
Personal lines	5%	5%
Services	15%	15%
Invstmt. income	3%	3%
Other	1%	1%
Employees	48	48
Offices	1	1

Founded: 1966.

Retail brokerage: 95% commissions, 5% fees.

Employee benefits: 6% of revenues.

Licensed excess/surplus broker in: Illinois.

Officers: Howard C. Alper, president/CEO; John F. Wheaton, executive vp/COO; Russell M. Cortino, Herbert M. Singer, executive vps; John A. Hamilton, Craig A. Kanter, vps.

Contact: Howard C. Alper.

American Phoenix Corp.

302 W. Main St., Avon, Conn. 06001; 203-677-2661; fax: 203-674-1984

	1994	1993
Premium volume	$225,822,000	$173,162,210
Gross revenues	$29,432,000	$22,165,660
U.S. clients	100%	100%
Brokerage: Retail	76%	73%
U.S. offices	$22,368,320	$16,180,931
Wholesale	1%	NA
Personal lines	22%	26%
Invstmt. income	1%	1%
Employees	320	255
Offices	13	11

Founded: 1981.

Parent: Phoenix Home Life Mutual Insurance Co.

Retail brokerage: 97% commissions, 3% fees.

Employee benefits: 4% of revenues.

Acquisitions: Burkar & Associates, Parsippany, N.J., January 1995; Cappleman & Associates, Orlando, Fla., April 1995; Construction Underwriters, Baltimore, January 1995; Cooper Cecconi & Brantner, Miami, January 1995; Stembler-Adams & Sweet, Miami, January 1995.

Retail brokerage branches: American Brokerage of Philadelphia, Philadelphia; American Phoenix of Chambersburg, Chambersburg, Penn.; American Phoenix of Maryland, Baltimore; American Phoenix of Tampa Bay, St. Petersburg, Fla.; American Phoenix of York, York, Penn.; Burkar & Associates, Parsippany, N.J.; Caddell & Byers Insurance Agency, Lowell, Mass.; Cappleman & Associates, Orlando, Fla.; Erickson-Swan-Rowley Inc., Jamestown, N.Y.; Frank Drane Insurance Agency, Orlando, Fla.; Kenney, Webber & Lowell, Avon, Conn.; Nicholas & Cannon Agency, Sarasota, Fla; Stembler-Adams & Sweet Inc., Miami.

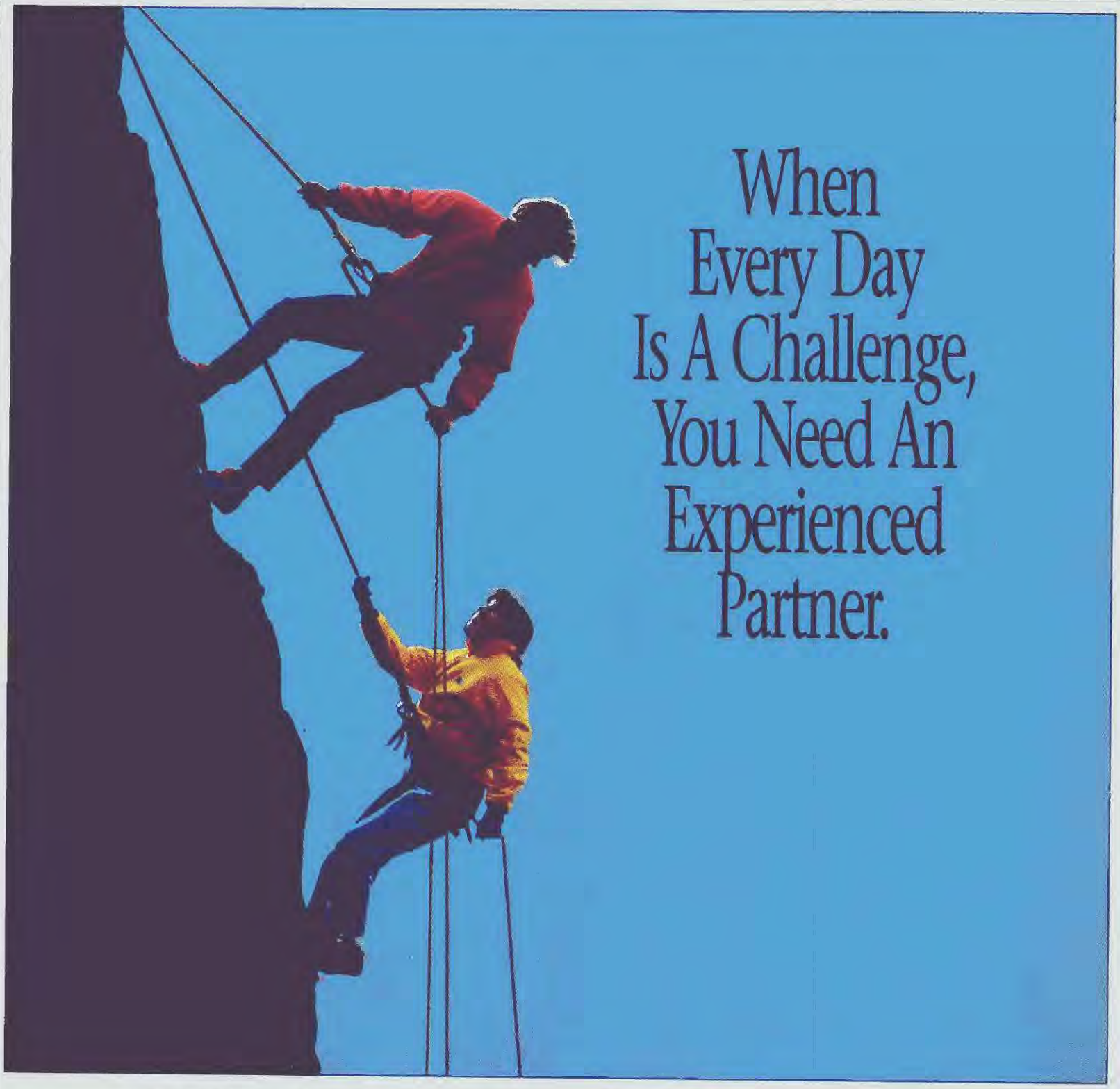
Non-retail brokerage subsidiaries: American Phoenix Managing Agency Group, Premium Funding Corp., Avon, Conn.

Licensed excess/surplus broker in: Connecticut, Florida, Pennsylvania.

Officers: Martin L. Vaughan III, president, Karl E. Manke, vp-sales/marketing; Linda Hopcraft, vp-operations; William E. Ryan, vp/CFO.

Contact: Martin L. (Mell) Vaughan.

Continued on next page



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Continued from previous page

Anchor Pacific Underwriters Inc.

1800 Sutter St., Suite 400, Concord, Calif. 94520; 510-682-7707; fax: 510-676-9317

	1994	1993
Premium volume	$115,000,000	$75,000,000
Gross revenues	$10,137,000	$6,025,000
U.S. clients	100%	100%
Brokerage: Retail	31%	20%
U.S. offices	$3,142,470	$1,205,000
Wholesale	20%	36%
Personal lines	12%	8%
Services	36%	35%
Invstmt. income	1%	1%
Employees	126	71
Offices	2	1

Founded: 1986.
Retail brokerage: 96% commissions, 4% fees.
Employee benefits: 52% of revenues.
Acquisitions: BRI, Scottsdale, Ariz., August 1994; PKW, Oakland, Calif., October 1994.
Retail brokerage branches: Benefit Resources Inc., Scottsdale, Ariz.
Licensed excess/surplus broker in: California.
Officers: James R. Dunathan, president/CEO; Earl Wiklund, senior vp/CFO; Carol Haynosch, vp-corporate affairs; Lynn Boyd, executive vp-Harden division; Donald B. Putnam, chairman-executive committee-PKW division.
Contact: James R. Dunathan.

Anco Insurance Managers Inc.

1733 Briarcrest Drive, Bryan, Texas 77802; 409-776-2626; fax: 409-776-1308

	1994	1993
Premium volume	$84,040,220	$80,560,000
Gross revenues	$13,664,180	$12,683,241
U.S. clients	100%	100%
Brokerage: Retail	42%	40%
U.S. offices	$5,738,956	$5,073,296
Wholesale	5%	8%
Personal lines	48%	47%
Services	3%	3%
Invstmt. income	1%	1%
Other	1%	1%
Employees	215	210
Offices	9	17

Founded: 1873.
Retail brokerage: 100% commissions.
Employee benefits: 7% of revenues.
Retail brokerage branches: Anco Insurance Capitol City, Austin, Texas; Anco Insurance Dallas/Fort Worth, Dallas; Anco Insurance-GSM, Rockport, Texas; Anco Insurance Jernigan-Dabney, Livingston, Texas; Anco Metroplex, Arlington, Texas; Anco Pioneer-Mart, Mart/Waco, Texas; Anco Insurance of Temple, Temple, Texas; Anco Insurance of The Woodlands, The Woodlands, Texas; Insurance Services of America, Houston.
Non-retail brokerage subsidiaries: AIM Premium Finance Inc.; Anco Insurance Services of Bryan/College Station; Anco Insurance Services of Texas Inc.; Emerald Surplus Lines Inc.; Keifer Marshall Insurance Agency Inc.
Licensed excess/surplus broker in: Texas.
Officers: M.L. "Red" Cashion, chairman; Dick B. Haddox, president/CEO; Richard Pollard, Adrian G. McDonald Jr., Susan Flippen, senior vps.
Contact: T. Scott Hart, assistant controller.

The Anderson Co. Corp.

1250 Woodbranch Park Drive, Houston, Texas 77079; 713-496-3400; fax: 713-496-6729

	1994	1993
Premium volume	$51,000,000	$61,000,000
Gross revenues	$8,523,000	$8,906,000
U.S. clients	100%	100%
Brokerage: Retail	60.3%	69.4%
U.S. offices	$5,113,800	$6,234,200
Personal lines	7.0%	6.9%
Services	22.0%	19.4%
Invstmt. income	2.4%	1.3%
Other	8.3%	3.0%
Employees	85	94
Offices	1	1

Founded: 1873.
Retail brokerage: 77% commissions, 23% fees.
Employee benefits: 7.6% of revenues.
Non-retail brokerage subsidiaries: Regional Insurance Management Services Inc., Houston.
Licensed excess/surplus broker in: Texas.
Officers: John L. Van Osdall, chairman; John D. Collado, president; Gerald M. Smith, senior vp/COO; Randall F. Green, Robert E. Holloway, senior vps.
Contact: Gerald M. Smith.

Anderson & Anderson Insurance Brokers Inc.

2495 Campus Drive, Irvine, Calif. 92715; 714-476-4300; fax: 714-752-7587

	1994*	1993*
Premium volume	$130,000,000	$105,000,000
Gross revenues	$12,673,000	$11,130,000
U.S. clients	100%	100%
Brokerage: Retail	93.1%	92.0%
U.S. offices	$11,798,563	$10,239,600
Services	2.5%	4.0%
Invstmt. income	2.2%	2.0%
Other	2.2%	2.0%
Employees	126	114
Offices	3	3

* Fiscal years ending 3/31/95 and 3/31/94.

Founded: 1953.
Retail brokerage: 98% commissions, 2% fees.
Employee benefits: 9.8% of revenues.
Acquisitions: John W. McHugh Insurance Agency, Stockton, Calif., June 1994.
Retail brokerage branches: Glendale, Irvine and Stockton, Calif.
Non-retail brokerage subsidiaries: CAP Managers Ltd., Hamilton, Bermuda; Captive Assurance Partners, Irvine, Calif.
Officers: Robert M. Anderson, president/CEO; John W. Roblee, senior vp/secretary/treasurer; Edward C. Shumaker, executive vp-Orange County; Sam J. Cunningham, president-A&A/Benefits, Orange County; Everett Newman, executive vp, Glendale; Steve King, executive vp-Stockton.
Contact: Robert M. Anderson.

Andreini & Co.

220 W. 20th Ave., San Mateo, Calif. 94403; 415-573-1111; fax: 415-378-4361

	1994	1993
Premium volume	NA	NA
Gross revenues	$19,502,000	$18,669,000
U.S. clients	100%	100%
Brokerage: Retail	96%	96%
U.S. offices	$18,721,920	$17,922,240
Personal lines	2%	2%
Invstmt. income	2%	2%
Employees	170	175
Offices	8	7

Founded: 1951.
Retail brokerage: 95% commissions, 5% fees.
Retail brokerage branches: Scottsdale, Ariz.; Irvine, Oxnard, Salinas and Santa Monica, Calif.; Dallas.
Licensed excess/surplus broker in: Alaska, California.
Officers: John Andreini, chairman; Michael J. Colzani, CEO; David Hoskins, president; Dan Centoni, executive vp.
Contact: John Andreini or Michael Colzani.

The Auten Group Inc.

1915 Southfield Road, Birmingham, Mich. 48009; 810-258-6500; fax: 810-258-5618

	1994*	1993*
Premium volume	$9,091,000	$7,842,000
Gross revenues	$1,263,000	$1,170,000
U.S. clients	100%	100%
Brokerage: Retail	79.0%	77.3%
U.S. offices	$997,770	$904,410
Personal lines	20.0%	21.0%
Invstmt. income	0.9%	1.2%
Other	0.1%	0.5%
Employees	14	15
Offices	1	1

* Fiscal years ending 9/30/94 and 9/30/93.

Founded: 1984.
Retail brokerage: 100% commissions.
Employee benefits: 9.8% of revenues.
Licensed excess/surplus broker in: Michigan.
Officers: Bruce J. Auten, president; Jean E. Hall, Nancy A. Beard, senior vps; Douglas M. Hall, vp.
Contact: Bruce Auten.

Aviation Insurance Services

333 N. Rancho Drive, Suite 400, Las Vegas, Nev. 89106; 702-647-2333; fax: 702-647-5433

	1994	1993
Premium volume	$30,000,000*	$28,400,000*
Gross revenues	$3,471,000	$3,075,000
U.S. clients	91%	92%
Non-U.S. clients	9%	8%
Brokerage: Retail	88.0%	88.0%
U.S. offices	$3,054,480	$2,706,000
Wholesale	2.0%	2.0%
Reinsurance	8.0%	7.0%
Personal lines	0.5%	1.0%
Services	0.5%	1.0%
Invstmt. income	1.0%	1.0%
Employees	20	23
Offices	4	4

* Company estimates.

Founded: 1977.
Parent: Aviation Insurance Holdings Inc.
Retail brokerage: 93.5% commissions, 6.5% fees.
Retail brokerage branches: Los Angeles, Salt Lake City, Seattle.
Licensed excess/surplus broker in: California, Nevada, Utah, Washington.
Officers: Ronald A. Hill, chairman/CEO; Richard R. Gorsuch, vice chairman; Leslie C. DeWald, president-Utah; Teresa Heckart, vp-finance/CFO.
Contact: Richard R. Gorsuch.

B

The BGS&G Cos.

44 Baltimore St., Cumberland, Md. 21502; 301-777-1500; fax: 301-724-3953

	1994	1993
Premium volume	$54,994,303	$52,138,592
Gross revenues	$13,489,945	$13,051,556
U.S. clients	100%	100%
Brokerage: Retail	33%	36%
U.S. offices	$4,451,682	$4,698,560
Wholesale	4%	6%
Personal lines	12%	13%
Services	2%	1%
Other	49%	44%
Employees	165	160
Offices	10	8

Founded: 1921.
Parent: Beall, Garner, Screen & Geare Inc.
Retail brokerage: 95% commissions, 5% fees.
Employee benefits: 34% of revenues.
Acquisitions: Dyer-Hughes, Uniontown, Pa., October 1994.
Retail brokerage branches: Columbia, Frostburg, Hagerstown and Oakland, Md.; Johnstown, Pittsburgh and Uniontown, Pa.; Keyser, W.Va.; A.H. Baker & Co., Washington.
Licensed excess/surplus broker in: District of Columbia, Maryland, Pennsylvania, Virginia, West Virginia.
Officers: Marc E. Zanger, CEO; Page T. Shanklin, president; Robert H. Garner, CFO; Coleman P. Brown II, Randolph B. Screen, senior vps.
Contact: Page T. Shanklin.

BWD Group Ltd., Blumencranz, Klepper, Wilkins & Dubofsky Ltd.

3000 Marcus Ave., CB 5028, Lake Success, N.Y. 11042-0028; 516-327-2700; fax: 516-327-2800

	1994	1993
Premium volume	$157,000,000	$145,000,000
Gross revenues	$14,260,000	$12,973,800
U.S. clients	98%	98%
Non-U.S. clients	2%	2%
Brokerage: Retail	70%	71%
U.S. offices	$9,982,000	$9,168,469
Wholesale	20%	18%
Personal lines	7%	8%
Services	2%	2%
Invstmt. income	1%	1%
Employees	110	104
Offices	1	1

Founded: 1929.
Retail brokerage: 92% commissions, 8% fees.
Employee benefits: 8.5% of revenues.
Licensed excess/surplus broker in: New York.
Officers: Roger A. Blumencranz, president; Stuart B. Wilkins, Marc J. Blumencranz, Eric S. Blumencranz, vps; Robert Dubofsky, managing director.
Contact: Roger A. Blumencranz.

Bain Hogg Group

Lloyd's Chambers, 1 Portsoken St., London E1 8DF, England; 44-171-680-4000; fax: 44-171-480-6137

	1994	1993
Gross revenues	$331,146,396*	$307,578,058*
U.S. clients	4.3%	2.5%
Non-U.S. clients	95.7%	97.5%
Brokerage: Retail	55.3%	58.3%
Non-U.S. offices	$183,123,957*	$179,318,008*
Wholesale	15.0%	16.8%
Reinsurance	13.2%	12.1%
Personal lines	6.8%	5.0%
Services	0.6%	0.2%
Invstmt. income	7.8%	7.2%
Other	1.3%	0.4%
Employees	4,386	4,695
Offices	129	145

* Converted at applicable exchange rates.

Founded: 1994.
Parent: Inchcape P.L.C.
Retail brokerage: 89.6% commissions, 10.4% fees.
Acquisitions: Hogg Group P.L.C., London, May 1994; Revasa, Italy, October 1994.
Retail brokerage branches: Atkins Kroll Inc., Tamuning, Guam; Bain Clarkson Ltd., Beijing; Bain Clarkson (Hellas) Ltd., Piraeus, Greece; Bain Clarkson Japan Ltd., Tokyo; Bain Clarkson AB, Gothenburg and Stockholm, Sweden; Bain Hogg Ltd., Birmingham, Bristol, Cambridge, Caterbury, Caterham, Cheadle, Colchester, Dudley, Fareham, Folkestone, Guildford, Haywards Heath, Leeds, Leicester, London, Manchester, Newcastle, Nottingham, Plymouth, Reading, Sheffield and Shrewsbury, England; Bain Hogg Ltd., Belfast, Ireland; Bain Hogg Ltd., Isle of Man; Bain Hogg Ltd., Edinburgh and Glasgow, Scotland; Bain Hogg Ltd., Seoul, South Korea; Bain Hogg Australia Ltd., Adelaid, Brisbane, Cairns, Melbourne, Perth and Sydney, Australia; Bain Hogg Chile S.A., Santiago, Chile; Bain Hogg Colombiana Ltd., Sante Fe de Bogota, Colombia; Bain Hogg Fiji Ltd., Suva, Fiji; Bain Hogg Insurance Management (Guernsey) Ltd., Guernsey; Bain Hogg Insurance Services Ltd., Reading, England; Bain Hogg Intermediario de Reaseguro SA de CV, Mexico City; Bain Hogg International Ltd., London; Bain Hogg Malawi Ltd., Blantyre and Lilongwe, Malawi; Bain Hogg International Ltd., Casablanca, Morocco; Bain Hogg International Ltd., Taipei, Taiwan; Bain Hogg International, Kiev, Ukraine; Bain Hogg New Zealand Ltd., Auckland, New Zealand; Bain Hogg Robinson Inc., New York; Bain Hogg Russian Insurance Brokers Ltd., Moscow; Bain Hogg Solomon Islands Ltd., Honiara, Solomon Islands; Bain Hogg Uganda Ltd., Kampala, Uganda; Bain Hogg Venezolana C.A., Caracas, Venezuela; Boels & Begault; Antwerp, Brussels, Charleoi, Courtai Ghent and Liege, Belgium; Boels & Begault SARL, Luxembourg; CIA Deutschland Kreditversicherungsmakler & Beratungs GmbH, Hamburg, Germany; CIA-Midwest Inc., Chicago; Commercial & Political Risk Consultants Ltd., London; Credit Insurance Associates Inc., San Francisco; The Credit Insurance Assn. Ltd., Leeds, London, Manchester, Reading and Solihull, England; The Credit Insurance Assn. France S.A., Paris; The Credit Insurance Assn. Italia SRL, Milan, Italy; The Credit Insurance Assn. Ltd., Glasgow, Scotland; Eastward Insurance Services Ltd., King's Lynn, England; Forsakringsmaklaren Albihn AB, Vaxjo, Sweden; Inchcape (Shanghai) Trading Ltd., Shanghai, China; FTA Insurance Services, Guildford, England; Hellenic Bain Hogg S.A., Athens, Greece; Inchcape Insurance Brokers, Inchcape Insurance Holdings (HK) Ltd., Inchcape Insurance Services, Wan Chai, Hong Kong; Inchcape Insurance Brokers (Malaysia) Sdn Bhd, Kuala Lumpur, Malaysia; Inchcape Insurance Brokers Pte Ltd., Singapore; Inchcape Insurance Brokers (Thailand) Ltd., Bangkok, Thailand; Inchcape Insurances (Macau) Ltd., Macau; Inchcape ZIL Insurance Brokers Inc., Manila, Phillipines; Microl Corp., Saipan; Revasa, Cremona, Italy; Yin Hwa Insurance Agent Co. Ltd., Taipei, South Korea.
Officers: Anthony Howland Jackson, chairman; Ron W. Forrest, CEO; Ian Marshall, general manager; Simon Arnold, deputy chairman; Jim Vaughn, non-executive director.
Contact: Miranda Bellord.

Bartlett Agency Inc.

2200 52nd Ave., Moline, Ill. 61265; 309-764-9666; fax: 309-764-8153

	1994	1993
Premium volume	$18,483,000	$20,000,000
Gross revenues	$3,558,000	$3,506,000
U.S. clients	100%	100%
Brokerage: Retail	48.2%	48.8%
U.S. offices	$1,715,000	$1,711,000
Personal lines	11.6%	10.8%
Services	0.3%	0.3%
Invstmt. income	1.5%	1.6%
Other	38.4%	38.5%
Employees	46	45
Offices	1	1

Founded: 1945.
Retail brokerage: 100% commissions.
Employee benefits: 38.4% of revenues.
Licensed excess/surplus broker in: Illinois.
Officers: Richard J. Miles, president/CEO; Thomas K. Bracke, executive vp/secretary; John J. Barrett, Bradley T. Boyle, vps; Deanne K. Mainey, treasurer.
Contact: David A. Schebler.

Berwanger Overmyer Associates

2245 Northbank Drive, Columbus, Ohio 43220; 614-457-7000; fax: 614-457-1507

	1994	1993
Premium volume	$60,000,000	$62,000,000
Gross revenues	$10,026,133	$9,837,137
U.S. clients	100%	100%
Brokerage: Retail	80.2%	80.1%
U.S. offices	$8,040,959	$7,879,546
Wholesale	1.5%	1.5%
Personal lines	6.0%	6.4%
Services	10.0%	10.0%
Invstmt. income	2.0%	1.7%
Other	0.3%	0.3%
Employees	108	110
Offices	3	1

Founded: 1973.
Retail brokerage: 84% commissions, 16% fees.
Employee benefits: 24% of revenues.
Retail brokerage branches: Berwanger Overmyer Associates of Cincinnati, Cincinnati; Berwanger Overmyer Associates of Pennsylvania, Pittsburgh.
Licensed excess/surplus broker in: Ohio.
Officers: Edwin L. Overmyer, president/CEO; Joseph M. Berwanger, executive vp/secretary; Richard H. Moore, executive vp; Jerry L. Esselstein, COO/treasurer; Richard W. Daley, senior vp.
Contact: Edwin L. Overmyer.

Groupe Le Blanc de Nicolay

134 rue Danton, F-92300 Levallois-Perret Cedex, France; 331-47-59-11-11; fax: 331-47-59-93-82

	1994	1993
Gross revenues	$100,455,000*	$90,978,000*
Brokerage: Retail	37%	39%
Non-U.S. offices	$37,168,350*	$35,481,420*
Reinsurance	55%	54%
Invstmt. income	8%	7%
Employees	500	500
Offices	5	5

* Converted at applicable rates.

Founded: 1928.
Retail brokerage: 96% commissions, 4% fees.
Employee benefits: 44% of revenues.
Retail brokerage branches: Le Blanc De Nicolay Assurance, Levallois-Perret, France; Le Blanc de Nicolay Espanola, Madrid, Spain; Societe Centrale de Courtage d'Assurance (S.O.C.E.C.A.), Levallois-Perret, France; Tarrazi Recoing, Marseille, France.
Non-retail brokerage subsidiaries: Groupe Le Blanc de Nicolay Luxembourg, Luxembourg; LBN Asia, Singapore; Le Blanc de Nicolay Catalunya, Barcelona, Spain; Le Blanc de Nicolay Iberica, Madrid, Spain; Le Blanc de Nicolay Reassurance, Levallois-Perret, France; Le Blanc de Nicolay Reassurance, Tokyo, Japan; Le Blanc de Nicolay Reassurance, Stockholm, Sweden; Le Blanc de Nicolay U.S., New York; Le Blanc de Nicolay Zurich, Zurich, Switzerland; Scagliarini Coniglio & C., Bologna, Italy; Suys & Janssens, Brussels, Belgium.
Officers: Vincent Redier, chairman; Claude Marie, managing director; Olivier du Passage, Gilles Marchandon, deputy managing directors.
Contact: Eric Bosquet, financial manager.

Grupo Bobadilla y Rehder, Agente de Seguros, S.A. de C.V.

Av. Cuauhtemoc 1217-202, Mexico City, DF 03610; 525-688-3322; fax: 525-688-0181

	1994	1993
Premium volume	$14,300,000*	$11,300,000*
Gross revenues	$1,918,000*	$1,288,000*
U.S. clients	9.9%	3.9%
Non-U.S. clients	90.1%	96.1%
Brokerage: Retail	98.7%	98.2%
Non-U.S. offices	$1,893,070*	$1,264,820*
Personal lines	0.9%	1.4%
Services	0.2%	0.2%
Invstmt. income	0.2%	0.2%
Employees	27	22
Offices	1	1

* Converted at applicable rates.

Founded: 1988.
Retail brokerage: 99.8% commissions, 0.2% fees.
Employee benefits: 35.6% of revenues.
Officers: Oscar Bobadilla, president; Ricardo O'Hara, executive vp; Roman Iglesias, director-engineering & underwriting.
Contact: Ricardo O'Hara.

Bollinger Fowler Co.

830 Morris Turnpike, Short Hills, N.J. 07078; 201-467-0444; fax: 201-467-0061

	1994	1993
Premium volume	$152,300,000	$151,200,000
Gross revenues	$24,779,000	$24,309,000
U.S. clients	100%	100%
Brokerage: Retail	48%	49%
U.S. offices	$11,985,000	$12,106,000
Wholesale	32%	31%
Personal lines	16%	16%
Services	2%	2%
Invstmt. income	2%	2%
Employees	187	17
Offices	1	

Founded: 1876.
Retail brokerage: 96% commissions, 4% fees.
Employee benefits: 11% of revenues.
Acquisitions: Insurance Professionals Inc Paramus, N.J., 1994; Pearsall Maben & Frankenbach, Westfield, N.J., 1994; Shepp ard Caulfield & McCue, Millburn N.J 1995.
Licensed excess/surplus broker in: Nev Jersey, New York (limited).
Officers: John A. Windolf, chairman/CEC Richard C. Fowler, president/COO; Dougla T. Cook, Donald W. Wright, executive vp Philipp J. Ott, senior vp/CFO.
Contact: John A. Windolf.

Bolton/RGV Insurance Brokers

1100 El Centro St., South Pasadena, Calif. 91031; 818-799-7000; fax: 818-441-3360

	1994	1993
Premium volume	$84,000,000	$95,000,00
Gross revenues	$9,700,000	$10,100,00
U.S. clients	100%	100
Brokerage: Retail	84.0%	82.2
U.S. offices	$8,148,000	$8,302,20
Personal lines	14.0%	10.5
Invstmt. income	2.0%	7.3
Employees	97	1
Offices	2	

Founded: 1931.
Retail brokerage: 99% commissions, 1 fees.
Employee benefits: 12% of revenues.
Retail brokerage branches: Oxnard, Cali
Licensed excess/surplus broker in: Cal fornia.
Officers: William Bolton, James Bolto William C. Van Rooy, Tom O'Loughlin.
Contact: William Bolton.

Boockford & Co.

1 Oakbrook Terrace, Oakbrook Terrace, Ill. 60181; 708-932-4000; fax: 708-932-7315

	1994	199
Premium volume	$52,000,000	$48,000,0
Gross revenues	$5,400,000	$5,235,0
U.S. clients	100%	10
Brokerage: Retail	95.6%	95.6
U.S. offices	$5,162,000	$5,015,0
Personal lines	1.3%	1.6
Invstmt. income	3.1%	2.6
Employees	52	
Offices	1	

Founded: 1950.
Retail brokerage: 89% commissions, 11 fees.
Employee benefits: 29% of revenues.
Licensed excess/surplus broker in: Illino
Officers: W.D. Boockford Jr., chairma Charles J. Bretz, president; James Schuster, vp-employee benefits operatio Mario Remegi, vp-property/casualty ope tions; R.M. McGrath, vp.
Contact: Charles J. Bretz.

Roger Bouchard Insurance Inc.

101 Starcrest Drive, Clearwater, Fla. 34625; 813-447-6481; fax: 813-449-1267

	1994	199
Premium volume	$40,000,000	$35,745,
Gross revenues	$4,395,000	$3,834,
U.S. clients	100%	10

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okerage: Retail	71.35%	69.32%
U.S. offices	$3,120,450	$2,645,460
nolesale.....	7.60%	6.80%
rsonal lines.....	12.00%	13.00%
rvices.....	0.75%	1.28%
vstmt. income	0.60%	0.10%
her.....	7.70%	9.50%
nployees.....	48	46
fices.....	1	1

Founded: 1948.
Retail brokerage: 98.2% commissions, 3% fees.
Employee benefits: 7.6% of revenues.
Licensed excess/surplus broker in: Flor-a.
Officers: Richard Bouchard, president; chael Hamby, executive vp; Tim Bou-ard, Ray Bouchard, vps; Delores Moore, cretary.
Contact: Gary Caruolo-operations.

rady & Co.

1031 W. Fourth Ave., Suite 400, Anchorage, Alaska 99501; 907-276-5617; fax: 907-276-6292

	1994	1993
emium volume.....	$83,000,000	$77,000,000
oss revenues.....	$7,200,000	$6,500,000
U.S. clients	100%	100%
okerage: Retail	70%	77%
U.S. offices	$5,040,000	$5,005,000
olesale.....	20%	12%
sonal lines.....	7%	7%
stmt. income	3%	4%
ployees.....	53	50
ices.....	2	2

Founded: 1994.
Retail brokerage: 89% commissions, 11% s.
Employee benefits: 7% of revenues.
Acquisitions: Rollins Hudig Hall of aska Inc., Anchorage, Alaska, February 94.
Retail brokerage branches: Anchorage, aska.
Licensed excess/surplus broker in: aska.
Officers: Carl F. Brady Jr., chairman/O; Fred Chadwick, president/COO.
Contact: Fred Chadwick.

aishfield Associates Inc.

1700 Route 3 W., Clifton, N.J. 07013; 201-777-4747; fax: 201-777-1196

	1994	1993
mium volume.....	$39,000,000	$33,100,000
ss revenues.....	$3,100,000	$2,310,000
.S. clients	90%	85%
on-U.S. clients..	10%	15%
xerage: Retail	75.5%	60.0%
.S. offices	$2,340,500	$1,386,000
olesale.....	12.0%	8.0%
sonal lines.....	6.0%	13.0%
vices.....	3.5%	15.5%
tmt. income	3.0%	3.5%
loyees.....	38	37
ces.....	4	4

Founded: 1983.
Parent: Louis J. Kennedy Trucking Co.
Retail brokerage: 80% commissions, 20% .
Employee benefits: 17% of revenues.
Retail brokerage branches: Melbourne, ; Clifton and Oldwick, N.J.; Philadel-a.
Non-retail brokerage subsidiaries: C.C.C. , P.L.U.S Inc., Melbourne, Fla.
Licensed excess/surplus broker in: Flor-New Jersey, New York, Pennsylvania.
Officers: James J. McCahill, president/O; Donald E. Scaglione, president-.U.S. Inc.; Raymond Wolak, Mark C. ke, Reese Bowen, vps.
Contact: John P. Roulett, treasurer.

aley & Wellington Insurance Agency Corp.

44 Park Ave., Worcester, Mass. 01609; 508-754-7255; Fax: 508-797-3507

	1994	1993
nium volume.....	$18,000,000	$18,000,000
s revenues.....	$1,812,000	$1,824,000
S. clients	100%	100%
erage: Retail	60.0%	65.0%
S. offices	$1,087,200	$1,185,600
lesale.....	0.5%	NA
onal lines.....	39.0%	35.0%
ices.....	0.5%	NA
loyees.....	24	23
es.....	1	1

ounded: 1978.
etail brokerage: 99% commissions, 1% .
mployee benefits: 1% of revenues.
icensed excess/surplus broker in: Massa-setts.
fficers: Parker Wellington Jr., president; mas M. Braley, treasurer; John W. Bra-III, vp/CFO; Craig F. Stanovich, vp/ .
ontact: Craig F. Stanovich.

eckles Insurance Brokers Ltd.

100 Cowdray Court, Suite 200, Scarboro, Ontario M1S 5C8, Canada; 416-292-2020; fax: 416-292-8523

	1994	1993
nium volume.....	$15,808,812*	$15,547,039*
s revenues.....	$2,575,010*	$2,487,485*
S. clients	2%	1%
n-U.S. clients..	98%	99%
erage: Retail	42%	41%
n-U.S. offices..	$1,081,504*	$1,019,869*
nal lines.....	56%	57%
Invstmt. income	1%	1%
Other.....	1%	1%
Employees.....	45	44
Offices.....	1	1

* Converted at applicable exchange rates.

Founded: 1950.
Retail brokerage: 100% commissions.
Employee benefits: 1% of revenues.
Officers: T.M. Hannan, president; S.A. Marsh, general manager; B.M. Hamerston, commercial manager; K. Kiely, marketing manager.
Contact: T.M. Hannan.

Britton-Gallagher & Associates Inc.

6240 SOM Center Road, Cleveland, Ohio 44139; 216-248-4711; fax: 216-248-5406

	1994	1993
Gross revenues.....	$3,182,054	$2,946,831
U.S. clients	100%	100%
Brokerage: Retail	78.0%	79.0%
U.S. offices	$2,482,002	$2,327,996
Personal lines.....	12.0%	12.0%
Invstmt. income	1.4%	1.0%
Other.....	8.6%	8.0%
Employees.....	34	31
Offices.....	1	1

Founded: 1942.
Retail brokerage: 91% commissions, 9% fees.
Licensed excess/surplus broker in: Ohio.
Officers: Don R. Britton, CEO; Bruce H. Ball, president; John L. Hazen, senior vp; Thomas A. Brackett, secretary/treasurer; Terry Dragan, vp.
Contact: Don R. Britton.

The Brooks & Stafford Co.

75 Public Square, Cleveland, Ohio 44113; 216-696-3000; fax: 216-621-7336

	1994	1993
Premium volume.....	$16,200,000	$15,600,000
Gross revenues.....	$2,742,000	$2,652,000
U.S. clients	97%	97%
Non-U.S. clients..	3%	3%
Brokerage: Retail	55%	54%
U.S. offices	$15,081,000	$1,432,080
Wholesale.....	2%	2%
Personal lines.....	41%	42%
Services.....	1%	1%
Invstmt. income	1%	1%
Offices.....	2	1

Founded: 1849.
Retail brokerage: 97% commissions, 3% fees.
Employee benefits: 46% of revenues.
Retail brokerage branches: Cleveland.
Licensed excess/surplus broker in: Ohio.
Officers: Robert E. Hutchinson, president; Ralph Kunze, first vp; W.J. Coming, treasurer.
Contact: Robert E. Hutchinson.

Brown-Hiller-Clark & Associates

5500 Euper Lane, P.O. Box 3529, Fort Smith, Ark. 72913; 501-452-4000; fax: 501-484-5185

	1994*	1993*
Premium volume.....	$13,124,362	$11,821,971
Gross revenues.....	$1,876,479	$1,866,356
U.S. clients	100%	100%
Brokerage: Retail	69%	68%
U.S. offices	$1,294,771	$1,269,122
Personal lines.....	17%	17%
Invstmt. income	1%	1%
Other.....	13%	14%
Employees.....	29	29
Offices.....	5	5

* Fiscal years ending 9/30/94 and 9/30/93.

Founded: 1915.
Retail brokerage: 100% commissions.
Employee benefits: 10% of revenues.
Retail brokerage branches: BHC of Eureka Springs, Eureka Springs, Ark.; BHC of Oklahoma Inc., Sallisaw, Okla.; BHC Life & Group Specialists Inc., Eureka Springs, Ark.; BHC Life & Group Specialists Inc., Fort Smith, Ark.
Licensed excess/surplus broker in: Arkansas.
Officers: Sam B. Hiller, president/treasurer; Larry R. Clark, executive vp/secretary; Thomas L. Cooley, vp; William Stan Miller, president-BHC Life & Group Specialists Inc.; Gary Winton, president-BHC of Oklahoma Inc.
Contact: Janice A. Butler, vp-administration.

John Burnham & Co.

610 W. Ash St., San Diego, Calif. 92101; 619-231-1010; fax: 619-236-9134

	1994	1993
Premium volume.....	$130,000,000	$147,000,000
Gross revenues.....	$10,669,000	$11,814,000
U.S. clients	94%	98%
Non-U.S. clients..	6%	2%
Brokerage: Retail	91.5%	93.1%
U.S. offices	$9,762,000	$10,999,000
Personal lines.....	2.7%	3.0%
Services.....	4.7%	3.0%
Invstmt. income	1.1%	0.9%
Employees.....	114	119
Offices.....	2	3

Founded: 1891.
Retail brokerage: 96% commissions, 4% fees.
Employee benefits: 25.8% of revenues.

Continued on next page

He might be back to work already if your health insurance had specified a licensed physical therapist.



He might be a lot more productive right now if his physical therapy had been in the hands of a licensed physical therapist. They're the people who know, more than any other health care professionals, how the musculoskeletal system functions.

And their knowledge of how muscles, bones, joints, and nerves work together can mean a better, faster recovery.

What you're most likely to appreciate is the cost-effectiveness of that kind of care. When employees and their dependents have direct access to physical therapists, their insurers can save 123% on each person's care, according to a recent study from Georgetown University. That works out to an average savings of $1,200 per case.

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PHYSICAL THERAPY AMERICAN ASSOCIATION

Continued from previous page

Retail brokerage branches: Irvine, Calif.

Licensed excess/surplus broker in: California.

Officers: Robert J. Lichter, president; Brad Orr, executive vp/COO; William Pope, executive vp; Jack Lupien, Randy Williams, senior vps.

Contact: John Starich, vp.

Byrne, Byrne & Co.

101 N. Wacker Drive, Chicago, Ill. 60606; 312-346-2150; fax: 312-346-4637

	1994	1993
Premium volume	$32,000,000	$30,600,000
Gross revenues	$1,800,000	$1,670,000
U.S. clients	100%	100%
Brokerage: Retail	80%	80%
U.S. offices	$1,440,000	$1,336,000
Personal lines	10%	10%
Services	10%	10%
Employees	17	17
Offices	1	1

Founded: 1898.

Retail brokerage: 90% commissions, 10% fees.

Employee benefits: 22% of revenues.

Officers: Richard Byrne, chairman; Stephen Byrne, president; William Reif, Daniel Byrne, vps; Keith Daly, treasurer/secretary.

Contact: Stephen Byrne.

C

C&G Midwest Insurors Agency Inc.

2222 Schuetz Road, Suite 222, St. Louis, Mo. 63146; 314-872-7007; fax: 314-872-8121

	1994	1993
Premium volume	$9,000,000	$7,500,000
Gross revenues	$1,200,000	$1,070,000
U.S. clients	100%	100%
Brokerage: Retail	80%	80%
U.S. offices	$960,000	$856,000
Personal lines	15%	15%
Services	3%	3%
Invstmt. income	2%	2%
Employees	16	16
Offices	3	3

Founded: 1975.

Retail brokerage: 98% commissions, 2% fees.

Retail brokerage branches: Mount Olive, Ill.; Rolla, Mo.

Officers: James P. Cittadino, CEO; Margaret A. Blais, president; Donna J. Thone, Gregory P. Doss, vps.

Contact: Brian D. Kernich, risk management and marketing manager, 217-999-2491.

Cal-Central Insurance & Management Services Inc.

2455 W. Shaw, Suite 101, Fresno, Calif. 93711; 209-222-4471; fax: 209-225-5041

	1994*	1993*
Premium volume	$13,039,445	$14,081,334
Gross revenues	$1,735,833	$2,000,827
U.S. clients	100%	100%
Brokerage: Retail	63%	58%
U.S. offices	$1,093,575	$1,160,480
Wholesale	28%	33%
Services	2%	2%
Invstmt. income	3%	3%
Other	4%	4%
Employees	10	11
Offices	1	1

* Fiscal years ending 6/30/94 and 6/30/93.

Founded: 1983.

Retail brokerage: 100% commissions.

Employee benefits: 10% of revenues.

Officers: Ronald J. Stewart, president; James E. Williams, executive vp; Catherine A. Adams, Daniel B. Frainer, vps.

Contact: Ronald J. Stewart.

The Cal-Surance Cos.

333 City Blvd. W., Orange, Calif. 92668; 714-939-0800; fax: 714-939-7445

	1994	1993
Premium volume	$135,916,688	$118,738,082
Gross revenues	$16,785,891	$17,237,402
U.S. clients	100%	100%
Brokerage: Retail	78.2%	80.5%
U.S. offices	$13,126,567	$13,876,109
Wholesale	1.0%	0.8%
Reinsurance	2.6%	0.8%
Services	8.8%	11.3%
Invstmt. income	4.3%	3.2%
Other	5.1%	3.4%
Employees	122	117
Offices	2	2

Founded: 1962.

Parent: Chartered Financial Services Corp.

Retail brokerage: 100% commissions.

Employee benefits: 39.5% of revenues.

Retail brokerage branches: Cal-Surance Associates Inc., Orange, Calif.; Cal-Surance Group Benefit Plans Inc., Torrance, Calif.

Non-retail brokerage subsidiaries: Lancer Claims Services Inc., United Network of Insurance Services Inc., Sterling Reinsurance Intermediaries Inc., Orange, Calif.; Sterling Insurance Co. Ltd., Hamilton, Bermuda.

Licensed excess/surplus broker in: California.

Officers: Donald E. Martin, president/CEO; Thomas R. Linn, vp/CFO; Donald H. Mehlig, CEO-Cal-Surance Group Benefit Plans Inc.; Jim Hall, president-Cal-Surance Group Benefit Plans Inc.

Contact: Donald E. Martin.

Calco Insurance Brokers & Agents Inc.

2000 Alameda de las Pulgas, San Mateo, Calif. 94403-1298; 415-574-0773; fax: 415-572-4622

	1994	1993
Premium volume	$210,000,000	$203,000,000
Gross revenues	$17,800,000	$17,080,000
U.S. clients	99%	99%
Non-U.S. clients	1%	1%
Brokerage: Retail	97%	96%
U.S. offices	$17,266,000	$16,396,800
Wholesale	1%	1%
Personal lines	1%	2%
Invstmt. income	1%	1%
Employees	150	143
Offices	7	7

Founded: 1937.

Parent: California Casualty Management Co.

Retail brokerage: 99% commissions, 1% fees.

Employee benefits: 15% of revenues.

Retail brokerage branches: Fresno, Glendale, Orange, Sacramento, San Diego, San Francisco and San Mateo, Calif.

Licensed excess/surplus broker in: California.

Officers: Peter Goldberg, chairman; Kai Anderson, vice chairman; Donald D. Fey, president; Charles W. Gross, executive vp.

Contact: Donald D. Fey.

Caledonian Insurance Group Inc.

3023 80th Ave. S.E., Suite 1000, Mercer Island, Wash. 98040-2985; 206-232-9870; fax: 206-232-9515

	1994	1993
Premium volume	$11,500,000	$9,700,000
Gross revenues	$1,400,000	$1,300,000
U.S. clients	93.0%	90.5%
Non-U.S. clients	7.0%	9.5%
Brokerage: Retail	93.0%	90.0%
U.S. offices	$1,302,000	$1,170,000
Wholesale	3.0%	5.0%
Personal lines	0.7%	1.0%
Invstmt. income	3.3%	4.0%
Employees	13	12
Offices	2	2

Founded: 1988.

Retail brokerage: 96% commissions, 4% fees.

Retail brokerage branches: Spokane, Wash.

Licensed excess/surplus broker in: Alaska, Utah and Washington.

Officers: Anthony H. Cowan, president; Larry J. Maloney, Nita Marchant, vps; Michael C. Weaver, assistant vp; JoAnn Trimble, assistant vp/controller.

Contact: Anthony H. Cowan.

Cambridge Underwriters Ltd.

15415 Middlebelt Road, Livonia, Mich. 48154; 313-525-2412; fax: 313-525-0612

	1994*	1993*
Premium volume	$24,896,000	$24,560,000
Gross revenues	$4,169,372	$4,089,517
U.S. clients	100%	100%
Brokerage: Retail	89%	89%
U.S. offices	$3,711,000	$3,640,000
Personal lines	6%	6%
Services	1%	1%
Invstmt. income	2%	2%
Other	2%	2%
Employees	34	36
Offices	1	1

* Fiscal years ending 9/30/94 and 9/30/93.

Founded: 1974.

Retail brokerage: 98% commissions, 2% fees.

Licensed excess/surplus broker in: Michigan.

Officers: Kenneth R. Hale.

Cannon Cochran Management Services Inc.

2 E. Main, Towne Centre, Danville, Ill. 61832; 217-446-1089; fax: 217-443-0927

	1994	1993
Gross revenues	$20,300,000	$16,800,000
U.S. clients	100%	100%
Brokerage: Retail	5%	7%
U.S. offices	$1,015,000	$1,176,000
Reinsurance	5%	5%
Personal lines	1%	2%
Services	87%	85%
Invstmt. income	2%	1%
Employees	272	228
Offices	7	7

Founded: 1860.

Retail brokerage: 100% commissions.

Employee benefits: 11% of revenues.

Retail brokerage branches: Oak Brook, Ill.; Indianapolis; Kansas City and St. Louis, Mo.; Wolford-Cannon-Hoecker, Danville, Ill.

Licensed excess/surplus broker in: Illinois.

Officers: Samuel P. Cannon, CEO; Robert L. Cowgill, president; Gary J. Schirmer, treasurer; Jacqueline J. Cannon, secretary; G. Bryan Thomas, vp-sales.

Contact: Annie Mariage, 217-446-1089, ext. 200.

Capacity Coverage Co. of New Jersey Inc.

180 Summit Ave., Montvale, N.J. 07645; 201-476-1111; fax: 201-476-0661

	1994	1993
Premium volume	$23,660,000	$16,183,000
Gross revenues	$3,172,890	$1,790,000
U.S. clients	100%	100%
Brokerage: Retail	82%	86%
U.S. offices	$2,601,769	$1,539,400
Wholesale	4%	3%
Personal lines	13%	10%
Invstmt. income	1%	1%
Employees	30	17
Offices	9	5

Founded: 1980.

Retail brokerage: 94% commissions, 6% fees.

Employee benefits: 1% of revenues.

Acquisitions: Robert Bell Agency, Lakewood, N.J.; Wright Agency, East Brunswick, N.J.

Retail brokerage branches: Hartford, Conn.; Fort Lauderdale, Fla.; Belle Mead, East Brunswick, Englewood, Lakewood, Pitman, Somerdale and Turnersville, N.J.

Licensed excess/surplus broker in: California, Connecticut, Delaware, Florida, Illinois, New Jersey, New York and Pennsylvania.

Officers: Mark B. Weinraub, president/CEO; Robert G. Lull, executive vp/COO/CFO; Debra Lynn Stanton, senior vp; Donald W. Daves, vp.

Contact: Robert G. Lull.

Carlin Insurance Agency Inc.

233 W. Central St., Natick, Mass. 01760; 508-655-0522; fax: 508-655-8853

	1994	1993
Premium volume	$40,400,000	$35,500,000
Gross revenues	$4,800,000	$3,900,000
U.S. clients	100%	100%
Brokerage: Retail	80%	80%
U.S. offices	$3,840,000	$3,120,000
Personal lines	20%	20%
Employees	65	55
Offices	2	2

Founded: 1968.

Retail brokerage: 100% commissions.

Retail brokerage branches: Carlin Insurance, Natick, Mass.; Lawrence Insurance, Falmouth, Mass.

Licensed excess/surplus broker in: Massachusetts.

Officers: Michael D. Holmes, chairman; James F. Carlin, president; Frank J. Smith, Barry D. Rosen, executive vps; Rosemary W. Fulham, vp; Edward C. Dervan, treasurer.

Contact: Edward C. Dervan.

Cassady Neeser & Brasseur

340 Columbia Place, South Bend, Ind. 46601; 219-233-9443; fax: 219-289-9504

	1994	1993
Premium volume	$24,000,000	$22,000,000
Gross revenues	$3,267,000	$2,753,000
U.S. clients	100%	100%
Brokerage: Retail	85%	85%
U.S. offices	$2,776,950	$2,340,050
Personal lines	10%	10%
Services	5%	5%
Employees	35	34
Offices	2	2

Founded: 1936.

Retail brokerage: 98% commissions, 2% fees.

Employee benefits: 13.46% of revenues.

Acquisitions: Cassady Neeser & Brasseur, Oakbrook Terrace, Ill.

Licensed excess/surplus broker in: Indiana.

Officers: Robert O. Neeser; Thomas R. Cassady Jr.; William Reynolds; Gregg L. Brasseur; Jack Sukup.

Contact: Jack Sukup.

CECAR (Cie. Europeenne de Courtage d'Assurances et de Reassurances)

75 Rue de Tocqueville, 75017 Paris, France; 33-1-4-415-5500; fax: 33-1-4-415-5505

	1994	1993
Premium volume	$1,267,000,000*	NA
Gross revenues	$110,410,000*	$98,058,000*
U.S. clients	7%	7%
Non-U.S. clients	93%	93%
Brokerage: Retail	85%	86%
Non-U.S. offices	$93,848,500*	$84,329,880*
Reinsurance	3%	2%
Personal lines	2%	2%
Services	2%	2%
Invstmt. income	8%	8%
Employees	699	608
Offices	44	44

* Converted at applicable exchange rates.

Founded: 1973.

Retail brokerage: 95% commissions, 5% fees.

Employee benefits: 12% of revenues.

Acquisitions: Guian S.A., Le Havre, France.

Retail brokerage branches: Bargheon, Paris; CAPA, Paris; CECAR PRB, Paris; CECAR Reassurances, Paris; CECAR-Assurances & Finances, Paris; Elysees Prevoyance Gestion, Paris; Energie Courtage, Paris; PRIM S.A., Paris; OWA Insurance Services, Paris; Sagitere, Paris; Office des Assures, Lyon, France; AB-IBERCECAR, Bilbao, San Sebastian and Vitoria, Spain; CECAR Belgium, Anvers, Brussels, Charleroi, Courtray and Gand, Belgium; CECAR Deutschland, Berlin, Cologne, Dusseldorf, Dresden, Frankfurt, Munich and Rostock, Germany; CECAR Inchcape Asia Ltd., Hong Kong; CECAR Portugal, Lisbon, Portugal; CECAR Tunisie, Tunis; IBERCECAR, Barcelona and Madrid, Spain; ITALCECAR, Milan, Italy; Sabramar, Sao Paulo, Brazil.

Non-retail brokerage subsidiaries: CECAR Reassurances, Paris; Sagitere, Paris.

Officers: Andre Carle, president-Conseil de Surveillance; Philippe Carle, Philippe Faure, co-presidents; Jean Pierre Gay, secretary.

Contact: Christine Marais.

Century Financial Services

Century Financial Plaza, 185 N.W. Spanish River Blvd., Suite 170, Boca Raton, Fla. 33431; 407-362-0111; fax: 407-362-0133

	1994*	1993*
Premium volume	$27,600,000	$24,000,000
Gross revenues	$4,200,000	$3,439,000
U.S. clients	98%	97%
Non-U.S. clients	2%	3%
Brokerage: Retail	58%	56%
U.S. offices	$2,436,000	$1,925,840
Wholesale	5%	5%
Personal lines	18%	15%
Services	18%	23%
Invstmt. income	1%	1%
Employees	38	30
Offices	1	1

* Fiscal years ending 10/31/94 and 10/31/93.

Founded: 1983.

Licensed excess/surplus broker in: Florida.

Officers: Ronald Reshefsky, president; Gary H. Morris, senior vp-risk management services; Richard J. Leonard, senior vp-benefits consulting; Kimberly K. McDonald, vp-medical services; Ellen R. Segal, corporate secretary/marketing manager.

Contact: Ronald Reshefsky.

Clair Odell Group

120 W. Germantown Pike, Plymouth Meeting, Pa. 19462; 610-825-5555; fax: 610-828-3349

	1994	1993
Premium volume	$74,643,160	$67,324,485
Gross revenues	$9,291,998	$8,850,003
U.S. clients	100%	100%
Brokerage: Retail	91.3%	91.1%
U.S. offices	$8,455,718	$8,053,503
Personal lines	5.1%	5.3%
Invstmt. income	3.6%	3.6%
Employees	86	89
Offices	1	1

Founded: 1932.

Retail brokerage: 84.5% commissions, 15.5% fees.

Licensed excess/surplus broker in: Pennsylvania.

Officers: Robert A. Clair, chairman; Frank D. Svitek, president/CEO; David A. Collin, Jr., executive president/COO; Steven A. Odell, senior vp; Michael S. Studner, vp.

Contact: Frank D. Svitek.

Complete Equity Markets Inc.

1098 S. Milwaukee Ave., Suite 200, Wheeling, Ill. 60090; 708-541-0900; fax: 708-541-0444

	1994	1993
Premium volume	$16,157,560	$19,696,43
Gross revenues	$4,627,179	$5,121,16
U.S. clients	100%	100
Brokerage: Retail	92%	88
U.S. offices	$4,257,005	$4 506,62
Wholesale	3%	7
Services	2%	2
Invstmt. income	3%	3
Employees	69	7
Offices	1	

Founded: 1967.

Retail brokerage: 99% commissions, 1 fees.

Employee benefits: 1% of revenues.

Licensed excess/surplus broker in: District of Columbia, Illinois, Virginia and Wisconsin.

Officers: C.E. Molloy, chairman; L.T. Molloy, president; Arthur H. Daniels, vp treasurer; C.E. Molloy III, Patricia Mar sueto, vps.

Contact: Arthur H. Daniels.

Condominium Insurance Specialists of America Inc.

3930 Ventura Drive, Suite 450, Arlington Heights, Ill. 60004; 708-870-7000; fax: 708-259-4487

	1994	1993
Premium volume	$12,600,000	$12,100,0
Gross revenues	$3,400,000	$3,190,0
U.S. clients	100%	100
Brokerage: Retail	71%	69
U.S. offices	$2,414,000	$2,201,1
Wholesale	14%	18
Personal lines	11%	9
Services	1%	1
Invstmt. income	3%	3
Employees	29	
Offices	1	

Founded: 1974.

Parent: McLallen Enterprises Inc.

Retail brokerage: 75% commissions, 25 fees.

Officers: Lorraine McLallen, presider Barbara D. Wick, executive vp; Barba Henson, vp-agency administration; Jay Ca roll, vp-sales; Michele King, vp-custom service.

Contact: Barbara D. Wick.

Charles L. Crane Agency Co.

100 S. Fourth St., St. Louis, Mo. 63102; 314-241-8700; fax: 314-444-4970

	1994	199
Premium volume	$81,727,000	$71,836,0
Gross revenues	$9,661,000	$9,167,0
U.S. clients	100%	10
Brokerage: Retail	67.5%	69.5
U.S. offices	$6,521,175	$6,371,6
Wholesale	13.7%	11.
Personal lines	15.8%	16.
Services	0.8%	0.
Invstmt. income	1.2%	0.
Other	1.0%	1.
Employees	127	
Offices	1	

Founded: 1885.

Retail brokerage: 99% commissions, fees.

Employee benefits: 13.6% of revenues.

Licensed excess/surplus broker in: Illin and Missouri.

Officers: Ralph Boschert, chairman; E win A. Lips Jr., president; William P. Car ton Jr., secretary; R. Christopher Imbs, tr surer; Elliot Benoist, executive vp.

Contact: Jerry Burnett.

Continued on next pa

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Continued from previous page

Frank Crystal & Co. Inc.

40 Broad St., New York, N.Y. 10004; 212-344-2444; fax: 212-952-1095

	1994	1993
Gross revenues	$36,666,240	$35,256,000
U.S. clients	100%	100%
Brokerage: Retail	88%	86%
U.S. offices	$32,266,291	$30,320,160
Personal lines	7%	8%
Services	5%	6%
Employees	205	195
Offices	4	4

Founded: 1933.
Retail brokerage: 98% commissions, 2% fees.
Retail brokerage branches: Frank Crystal & Co. (Midwest), Lenexa, Kan.; Frank Crystal & Co. of Florida Inc., Fort Lauderdale, Fla.; Frank Crystal & Co. of Texas Inc., Houston.
Licensed excess/surplus broker in: Florida, New York and Texas.
Officers: James W. Crystal, chairman/CEO; Arthur H. Littmann, executive vp/CFO; Richard Fuhrman, Mark Freitas, Vincent J. Gandolfo, senior vps.
Contact: James W. Crystal.

Cumbre Inc. Insurance Services

1126 W. Foothill Blvd., Upland, Calif. 91786; 909-981-2116; fax: 909-949-6116

	1994	1993
Premium volume	$23,000,000	$23,000,000
Gross revenues	$2,205,785	$2,200,000
U.S. clients	100%	100%
Brokerage: Retail	99%	99%
U.S. offices	$2,183,727	$2,178,000
Personal lines	NA	1%
Services	1%	NA
Employees	20	20
Offices	2	2

Founded: 1984.
Retail brokerage: 99% commissions, 1% fees.
Retail brokerage branches: Los Angeles.
Officers: James A. Contreras, president; Ray Medina, CEO; Tony Contreras, vp; Michael Holzman, controller.
Contact: Tony Contreras.

D

Dalton Smith MacNaughton Ltd.

25 Bruce St., Kitchener, Ontario N2H 6K8, Canada; 519-578-6030; fax: 519-578-0549

	1994*	1993*
Premium volume	$29,600,000**	NA
Gross revenues	$4,440,000**	NA
U.S. clients	1%	NA
Non-U.S. clients	99%	NA
Brokerage: Retail	50%	NA
Personal lines	50%	NA

* Fiscal years ending 10/31/94 and 10/31/93.
*** Converted at applicable rates.*

Founded: 1912.
Officers: R.G. Dalton, G.D. Hickson, co-chairmen; R.S. Dalton, president; S. Hickson, vp-finance; G.G. Dalton, vp-marketing; T.P. Dalton, vp-marine; T. Pawlowski, vp-sales.
Contact: Ronald G. Dalton.

The Daniel & Henry Co.

2350 Market St., Suite 400, St. Louis, Mo. 63103; 314-421-1525; fax: 314-444-1900

	1994	1993
Premium volume	$117,203,000	$83,330,000*
Gross revenues	$14,144,000	$12,628,000
U.S. clients	100%	100%
Brokerage: Retail**	85.0%	84.7%
U.S. offices	$12,022,000	$10,696,000
Personal lines	11.3%	12.5%
Services	0.2%	0.2%
Invstmt. income	1.3%	1.2%
Other***	2.2%	1.4%
Employees	167.5	169.0
Offices	1	1

* Includes property/casualty only. ** Includes financial risk and group commissions. *** Includes life/financial services.

Founded: 1921.
Retail brokerage: 92.9% commissions, 7.1% fees.
Employee benefits: 7.8% of revenues.
Licensed excess/surplus broker in: Missouri.
Officers: Charles S. Drew Jr., chairman/president; Michael W. Cremins, COO/executive vp; M. Henry Johnson, John S. Chilress, executive vps; Thomas J. Purcell Jr., senior vp.
Contact: James A. Samson.

Daniel James Insurance

360 Three Meadows Drive, Perrysburg, Ohio 43551; 419-874-1974; fax: 419-874-3583

	1994	1993
Premium volume	$80,000,000	$70,000,000
Gross revenues	$10,464,000	$8,758,000
U.S. clients	100%	100%
Brokerage: Retail	87%	86%
U.S. offices	$9,104,000	$7,532,000
Personal lines	12%	13%
Invstmt. income	1%	1%
Employees	103	100
Offices	3	3

Founded: 1975.
Retail brokerage: 99% commissions, 1% fees.
Employee benefits: 11% of revenues.
Acquisitions: Gray Agency, Indianapolis, June 1994.
Retail brokerage branches: Columbus and Toledo, Ohio.
Licensed excess/surplus broker in: Indiana and Ohio.
Officers: Daniel Dumbauld, president; James McWhinnie, CEO; Michael Campbell, vp-group benefits; Haydn Evans, vp-Columbus branch; Dick Henry, vp-Toledo branch; Larry Cottrell, vp-Indianapolis branch.
Contact: Thomas E. Arnold.

Dann Brothers Inc.

650 Dundee Road, Northbrook, Ill. 60062; 708-509-3600; fax: 708-509-3601

	1994	1993
Gross revenues	$10,668,000	$10,201,000
U.S. clients	100%	100%
Brokerage: Retail	90%	90%
U.S. offices	$9,601,200	$9,180,900
Personal lines	4%	4%
Services	1%	1%
Invstmt. income	2%	1%
Other	3%	4%
Employees	92	81
Offices	2	2

Founded: 1948.
Retail brokerage: 94% commissions, 6% fees.
Employee benefits: 11% of revenues.
Retail brokerage branches: Highland Park, Ill.
Licensed excess/surplus broker in: Illinois.
Officers: Scott Dann, president/director; Russell Dann, CEO/director; Julie Dann, Marvin Rotstein, executive vps/directors; Pamela Dann, director.
Contact: Scott Dann.

Davis Baldwin Inc.

P.O. Box 25277, Tampa, Fla. 33622; 813-287-1936; fax: 813-282-1020

	1994	1993
Premium volume	$70,021,660	$64,777,324
Gross revenues	$7,939,141	$6,281,510
U.S. clients	100%	100%
Brokerage: Retail	92.6%	91.3%
U.S. offices	$7,351,645	$5,735,019
Personal lines	4.3%	5.2%
Invstmt. income	2.1%	2.5%
Other	1.0%	1.0%
Employees	64	60
Offices	1	1

Retail brokerage: 85% commissions, 15% fees.
Employee benefits: 8.7% of revenues.
Licensed excess/surplus broker in: Florida.
Officers: Charles M. Davis Jr., chairman/CEO; L. Lowry Baldwin, president; John I. Baldwin, executive vp; John R. Neu, senior vp; Mary Beth McNinch, COO.
Contact: Mary Beth McNinch.

J. Rolfe Davis Insurance Agency Inc.

11 S. Bumby Ave., Orlando, Fla. 32803; 407-896-0550; fax: 407-896-6926

	1994*	1993*
Premium volume	$40,000,000	$35,000,000
Gross revenues	$6,710,000	$5,800,000
U.S. clients	100%	100%
Brokerage: Retail	87%	86%
U.S. offices	$5,837,000	$4,988,000

Continued on next page



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RLI Broker Salute

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Carol Darden
Cooney, Rikard & Curtin, Inc.
Birmingham, AL

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Continued from previous page

Personal lines	11%	12%
Services	1%	1%
Invstmt. income	1%	1%
Employees	60	58
Offices	2	2

* Fiscal years ending 9/30/94 and 9/30/93.

Founded: 1942.
Retail brokerage: 100% commissions.
Employee benefits: 24% of revenues.
Retail brokerage branches: Longwood, Fla.
Licensed excess/surplus broker in: Florida.
Officers: Marion Hatcher, chairman; F. David McKinney, president; Donald Boone, L. Kipp Minter, C.D. McBryde, senior vps.
Contact: John F. Watson Jr., senior vp.

DeFazio & Co.

225 S. Lake Ave., Pasadena, Calif. 91101; 818-396-4000; fax: 818-396-4004

	1994	1993
Premium volume	$9,400,000	$8,500,000
Gross revenues	$987,049	$841,704
U.S. clients	100%	100%
Brokerage: Retail	91%	87%
U.S. offices	$896,049	$732,282
Personal lines	7%	10%
Services	1%	2%
Invstmt. income	1%	1%
Employees	7	7
Offices	1	1

Founded: 1991.
Retail brokerage: 98% commissions, 2% fees.
Employee benefits: 2% of revenues.
Officers: John A. De Fazio, president; Janet Warren, vp/general manager; Maureen O'Brien, vp-production; Barbara McCoy, vp-finance.
Contact: Maureen O'Brien.

Companias DeLima S.A.

Avenida El Dorado No. 69A-51, Bogota, Columbia; 571-412-4111; fax: 571-410-9451

	1994	1993
Premium volume	$174,171,600*	$150,000,000*
Gross revenues	$22,920,000*	$17,250,000*
Non-U.S. clients	100%	100%
Brokerage: Retail	94%	94%
Non-U.S. offices	$21,544,800*	$16,215,000*
Personal lines	3%	4%
Invstmt. income	3%	2%
Employees	573	530
Offices	10	10

* Converted at applicable rates.

Founded: 1953.
Retail brokerage: 97% commissions, 3% fees.
Employee benefits: 3% of revenues.
Retail brokerage branches: Armenia, Barranquilla, Bucaramanga, Cali, Cartagena, Ibague, Manizalez, Medellin and Pereira, Columbia.
Non-retail brokerage subsidiaries: ANCOR, Bogota, Colombia; MGA, Bogota, Colombia; Consultores de Proteccion, Bogota, Colombia.
Officers: Ernesto de Lima, chairman; Jorge Alberto Uribe, president; Pedro Piedrahita, financial vp; Federico Moreno, commercial vp; Terry Factor, international manager.
Contact: Jorge Alberto Uribe or Terry Factor.

Diversified Insurance Brokers

136 E. South Temple, 23rd Floor, University Club Building, Salt Lake City, Utah 84111; 801-325-5000; fax: 801-532-2804

	1994	1993
Premium volume	$24,000,000	$22,000,000
Gross revenues	$4,400,000	$4,000,000
U.S. clients	100%	100%
Brokerage: Retail	43.0%	42.5%
U.S. offices	$1,892,000	$1,700,000
Wholesale	1.0%	2.0%
Services	55.0%	54.5%
Invstmt. income	1.0%	1.0%
Employees	55	50
Offices	2	1

Founded: 1963.
Retail brokerage: 90% commissions, 10% fees.
Retail brokerage branches: Phoenix.
Non-retail brokerage subsidiaries: Pinnicale Risk Management Services Inc., Phoenix; Irvine, Calif.; Boise, Idaho; Las Vegas; Albuquerque, N.M.; Portland, Ore.
Licensed excess/surplus broker in: Utah.
Officers: Kenneth F. Palmer Jr., president; Reed M. Jenkins Sr., Timothy P. Foley Sr., Lawrence Hart Sr., vps.
Contact: Kenneth F. Palmer Jr.

Robert F. Driver Co. Inc.

1620 Fifth Ave., San Diego, Calif. 92101; 619-238-1828; fax: 619-699-1323

	1994*	1993*
Premium volume	$295,000,000	$275,000,000
Gross revenues	$24,840,000	$23,200,000
U.S. clients	98%	99%
Non-U.S. clients	2%	1%
Brokerage: Retail	92%	89%
U.S. offices	$22,850,000	$20,650,000
Personal lines	3%	4%
Services	4%	5%
Invstmt. income	1%	2%
Employees	226	220
Offices	4	5

* Fiscal years ending 7/31/94 and 7/31/93.

Founded: 1925.
Retail brokerage: 96% commissions, 4% fees.
Employee benefits: 19% of revenues.
Acquisitions: AMI Insurance Services, Escondido, Calif., May 1994.
Retail brokerage branches: Robert F. Driver Co. Inc., Escondido, Calif.; Robert F. Driver Associates, Newport Beach and Rancho Cordova, Calif.
Licensed excess/surplus broker in: California.
Officers: Thomas W. Corbett, chairman/CEO; Robert H. Campbell, executive vp/COO; Richard B. Gulley, vice chairman; George F. Driver, president; John T. Freeman, vp/CFO.
Contact: Robert H. Campbell.

E

James Econn & Co.

445 S. Figueroa St., 36th Floor, Los Angeles, Calif. 90071; 213-629-3131; fax: 213-629-4440

	1994	1993
Premium volume	$47,577,587	$49,269,510
Gross revenues	$5,388,532	$5,836,515
U.S. clients	100%	100%
Brokerage: Retail	92%	92%
U.S. offices	$4,957,449	$5,369,594
Personal lines	4%	4%
Invstmt. income	4%	4%
Employees	43	45
Offices	1	1

Founded: 1919.
Retail brokerage: 93% commissions, 7% fees.
Employee benefits: 6% of revenues.
Officers: Donald Killian, chairman/managing director; Brett Borisoff, director/executive vp; James Econn, director/senior executive vp; Greg Econn, director.
Contact: Brett Borisoff.

Elliott, McKiever & Stowe Inc.

2222 Ponce De Leon Blvd., 4th Floor, Coral Gables, Fla. 33134-5039; 305-446-7100; fax: 305-446-7887

	1994	1993
Premium volume	$12,700,000	$11,500,000
Gross revenues	$1,391,673	$1,231,099
U.S. clients	100%	100%
Brokerage: Retail	81%	80%
U.S. offices	$1,127,255	$984,879
Personal lines	19%	20%
Employees	17	16
Offices	1	1

Founded: 1937.
Retail brokerage: 100% commissions.
Licensed excess/surplus broker in: Florida.
Officers: Larry B. Stowe, president/secretary.

Euclid Insurance Agencies Inc.

977 Oaklawn Ave., Suite 300, Elmhurst, Ill. 60126; 708-833-1000; fax: 708-833-1747

	1994	1993
Premium volume	$49,000,000	$42,000,000
Gross revenues	$7,265,548	$6,100,000
U.S. clients	100%	100%
Brokerage: Retail	70%	82%
U.S. offices	$5,085,883	$5,002,000
Wholesale	26%	15%
Personal lines	3%	2%
Invstmt. income	1%	1%
Employees	72	67
Offices	1	1

Founded: 1952.
Retail brokerage: 95% commissions, 5% fees.
Employee benefits: 25% of revenues.
Acquisitions: Meridian General Agency Inc., Chicago, December 1994.
Non-retail brokerage subsidiaries: Euclid Managers, Elmhurst, Ill.; Meridian General Agency Inc., Elmhurst, Ill.
Licensed excess/surplus broker in: Illinois.
Officers: Peter G. Colis, president; John N. Colis, executive vp; Robert C. Cavallo, retail divisional president; Karen Knippen, James G. Stewart, vps.
Contact: John N. Colis.

F

Financial Guardian of Texas Inc.

13101 Northwest Freeway, Suite 220, Houston, Texas 77040; 713-939-9898; fax: 713-939-7416

	1994	1993
Premium volume	$40,000,000	$36,000,000
Gross revenues	$4,100,000	$3,700,000
U.S. clients	100%	100%
Brokerage: Retail	95%	98%
U.S. offices	$3,895,000	$3,626,000
Personal lines	3%	1%
Invstmt. income	2%	1%
Employees	45	52
Offices	1	2

Founded: 1967.
Retail brokerage: 99.9% commissions, 0.1% fees.
Employee benefits: 5% of revenues.
Licensed excess/surplus broker in: Texas.
Officers: Robert Cox, chairman; Ronald L. Rudloff, president.

Fitzgerald, Clayton, James & Kasten Inc.

735 N. Water St., Suite 1328, Milwaukee, Wis. 53202-4117; 414-271-3717; fax: 414-271-2935

	1994	1993
Premium volume	$21,000,000	$15,000,000
Gross revenues	$2,259,219	$1,755,000
U.S. clients	100%	100%
Brokerage: Retail	87.1%	86.5%
U.S. offices	$1,967,780	$1,518,075
Wholesale	1.5%	1.5%
Personal lines	9.0%	10.0%
Invstmt. income	2.4%	2.0%
Employees	32	26
Offices	1	1

Founded: 1850.
Retail brokerage: 99.5% commissions, 0.5% fees.
Employee benefits: 7% of revenues.
Acquisitions: Associated Policywriters Ltd., Milwaukee, August 1994.
Licensed excess/surplus broker in: Wisconsin.
Officers: Charles V. James, president; Todd D. James, executive vp-operations; Jeffrey A. Thiel, executive vp-sales; Dale E. Van Dam, executive vp-finance/marketing; Karen A. Rechlicz, senior vp/secretary.
Contact: Charles V. James.

Forrest Sherer Inc.

24 N. Sixth St., P.O. Box 900, Terre Haute, Ind. 47808-0900; 812-232-0441; fax: 812-232-1783

	1994	1993
Premium volume	$47,850,000	$45,800,000
Gross revenues	$4,906,100	$4,877,000
U.S. clients	100%	100%
Brokerage: Retail	83.7%	81.0%
U.S. offices	$4,106,400	$3,950,370
Wholesale	3.0%	4.8%
Personal lines	9.8%	9.4%
Services	0.8%	2.1%
Invstmt. income	2.7%	2.7%
Employees	62	61
Offices	3	3

Founded: 1920.
Retail brokerage: 99% commissions, 1% fees.
Employee benefits: 9.3% of revenues.
Retail brokerage branches: Indianapolis; German American/Forrest Sherer Agency, Jasper, Ind.
Licensed excess/surplus broker in: Indiana.
Officers: John W. Dinkel, president/treasurer; John S. Lukens, executive vp-sales; Dennis S. Michael, vp-administration; Bart Douglas, vp-bonds; Jerry Mueller, vp-health & accident.
Contact: John W. Dinkel.

Frenkel & Co. Inc.

123 William St., New York, N.Y. 10038; 212-267-2200; fax: 212-693-0298

	1994	1993
Premium volume	$372,600,000	$355,146,000
Gross revenues	$36,555,000	$37,112,000
U.S. clients	90%	90%
Non-U.S. clients	10%	10%
Brokerage: Retail	84%	89%
U.S. offices	$30,700,000	$33,000,000
Personal lines	12%	7%
Services	1%	1%
Invstmt. income	3%	3%
Employees	291	290
Offices	3	4

Founded: 1878.
Retail brokerage: 90% commissions, 10% fees.
Employee benefits: 5% of revenues.
Retail brokerage branches: Bay Shore, N.Y.; Frenkel of California Inc., Burbank, Calif.
Licensed excess/surplus broker in: New York.
Officers: Charles W. Pachner, chairman; Alan S. Samuels, vice chairman; Robert E. Shunk, president; John F. Kelly, executive vp/COO; Raymond F. Courtien, executive vp.
Contact: Robert E. Shunk.

Fritz International Insurance Brokers

142 Sansome St., San Francisco, Calif. 94134; 415-904-8440; fax: 415-296-7134

	1994	1993
Premium volume	$4,068,111	$4,153,933
Gross revenues	$906,075	$860,732
U.S. clients	100%	100%
Brokerage: Retail	100%	98%
U.S. offices	$767,967	$708,554
Non-U.S. offices	$138,108	$134,963
Services	NA	2%
Employees	8	9
Offices	1	1

Founded: 1954.
Parent: Fritz Cos. Inc.
Retail brokerage: 100% commissions.
Licensed excess/surplus broker in: California.
Officers: Lynn C. Fritz, president/CEO; Dennis Pelino, COO; Ronald Marcillac, executive director; John Johung, CFO.
Contact: Eileen M. McGinnis, managing broker.

G

Arthur J. Gallagher & Co.

2 Pierce Place, Itasca, Ill. 60143-3141; 708-773-3800; fax: 708-285-4000

	1994	1993
Gross revenues	$356,377,000	$329,263,000
U.S. clients	90%	90%
Non-U.S. clients	10%	10%
Brokerage: Retail	56%	54%
U.S. offices	$185,483,000	$165,255,000
Non-U.S. offices	$14,088,000	$12,547,000
Reinsurance	1%	1%
Personal lines	1%	1%
Services	39%	39%
Invstmt. income	3%	5%
Employees	3,308	3,169
Offices	109*	110*

* *Does not include sales offices.*

Founded: 1927.
Employee benefits: 11% of revenues.
Acquisitions: Walter Bryce Insurance Agency Inc., Tulsa, Okla., February 1995; Kaler, Carney, Liffler & Co., Boston, November 1994; James S. Pipino Insurance Agency, Youngstown, Ohio; August 1994; RMI Insurance Services Inc., Granada Hills, Calif., January 1995; Steel Agency, Wayne, N.J., February 1994; Sullivan Co. Inc., Greenville, S.C., April 1994.
Retail brokerage branches: Birmingham, Ala.; Scottsdale, Ariz.; Jacksonville and North Little Rock, Ark.; Alamo, Anaheim, Concord, Fresno, Huntington Beach, Irvine, Laguna Hills, Los Angeles, Pleasanton, Sacramento, San Diego, San Francisco and Woodland Hills, Calif.; Denver, Castle Rock Colorado Springs and Englewood, Colo. Canton and Farmington, Conn.; Boca Raton Clearwater, Coral Springs, Deltona, Eustis Fort Myers, Gainesville, Jacksonville, Maitland, Miami, Orlando, Sunrise, Tallahassee Tampa and West Palm Beach, Fla.; Atlanta McDonough and Norcross, Ga.; Arlington Heights, Chicago, Downers Grove, East Moline, Glen Ellyn, Itasca, Peoria, Rockford Rolling Meadows and Schaumburg, Ill. Evansville, Indianapolis and South Bend Ind.; West Des Moines, Iowa; Louisville Ky.; Alexandria, Baton Rouge, Metairie Monroe, New Orleans and Shreveport, La. Portland, Maine; Gaithersburg, Md.; Boston Hampden, North Quincy and Westborough Mass.; East Lansing, Grand Rapids, Livonia Southfield and Troy, Mich.; Edina, Minneapolis and Winona, Minn.; Jackson, Miss. Kansas City, Maryland Heights, O'Fallon Raytown and St. Louis, Mo.; Concord and Bedford, N.H.; Cranford, Medford, Mt. Laurel, Jersey City and Wayne, N.J.; Albuquerque, N.M.; Amherst, Garden City, Middletown, New York, North Syracuse, Ogdensburg, Rochester, Scotia, Spring Valley, Valhalla, White Plains and Yonkers, N.Y.; Arden and Charlotte, N.C.; Cleveland, Columbus, Mansfield, Toledo, West Chester and Youngstown, Ohio; Oklahoma City and Tulsa, Okla.; Allentown, Greensburg, Mechanicsburg, Philadelphia, Scranton and Trevose, Pa.; Cranston and Warwick, R.I. Greenville, S.C.; Memphis and Nashville Tenn.; Austin, Dallas, El Paso, Houston Lubbock, San Antonio and Freeport, Texas Burlington, Vt.; Middleburg and Richmond Va.; Seattle, Wash.; Big Bend, Madison, Milwaukee and Racine, Wis.; Hamilton, Bermuda; London; Paris; Singapore.
Licensed excess/surplus broker in: Nationwide.
Officers: Robert E. Gallagher, chairman; John P. Gallagher, vice chairman; J. Patrick Gallagher Jr., president/CEO; Michael J. Cloherty, vp-finance; Gary M. Van de Voort, vp.
Contact: Michael J. Cloherty or Robert J. Gallagher.

Gersten-Hillman Agency Inc.

P.O. Box 1150, 20 Anawana Lake Road, Monticello, N.Y. 12701-8150; 914-794-5544; fax: 914-794-0430

	1994*	1993
Premium volume	$6,500,000	$6,700,0
Gross revenues	$850,000	$880,0
U.S. clients	100%	100
Brokerage: Retail	70%	68
U.S. offices	$595,000	$598,4
Wholesale	1%	1
Personal lines	27%	29
Invstmt. income	1%	1
Other	1%	1
Employees	13	
Offices	1	

* Fiscal years ending 10/31/94 and 10/31/93.

Founded: 1932.
Retail brokerage: 100% commissions.
Employee benefits: 1% of revenues.
Officers: Joyce A. Salimeno, secretary treasurer/COO; Julius Cohen, president.
Contact: Joyce A. Salimeno.

Gilbert-Magill Co.

323 W. Eighth St., Suite 800, Kansas City, Mo. 64105; 816-474-3535; fax: 816-842-5795

	1994	199
Gross revenues	$3,426,887	$3,466,(
U.S. clients	100%	1(
Brokerage: Retail	64.0%	50.
U.S. offices	$2,193,208	$1,747,(
Wholesale	8.0%	6.
Personal lines	9.0%	8.
Services	14.0%	12.
Invstmt. income	1.0%	1.
Other	4.0%	21.
Employees	44	
Offices	1	

Founded: 1961.
Retail brokerage: 75% commissions, 2[illegible] fees.
Employee benefits: 23% of revenues.
Licensed excess/surplus broker in: Kan and Missouri.
Officers: John W. Bovard, president/CI Joseph J. Piatczyc, executive vp; Edward Gilbert, chairman; Lori Langley, senior COO/secretary; James B. Koenigsdorf, vp
Contact: Lori Langley.

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Continued from previous page

The Gleason Agency Inc.

BT Financial Plaza, Suite 204,
Johnstown, Pa. 15901; 814-532-0200;
fax: 814-536-5554

	1994	1993
Premium volume	$44,110,000	$44,460,000
Gross revenues	$4,617,000	$4,376,000
U.S. clients	100%	100%
Brokerage: Retail	87%	86%
U.S. offices	$4,016,790	$3,763,360
Personal lines	3%	3%
Services	2%	5%
Invstmt. income	3%	3%
Other	5%	3%
Employees	45.5	45.5
Offices	4	4

Founded: 1924.
Retail brokerage: 94% commissions, 6% fees.
Retail brokerage branches: Blue Bell, Harrisburg and Pittsburgh, Pa.
Licensed excess/surplus broker in: Pennsylvania.
Officers: Robert A. Gleason Jr., chairman/CEO; Christopher K. Gleason, president; Carolyn M. Zierer, secretary; Michele M. Baker, treasurer.
Contact: Carolyn M. Zierer.

Richard N. Goldman & Co.

1 Bush St., 9th Floor, San Francisco,
Calif. 94104; 415-981-1141;
fax: 415-398-4986

	1994	1993
Gross revenues	$9,700,000	$9,000,000
U.S. clients	100%	100%
Brokerage: Retail	90.5%	85.5%
U.S. offices	$8,778,500	$7,695,000
Personal lines	6.9%	12.0%
Invstmt. income	2.6%	2.5%
Employees	68	70
Offices	1	1

Founded: 1949.
Retail brokerage: 90.5% commissions, 9.5% fees.
Employee benefits: 11% of revenues.
Licensed excess/surplus broker in: California.
Officers: Richard N. Goldman, chairman/CEO; Stuart W. Seiler, vice chairman; John D. Goldman, president; Lawrence A. Colton, executive vp; Mary L. Arbuckle, secretary.
Contact: H. Castro, senior vp.

Gow & Hanna Inc.

100 Maiden Lane, New York,
N.Y. 10038; 212-509-6100;
fax: 212-509-9291

	1994	1993
Premium volume	$99,600,000	$98,500,000
Gross revenues	$10,746,000	$10,148,000
U.S. clients	100%	100%
Brokerage: Retail	71.5%	67.0%
U.S. offices	$7,683,000	$6,799,000
Wholesale	19.0%	24.0%
Services	7.5%	7.0%
Invstmt. income	2.0%	2.0%
Employees	66	66
Offices	5	5

Founded: 1986.
Parent: Gow & Hanna Group Inc.
Retail brokerage: 85% commissions, 15% fees.
Employee benefits: 1% of revenues.
Retail brokerage branches: Gow & Hanna Inc. of Connecticut, Hartford, Conn.; Gow & Hanna Inc. of Texas, Houston; Gow & Hanna Inc. of Upstate New York, Buffalo, N.Y.; Gow & Hanna West Inc. Insurance Services, Irvine, Calif.
Licensed excess/surplus broker in: New York and Texas.
Officers: Timothy Gow, president; Anthony Mastrolia, executive vp; Thomas Lyng, secretary/treasurer; C. Richard Clark, president-Gow & Hanna Inc. of Texas; Woodrow Baird, president-Gow & Hanna Inc. of Connecticut.
Contact: Timothy Gow.

The Graham Co.

1 Penn Square W., Philadelphia,
Pa. 19102; 215-567-6300;
fax: 215-567-3203

	1994	1993
Premium volume	$82,077,000	$74,300,000
Gross revenues	$15,845,200	$13,320,880
U.S. clients	100%	100%
Brokerage: Retail	97%	96%
U.S. offices	$15,369,800	$12,788,045
Personal lines	1%	2%
Invstmt. income	2%	2%
Employees	113	101
Offices	1	1

Founded: 1950.
Retail brokerage: 67% commissions, 33% fees.
Licensed excess/surplus broker in: New Jersey and Pennsylvania.
Officers: William A. Graham IV, president/CEO; John B. McCormick, treasurer; Margaret C. Jones, corporate secretary; Michael Tiagwad, vp-sales; Michael J. Mitchell, Harry R. Johnson, vps.
Contact: Margaret C. Jones.

Paras Savoye S.A.

2-8 rue Ancelle, 92200
Neuilly-sur-Seine, France;
331-41-43-50-00;
fax: 331-41-43-55-55

	1994	1993
Gross revenues	$166,881,799*	$145,066,793*
U.S. clients	2.5%	NA
Non-U.S. clients	97.5%	NA
Brokerage: Retail	77.70%	79.00%
U.S. offices	$477,374*	$493,394*
Non-U.S. offices	$129,189,378*	$113,674,113*
Reinsurance	1.85%	0.90%
Personal lines	10.90%	11.10%
Services	1.05%	2.10%
Invstmt. income	8.20%	6.20%
Other	0.30%	0.70%
Employees	1,613	1,374
Offices	71	61

* Converted at applicable rates.

Founded: 1907.
Retail brokerage: 96% commissions, 4% fees.
Employee benefits: 31.8% of revenues.
Acquisitions: Sogerco, France/Africa, 1994; Menage & Jowa, Belgium, 1994; Groupe Eyssautier, France, 1994; Montourcy, France, 1994.
Retail brokerage branches: ACFRA Cameroun: Douala and Yaounde, Cameroon. ACFRA Cote-d'Ivoire: Abidjan, Ivory Coast. Centre Galaxie: Antibes, France. Couriage Francais d'Assurance: Saint-Etienne, France. Gil y Carvajal Gras Savoye: Lisbon, Portugal. GS Re: Paris, France; Luxembourg. GSAD: Valence, France. Gras Savoye: Bordeaux, Caen, Douai, Lille, Lyon, Marseille, Metz, Montpellier, Nancy, Nantes, Neuilly-sur-Seine, Noisy-le-Grand, Ormes, Rouen, Strasbourg and Toulouse, France. Gras Savoye Cameroun: Douala and Yaounde, Cameroon. Gras Savoye Caraibes, Guadeloupe and Martinique. Gras Savoye Cote-d'Ivoire, Abidjan, Ivory Coast. Gras Savoye Espagne: Barcelona, Madrid, Saint Sebastian and Vailadolid, Spain. Gras Savoye Gabon: Libreville, Port-Gentil and Franceville, Gabon. Gras Savoye Iberica II: Madrid, Spain. Gras Savoye Leblanc: Singapore. Gras Savoye Lanvin Lespiau: Grenoble, France. Gras Savoye Liban: Beirut, Lebanon. Gras Savoye Luxembourg: Luxembourg. Gras Savoye Maroc: Casablanca, Morocco. Gras Savoye Ocean Indien: Reunion. Gras Savoye Polska/Pol Assistance: Kracow, Opole, Szczecin, Warsaw and Wroclaw, Poland. Gras Savoye Senegal: Dakar, Ser.egal. Gras Savoye Suisse: Lausanne, Switzerland. Groupe Gras Savoye, Saint-Etienne, France. Menage & Jowa-Gras Savoye, Antwerp, Brussels, Charleroi, Ghent, Hasselt, Liege and Verviera, Belgium. Mercury Insurance Agencies Ltd: Athens, Greece. Safra Senegal: Dakar, Senegal. San Sigorta: Istanbul, Turkey. Sicar Gras Savoye: Lome, Togo. Socecoda Senegal: Dakar, Senegal. Sogerco Cameroun: Douala and Yaounde, Cameroon. Sogerco-Safraci Cote-d'Ivoire: Abidjan, Ivory Coast. Tarpohzy S.A.: Athens, Greece.
Non-retail brokerage subsidiaries: Gras Savoye Consultant, Neuilly-sur-Seine, France; Gras Savoye Reassurance, Neuilly-sur-Seine, France; Groupe Eyssautier, Paris, France; Informatique Associes, Bordeaux, France; Sageri, Neuilly-sur-Seine, France; SCI Geviane, Neuilly-sur-Seine; Tetard Gras Savoye, Paris, France.
Officers: Patrick Lucas, chairman/CEO; Daniel Naftalski, COO; Emmanuel Gras, COO; Jean Herve Lorenzi, Luc Malatre, Hubert Moreno, Claude Sautiere, deputy operator officers.
Contact: Hubert Moreno.

Greene Hazel & Associates Inc.

1301 Riverplace Blvd., Suite 1710,
Jacksonville, Fla. 32207;
904-398-1234; fax: 904-396-7432

	1994	1993
Premium volume	$25,000,000	$23,000,000
Gross revenues	$2,500,000	$2,300,000
U.S. clients	100%	100%
Brokerage: Retail	80%	80%
U.S. offices	$2,000,000	$1,840,000
Personal lines	9%	9%
Invstmt. income	1%	1%
Other	10%	10%
Employees	27	27
Offices	1	1

Founded: 1984.
Retail brokerage: 99% commissions, 1% fees.
Employee benefits: 14% of revenues.
Officers: Thomas A. Hazel, president; Theresa F. Greene Hazel, executive vp; William R. Hardaker, vp; Susan R. Hall, vp-marketing/administration.
Contact: Tom Hazel or Susan Hall.

Gundermann & Gundermann Inc.

175 W. Carver St., Huntington,
N.Y. 11743; 516-271-0600;
fax: 516-271-0610

	1994*	1993*
Premium volume	$18,752,228	$18,881,076
Gross revenues	$2,729,706	$2,755,687
U.S. clients	100%	100%
Brokerage: Retail	50%	44%
U.S. offices	$1,364,853	$1,212,502
Wholesale	10%	15%
Personal lines	27%	30%
Services	2%	1%
Invstmt. income	1%	1%
Other	10%	9%
Employees	34	34
Offices	1	1

* Fiscal years ending 3/31/95 and 3/31/94.

Founded: 1937.
Retail brokerage: 99% commissions, 1% fees.
Employee benefits: 10% of revenues.

Continued on next page

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OFFICES IN THE US AND CANADA
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Continued from previous page

Licensed excess/surplus broker in: New York.

Officers: Joseph Gundermann Jr., Joseph Gundermann III, Donald Gundermann, Thomas Gundermann.

Contact: Bruce Ghessi.

The HDH Group Inc.

Suite 5900, USX Tower, Pittsburgh, Pa. 15219; 412-391-7300; fax: 412-391-7322

	1994	1993
Premium volume	$123,000,000	$100,000,000
Gross revenues	$6,618,107	$6,073,222
U.S. clients	100%	100%
Brokerage: Retail	82%	75%
U.S. offices	$5,426,845	$4,554,917
Wholesale	10%	15%
Reinsurance	2%	2%
Services	3%	5%
Invstmt. income	2%	2%
Other	1%	1%
Employees	42	39
Offices	1	1

Founded: 1982.

Retail brokerage: 97% commissions, 3% fees.

Employee benefits: 30% of revenues.

Licensed excess/surplus broker in: Pennsylvania.

Officers: Bryan C. Hondru, president; Mark Horan, Joseph Deutsch, senior vps; Wallace Merrell, vp; Kay Turnbull, treasurer.

Contact: Bryan C. Hondru.

Haas & Wilkerson Inc.

4300 Shawnee Mission Parkway, Shawnee Mission, Kan. 66205; 913-432-4400; fax: 913-432-6159

	1994*	1993*
Premium volume	$67,600,000	$75,732,800
Gross revenues	$10,600,000	$11,630,900
U.S. clients	98%	98%
Non-U.S. clients	2%	2%
Brokerage: Retail	94%	94%
U.S. offices	$9,964,000	$10,933,046
Wholesale	1%	1%
Personal lines	3%	3%
Services	1%	1%
Other	1%	1%
Employees	99	102
Offices	6	6

* Fiscal years ending 1/31/95 and 1/31/94.

Founded: 1939.

Retail brokerage: 92% commissions, 8% fees.

Employee benefits: 6% of revenues.

Retail brokerage branches: Los Angeles; St. Petersburg, Fla.; Fairway, Kan.; St. Louis; Philadelphia; Nashville, Tenn.

Licensed excess/surplus broker in: Kansas and Missouri.

Officers: William R. Wilkerson III, chairman/CEO; J. Philip Coulson, president; Frederick P. Dunn, executive vp/COO; L'Mitchel Castor, vp/CFO; Dan Allan, vp.

Contact: Frederick P. Dunn.

Hamilton Dorsey Alston Co.

3350 Cumberland Circle, Suite 100, Atlanta, Ga. 30339-3346; 404-850-0050; fax: 404-850-9375

	1994*	1993*
Premium volume	$74,100,000	$58,964,628
Gross revenues	$7,660,000	$7,396,316
U.S. clients	100%	100%
Brokerage: Retail	75%	76%
U.S. offices	$5,750,000	$5,590,217
Personal lines	22%	22%
Invstmt. income	2%	1%
Other	1%	1%
Employees	76	76.5
Offices	1	1

* Fiscal years ending 10/31/94 and 10/31/93.

Founded: 1972.

Retail brokerage: 88% commissions, 12% fees.

Employee benefits: 26% of revenues.

Officers: John C. Hamilton, chairman/president; William H. Rauschenberg, executive vp; Steven H. Haase, Joseph W. Hamilton III, Stephen F. Fallon, senior vps.

Contact: Angela Bemiss, CFO.

Cameron M. Harris & Co.

P.O. Box 220748, Charlotte, N.C. 28222; 704-366-8834; fax: 704-366-8245

	1994	1993
Premium volume	$115,848,686	$112,422,462
Gross revenues	$13,392,957	$11,576,334
U.S. clients	100%	100%
Brokerage: Retail	66.0%	69.1%
U.S. offices	$8,839,352	$7,999,248
Personal lines	14.3%	16.5%
Services	0.8%	0.4%
Invstmt. income	0.8%	0.9%
Other	18.1%	13.1%
Employees	155.9	149.2
Offices	5	5

Founded: 1979.

Parent: C.M. Harris Holding Co.

Retail brokerage: 85.8% commissions, 14.2% fees.

Employee benefits: 9.1% of revenues.

Retail brokerage branches: Boone, Lenoir, Morganton and Raleigh, N.C.

Licensed excess/surplus broker in: North Carolina.

Officers: Cameron M. Harris, president/CEO; M. Eugene Link, executive vp/COO; William A. Richard Jr., CFO/secretary/treasurer; James F. Walker, executive vp; Harold J. Wilkerson, vp.

Contact: Harold J. Wilkerson.

Harris & Harris of Kentucky Inc.

501 S. Second St., Louisville, Ky. 40202; 502-584-2193; fax: 502-581-0648

	1994	1993
Premium volume	$30,000,000	$31,200,000
Gross revenues	$3,150,000	$3,450,000
U.S. clients	100%	100%
Brokerage: Retail	79%	78%
U.S. offices	$2,488,500	$2,691,000
Wholesale	10%	15%
Personal lines	4%	4%
Services	2%	1%
Invstmt. income	5%	2%
Employees	27	31
Offices	1	1

Founded: 1915.

Retail brokerage: 97% commissions, 3% fees.

Employee benefits: 2% of revenues.

Licensed excess/surplus broker in: Indiana and Kentucky.

Officers: John G. Beam Jr., chairman; Michael F. Sheehan, president; Jeffrey V. McGowan, senior vp; Pamela R. Wessel, executive vp.

Contact: Pamela R. Wessel.

Hastings-Tapley Insurance Agency Inc.

271 Cambridge St., Cambridge, Mass. 02141; 617-876-7510; fax: 617-876-7155

	1994*	1993*
Premium volume**	$115,176,933	$104,766,043
Gross revenues	$16,355,226	$14,043,900
U.S. clients	100%	100%
Brokerage: Retail	51.68%	57.76%
U.S. offices	$8,452,381	$8,111,757
Personal lines	21.52%	25.24%
Services	26.00%	16.00%
Invstmt. income	0.80%	1.00%
Employees	205	190
Offices	13	14

* Fiscal years ending 9/30/94 and 9/30/93.
** Does not include life and group health.

Founded: 1866.

Retail brokerage: 95% commissions, 5% fees.

Employee benefits: 1% of revenues.

Retail brokerage branches: Fairfield, Conn.; Danvers, Gloucester, Ipswich, North Reading, Quincy, Saugus, Watertown and Woburn, Mass.; Albany, N.Y.; Bechard Insurance Agency Inc., Nashua and Salem, N.H.; Governmental Entities Management Services Inc., Glen Allen, Va.

Non-retail brokerage subsidiaries: Governmental Entities Management Services Inc., Albany, N.Y., and Glen Allen, Va.; Lane England Associates Inc., Cambridge, Mass.; Hastings-Tapley Services Inc., Cambridge, Mass.

Licensed excess/surplus broker in: Massachusetts.

Officers: Frederick J. England Jr., chairman; Henry A. Bechard Jr., vice chairman; E. Donald Lewis, president; Marsha K. Burridge, executive vp; Jennifer L. Decker, vp.

Contact: Daniel A. Leone, vp/comptroller.

Healthcare Insurance Services Inc.

820 Gessner, Suite 1000, Houston, Texas 77024; 713-461-4000; fax: 713-461-4334

	1994	1993
Premium volume	$159,025,922	$161,111,899
Gross revenues	$24,139,002	$18,224,815
U.S. clients	100%	100%
Brokerage: Retail	59.4%	60.2%
U.S. offices	$14,338,567	$10,971,339
Wholesale	12.1%	8.4%
Reinsurance	5.5%	0.7%
Services	21.1%	27.4%
Invstmt. income	1.9%	3.3%
Employees	116	85
Offices	2	2

Founded: 1983.

Parent: The Galtney Group Inc.

Retail brokerage: 87.3% commissions, 12.7% fees.

Employee benefits: 2.5% of revenues.

Retail brokerage branches: Houston.

Non-retail brokerage subsidiaries: Healthcare Risk Management Services Inc. (HRMS), Houston; Professional Risk Management Services Inc. (ProRisk), Arlington, Va. and Houston; Western Litigation Specialists Inc. (WLSI), Houston.

Licensed excess/surplus broker in: California, Colorado, District of Columbia, Florida, Iowa, Indiana, Kansas, Maryland, Michigan, Minnesota, North Carolina, Nebraska, New York, Oregon, South Dakota, Tennessee, Texas, Utah, Virginia, Wisconsin and Wyoming.

Officers: William F. Galtney Jr., chairman; William J. Reese Jr., president; Phil Reischman, president-HRMS; Robert Blasio, president-WLSI; Richard Harris, president-ProRisk.

Contact: William F. Galtney Jr.

C.E. Heath P.L.C.

133 Houndsditch, London EC3A 7AH, England; 44-171-234-4000; fax: 44-171-234-4111

	1994*	1993*
Gross revenues	$283,028,660**	$270,407,865**
U.S. clients	8.58%	10.04%
Non-U.S. clients	91.42%	89.96%
Brokerage: Retail	22.45%	26.11%
U.S. offices	NA	$5,455,625**
Non-U.S. offices	$63,531,080**	$65,149,945**
Wholesale	21.81%	21.27%
Reinsurance	13.77%	15.22%
Personal lines	6.61%	6.35%
Services	0.56%	0.40%
Invstmt. income	6.79%	5.98%
Other	28.01%	24.67%
Employees	3,142	3,295
Offices	60	57

* Fiscal years ending 3/31/95 and 3/31/94.
** Converted at applicable rates.

Founded: 1880.

Retail brokerage: 75% commissions, 25% fees.

Employee benefits: 2.16% of revenues.

Retail brokerage branches: Heath Holdings USA Inc., Dallas; Heath Insurance Brokers Inc.: San Francisco, Atlanta, Chicago, Houston; World Trade Services Inc., New York; A&B Reinsurance SRL, Milan, Italy; Accident Compensation Management Services Pty Ltd., South Yarra, Australia; Agencia Interoceanica Asesores E Intermediarios S.A. De C.V., Mexico City; Anthony Kidd Agencies Ltd., Cheshunt, England; Aviation Office of Australia Pty Ltd., Peregian, Australia; C.E. Heath (Insurance Services) Ltd.: Horsham, Ilford, Leigh, Orpington, Tonbridge and Wakefield, England; C.E. Heath (Sur) S.A., Buenos Aires, Argentina; C.E. Heath (U.K.) Ltd., London; Fielding Aviation Insurance Broking Ltd.: Banksdown Aerodome, Maroochydore and Willetton, Australia; Fielding Smeaton Jones (Agencies) Ltd., London; HMH Insurance Brokers Ltd., Hong Kong; Heath y Amorim re Sociedade Corretora de Resseguros S.A., Lisbon, Portugal; Heath y Asociados S.A. Correduria de Seguros, Madrid, Spain; Heath do Brasil Ltda., Rio de Janeiro, Brazil; Heath de Colombia Corredores Colombianos de Reaseguros Ltda., Bogota, Colombia; Heath Corporate Benefits Ltd., Reading, England; Heath Corporate Risks: Birmingham, Bolton, Bristol, Hertford, Hull, Leeds, Maidstone, Norwich, Peterborough, Southend and Stockton, England; Heath Corporate Risks: Cardiff and Swansea, Wales; Heath Fielding Australia Pty Ltd.: Brisbane, Perth, South Yarra, Sydney and Unley, Australia; Heath Fielding (New Zealand) Ltd., Auckland, New Zealand; Heath (Scotland) Ltd.: Aberdeen, Brechin, Dundee, Edinburgh, Glasgow, Inverness and Peterhead, Scotland; Heath de Venezuala Sociedad de Corretaje de Reaseguros C.A., Caracas, Venezuela; Nilsen Brokers Ltd. A/S, Sandvika, Norway; Premium Search P.L.C., Norwich, England; Rochester Kemp Ltd., Manchester, England.

Non-retail brokerage subsidiaries: Datasure North America Inc., Chicago; Datasure Ltd., Southend, England; Datasure (Lloyd's Underwriting Systems) Ltd., London; PS Software S.A., Paris; Peterborough Software Ltd., Peterborough, England; Peterborough Software (Australasia) Pty Ltd., Frenchs Forest and Melbourne, Australia; Peterborough Software (New Zealand) Ltd., Ponsonby and Wellington, New Zealand; Peterborough Software (Singapore) PTE Ltd., Singapore; RB Emerson Ltd., Shoeburyness, England; Saffron Computer Services Ltd., Whyteleafe, England; Sceptre Computer Services Ltd., Bishops Stortford, England.

Licensed excess/surplus broker.

Officers: M.M. Kier, chairman; P.E. Presland, CEO; J.G. Mackenzie Green, managing director; P.J. Hughes, finance director; T.E. Broadhurst, A.J. Money, C.J.T. Stewart.

Contact: Jeff Jeffreys, group financial controller.

Joseph Held Co. Inc.

127 John St., New York, N.Y. 10038; 212-732-3508; fax: 212-797-5413

	1994	1993
Premium volume	$18,500,000	$17,750,000
Gross revenues	$2,400,000	$2,150,000
U.S. clients	97%	98%
Non-U.S. clients	3%	2%
Brokerage: Retail	87.0%	85.0%
U.S. offices	$2,088,000	$1,827,500
Wholesale	7.5%	10.0%
Personal lines	1.5%	1.5%
Services	1.0%	1.0%
Invstmt. income	3.0%	2.5%
Employees	8	7
Offices	1	1

Founded: 1897.

Retail brokerage: 97.5% commissions, 2.5% fees.

Licensed excess/surplus broker in: Florida and New York.

Officers: Kenneth S. Held, president/CEO; Renee Held, vp/secretary.

Contact: Kenneth S. Held.

Henderson & Phillips Insurance

235 E. Plume St., Norfolk, Va. 23510; 804-625-1800; fax: 804-625-4849

	1994	1993
Premium volume	$85,000,000	$85,000,000
Gross revenues	$12,020,051	$11,500,665
U.S. clients	100%	100%
Brokerage: Retail	53.9%	50.1%
U.S. offices	$6,474,733	$5,761,833
Wholesale	14.1%	16.7%
Reinsurance	2.8%	2.1%
Personal lines	22.0%	23.2%
Services	5.9%	5.2%
Invstmt. income	1.1%	1.1%
Other	0.2%	1.6%
Employees	120	127
Offices	5	5

Founded: 1896.

Retail brokerage: 94% commissions, 6% fees.

Employee benefits: 7.1% of revenues.

Retail brokerage branches: Firestone Insurance Services/Colonial Premium Finance Co., Newport News, Va.; Henderson & Phillips Insurance, Newport News and Norfolk, Va.; Self Insurance Services Inc., Richmond, Va.

Non-retail brokerage subsidiaries: Overstreet & Newell, Atlanta.

Licensed excess/surplus broker in: Georgia and Virginia.

Officers: George G. Phillips Jr., chairman; F. Dudley Fulton, president/CEO; Jeffrey A. Snyder, executive vp/CFO; William D. Russell, executive vp; Sherrilyn Walden, vp-insurance operations.

Contact: F. Dudley Fulton.

Hibbs-Hallmark & Co.

P.O. Box 8357, 1001 W. Southwest Loop 323, Tyler, Texas 75711; 903-561-8484; fax: 903-581-5988

	1994	1993
Premium volume	$28,122,044	$29,610,210
Gross revenues	$9,153,920	$7,763,583
U.S. clients	100%	100%
Brokerage: Retail	32.41%	37.05%
U.S. offices	$2,966,785	$2,876,408
Reinsurance	1.62%	NA
Personal lines	4.36%	5.63%
Services	59.67%	56.79%
Invstmt. income	0.83%	0.48%
Other	1.11%	0.04%
Employees	96	92
Offices	2	2

Founded: 1930.

Retail brokerage: 100% commissions.

Employee benefits: 5.32% of revenues.

Retail brokerage branches: Longview, Texas.

Non-retail brokerage subsidiaries: Cas-Claims Administrative Services Inc., Tyler, Texas.

Licensed excess/surplus broker in: Texas.

Officers: Billy E. Hibbs Sr., president; Barry Jones, executive vp; Billy E. Hibbs Jr., vp; Mary H. Smith, secretary/treasurer.

Contact: Billy E. Hibbs Sr.

Hilb, Rogal & Hamilton Co.

4235 Innslake Drive, Glen Allen, Va. 23060; 804-747-6500; fax: 804-747-6046

	1994	1993
Premium volume	$950,000,000	$925,000,000
Gross revenues	$140,809,614	$141,656,180
U.S. clients	99%	99%
Non-U.S. clients	1%	1%
Brokerage: Retail	74%	73%
U.S. offices	$104,192,000	$103,441,000
Personal lines	16%	17%
Services	7%	7%
Invstmt. income	3%	3%
Employees	1,630	1,640
Offices	52	52

Founded: 1982.

Retail brokerage: 98% commissions, 2% fees.

Employee benefits: 7% of revenues.

Acquisitions: David Joseph Asfour, San Rafael, Calif., June 1994; The Burton Co., New Haven, Conn., February 1995; B. Crawford & Associates, Dallas, October 1994; Cross Keys Insurance Agency, Baltimore, July 1995; Granger Hanna Insurance Associates, Anaheim, Calif., September 1994; Hayhurst Elias Dudek, Winnipeg, Calgary, Edmonton, Montreal, Toronto and Vancouver, Canada, July 1995; Lawrence United Corp. of Arizona Inc., Mesa, Ariz., September 1994; Lawrence United Corp. Insurance Agency of Northern California, Fresno, Calif., October 1994; R.E. Lipman Insurance Brokers Inc., Benicia, Calif., May 1995; Lund Associates, San Rafael, Calif., May 1995; Mutual Insurance Inc., Rockville, Md., October 1994; Olson Agency Inc., Grand Rapids, Mich., January 1994; Reichart-Silversmith Life Inc., Denver, Colo., May 1995; Jack Spence and Associates Inc., Houston, Texas, May 1995; Tongue, Brooks & Co., Baltimore, July 1995; Zarafonetis Insurance Agency Inc., Grand Rapids, Mich., November 1994.

Retail brokerage branches: Brook Crawford Insurance Services Inc.: Dallas, Texas. The Burton Co.: New Haven, Conn. Cal-Nevada Insurance: Incline Village, Nev. HRH Insurance Services of the Coachella Valley Inc., Palm Desert and Rancho Cucamonga, Calif. HRH of Northern California Insurance Services Inc., Sacramento, San Francisco, Santa Rosa, Truckee and Vallejo, Calif. Hilb, Rogal & Hamilton Co.: Birmingham and Mobile, Ala.; Flagstaff, Mesa, Phoenix and Tucson, Ariz.; Fullerton, Calif.; Daytona Beach, Fort Lauderdale, Fort Myers, Gainesville, Orlando and Tampa, Fla.; Atlanta, Gainesville, St. Simons Island and Savannah, Ga.; Metairie, La.; Baltimore and Rockville, Md.; Grand Rapids and Port Huron, Mich.; Voorhees, N.J.; Oklahoma City, Okla.; Pittsburgh, Pa.; Corpus Christi, Cuero, Dallas and Houston, Texas; Charlottesville, Fredericksburg, Richmond and Virginia Beach, Va. Hilb, Rogal & Hamilton Insurance Services of Central California Inc.: Bakersfield, Dinuba, Fresno and Sanger, Calif. Hilb, Rogal & Hamilton Co. of Denver/The Talbert Corp.: Denver, Colo. Insurance Brokers Inc.: McAllen, Texas.

Licensed excess/surplus broker.

Officers: Robert H. Hilb, chairman/CEO; Andrew L. Rogal, president/COO; John C. Adams Jr., executive vp; Timothy J. Korman, senior vp/treasurer; Dianne F. Fox, senior vp/secretary.

Contact: Robert H. Hilb or Dianne F. Fox.

The Hirshorn Co.

14 E. Highland Ave., Philadelphia, Pa. 19118; 215-242-8200; fax: 215-247-6366

	1994*	1993*
Premium volume	$12,000,000	$11,560,000
Gross revenues	$1,520,000	$1,465,000
U.S. clients	98%	98%
Non-U.S. clients	2%	2%
Brokerage: Retail	79%	81%
U.S. offices	$1,200,800	$1,186,650
Wholesale	2%	1%
Personal lines	10%	11%
Services	5%	5%
Invstmt. income	4%	2%
Employees	18	18
Offices	1	1

* Fiscal years ending 6/30/94 and 6/30/93.

Retail brokerage: 90% commissions, 10% fees.

Employee benefits: 5% of revenues.

Licensed excess/surplus broker in: Pennsylvania.

Officers: Ralph S. Hirshorn, chairman; B. Graeme Frazier III, president; Stephen H. Wetherill, Dennis P. Murphy, George M. Connelly, vps.

Contact: Ralph S. Hirshorn.

Hitachi Insurance Service Ltd.

11-1, Marunouchi 1-chome, Chiyoda-ku, Tokyo 100, Japan; 813-3636-5521; fax: 813-3636-4051

	1994*	1993*
Premium volume	$589,093,890**	$546,759,030**
Gross revenues	$70,837,850**	$65,030,920**
U.S. clients	0.5%	0.5%
Non-U.S. clients	99.5%	99.5%
Brokerage: Retail	26.9%	27.4%
Non-U.S. offices	$19,055,380**	$17,832,170**
Personal lines	69.2%	67.9%
Invstmt. income	3.7%	4.5%
Other	0.2%	0.2%
Employees	414	40
Offices	36	3

* Fiscal years ending 3/31/95 and 3/31/94
** Converted at applicable exchange rates.

Founded: 1949.

Parent: Hitachi Ltd.

Retail brokerage: 100% commissions.

Employee benefits: 25.9% of revenues.

Retail brokerage branches: Japan: Fukuoka, Haranomachi, Hiratsuka, Hiroshima, Hitachi, Hitachinaka, Kashiwa, Kawasaki, Kitakyushu, Kokubunji, Koriyama, Kudamatsu, Kure, Kuwana, Kyoto, Maoka, Mobara, Nagoya, Narashino, Niigata, Odawara, Osaka, Sapporo, Sendai, Shimizu, Shimodate, Takamatsu, Takasaki, Tochigi, Toyama, Toyokawa, Tsuchiura, Yamanashi and Yokohama; Hitachi Family Insurance Service Ltd., Tokyo; Hitachi Medical Insurance Service Ltd., Tokyo.

Officers: Noboru Hatano, president; Kakuro Mouri, senior executive managing director; Hiroshi Yamamoto, senior executive managing director; Hiroshi Tshizaki, executive managing director; Yasuto Iikura, director.

Hobbs Group Inc.

225 Wyman St., Waltham, Mass. 02254; 617-890-1455; fax: 617-890-8617

	1994	1993
Premium volume	$247,000,000	$237,000,000
Gross revenues	$25,093,000	$24,212,000
U.S. clients	94%	95%
Non-U.S. clients	6%	5%
Brokerage: Retail	94%	96%
U.S. offices	$23,105,000	$22,571,000
Non-U.S. offices	$482,000	$673,000
Reinsurance	1%	1%
Services	2%	1%
Invstmt. income	3%	2%
Offices	14	

Founded: 1954.

Parent: Arkwright Mutual Insurance Co.

Retail brokerage branches: Atlanta; Austin, Texas; Boston; Chicago; Cleveland; Columbia, Md.; Greenwich, Conn.; Houston; Los Angeles; Philadelphia; Rutherford, N.J.; San Francisco; London; Toronto.

Licensed excess/surplus broker in: Alaska, California, Connecticut, Massachusetts, Michigan, New York, Pennsylvania, Texas, Virginia.

Officers: W. Glenn Yancey, chairman; Thomas A. Golub, president/CEO; Daniel Donovan, John F. McGrath, Mark McGreevey, Edward F. McNulty, executive vps.

Contact: Charles E. Darrigrand, 420 Bedford St., 3rd floor, Suite 360, Lexington, Mass. 02173-1595; 617-861-3040.

Holman Insurance Brokers Ltd.

165 E. Beaver Creek Road, Suite 11, Richmond Hill, Ontario L4B 2N2, Canada; 905-886-5630; fax: 905-886-5622

	1994*	19
Premium volume	$11,613,000**	$10,625,00

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Gross revenues	$2,267,300**	$1,955,000**
U.S. clients	1%	1%
Non-U.S. clients	99%	99%
Brokerage: Retail	55%	45%
Non-U.S. offices	$1,248,200**	$879,750**
Personal lines	42%	46%
Services	1%	3%
Invstmt. income	1%	4%
Other	1%	2%
Employees	43	37
Offices	1	2

* Fiscal years ending 8/31/94 and 8/31/93.
** Converted at applicable rates.

Founded: 1981.
Retail brokerage: 97% commissions, 3% fees.
Employee benefits: 3% of revenues.
Officers: Frank T. Holman, president; Paul D. Holman, Chris J. Holman, Mark A. Holman, vps.
Contact: Paul D. Holman.

Holmes, Murphy & Associates Inc.

420 Keo, Des Moines, Iowa 50309; 515-286-4400; fax: 515-286-4494

	1994	1993
Premium volume	$134,500,000	$132,600,000
Gross revenues	$13,000,000	$12,850,000
U.S. clients	100%	100%
Brokerage: Retail	98.95%	98.95%
U.S. offices	$12,863,500	$12,715,075
Personal lines	0.05%	0.05%
Services	1.00%	1.00%
Employees	121	127
Offices	2	2

Founded: 1932.
Retail brokerage: 99% commissions, 1% fees.
Employee benefits: 26% of revenues.
Acquisitions: Insurance Designers, Bloomington, Ill., April 1995.
Retail brokerage branches: Cedar Rapids, Iowa; Dallas.
Licensed excess/surplus broker in: Iowa.
Officers: J. Douglas Reichardt, Nickolas J. Henderson, James S. Swift, Basil H. Dawson, Marlin C. Willis.
Contact: Nickolas J. Henderson.

Hylant-MacLean Group

1505 Jefferson Ave., Toledo, Ohio 43624; 419-255-1020; fax: 419-255-7557

	1994	1993
Premium volume	$150,000,000	$125,000,000
Gross revenues	$11,350,000	$10,250,000
U.S. clients	100%	100%
Brokerage: Retail	98%	98%
U.S. offices	$11,100,000	$10,045,000
Personal lines	1%	1%
Invstmt. income	1%	1%
Employees	125	116
Offices	5	4

Founded: 1935.
Retail brokerage: 50% commissions, 50% fees.
Employee benefits: 14% of revenues.
Retail brokerage branches: Cleveland; Portland, Maine; Detroit; Hylant-McCloy, Columbus, Ohio.
Licensed excess/surplus broker in: Michigan and Ohio.
Officers: Patrick R. Hylant, president; William F. Buckley, vp/COO; J. Scott Stewart, Kyle R. Latham, Stephen R. Hylant, Michael M. Hylant, Richard C. Hylant, vps.
Contact: Dianne Cameron.

I

ISU Beauchamp & McSpadden Inc.

231 W. Canal St., P.O. Box 687, Wabash, Ind. 46992; 219-563-8821; fax: 219-563-5957

	1994	1993
Premium volume	$23,450,000	$23,025,000
Gross revenues	$3,285,000	$3,170,000
U.S. clients	100%	100%
Brokerage: Retail	47.5%	52.4%
U.S. offices	$1,560,400	$1,660,300
Personal lines	26.9%	24.6%
Invstmt. income	18.2%	23.0%
Other	7.4%	NA
Employees	50	50
Offices	4	5

Founded: 1927.
Retail brokerage: 100% commissions.
Employee benefits: 3.5% of revenues.
Retail brokerage branches: North Manchester and Warsaw, Ind.; Morrison Halliher/ISU Inc., Muncie, Ind.
Licensed excess/surplus broker in: Indiana.
Officers: Robert W. Beauchamp, president; Joseph W. McSpadden, secretary/vp; Michael J. Beauchamp, treasurer/vp; Larry D. McSpadden, Frederick H. Squires, vps.
Contact: Robert W. Beauchamp.

ISU/Corporate Insurance Management

1 Insurance Center Plaza, St. Louis, Mo. 63141; 314-434-3000; fax: 314-434-2917

	1994	1993
Premium volume	$13,140,533	$13,089,084
Gross revenues	$1,400,898	$1,410,364
U.S. clients	100%	100%
Brokerage: Retail	84%	84%
U.S. offices	$1,169,417	$1,184,706
Personal lines	14%	14%
Invstmt. income	2%	2%
Employees	14	14
Offices	1	1

Founded: 1932.
Retail brokerage: 100% commissions.
Employee benefits: 14% of revenues.
Licensed excess/surplus broker in: Missouri.
Officers: W. Dale Finke, president/CEO; James F. Yager, secretary/treasurer; H.F. James, Carey Prewitt, vps.
Contact: W. Dale Finke.

ISU Bob Gabriel Co.

2325 Wilshire Blvd., Santa Monica, Calif. 90403; 310-829-0305; fax: 310-453-0302

	1994	1993
Premium volume	$8,000,000	$7,800,000
Gross revenues	$1,220,000	$1,150,000
U.S. clients	100%	100%
Brokerage: Retail	45.0%	45.0%
U.S. offices	$549,000	$517,500
Personal lines	53.5%	53.5%
Services	0.5%	0.5%
Invstmt. income	1.0%	1.0%
Employees	11	11
Offices	1	1

Founded: 1936.
Retail brokerage: 99% commissions, 1% fees.
Employee benefits: 1% of revenues.
Officers: Robert M. Gabriel.

ISU Hoffman Insurance Services

200 Linden St., Wellesley, Mass. 02181; 617-235-0087; fax: 617-235-6665

	1994	1993
Premium volume	$7,361,392	$7,560,000
Gross revenues	$1,025,728	$1,106,000
U.S. clients	100%	100%
Brokerage: Retail	52%	56%
U.S. offices	$533,378	$619,360
Personal lines	48%	44%
Employees	13	13
Offices	1	1

Founded: 1957.
Retail brokerage: 100% commissions.
Employee benefits: 1% of revenues.
Licensed excess/surplus broker in: Massachusetts.
Officers: Robert S. Hoffman III, president; Charles L. Hoffman, treasurer.
Contact: Robert S. Hoffman III.

ISU Insurance Services Inc.

100 Pine St., Suite 1700, San Francisco, Calif. 94111; 415-788-9810; fax: 415-397-5530

	1994	1993
Premium volume	$25,600,000	$23,000,000
Gross revenues	$3,000,000	$2,750,000
U.S. clients	100%	100%
Brokerage: Retail	70%	70%
U.S. offices	$2,100,000	$1,925,000
Personal lines	30%	30%
Employees	27	15
Offices	1	1

Founded: 1989.
Retail brokerage: 100% commissions.
Employee benefits: 1% of revenues.
Acquisitions: Paul M. Nippert Co., San Francisco, October 1994.
Licensed excess/surplus broker in: California.
Officers: Grace Ryan, president; T.J. Ryan III, executive vp.
Contact: T.J. Ryan III.

ISU/L. Calvin Jones & Co.

565 N. Broad St., P.O. Box 159, Canfield, Ohio 44406; 216-533-1195; fax: 216-533-7583

	1994*	1993*
Premium volume	$6,500,000	$6,000,000
Gross revenues	$1,200,000	$1,150,000
U.S. clients	100%	100%
Brokerage: Retail	72%	70%
U.S. offices	$864,000	$805,000
Personal lines	28%	30%
Employees	19	17
Offices	1	1

* Fiscal years ending 10/31/94 and 10/31/93.

Founded: 1911.
Retail brokerage: 100% commissions.
Employee benefits: 2% of revenues.
Licensed excess/surplus broker.
Officers: Edward L. Gluck, president; Wendell L. Jones, senior vp/treasurer; Alvin A. Miller, vp; James M. Klingensmith, vp/secretary; James S. Mitolo, assistant vp.
Contact: Edward L. Gluck.

ISU/The May Agency Inc.

1327 N. Walnut, P.O. Box 1669, Bloomington, Ind. 47402; 812-334-2400; fax: 812-332-3646

	1994	1993
Premium volume	$9,981,000	$8,500,000
Gross revenues	$1,621,000	$1,409,000
U.S. clients	100%	100%
Brokerage: Retail	85%	85%
U.S. offices	$1,377,850	$1,197,650
Personal lines	14%	14%
Invstmt. income	1%	1%
Employees	15	14
Offices	1	1

Founded: 1949.
Retail brokerage: 100% commissions.
Employee benefits: 0.5% of revenues.
Licensed excess/surplus broker: Nationwide.
Officers: Paul May, president; John May, vp; Ralph May, secretary/treasurer.
Contact: Paul May.

ISU/Oliver & Shopen Insurance Agency

P.O. Box 2199, 6920 W. 79th St., Overland Park, Kan. 66204; 913-341-1900; fax: 913-649-4624

	1994*	1993*
Premium volume	NA	$9,600,000
Gross revenues	$1,251,000	$1,215,000
U.S. clients	100%	99%
Non-U.S. clients	0%	1%
Brokerage: Retail	62.0%	66.0%
U.S. offices	$775,620	$801,900
Personal lines	37.0%	32.6%
Services	0.5%	1.0%
Invstmt. income	0.5%	0.4%
Employees	21	19
Offices	1	1

* Fiscal years ending 4/30/95 and 4/30/94.

Founded: 1967.
Parent: Oliver Insurance Agency Inc.
Retail brokerage: 99.5% commissions, 0.5% fees.
Employee benefits: 4% of revenues.
Licensed excess/surplus broker in: Kansas and Missouri.
Officers: Keith C. Oliver, president; Keith L. Oliver, chairman; Kim Acton, vp; Jean Oliver, secretary.
Contact: Keith C. Oliver.

ISU/J. Frank Raley

38 Essex Drive S., Lexington Park, Md. 20653; 301-863-6625; fax: 301-863-9680

	1994	1993
Premium volume	$5,300,000	$5,000,000
Gross revenues	$1,150,000	$1,100,000
U.S. clients	100%	100%
Brokerage: Retail	53.8%	69.4%
U.S. offices	$618,700	$771,270
Personal lines	36.2%	24.5%
Invstmt. income	2.0%	NA
Other	8.0%	6.1%
Employees	17	17
Offices	2	2

Founded: 1954.
Retail brokerage: 99% commissions, 1% fees.
Employee benefits: 15% of revenues.
Retail brokerage branches: Waldorf, Md.
Licensed excess/surplus broker in: Maryland.
Officers: Thomas Watts, Barbara Short.
Contact: Thomas Watts.

ISU/St. Charles Insurance

214 Compass Point Drive, St. Charles, Mo. 63301; 314-946-6828; fax: 314-946-7117

	1994	1993
Premium volume	$8,000,000	$7,000,000
Gross revenues	$935,407	$920,611
U.S. clients	100%	100%
Brokerage: Retail	64%	50%
U.S. offices	$598,660	$460,305
Personal lines	27%	33%
Invstmt. income	2%	3%
Other	7%	14%
Employees	17	18
Offices	2	2

Founded: 1961.
Retail brokerage: 100% commissions.
Employee benefits: 7.5% of revenues.
Retail brokerage branches: Wentzville, Mo.
Non-retail brokerage subsidiaries: Insurance Safety Services, St. Charles, Mo.
Officers: Joseph I. Daues, president; Richard Grumich, executive vp; Kenneth Heying, senior vp/treasurer; Steven Heying, vp/secretary.
Contact: Joseph T. Daues.

Insurance Benefit Consultants Inc.

5215 Old Orchard Road, Suite 850, Skokie, Ill. 60077; 708-581-9100; fax: 708-581-9115

	1994	1993
Premium volume	$86,375,000	$85,010,000
Gross revenues	$3,959,776	$3,866,635
U.S. clients	100%	100%
Brokerage: Retail	84%	88%
U.S. offices	$3,326,212	$3,402,639
Wholesale	2%	2%
Reinsurance	8%	6%
Personal lines	2%	2%
Services	2%	2%
Invstmt. income	2%	NA
Employees	36	38
Offices	2	1

Founded: 1984.
Retail brokerage: 98% commissions, 2% fees.
Employee benefits: 94% of revenues.
Acquisitions: IBC Financial Ltd., Skokie, Ill., October 1994.
Retail brokerage branches: Skokie, Ill.
Officers: Helena C. Migala, Steven B. Foreman, David N. Schwimmer, principals.
Contact: David N. Schwimmer.

Insurance & Consulting Services of Greenville Inc. dba Fickling & Clement Insurance

P.O. Box 1626, 105 Arlington Blvd., Greenville, N.C. 27835; 919-756-8300; fax: 919-756-9092

	1994	1993
Premium volume	$7,066,713	$6,928,755
Gross revenues	$1,098,939	$979,782
U.S. clients	100%	100%
Brokerage: Retail	72%	72%
U.S. offices	$791,236	$705,443
Personal lines	18%	21%
Other	10%	7%
Employees	14	13
Offices	1	1

Founded: 1979.
Retail brokerage: 99% commissions, 1% fees.
Employee benefits: 5% of revenues.
Licensed excess/surplus broker in: North Carolina.
Officers: W. Kurt Fickling, president; James E. Clement Jr., vp; Sherry B. Edwards, vp-personal lines; Sandra W. Sawyer, vp-commercial lines; Barbara D. Matthews, secretary.
Contact: Barbara D. Matthews.

Insurance Management Co.

123 W. Ninth St., Erie, Pa. 16501; 814-452-3200; fax: 814-454-5598

	1994*	1993*
Premium volume	$21,339,267	$24,524,470
Gross revenues	$2,403,916	$2,252,584
U.S. clients	100%	100%
Brokerage: Retail	100%	100%
U.S. offices	$2,403,916	$2,252,584
Employees	26	26
Offices	1	1

* Fiscal years ending 6/30/94 and 6/30/93.

Founded: 1933.
Retail brokerage: 96% commissions, 4% fees.
Licensed excess/surplus broker in: Pennsylvania.
Officers: John C. Bloomstine, president; Chris W. Bloomstine, vp/secretary; Beth A. Dubik, vp/treasurer.
Contact: Beth A. Dubik.

Insurance Management Associates Inc.

250 N. Water, Suite 600, Wichita, Kan. 67202; 316-267-9221; fax: 316-266-6254

	1994	1993
Premium volume	$220,000,000	$180,000,000

Continued on next page

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800-858-2732

Continued from previous page

Gross revenues	**$18,219,610**	$15,674,000
U.S. clients	**100%**	100%
Brokerage: Retail	**88.2%**	90.0%
U.S. offices	**$16,069,696**	$14,106,600
Personal lines	**4.5%**	4.4%
Services	**4.2%**	3.4%
Invstmt. income	**3.1%**	2.2%
Employees	**204**	187
Offices	**4**	4

Founded: 1974.

Employee benefits: 5.3% of revenues.

Retail brokerage branches: ESIX (Entertainment & Sports Insurance Experts), Atlanta; Insurance Management Associates of Colorado, Denver; Insurance Management Associates of Topeka, Topeka, Kan.; Risk Management Associates Inc., Wichita, Kan.

Licensed excess/surplus broker: Nationwide.

Officers: W.C. Cohen Jr., CEO; Joseph C. Lukens, president; Robert Cohen, president-Insurance Management Associates of Colorado; Ray Merz, president-Risk Management Associates Inc.; Velma Pollock, president-Insurance Management Associates of Topeka; Mike Price, president-ESIX.

Contact: W.C. Cohen Jr.

Insurance Marketing Agencies Inc.

306 Main St., Worcester, Mass. 01608; 508-753-7233; fax: 508-754-0487

	1994	1993
Premium volume	**$26,000,000**	$25,332,000
Gross revenues	**$3,500,000**	$3,466,000
U.S. clients	**100%**	100%
Brokerage: Retail	**69%**	68%
U.S. offices	**$2,415,000**	$2,357,000
Personal lines	**14%**	17%
Services	**1%**	1%
Invstmt. income	**1%**	2%
Other	**15%**	12%
Employees	**41**	41
Offices	**2**	2

* Fiscal years ending 9/30/94 and 9/30/93.

Founded: 1924.

Retail brokerage: 99% commissions, 1% fees.

Employee benefits: 12% of revenues.

Retail brokerage branches: Boston.

Licensed excess/surplus broker in: Massachusetts.

Officers: Sumner W. Herman, president/treasurer; Arnold J. Horowitz, executive vp; John J. Kelly, vp; Jacqueline M. Hageman, vp-administration; Kenneth W. Eddy, vp-sales.

Contact: Sumner W. Herman.

Insurance & Risk Management

3811 Illinois Road, P.O. Box 1705, Fort Wayne, Ind. 46801; 219-436-1616; fax: 219-432-4083

	1994	1993
Premium volume	**$80,000,000**	$80,000,000
Gross revenues	**$12,231,000**	$11,169,000
U.S. clients	**100%**	100%
Brokerage: Retail	**80%**	80%
U.S. offices	**$9,784,800**	$8,935,200
Personal lines	**16%**	17%
Services	**1%**	1%
Invstmt. income	**3%**	1%
Other	**NA**	1%
Employees	**167**	160
Offices	**6**	6

Founded: 1963.

Retail brokerage: 85% commissions, 15% fees.

Employee benefits: 33% of revenues.

Retail brokerage branches: Indianapolis, Muncie and Warsaw, Ind.; Insurance & Risk Management Agencies of Ohio Inc., Defiance and Sylvania, Ohio.

Officers: Ronald J. Harruff, chairman; Bart E. Bircheff, COO; James E. Van Dyck, Duwan Tagtmeyer, Harold Everett, managing partners.

Contact: Mark Bienz, controller.

JIB Group P.L.C.

Jardine House, 6 Crutched Friars, London EC3N 2HT, England; 44-171-528-4444; fax: 44-171-528-4185

	1994	1993
Premium volume	**$3,149,792,000***	$3,023,526,000*
Gross revenues	**$367,680,000***	$346,962,000*
U.S. clients	**42%**	44%
Non-U.S. clients	**58%**	56%
Brokerage: Retail	**64%**	65%
U.S. offices*	**$102,644,000***	$109,646,000*
Non-U.S. offices*	**$131,752,000***	$115,654,000*
Wholesale	**17%**	16%
Reinsurance	**12%**	11%
Invstmt. income	**6%**	7%
Other	**1%**	1%
Employees	**3,739**	3,763
Offices	**88**	87

* Converted at applicable exchange rates.

Founded: 1970.

Parent: Jardine Matheson Holdings Ltd.

Acquisitions: R.J. Abraham, Australia, August 1994; Reeves Brown Associates, United Kingdom, June 1994; Dove & Butler Ltd., United Kingdom, July 1994; Ontario Municipal Inc., Canada, October 1994.

Retail brokerage branches: Jardine Insurance Brokers Inc.: Phoenix; Garden Grove, Los Angeles, San Diego, San Francisco, San Jose and Stockton, Calif.; Denver; Chicago and Oakbrook, Ill.; Hutchinson and Topeka, Kan.; Troy, Mich.; Kansas City, Mo.; Latham and New York, N.Y.; Houston. Asli-Jardine Insurance Brokers Sdn. Bhd.: Kuala Lumpur, Malaysia. Glanvill Enthoven & Co. (Nigeria), Lagos, Nigeria. Jardine Argentina S.A.: Buenos Aires, Argentina. Jardine Australian Insurance Brokers Pty. Ltd.: Adelaide, Albury, Brisbane, Cairns, Coffs Harbour, Melbourne, Perth, Sydney and Townsville, Australia. Jardine Corretagem de Seguros, Rio de Janeiro and Sao Paulo, Brazil. Jardine Davis Insurance Brokers Inc.: Cebu City and Manila, Philippines. Jardine Insurance Agency: Tokyo. Jardine Insurance Brokers Ltd.: Hong Kong; Cork and Dublin, Ireland; Auckland, Christchurch, Dunedin, Hamilton and Wellington, New Zealand; Birmingham, Bradford, Chelmsford, Gloucester, London, Manchester, Southampton and Woking, England; Edinburgh, Scotland. Jardine Insurance Brokers Pte. Ltd.: Singapore. Jardine Insurance Brokers S.p.A.: Milan, Italy. Jardine Insurance Brokers (Bahrain) WLL: Manama, Bahrain. Jardine Insurance Brokers International Ltd.: Seoul, Korea; Coimbra, Funchal, Lisboa, Portimao and Porto, Portugal. Jardine Insurance Brokers Taiwan Ltd.: Taipei, Taiwan. Jardine Insurance Consultants Ltd.: Bangalore, Bombay, Calcutta, Madras and New Delhi, India. Jardine Insurance Services (Vietnam): Hanoi and Ho Chi Minh City, Vietnam. Jardine Pinehurst Management Co. Ltd.: Hamilton, Bermuda. Jardine Risk Services (IOM) Ltd.: Douglas, Isle of Man. Jardine Risk Services (Guernsey) Ltd.: St. Peter Port, Guernsey. Jardine Rolfe Ltd.: Calgary, Edmonton, Toronto, Vancouver and Victoria, Canada. Jardine Services (Thailand) Ltd.: Bangkok, Thailand. Jardine SIACI & Partners: Brussels, Belgium. PT Jardine Insurance Brokers Indonesia: Jakarta, Indonesia. Societe Intercontinentale d'Assurances pour le Commerce et l'Industrie S.A.: Paris.

Non-retail brokerage subsidiaries: Horan Goldman Cos. Inc.: Concord, N.H.; Medford and Tinton Falls, N.J.; Wayne, Pa.; Columbia, S.C. Intermediary Insurance Services Inc.: San Francisco; Cambridge, Mass.; Greenville, S.C.; San Antonio, Texas. Frank R. MacNeill & Son Inc.: Miami; Sumter, S.C. John D. Sayer & Co.: Lawrenceville, N.J. Jardine Insurance Brokers International Ltd.; London; Barcelona, Spain. Jardine Insurance Brokers Poland Ltd.: Warsaw, Poland. Jardine Thompson Graham: Sydney, Australia; London; Paris; Singapore.

Officers: C.G.R. Leach, chairman; R.J.O. Barton, group chief executive; N.J. Cosh, group finance director; D.J. Batchelor, CEO-U.S. retail; D.E. Corben, CEO-international reinsurance; M.C.D. Gribbin, CEO-U.K. retail/wholesale; R.D. Guy, CEO-Asia/Pacific retail.

The Jacobs Co. Inc.

8955 Guilford Road, Suite 260, Columbia, Md. 21046; 301-621-8858; fax: 410-381-2105

	1994	1993
Premium volume	**$19,850,000**	$16,800,000
Gross revenues	**$2,580,000**	$2,200,000
U.S. clients	**99%**	98%
Non-U.S. clients	**1%**	2%
Brokerage: Retail	**90%**	90%
U.S. offices	**$2,298,780**	$1,940,400
Non-U.S. offices	**$23,220**	$39,600
Wholesale	**1%**	2%
Personal lines	**3%**	3%
Services	**3%**	2%
Invstmt. income	**1%**	1%
Other	**2%**	2%
Employees	**21**	21
Offices	**3**	3

Founded: 1989.

Retail brokerage: 99% commissions, 1% fees.

Employee benefits: 6% of revenues.

Licensed excess/surplus broker in: California.

Officers: Frank L. Jacobs Jr., president/CEO; John L. Voigt Jr., vp.

Contact: Frank L. Jacobs.

Jardine Insurance Brokers Inc.

333 Bush St., Suite 500, San Francisco, Calif. 94104; 415-391-2600; fax: 415-773-4475

	1994	1993
Gross revenues	**$98,901,875**	$106,170,461
Brokerage: Retail	**79%**	80%
U.S. offices	**$76,992,043**	$83,232,406
Non-U.S. offices	**$1,565,716**	$1,576,558
Personal lines	**5%**	5%
Services	**14%**	13%
Invstmt. income	**2%**	2%
Employees	**906**	1,043

Founded: 1982.

Parent: JIB Group P.L.C.

Employee benefits: 11% of revenues.

Retail brokerage branches: Chicago and Oak Brook, Ill.; Topeka, Kan.; New York; Jardine Group Services Corp., Latham, N.Y.; Jardine Insurance Agency Michigan Inc., Troy, Mich.; Jardine Insurance Brokers Arizona Inc., Phoenix; Jardine Insurance Brokers Central California Inc., Stockton, Calif.; Jardine Insurance Brokers Illinois Inc., Chicago; Jardine Insurance Brokers Los Angeles Inc., Los Angeles; Jardine Insurance Brokers Midwest Inc./Motor Truck Owners Conference Inc., Kansas City, Mo.; Jardine Insurance Brokers New York Inc., New York; Jardine Insurance Brokers Orange County Inc., Garden Grove, Calif.; Jardine Insurance Brokers San Francisco Inc., San Francisco; Jardine Insurance Brokers San Jose Inc., San Jose, Calif.; Jardine Insurance Services Texas Inc., Houston; Professional Dental Reviewers Inc., New York; Safe Passage International, Denver; Jardine Pinehurst Management Co. Ltd., Hamilton, Bermuda; Jardine Corretagem de Seguros Ltda., Sao Paulo, Brazil; Jardine Insurance Brokers Inc., Calgary, Edmonton and Victoria, Canada; Jardine OME Ltd., Toronto; Jardine Pont & Associados, Rio de Janiero, Brazil; Jardine Rolfe Ltd., Vancouver, Canada.

Non-retail brokerage subsidiaries: Horan, Goldman Cos. Inc., Wayne, Pa.; Intermediary Insurance Services Inc., San Francisco; Cambridge, Md.; Greenville, S.C.; San Antonio; Jardine Sayer & Co. Inc., Lawrenceville, N.J.; Frank R. MacNeill & Son Inc., Miami.

Licensed excess/surplus broker in: Arizona, California, Illinois, Kansas, Michigan, Missouri, New York, Texas.

Officers: George W. Brown, chairman; Richard A. Archer, deputy chairman; David J. Batchelor, president/CEO; E. Paul Hansen, CFO; W. Michael Carroll, executive vp.

Contact: Stephanie Davis, 510-253-9383.

Jardine Insurance Brokers Inc. is a unit of JIB Group P.L.C. Information in this listing also is included in JIB Group's data.

Jauch & Huebener KGaA

Katharinenstrasse 10, Hamburg 20457, Germany; 49-40-36050; fax: 49-40-367787

	1994	1993
Gross revenues	**$194,656,000***	$183,315,000*
Non-U.S. clients	**100%**	100%
Brokerage: Retail	**82%**	84%
Non-U.S. offices	**$159,617,920***	$153,984,600*
Reinsurance	**11%**	10%
Personal lines	**2%**	1%
Services	**5%**	5%
Employees	**1,500**	1,400
Offices	**25**	24

* Converted at applicable rates.

Founded: 1919.

Retail brokerage: 98% commissions, 2% fees.

Retail brokerage branches: EX-TRA Excesos y Tratados, C.A. (Jauch & Huebener KGaA/UNISON): Caracas, Venezuela. J&H-UNISON: Moscow. Jauch & Huebener/UNISON: New York; Prague, Czech Republic; Graz, Hohenems, Innsbruck, Linz, Salzburg and Vienna, Austria; Baden-Baden, Berlin, Bielefeld, Dresden, Duesseldorf, Frankfurt am Main, Hamburg, Leipzig, Mulheim an der Ruhr, Munich, Nurnberg and Stuttgart, Germany; Budapest, Hungary; Singapore; Feldmellen, Switzerland. Jauch & Huebener do Brazil Ltda./UNISON: Sao Paulo, Brazil. Jauch & Huebener Reinsurance Intermediaries Ltd.: London.

Officers: Christian Dahms, Gerhard Groh, Juergen Grupe, Frank Preuss, Volker Preuss, Jochen Scheele, general partners.

Contact: Peter Hermes, public relations, 49-208-307-268.

Johnson & Higgins

125 Broad St., New York, N.Y. 10004; 212-574-7000; fax: 212-574-7676

	1994	1993
Gross revenues	**$1,008,600,000**	$961,900,000
U.S. clients	**80.4%**	81.2%
Non-U.S. clients	**19.6%**	18.8%
Brokerage: Retail	**63.1%**	62.0%
U.S. offices	**$455,700,000**	$434,200,000
Non-U.S. offices	**$180,700,000**	$162,200,000
Wholesale	**6.1%**	5.6%
Reinsurance	**4.9%**	4.5%
Personal lines	**0.3%**	0.4%
Services	**22.6%**	24.6%
Invstmt. income	**2.9%**	2.6%
Other	**0.1%**	0.3%
Employees	**8,727**	8,64
Offices	**130**	12

Founded: 1845.

Employee benefits: 22.3% of revenues.

Retail brokerage branches: Anchorage Alaska; Birmingham, Ala.; Phoenix; Costa Mesa, Los Angeles, San Diego, San Francisco and San Jose, Calif.; Denver; Hartford and Stamford, Conn.; Wilmington, Del. Washington; Miami, Orlando and Tampa Fla.; Atlanta; Honolulu; Boise, Idaho; Chicago; Indianapolis; Louisville, Ky.; New Orleans; Portland, Maine; Baltimore, Md.; Boston; Detroit and Grand Rapids, Mich.; Minneapolis; St. Louis; Omaha; Las Vegas; Parsippany, N.J.; Buffalo, New York and Rochester, N.Y.; Charlotte, N.C.; Cincinnati Cleveland and Columbus, Ohio; Tulsa Okla.; Portland, Ore.; Philadelphia and Pittsburgh, Pa.; Greenville, S.C.; Nashville Tenn.; Dallas; Houston; Salt Lake City Richmond, Va.; Seattle; Milwaukee; Buenos Aires, Argentina; Nassau, Bahamas; Hamilton, Bermuda; Belo Horizonte, Campinas Curitiba, Porto Alegre, Rio de Janeiro, Salvador and Sao Paulo, Brazil; Calgary, Corner Brook, Edmonton, Grand Falls, Halifax London, Montreal, Ottawa, Quebec, St. John's, Saskatoon, Sept-Iles, Toronto, Vancouver and Winnipeg, Canada; Grand Cayman, Cayman Islands; Santiago, Chile; Beijing; Bogota, Cali and Medellin, Colombia Birmingham, London, Manchester, Newcastle and Reading, England; Hong Kong; Dublin, Ireland; Milan, Bologna, Padua, Rome and Turin, Italy; Osaka and Tokyo, Japan Seoul, Korea; Kuala Lumpur and Penang Malaysia; Lima, Peru; Singapore; Glasgow

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Scotland; Taipei, Taiwan; Bangkok, Thailand; Montevideo, Uruguay; Caracas, Barquisimeto, Maracaibo, Puerto La Cruz and Valencia, Venezuela. H.I. Group/Johnson & Higgins: Cebu City and Manila, Philippines. INTERSERVE: Riyadh, Saudi Arabia. Mees & Zoonen: Amsterdam and Rotterdam, Netherlands. San Insurance & Reinsurance Brokerage Co.: Istanbul, Turkey. UNISON Belgium, Antwerp, Brussels, Charleroi, Courtray, Ghent and Liege, Belgium.

Non-retail brokerage subsidiaries: Foster Higgins, New York; Henry Ward Johnson & Co., New York; Johnson & Higgins Financial Services, Princeton, N.J.; Johnson & Higgins/Kirke-Van Orsdel, Des Moines, Iowa; Shipowners Claims Bureau, New York; Willcox Inc. Reinsurance Intermediaries, New York; J&H Global Captive Management Group, Hamilton, Bermuda.

Licensed excess/surplus broker in: Alabama, Alaska, Arizona, California, Colorado, Connecticut, Delaware, District of Columbia, Florida, Georgia, Hawaii, Illinois, Kentucky, Louisiana, Maine, Maryland, Massachusetts, Michigan, Minnesota, Missouri, Nebraska, Nevada, New Jersey, New York, North Carolina, Ohio, Oklahoma, Oregon, Pennsylvania, South Carolina, Tennessee, Texas, Utah, Virginia, Washington, Wisconsin.

Officers: David A. Olsen, chairman/CEO; Richard A. Nielsen, president/COO; Joseph D. Roxe, CFO.

Contact: Al Modugno, 212-574-7031.

Jones & Hawkins Insurance

18167 U.S. Highway 19 N., Suite 300, Clearwater, Fla. 34624; 813-535-6868; fax: 813-530-4772

	1994	1993
Premium volume	$34,235,000	$32,550,000
Gross revenues	$4,093,000	$4,157,000
U.S. clients	100%	100%
Brokerage: Retail	71.0%	68.8%
U.S. offices	$2,906,000	$2,860,000
Personal lines	6.0%	6.0%
Services	21.1%	23.8%
Invstmt. income	1.4%	1.0%
Other	0.5%	0.4%
Employees	47	50
Offices	1	2

Founded: 1980.
Retail brokerage: 96% commissions, 4% fees.
Employee benefits: 33.1% of revenues.
Non-retail brokerage subsidiaries: Self-Insured Benefit Administrators Inc., Clearwater, Fla.
Licensed excess/surplus broker in: Florida.
Officers: Terrell V. Hawkins, president; Charles B. Honeywell, executive vp; Michael J. McClain, senior vp; Glenn L. Allen, CFO.
Contact: Charles B. Honeywell.

K

Kalvin-Miller International Inc.

1211 Ave. of the Americas, New York, N.Y. 10036; 212-575-6600; fax: 212-704-5959

	1994*	1993*
Premium volume	$200,000,000**	$200,000,000
Gross revenues	$25,000,000**	$25,000,000
U.S. clients	99%	97%
Non-U.S. clients	1%	3%
Brokerage: Retail	81%	80%
U.S. offices	$20,000,000**	$20,000,000
Wholesale	8%	9%
Reinsurance	NA	1%
Personal lines	8%	6%
Services	2%	1%
Invstmt. income	1%	3%
Employees	161	180
Offices	3	4

* Fiscal years ending 9/30/94 and 9/30/93. Company estimates.

Founded: 1902.
Parent: Kalvin-Miller Holdings.
Retail brokerage: 90% commissions, 10% fees.
Employee benefits: 14% of revenues.
Retail brokerage branches: North Hollywood, Calif.; Carle Place, N.Y.; Mexico City; KM Consulting Group, Carle Place and New York, N.Y.
Licensed excess/surplus broker in: New York.
Officers: David Moross, president/CEO; Mark Derrenberger, senior executive vp; Michael Sabanos, executive vp/CFO; Robert Kimmo, president-KM Consulting Group.
Contact: David Moross, 212-704-5998.

Kaye Insurance Associates L.P.

122 E. 42nd St., New York, N.Y. 10168; 212-210-9200; fax: 212-986-2808

	1994	1993
Premium volume	$859,000,000	$804,000,000
Gross revenues	$54,969,000	$51,482,000
U.S. clients	100%	100%
Brokerage: Retail	83%	82%
U.S. offices	$45,624,000	$42,215,000
Wholesale	9%	8%
Reinsurance	2%	3%
Personal lines	3%	3%
Services	1%	2%
Invstmt. income	2%	2%
Employees	399	461
Offices	5	5

Founded: 1952.
Parent: Kaye International L.P.
Retail brokerage: 99% commissions, 1% fees.
Employee benefits: 10% of revenues.
Retail brokerage branches: Kaye Administrators, Chicago; Kaye Insurance Services of California, Beverly Hills, Calif; Kaye of Connecticut L.P., Southport, Conn.
Licensed excess/surplus broker in: California, Connecticut, New Jersey, New York and Rhode Island.
Officers: Lawrence Greenfield, chairman; Howard Kaye, president; Bruce Guthart, Alexander Fisher, executive vps.
Contact: Bruce Guthart.

Keenan & Associates

2355 Crenshaw Blvd., Suite 200, Torrance, Calif. 90501; 310-212-3344; fax: 310-328-6793

	1994	1993
Gross revenues	$35,300,000	$31,200,000
U.S. clients	100%	100%
Brokerage: Retail	39%	38%
U.S. offices	$13,767,000	$11,856,000
Services	58%	58%
Invstmt. income	1%	1%
Other	2%	3%
Employees	378	348
Offices	10	10

Founded: 1972.
Retail brokerage: 45% commissions, 55% fees.
Employee benefits: 32% of revenues.
Retail brokerage branches: Campbell, Chico, Emeryville, Fresno, Riverside, Sacramento, San Diego, Santa Ana and Westlake Village, Calif.
Licensed excess/surplus broker in: California.
Officers: John R. Keenan, CEO; David J. De Wenter, executive vp/chief administrative officer; Sean Smith, Dick Stewart, executive vps.; Keith Pippard, CFO.
Contact: David J. De Wenter.

Kelter-Thorner Inc.

210 S. Woodward Ave., Suite 200, Birmingham, Mich. 48012; 810-540-3131; fax: 810-540-2002

	1994	1993
Premium volume	$108,401,000	$103,239,000
Gross revenues	$13,008,000	$12,389,000
U.S. clients	100%	100%
Brokerage: Retail	83.0%	82.4%
U.S. offices	$10,796,640	$10,208,500
Wholesale	3.5%	3.3%
Personal lines	10.1%	10.0%
Services	1.2%	2.2%
Invstmt. income	2.2%	2.1%
Employees	98	98
Offices	5	5

* Fiscal years ending 9/30/94 and 9/30/93.

Founded: 1930.
Employee benefits: 1% of revenues.
Retail brokerage branches: Birmingham, Mich.; Fords, N.J.; Redwood City, Calif.; Newport Beach, Calif.; Middleburg Heights, Ohio.
Non-retail brokerage subsidiaries: Atlantic Underwriters Inc., Birmingham, Mich.
Licensed excess/surplus broker in: Michigan and Ohio.
Officers: Theodore R. Kelter, chairman; Marilyn Chernoff, president; John B. Washburn, Ronald A. Young, executive vps; Jeffrey G. Swarbrick, senior vp.
Contact: Sharon Massetti, controller.

Knox Insurance Brokers Ltd.

705 Cassells St., North Bay, Ontario P1B 4A3, Canada; 705-474-4000; fax: 705-476-0347

	1994	1993
Premium volume	$12,883,200*	$12,400,000*
Gross revenues	$1,971,276*	$1,977,254*
Non-U.S. clients	100%	100%
Brokerage: Retail	37%	45%
Non-U.S. offices	$729,372*	$889,764*
Personal lines	60%	50%
Invstmt. income	3%	5%
Employees	40	42
Offices	1	1

* Converted at applicable rates.

Founded: 1948.
Retail brokerage: 99% commissions, 1% fees.
Officers: Bruce Knox, Hugh Knox, Randy Bushey, Robert Patterson, Blake Gennoe.
Contact: Bruce Knox.

R.C. Knox & Co. Inc.

1 Goodwin Square, Hartford, Conn. 06103-4305; 203-524-7600; fax: 203-240-1587

	1994	1993
Premium volume	$110,000,000	$100,000,000
Gross revenues	$11,097,000	$12,038,000
U.S. clients	100%	100%
Brokerage: Retail	77%	76%
U.S. offices	$8,545,000	$9,149,000
Personal lines	14%	14%
Services	1%	1%
Invstmt. income	8%	9%
Employees	86	89
Offices	5	6

Founded: 1893.
Retail brokerage: 95% commissions, 5% fees.
Employee benefits: 6% of revenues.
Retail brokerage branches: Middletown and Windsor, Conn.; Simsbury Insurance Agency, Simsbury, Conn.
Licensed excess/surplus broker in: Connecticut.
Officers: Norman C. Kayser, chairman/president; John F. Byrnes, executive vp; Harold A. Smullen Jr., Timothy H. Coppage, senior vps.
Contact: Norman C. Kayser.

L

LaGere & Walkingstick Insurance Agency Inc.

P.O. Drawer 409, Chandler, Okla. 74834; 405-258-0804; fax: 405-258-4220

	1994	1993
Premium volume	$90,403,275	$95,104,245
Gross revenues	$8,622,738	$9,860,709
U.S. clients	100%	100%
Brokerage: Retail	43%	37%
U.S. offices	$3,707,777	$3,680,410
Wholesale	56%	62%
Invstmt. income	1%	1%
Employees	56	65
Offices	1	1

Founded: 1964.
Parent: Chandler (U.S.A.) Inc.
Retail brokerage: 94% commissions, 6% fees.
Licensed excess/surplus broker in: Oklahoma.
Officers: William B. LaGere, chairman/CEO; Ben Walkingstick, president; Brenda Pair, Ernie Pierce, vps; Robert E. Crum, secretary.
Contact: Robert E. Crum.

Lamb, Little & Co.

5301 Keystone Court, Rolling Meadows, Ill. 60008; 708-398-7060; fax: 708-398-7077

	1994	1993
Premium volume	$40,875,000	$36,250,000
Gross revenues	$6,719,000	$5,980,000
U.S. clients	100%	100%
Brokerage: Retail	75%	75%
U.S. offices	$5,039,250	$4,485,000
Personal lines	10%	10%
Invstmt. income	8%	6%
Other	7%	9%
Employees	76	75
Offices	2	2

Founded: 1947.
Retail brokerage: 98% commissions, 2% fees.
Employee benefits: 10% of revenues.
Retail brokerage branches: Chicago.
Licensed excess/surplus broker in: Illinois.
Officers: Raymond J. Clancy, chairman; Roy H. Holle, president; David B. Peck III, senior vp; Richard R. Rubner Sr., vp/secretary; Frank L. Hofeller, executive vp; Bruce Wahlborg, vp/treasurer; Bernard Napolski, vp/assistant to the president.

J. Smith Lanier & Co. Inc.

300 W. 10th St., P.O. Box 70, West Point, Ga. 31833; 706-645-2211; fax: 706-643-0606

	1994	1993
Premium volume	$126,173,012	$115,250,344
Gross revenues	$20,285,900	$18,609,396
U.S. clients	100%	100%
Brokerage: Retail	59.1%	58.0%
U.S. offices	$11,988,967	$10,793,450
Wholesale	0.4%	0.3%
Personal lines	17.8%	18.1%
Services	1.6%	1.3%
Invstmt. income	2.2%	1.8%
Other*	18.9%	20.5%
Employees	190	205
Offices	10	11

* *Includes life and health commissions.*

Founded: 1868.
Retail brokerage: 91.6% commissions, 8.4% fees.
Employee benefits: 16% of revenues.
Retail brokerage branches: Huntsville, Lafayette and Opelika, Ala.; Atlanta, Carrollton, Columbus, Manchester, Newnan, North Columbus and West Point, Ga.
Licensed excess/surplus broker in: Alabama and Georgia.
Officers: J. Smith Lanier II, chairman/CEO; D. Gaines Lanier, president/COO; William T. Parr, vice chairman; Thomas M. Botsford, secretary/treasurer/CFO; Gary Ivey, Tom Yearian, vps.
Contact: D. Gaines Lanier.

Laub Group Inc.

1555 N. RiverCenter Drive, Milwaukee, Wis. 53212; 414-271-4292; fax: 414-271-5578

	1994	1993
Premium volume	$66,700,000	$53,300,000
Gross revenues	$8,565,000	$8,239,496
U.S. clients	99%	99%
Non-U.S. clients	1%	1%
Brokerage: Retail	80%	88%
U.S. offices	$6,852,000	$7,250,756
Wholesale	17%	9%
Personal lines	2%	2%
Other	1%	1%
Employees	90	97
Offices	7	7

Founded: 1932.
Parent: Intertye Corp.
Retail brokerage: 98% commissions, 2% fees.
Employee benefits: 15% of revenues.
Retail brokerage branches: Rolling Meadows, Ill.; Appleton, Rice Lake and Wausau, Wis.; Broker Resources Inc., Milwaukee; Hummel Companies Inc., Hollywood, Fla.
Licensed excess/surplus broker in: Florida, Illinois and Wisconsin.
Officers: Raymond H. Laub, president; George Stevoff, chairman; David J. Loomis, vp/CFO/treasurer; Robert E. Williams, Peter S. Forker, executive vps.
Contact: Raymond H. Laub or David J. Loomis.

Lawley Service Inc.

120 Delaware Ave., Buffalo, N.Y. 14202; 716-849-8618; fax: 716-849-0360

	1994	1993
Premium volume	$66,399,437	$56,085,790
Gross revenues	$9,895,599	$8,799,215
U.S. clients	100%	100%
Brokerage: Retail	68.5%	78.0%
U.S. offices	$6,778,485	$6,687,402
Wholesale	1.5%	2.0%
Personal lines	27.5%	18.0%
Services	1.0%	2.0%
Invstmt. income	1.5%	2.0%
Employees	129	109
Offices	4	4

Founded: 1955.
Retail brokerage: 95.8% commissions, 4.2% fees.
Employee benefits: 2.5% of revenues.
Acquisitions: Humphrey & Vandervoort Inc., Tonawanda, N.Y., January 1994; Billings Mutual Agency Inc., Niagara Falls, N.Y., August 1994.
Retail brokerage branches: Genesee Agency, Batavia, N.Y.; Tradition Agency, Dunkirk, Fredonia and Jamestown, N.Y.
Officers: William J. Lawley, president; Raymond J. Mashiotta, William J. Lawley Jr., vps; Alfred Kroll, vp/secretary; Christopher D. Ross, treasurer.
Contact: Mark Higgins, controller.

Lee & Hawthorne Agency

88 Pine St., Wall Street Plaza, New York, N.Y. 10005; 212-495-8700; fax: 212-495-8717

	1994	1993
Premium volume	$5,500,000	$5,000,000
Gross revenues	$1,450,000	$1,300,000
U.S. clients	85%	85%
Non-U.S. clients	15%	15%
Brokerage: Retail	100%	100%
U.S. offices	$1,275,000	$1,150,000
Non-U.S. offices	$175,000	$150,000
Employees	18	18
Offices	4	4

Founded: 1969.
Retail brokerage: 100% commissions.
Officers: Kenneth C. Lee, Robert P. Hawthorne, general agents; Dennis Pecoraro, manager.

Lockton Cos.

7400 State Line Road, Prairie Village, Kan. 66208; 913-676-9000; fax: 913-676-9180

	1994	1993
Premium volume	$775,000,000	$675,000,000
Gross revenues	$59,000,000	$50,040,000
U.S. clients	98%	98%
Non-U.S. clients	2%	2%
Brokerage: Retail	91%	90%
U.S. offices	$53,690,000	$45,036,000
Personal lines	1%	1%
Services	3%	5%
Invstmt. income	5%	4%
Employees	512	459
Offices	9	5

Founded: 1966.
Retail brokerage: 75% commissions, 25% fees.
Employee benefits: 8% of revenues.
Acquisitions: Oland International, Chicago, Los Angeles, New York and San Francisco, March 1995.
Retail brokerage branches: Los Angeles; San Francisco; Denver; Chicago; Kansas City, Kan.; St. Louis; New York; Nashville, Tenn.; Houston.
Non-retail brokerage subsidiaries: Lockton Risk Services, Kansas City, Mo.
Licensed excess/surplus broker in: California, Colorado, Illinois, Kansas, Missouri, Tennessee and Texas.
Officers: John T. Lockton III, chairman/CEO; David M. Lockton, president; Michael C. Frost, executive vp/COO; Gary Hambright, Mark Angers, executive vps.
Contact: Michael C. Frost.

The Loomis Co.

P.O. Box 7011, 850 Park Road, Wyomissing, Pa. 19610; 610-374-4040; fax: 610-374-6578

	1994	1993
Premium volume	$95,000,000	$98,000,000
Gross revenues	$10,500,000	$10,200,000
U.S. clients	99.9%	99.5%
Non-U.S. clients	0.1%	0.5%
Brokerage: Retail	59%	61%
U.S. offices	$6,222,000	$6,222,000
Wholesale	1%	1%
Reinsurance	4%	1%
Personal lines	11%	11%
Services	22%	22%
Invstmt. income	2%	2%
Other	1%	2%
Employees	131	140
Offices	3	3

Founded: 1955.
Retail brokerage: 98% commissions, 2% fees.
Employee benefits: 30% of revenues.
Retail brokerage branches: Fort Lauderdale, Fla.; Annapolis, Md.
Licensed excess/surplus broker in: Florida, Maryland and Pennsylvania.
Officers: James R. Loomis, president/CEO; Edward J. Cavanaugh, Gerald Blaum, H. Edmond Smith, vps; Kathy Schlegel, treasurer.
Contact: James R. Loomis.

Louisiana Cos.

801 North Blvd., Baton Rouge, La. 70802; 504-383-4761; fax: 504-387-4336

	1994	1993
Premium volume	$43,000,000	$49,000,000
Gross revenues	$6,241,000	$7,774,000
U.S. clients	100%	100%
Brokerage: Retail	76.0%	67.0%
U.S. offices	$4,743,160	$5,208,580
Personal lines	8.3%	8.0%
Services	3.2%	1.0%
Invstmt. income	11.3%	11.2%
Other	1.2%	12.8%
Employees	68.5	83.0
Offices	5	5

Founded: 1890.
Retail brokerage: 98% commissions, 2% fees.
Employee benefits: 4.8% of revenues.
Retail brokerage branches: Houma, Lafayette, Lake Charles and Mandeville, La.
Licensed excess/surplus broker in: Louisiana.
Officers: J.R. Querbes, president; Fred Chancellor, Kevin Briggs, senior vps; Bob Grace, senior vp/secretary; Dirk Boudreaux, treasurer.

Lovitt & Touche Inc.

7202 E. Rosewood, Tucson, Ariz. 85710; 502-722-3000; fax: 502-722-7245

	1994	1993
Premium volume	$93,267,000	$81,500,000
Gross revenues	$9,384,000	$8,200,000
U.S. clients	100%	100%
Brokerage: Retail	83%	87%
U.S. offices	$7,788,720	$7,134,000
Personal lines	7%	8%
Services	9%	4%
Invstmt. income	1%	1%
Employees	99	96
Offices	4	4

Founded: 1911.
Parent: FSG Inc.
Retail brokerage: 98% commissions, 2% fees.
Employee benefits: 15% of revenues.
Retail brokerage branches: Phoenix and Taylor, Ariz.; Las Vegas.
Non-retail brokerage subsidiaries: Mountain States Adjusting Agency: Phoenix, Taylor and Tucson, Ariz.; Las Vegas; Mountain States Administrative Services Inc.: Phoenix, Taylor and Tucson, Ariz.
Licensed excess/surplus broker in: Arizona.
Officers: Carlos G. Touche, chairman/CEO; Charles A. Touche, president; James R. Spring, Steven D. Touche, executive vps; Patrick A.M. Swingle, vp.
Contact: James R. Spring.

Lowndes Lambert Group Holdings P.L.C.

Lowndes Lambert House, 53 Eastcheap, London EC3P 3HL, England; 44-171-283-2000; fax: 44-171-283-1927

	1994*	1993*
Premium volume**	$1,943,750,000	$1,655,500,000
Gross revenues**	$151,191,095	$125,310,815
U.S. clients	19%	20%
Non-U.S. clients	81%	80%
Brokerage: Retail	68%	64%
Non-U.S. offices**	$102,858,585	$80,035,900
Wholesale	14%	19%
Reinsurance	13%	10%
Personal lines	2%	2%
Invstmt. income	3%	5%
Employees	1,776	1,668
Offices	58	65

* Fiscal years ending 3/31/95 and 3/31/94.
** Converted at applicable rates.

Retail brokerage: 97% commissions, 3% fees.
Employee benefits: 3% of revenues.
Acquisitions: Godfrey Merritt Robertson Ltd., London, February 1995; Whiteley Henshaw Hindle (Holdings) Ltd. and subsidiaries, Preston, England, July 1994.
Retail brokerage branches: Amanah, Kuala Lumpur, Malaysia; Flint, Guernsey; Klninmonth Lambert, Zagreb, Croatia; Lambert Brothers, Wanchai, Hong Kong; Lowndes Lambert Australia, Adelaide, Brisbane, Darwin, Melbourne, Perth and Sydney, Australia; Lowndes Lambert Australia, Port Moresby, Papua New Guinea; Lowndes Lambert Australia-Tasmania, Devonport, Hobart and Launceston, Australia; Lowndes Lambert Estonia, Tallinn, Estonia; Lowndes Lambert Finland, Helsinki, Finland; Lowndes Lambert Germany, Leipzig, Germany; Lowndes Lambert Group, Banbury, Birmingham, Bristol, Caterham, Leeds, London, Maidstone, Manchester, Norwich, Nottingham, Preston, Sheffield and Swindon, England; Lowndes Lambert Group Canada, Edmonton, Montreal, Toronto, Vancouver and Winnipeg, Canada; Lowndes Lambert Marine, Piraeus, Greece; Lowndes Lambert Norway, Oslo and Tromso, Norway; Lowndes Lambert (New Zealand), Auckland, New Zealand; La Securite Nouvelle, Bordeaux, Lille, Lyon, Marseille and Paris, France; La Securite Nouvelle, Barcelona, Spain; La Securite Nouvelle-Italy, Milan, Italy; Thibaut Colson de Nef, Antwerp, Brussels, Charloi, Gent and Liege, Belgium.

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Non-retail brokerage subsidiaries: Am-Brit, Houston; Eastwood, Guernsey; Interbroker, Barcelona and Madrid, Spain; Lambert Green, Canton, Conn.; Edward Lloyd, New York; Lowndes Lambert Insurance Management (Guernsey), Guernsey.

Licensed excess/surplus broker in: Connecticut, Texas.

Officers: R.J.G. Shaw, chairman; D.B. Margrett, managing director; W.H.G. Wilks, finance director; S.R.D. Wilson, managing director-overseas; M.A. Barnfield, chairman-U.K. non-marine division; M.J. Caley, chairman-international division; B. Blackshields, chairman-marine division.

Contact: D.B. Margrett.



MLW Services Inc.

100 William St., New York, N.Y. 10038; 212-797-9600; fax: 212-425-0719

	1994	1993
Premium volume	$80,000,000	$76,000,000
Gross revenues	$11,129,350	$9,910,000
U.S. clients	98%	98%
Non-U.S. clients	2%	2%
Brokerage: Retail	52%	56%
U.S. offices	$5,787,260	$5,500,000
Wholesale	43%	38%
Personal lines	2%	3%
Services	2%	2%
Invstmt. income	1%	1%
Employees	68	65
Offices	1	1

Founded: 1986.

Retail brokerage: 96% commissions, 4% fees.

Employee benefits: 2% of revenues.

Retail brokerage branches: French American Risk Advisors Inc., New York.

Non-retail brokerage subsidiaries: Barkly Coverage Corp., New York.

Licensed excess/surplus broker in: New York.

Officers: Charles J. Weisblum, chairman; Andrew H. Marks, president; Bert Linder, executive vp; Silvana Vlacich, Bruce D. Tindal, senior vps; Catherine Pipitone, vp.

Contact: Bert Linder.

Mack & Parker Inc.

55 E. Jackson Blvd., Chicago, Ill. 60604-4187; 312-922-5000; fax: 312-922-5358

	1994	1993
Premium volume	NA	NA
Gross revenues	$8,600,000	$7,900,000
U.S. clients	99%	99%
Non-U.S. clients	1%	1%
Brokerage: Retail	79.4%	80.5%
U.S. offices	$6,800,000	$6,400,000
Reinsurance	1.0%	NA
Personal lines	4.3%	4.7%
Services	10.5%	10.5%
Invstmt. income	4.8%	4.3%
Employees	86	85
Offices	2	1

Founded: 1935.

Retail brokerage: 92% commissions, 8% fees.

Employee benefits: 24% of revenues.

Retail brokerage branches: Winnetka, Ill.

Licensed excess/surplus broker in: Illinois.

Officers: Edward E. Mack III, chairman; Martin P. Hughes, president; Veronica E. Campbell, CFO; Marie E. Raninger, Michael J. Ahlert, Robert J. Jonak, Joseph R. Odice, vps.

Contact: Edward E. Mack III or Martin P. Hughes.

Mahoney & Wright Insurance Agency Inc.

141 Tremont St., Boston, Mass. 02191; 617-482-4086; fax: 617-423-7937

	1994	1993
Premium volume	$68,501,000	$61,389,000
Gross revenues	$10,297,000	$8,966,000
U.S. clients	100%	100%
Brokerage: Retail	41%	43%
U.S. offices	$4,222,000	$3,855,000
Personal lines	59%	57%
Employees	125	125
Offices	18	18

Founded: 1927.

Retail brokerage: 100% commissions.

Acquisitions: R.J. Ferioli Insurance Agency Inc., Plymouth, Mass., August 1994; M.A. Street Insurance Agency Inc., Cohasset, Mass., September 1994.

Retail brokerage branches: Cohasset, Dedham, Haverhill, Middleboro, Natick, Newton, North Attleboro, Peabody, Plymouth, Reading, Rockland, Scituate, Tewksbury, Wakefield, Weymouth, Wrentham and Yarmouth, Mass.

Licensed excess/surplus broker in: Massachusetts.

Officers: Norman R. Wright, president; Richard D. Forrest, executive vp; David Scott, Donald F. Beale, Richard A. Grant, vps.

Contact: Richard D. Forrest, 617-337-0451.

Marsh & McLennan Cos. Inc.

1166 Ave. of the Americas, New York, N.Y. 10036; 212-345-5000; fax: 212-345-4809

	1994	1993
Gross revenues	$3,446,800,000	$3,175,300,000
Brokerage: Retail*	37%	37%
U.S. offices	$688,670,640	$650,872,994
Non-U.S. offices	$586,645,360	$523,988,006
Wholesale*	7%	8%
Reinsurance	9%	9%
Services	27%	27%
Invstmt. income	2%	3%
Other	18%	16%
Employees	26,100	25,600

* BI estimates.

Founded: 1871.

Employee benefits: 21% of revenues.

Acquisitions: Claro Marsh & McLennan (Chile), Santiago, Chile, April 1994; Marsh & McLennan Argentina, Buenos Aires, Argentina, April 1994; Tudor Marsh & McLennan, Curitiba, Rio de Janeiro and Sao Paulo, Brazil, December 1994.

Retail brokerage branches: Phoenix, Ariz.; Little Rock, Ark.; La Jolla, Los Angeles, Newport Beach and San Francisco, Calif.; Denver; Hartford and Stamford, Conn.; Washington; Coral Gables, Fort Lauderdale, Jacksonville, Palm Beach and Tampa, Fla.; Atlanta; Honolulu, Kahului and Lihue, Hawaii; Chicago; Indianapolis; New Orleans; Portland, Maine; Columbia, Md.; Boston; Detroit and Grand Rapids, Mich.; Minneapolis; Kansas City and St. Louis, Mo.; Las Vegas; Cedar Knolls and Morristown, N.J.; Buffalo, New York, Rochester, Syracuse and Uniondale, N.Y.; Charlotte and Raleigh, N.C.; Cincinnati, Cleveland and Columbus, Ohio; Oklahoma City and Tulsa, Okla.; Portland, Ore.; Harrisburg, Philadelphia and Pittsburgh, Pa.; Columbia and Greenville, S.C.; Nashville, Tenn.; Dallas; Houston; San Antonio; Burlington, Vt.; Norfolk and Richmond, Va.; Seattle; Appleton and Milwaukee, Wis.; Marsh & McLennan Argentina S.A., Buenos Aires, Argentina; Marsh & McLennan Pty. Ltd., Adelaide, Brisbane, Canberra, Hobart, Launceston, Melbourne, Perth and Sydney, Australia; Gradmann & Holler & Keifhaber Ges.m.b.H., Vienna, Austria; Marsh & McLennan GmbH, Vienna, Austria; Marsh & McLennan Management Services (Barbados) Ltd., Bridgetown, Barbados; Henrijean S.A., Antwerp, Brussels and Liege, Belgium; Marsh & McLennan Management Services (Bermuda) Ltd., Hamilton, Bermuda; Tudor-Marsh & McLennan, Ric de Janeiro and Sao Paulo, Brazil; Marsh & McLennan Ltd., Calgary, Edmonton, Halifax, Montreal, Ottawa, Quebec City, Regina, Saskatoon, St. John's, Toronto, Vancouver and Winnipeg, Canada; Marsh & McLennan Management Services (Cayman) Ltd., Grand Cayman, Cayman Islands; Claro, Marsh & McLennan S.A., Santiago, Chile; Marsh & McLennan Inc., Beijing; Marsh & McLennan s.r.o., Prague, Czech Republic; Marsh & McLennan Denmark A/S, Copenhagen, Denmark; Bowring Financial Services Ltd., Bradford, England; Bowring Gauntlet Ltd., Tonbridge, England; Bowring Marsh & McLennan Ltd., Birmingham, Bristol, Carlisle, Exeter, Hitchin, Leeds, Liverpool, London, Manchester, Milton Keynes, Newcastle-Upon-Tyne, Sidcup and Southampton, England; Marsh & McLennan Ltd., Lautoka and Suva, Fiji; Faugere & Jutheau S.A., Lyon, Marseille and Paris, France; Gradman & Holler GmbH, Berlin, Duesseldorf, Frankfurt, Hamburg, Leipzig, Munich and Stuttgart, Germany; Gradmann & Holler International GmbH, Frankfurt, Germany; Gradmann & Holler Holding, Munich, Germany; Marsh & McLennan Hellas L.L.C., Athens, Greece; Marsh & McLennan Ltd., Hong Kong; Marsh & McLennan Budapest Kft., Budapest, Hungary; Bowring (Dublin) Ltd., Dublin, Ireland; Marsh & McLennan Ireland Ltd., Cork, Dublin and Limerick, Ireland; Marsh & McLennan Management Services, Dublin, Ireland; Bowring Marsh & McLennan (IOM) Ltd., Douglas, Isle of Man; Marsh & McLennan Management Services (Isle of Man), Douglas, Isle of Man; Marsh & McLennan Italia & Co. S.P.A., Brescia, Milan, Padua and Rome, Italy; Marsh & McLennan Japan Ltd., Osaka and Tokyo, Japan; Marsh & McLennan (Korea) Ltd., Seoul, Korea; Marsh & McLennan Management Services (Luxembourg) S.A., Luxembourg; Marsh & McLennan S.A. de C.V., Mexico City; Marsh & McLennan Nederland B.V., Rotterdam, Netherlands; Marsh & McLennan Ltd., Auckland, Christchurch, Dunedin, Hamilton, Napier, Tauranga and Wellington, New Zealand; Bowring Marsh & McLennan Ltd., Belfast, Northern Ireland; Kila Bowring Insurances Pty. Ltd., Port Moresby, Papua New Guinea; Marsh & McLennan Polska sp.z.o.o., Warsaw, Poland; Marsh & McLennan Lda., Leiria, Lisbon and Oporto, Portugal; Bowring Marsh & McLennan Ltd., Aberdeen, Dundee, Edinburgh and Glasgow, Scotland; Marsh & McLennan (Singapore) Pte. Ltd., Singapore; Marsh & McLennan Slovakia s.r.o., Bratislava, Slovak Republic; Marsh & McLennan Espana S.A., Barcelona, Madrid and Seville, Spain; Marsh & McLennan Sweden A.B., Gothenburg and Stockholm, Sweden; Marsh & McLennan-EWI S.A., Geneva, Switzerland; Marsh & McLennan-EWI A.G., Zurich, Switzerland; Marsh & McLennan Sigorta ve Reasurans, Istanbul, Turkey; Bowring Marsh & McLennan Ltd., Cardiff, Wales.

Non-retail brokerage subsidiaries: Guy Carpenter & Co. Inc.; Frizzell Financial Services; Marsh & McLennan Risk Capital Corp.; Mercer Consulting Group Inc.; Putnam Investments; Seabury & Smith Inc.

Officers: A.J.C. Smith, chairman; Philip L. Wroughton, vice chairman; Frank J. Borelli, CFO; Gregory Van Gundy, general counsel; Francis N. Bonsignore, senior vp-human resources/administration.

Contact: Dong Kingman, manager-corporate communications, 212-345-5573.

Marshall & Sterling Enterprises Inc.

110 Main St., Poughkeepsie, N.Y. 12601; 914-454-0800; fax: 914-454-0880

	1994	1993
Premium volume	$152,000,000	$150,000,000
Gross revenues	$25,150,374	$24,938,189
U.S. clients	100%	100%
Brokerage: Retail	64%	61%
U.S. offices	$16,096,239	$15,212,295
Wholesale	2%	2%
Personal lines	27%	29%
Invstmt. income	2%	3%
Other	5%	5%
Employees	240	242
Offices	13	13

Founded: 1864.

Retail brokerage: 99% commissions, 1% fees.

Employee benefits: 1% of revenues.

Retail brokerage branches: Middletown, New Windsor, Schenectady, Syracuse and Wappingers Falls, N.Y.; St. Croix, U.S. Virgin Islands; George T. Whalen Agency, Millbrook, N.Y.; Grossmann Agency, Cairo, Catskill, Coxsackie and Greenville, N.Y.; Theodore Tunick & Co., St. Thomas, U.S. Virgin Islands.

Licensed excess/surplus broker in: New York, U.S. Virgin Islands.

Officers: John P. O'Shea, president; Michael J. McDermott, Edward F. Mirabile, David C. Ridgway, James D. Tunick, vps.

Contact: John P. O'Shea.

The Mathog & Moniello Cos. Inc.

Mariner's Point, 100 S. Shore Drive, P.O. Box 650, East Haven, Conn. 06512; 203-468-3400; fax: 203-468-3494

	1994*	1993*
Premium volume	$64,640,000	$63,227,000
Gross revenues	$8,508,000	$8,212,000
U.S. clients	100%	100%
Brokerage: Retail	60%	62%
U.S. offices	$5,104,800	$5,091,440
Personal lines	2%	2%
Services	35%	33%
Other	3%	3%
Employees	72	69
Offices	1	1

* Fiscal years ending 5/31/95 and 5/31/94.

Founded: 1934.

Retail brokerage: 65% commissions, 35% fees.

Employee benefits: 7.5% of revenues.

Licensed excess/surplus broker in: Connecticut.

Officers: James J. Moniello, president/chairman; Alan D. Mathog, Michael I. Silverberg, Frank E. Hall, managing principals, Nicholas Zangari, vp-operations.

Contact: Alan D. Mathog.

May-Davis Inc.

5227 E. Trent, P.O. Box 11589, Spokane, Wash. 99211; 509-535-8783; fax: 509-534-0318

	1994*	1993*
Premium volume	$4,000,000	$4,000,000
Gross revenues	$750,000	$750,000
U.S. clients	100%	100%
Brokerage: Retail	97%	97%
U.S. offices	$727,500	$727,500
Personal lines	3%	3%
Employees	6	6
Offices	1	1

* Fiscal years ending 6/30/95 and 6/30/94.

Founded: 1974.

Retail brokerage: 100% commissions.

Employee benefits: 2% of revenues.

Officers: William H. Davis, president; William A. May, secretary.

Contact: William H. Davis.

Mazonson Inc.

2 Corporation Way, P.O. Box 6071, Peabody, Mass. 01961-6071; 508-531-5200; fax: 508-531-7719

	1994	1993
Premium volume	$23,118,000	$24,416,000
Gross revenues	$2,203,000	$2,600,308
U.S. clients	100%	100%
Brokerage: Retail	55%	61%
U.S. offices	$1,211,650	$1,586,187
Wholesale	3%	3%
Reinsurance	1%	1%
Personal lines	17%	11%
Services	1%	1%
Invstmt. income	NA	1%
Other	23%	22%
Employees	32	28
Offices	1	1

Founded: 1986.

Retail brokerage: 99% commissions, 1% fees.

Employee benefits: 23% of revenues.

Acquisitions: Arons Arcadia, Peabody, Mass., December 1994.

Licensed excess/surplus broker in: Massachusetts.

Officers: Paul Mazonson, president/treasurer; R. Bruce MacDougall, vp; John Greenbaum, director-life & benefits.

Contact: Paul Mazonson.

McCay Corp.

Route 130 & 206, P.O. Box 679, Bordentown, N.J. 08505; 609-298-5005; fax: 609-298-8177

	1994	1993
Premium volume	$74,022,000	$72,500,000
Gross revenues	$9,407,015	$9,214,531
U.S. clients	100%	100%
Brokerage: Retail	66.2%	67.0%
U.S. offices	$6,227,444	$6,173,724
Wholesale	1.0%	1.0%
Personal lines	20.3%	21.3%
Invstmt. income	1.0%	1.7%
Other	11.5%	9.0%
Employees	103	105
Offices	5	5

Founded: 1953.

Retail brokerage: 99% commissions, 1% fees.

Employee benefits: 11.5% of revenues.

Retail brokerage branches: Atlantic City, Marlton, Mount Holly and Turnersville, N.J.

Licensed excess/surplus broker in: New Jersey.

Officers: Raymond D. Houlihan Jr., president/CEO; Robert J. Petras, executive vp/secretary; Frederick O. Boysen, Michael D. Smith, Robert N. Cowan, senior vps.

Contact: Thomas J. Conway Jr., 609-988-3061.

McElroy-Minister Co.

141 E. Town St., Columbus, Ohio 43215; 614-228-5565; fax: 614-228-3577

	1994	1993
Premium volume	$92,900,000	$89,070,000
Gross revenues	$14,247,362	$12,575,717
U.S. clients	100%	100%
Brokerage: Retail	46%	50%
U.S. offices	$6,554,000	$5,288,000
Personal lines	5%	6%
Services	47%	42%
Invstmt. income	2%	2%
Employees	222	201
Offices	2	2

Founded: 1875.

Retail brokerage: 81% commissions, 19% fees.

Employee benefits: 47% of revenues.

Retail brokerage branches: Dayton, Ohio.

Non-retail brokerage subsidiaries: Corporate Claims Services Inc., Columbus, Ohio; Davis & Associates Inc., Canton, Cleveland, Cincinnati and Columbus, Ohio; National Rehabilitation Planners Inc., Portland, Maine; Columbus, Ohio.

Licensed excess/surplus broker in: Ohio.

Officers: James R. Creek, chairman; Keith A. Pierce, vice chairman/treasurer/CFO; William R. Gillam, president; Thomas E Moore, secretary; Thomas Hadley II, senior vp.

Contact: Keith A. Pierce.

McGriff, Seibels & Williams Inc.

2211 Seventh Ave. S., Birmingham, Ala. 35202; 205-252-9871; fax: 205-252-9293

	1994	1993
Premium volume	$434,717,000	$411,413,00
Gross revenues	$49,743,655	$44,729,28
U.S. clients	100%	100%
Brokerage: Retail	86%	84%
U.S. offices	$42,780,000	$37,573,00
Wholesale	7%	8%
Personal lines	1%	1%
Services	1%	2%
Invstmt. income	3%	3%
Other	2%	2%
Employees	424	41
Offices	7	

Founded: 1886.

Retail brokerage: 94% commissions, 6% fees.

Employee benefits: 3% of revenues.

Retail brokerage branches: Birmingham, Ala.; Orlando and Pensacola, Fla.; Atlanta; New Orleans; Houston.

Non-retail brokerage subsidiaries: Woo & Co., Atlanta.

Licensed excess/surplus broker in: Alabama, Florida, Georgia, Louisiana Texas.

Officers: Bruce C. Dunbar Jr., chairman/CEO; Gary M. Cooney, vice chairman; Thomas A. Lambert III, senior vp/CFO; William M. Whitten, Walter M. Wallace, senior vps.

Contact: Bruce C. Dunbar Jr.

Meadowbrook Insurance Group

26600 Telegraph Road, P.O. Box 2054, Southfield, Mich. 48037-2054; 810-358-1100; fax: 810-358-1614

	1994	1993
Premium volume	$173,000,000	$132,000,00
Gross revenues	$26,125,000	$21,450,00
U.S. clients	99%	99
Non-U.S. clients	1%	1
Brokerage: Retail	51%	51
U.S. offices	$13,066,641	$10,510,5
Non-U.S. offices	$257,619	$429,0
Reinsurance	3%	3
Personal lines	1%	1
Services	42%	42
Invstmt. income	2%	2
Other	1%	1
Employees	321	2
Offices	10	

Founded: 1955.

Retail brokerage: 51% commissions, 49 fees.

Employee benefits: 1% of revenues.

Retail brokerage branches: Montgomer Ala.; Lakewood, Colo.; Miami; Overla Park, Kan.; Traverse City, Mich.; Bloomir ton, Minn.; New York.

Non-retail brokerage subsidiaries: Gra Rapids, Mich.; Bridgetown, Barbad Hamilton, Bermuda.

Licensed excess/surplus broker in: A bama, Colorado, Michigan, Minnesota.

Officers: Merton J. Segal, chairman; Fr ert A. Engle, vice chairman; Warren Ga ner, president; James Parry, executive vp.

Contact: James Parry.

Meeker-Magner Co.

2360 E. Devon Ave., Suite 3010, De Plaines, Ill. 60018; 708-699-1400; fax: 708-699-6383

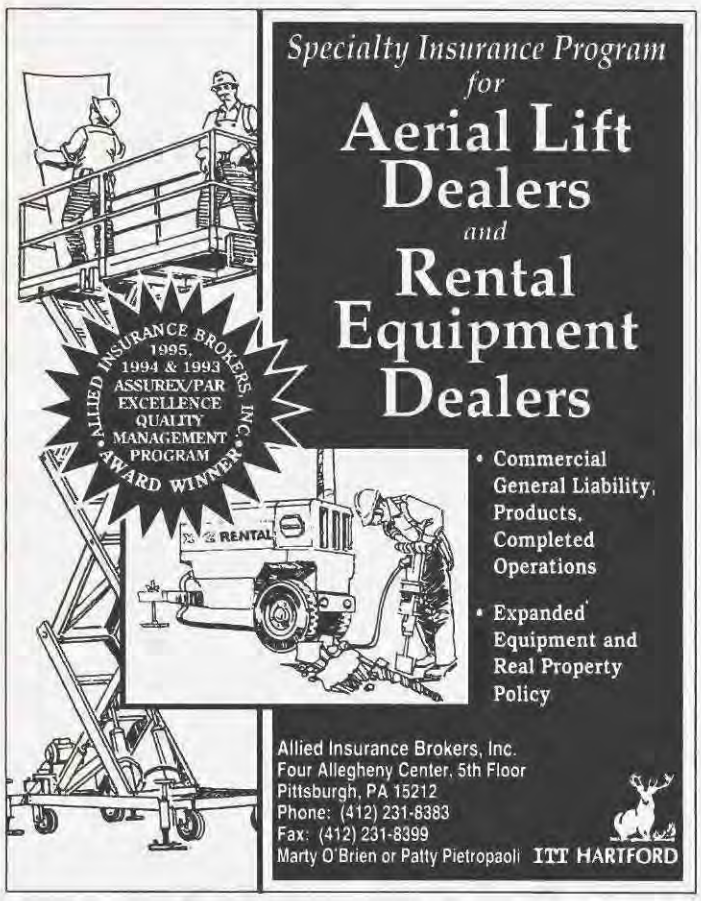
	1994	199
Premium volume	$22,000,000	$21,500,
Gross revenues	$2,810,000	$2,750,
U.S. clients	100%	10
Brokerage: Retail	81%	8
U.S. offices	$2,276,100	$2,200,
Wholesale	4%	
Personal lines	11%	1
Invstmt. income	4%	
Employees	24	
Offices	1	

Founded: 1902.

Retail brokerage: 96% commissions, fees.

Employee benefits: 20% of revenues.

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- Commercial General Liability, Products, Completed Operations
- Expanded Equipment and Real Property Policy

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Pittsburgh, PA 15212
Phone: (412) 231-8383
Fax: (412) 231-8399
Marty O'Brien or Patty Pietropaoli

ITT HARTFORD

Continued from previous page

Licensed excess/surplus broker in: Illinois.
Officers: T. Gerald Magner Jr., president; Silvio D. DeSerto, executive vp; Gregory P. Disparte, vp.
Contact: T. Gerald Magner Jr.

Meeker Sharkey Financial Group Inc.

14 Commerce Drive, Cranford, N.J. 07016; 908-272-8100; fax: 908-272-9059

	1994	1993
Premium volume	$113,207,807	$84,994,000
Gross revenues	$19,686,804	$18,200,000
U.S. clients	100%	100%
Brokerage: Retail	77%	79%
U.S. offices	$15,207,051	$14,378,000
Personal lines	11%	9%
Services	7%	7%
Invstmt. income	2%	2%
Other	3%	3%
Employees	187	175
Offices	8	7

Founded: 1864.
Retail brokerage: 100% commissions.
Employee benefits: 12% of revenues.
Acquisitions: Earl G. Clark Insurance, North Middletown, N.J., November 1994.
Retail brokerage branches: Kurmin Maine Insurance Agency, Wall, N.J.; Meeker Sharkey Bonding, Cranford, N.J.; Meeker Sharkey & Dileo, Piscataway, N.J.; Meeker Sharkey Gervasio & Seeger, Trenton, N.J.; Meeker Sharkey & Lane, Mount Laurel, N.J.; Meeker Sharkey & MacBean, Cranford, N.J.; Meeker Sharkey & Moffatt, Wall, N.J.; Meeker Sharkey Public Entities Group, Cranford, N.J.
Non-retail brokerage subsidiaries: Meeker Sharkey Consultants, Cranford, N.J.; Meeker Sharkey Realtors, Cranford, N.J.
Licensed excess/surplus broker in: New Jersey.
Officers: Thomas J. Sharkey, chairman; Brian P. Leddy, president; Thomas J. Sharkey Jr., executive vp.
Contact: Thomas J. Sharkey Jr.

Mesirow Insurance Services Inc.

350 N. Clark St., Chicago, Ill. 60610; 312-595-6200; fax: 312-595-7205

	1994	1993
Premium volume	$180,000,000	$160,000,000
Gross revenues	$16,330,575	$14,295,000
U.S. clients	100%	100%
Brokerage: Retail	91%	90%
U.S. offices	$14,860,823	$12,865,500
Personal lines	4%	4%
Services	3%	3%
Invstmt. income	2%	3%
Employees	127	114
Offices	4	3

Founded: 1972.
Parent: Mesirow Financial.
Retail brokerage: 90% commissions, 10% fees.
Employee benefits: 25% of revenues.
Acquisitions: R.C. Hanchette Insurance, Elgin, Ill., October 1994; Northbrook Risk Managers, Northbrook, Ill., August 1994.
Retail brokerage branches: Elgin and Highland Park, Ill.; Sioux Falls, S.D.
Licensed excess/surplus broker in: Illinois.
Officers: Richard S. Price, president; Stephen Ware, Howard Engel, James Styer, Arnold Pritsker, executive vps.
Contact: Richard S. Price, 312-595-6050.

Minet Group

Minet House, 66 Prescot St., London E1 8BU, England; 44-171-481-0707; fax: 44-171-488-9786

	1994	1993
Premium volume	$3,844,000,000	$3,595,000,000
Gross revenues	$347,572,000	$325,080,000
U.S. clients	56%	55%
Non-U.S. clients	44%	45%
Brokerage: Retail	43%	44%
U.S. offices	$60,686,000	$62,921,000
Non-U.S. offices	$88,770,000	$80,114,000
Wholesale	22%	24%
Reinsurance	23%	22%
Personal lines	2%	1%
Services	2%	1%
Invstmt. income	6%	6%
Other	2%	2%
Employees	3,749	3,784
Offices	150	150

Founded: 1929.
Parent: The St. Paul Cos. Inc.
Retail brokerage: 90% commissions, 10% fees.
Employee benefits: 1% of revenues.
Acquisitions: Enterprise Structured Settlements Group, Providence, R.I., May 1995; William Gallagher Associates, Boston, February 1995; Chesfield Insurance Brokers (Pte) Ltd., Singapore, August 1994; Wackerbarth Hardman Ltd., London, June 1994.
Retail brokerage branches: Allen Insurance Associates Inc.: Los Angeles. Minet Inc.: Atlanta; Chicago; New York. Minet Insurance Services Inc.: Los Angeles and Palo Alto, Calif. Minet Insurance Services Inc. of Texas: Houston. William Gallagher Associates Inc.: Boston. William Gallagher Associates of Maryland Inc.: Columbia, Md. William Gallagher Associates of New Jersey Inc.: Parsippany, N.J. A. Morel & Cie. S.A.: Paris. Air Crew Underwriting Agencies: Heathrow, England. Associated Insurance Brokers (Pty) Ltd.: Francistown, Gaborone and Selebi Phikwe, Botswana. Bowring & Minet (Swaziland) (Pty.) Ltd.: Manzini and Mbabane, Swaziland. Cork, Bays & Fisher: London; Diot Minet France: Paris. JH Minet (Insurance) Ltd.: Dublin, Ireland. JH Minet Monaco SAM: Monte Carlo, Monaco. JML-Minet AG: Zurich, Switzerland. Minet A.S.: Liberec, Ostrava and Prague, Czech Republic. Minet A/S: Oslo, Norway. Minet Inc.: Calgary, Montreal and Toronto, Canada. Minet Ltd.: London; Hong Kong; Tokyo; Amsterdam, Netherlands; Taipei, Taiwan; Bangkok, Thailand. Minet Ltd.: Birmingham, Bridgewater, Bristol, Leeds, London, Nottingham, Redhill, Waltham Cross, Warrington and York, England; Glasgow, Scotland. Minet Agricultural Insurance Brokers: North Sydney, Australia. Minet Archer Limited: Auckland and Wellington, New Zealand. Minet Asia Ltd.: Hong Kong. Minet Australia Ltd.: Adelaide, Brisbane, Melbourne, Perth and Sydney, Australia. Minet Commercial Ltd.: Fareham, England. Minet Consultancy Services Ltd.: Birmingham, Bristol, London, Nottingham, Redhill, Waltham Cross, Warrington and York, England. Minet ICDC Insurance Brokers Ltd.: Eldoret, Mombasa and Nairobi, Kenya. Minet Insurance Brokers (PVT) Ltd.: Bulawayo, Harare and Mutare, Zimbabwe. Minet International (Holdings) Ltd.: London. Minet Italia SRL: Arezzo and Florence, Italy. Minet Italia & Partners SpA: Milan, Italy. Minet Kingsway (Pty.) Ltd.: Maseru, Lesotho. Minet Lindgren A.B.: Helsingborg and Stockholm, Sweden. Minet Nigeria: Lagos, Nigeria. Minet OY: Helsinki, Finland. Minet Professional Services Ltd.: Adelaide, Brisbane, Melbourne, Perth and Sydney, Australia; Hamilton, Bermuda; Auckland, New Zealand. Minet Professions: Birmingham, Bristol, Leeds, London and Wickford, England; Glasgow, Scotland. Minet Raia Insurance Brokers Ltd.: Hong Kong. Minet Singapore (Pte.) Ltd.: Singapore.
Non-retail brokerage subsidiaries: Continental Underwriters Ltd.: Covington, La. Minet Holdings Inc.: New York. Minet RE North America Inc.: Los Angeles; San Francisco; Hartford, Conn.; Atlanta; Itasca, Ill.; Boston; St. Paul, Minn.; New York; Philadelphia; Dallas. Minet Risk Services: Los Angeles and Palo Alto, Calif.; St. Helier, Jersey; New York; Colchester, Vt. Minet Settlement Services Inc.: San Francisco; Atlanta; St. Paul, Minn.; Raleigh, N.C.; Philadelphia; Providence, R.I.; Dallas; Houston. Swett & Crawford Group: Fresno, Irvine, Los Angeles, San Francisco, Stockton and Woodland Hills, Calif.; Denver; Clearwater, Fla.; Atlanta; Boise, Idaho; Chicago; Portland, Maine; Boston; Detroit; Minneapolis; St. Louis; Reno, Nev.; Paramus, N.J.; New York; Greensboro, N.C.; Philadelphia; Dallas; Salt Lake City; Fairfax, Va.; Seattle; Madison, Wis. Anglo Swiss Reinsurance Brokers Ltd.: Basel, Switzerland. European Syndicate Underwriters: Copenhagen, Denmark. Intere Ltd.: Hamilton, Bermuda. IOC Reinsurance Brokers: Toronto. JH Minet AG: Zurich, Switzerland. JH Minet Puerto Rico Inc.: Hato Rey, Puerto Rico. JH Minet Reinsurance Brokers Ltd.: London. Minet Group: London. Minet Ltd.: London; Hong Kong. Minet Burn & Roche Pty Ltd.: Melbourne and Sydney, Australia; Wellington, New Zealand. Minet RE GmbH: Munich, Germany. Minet Risk Services: Sydney, Australia; St. Michael, Barbados; Hamilton, Bermuda; London; St. Peter Port, Guernsey; Singapore. R&M Reinsurance Intermediaries Ltd.: Port of Spain, Trinidad.
Licensed excess/surplus broker in: California, Colorado, Florida, Georgia, Idaho, Illinois, Louisiana, Maine, Massachusetts, Michigan, Minnesota, Missouri, Nevada, New Jersey, New York, Pennsylvania, Texas, Utah, Virginia, Washington, Wisconsin.
Officers: Peter S. Christie, chairman/CEO-Minet Group; Paul Cotterill, group executive vp/CEO-Energy, Mining and Construction; J. Bernard Friemann, group executive vp/CEO-Minet Risk Services; James R. McGriskin, group executive vp/CEO-International Retail; Geoffrey W. Morris, group executive vp/CEO-Global Professional Services; C. Richard Peterson, group executive vp/CEO-N. America; Steven J. Quick, group executive vp/CEO-Minet Broking Services; Michael K. Rossor, group executive vp/CFO/CEO-Reinsurance; Graham H. Stow, group executive vp-Group Resource.
Contact: Nancy L. Oblinger or Janis A. Gibson (London).

Julius Moll & Son Inc.

6160 N. Cicero Ave., Chicago, Ill. 60646; 312-286-7737; fax: 312-286-7398

	1994	1993
Premium volume	$31,000,000	$30,000,000
Gross revenues	$4,000,000	$3,900,000
U.S. clients	100%	100%
Brokerage: Retail	85%	85%
U.S. offices	$3,400,000	$3,315,000
Personal lines	5%	5%
Services	6%	7%
Invstmt. income	2%	1%
Other	2%	2%
Employees	51	50
Offices	1	1

Founded: 1901.
Retail brokerage: 94% commissions, 6% fees.
Employee benefits: 10% of revenues.
Licensed excess/surplus broker in: Illinois.
Officers: Theodore S. Ross, president; Richard M. Moll, chairman.
Contact: Theodore S. Ross.

Fred A. Moreton & Co.

649 E. South Temple, Salt Lake City, Utah 84102; 801-531-1234; fax: 801-531-6117

	1994	1993
Premium volume	$90,000,000	$65,000,000
Gross revenues	$9,537,270	$7,487,000
U.S. clients	100%	100%
Brokerage: Retail	89.0%	81.8%
U.S. offices	$8,488,170	$6,124,366
Wholesale	1.1%	1.4%
Personal lines	4.7%	5.0%
Services	0.2%	5.6%
Invstmt. income	3.9%	4.9%
Other	1.1%	1.3%
Employees	86	76
Offices	2	2

Founded: 1910.
Retail brokerage: 93.7% commissions, 6.3% fees.
Employee benefits: 16.7% of revenues.
Retail brokerage branches: Boise, Idaho.
Non-retail brokerage subsidiaries: Moreton General Agency, Salt Lake City; Moreton Financial Corp., Salt Lake City; Risk Services Inc., Salt Lake City.
Licensed excess/surplus broker in: Idaho and Utah.
Officers: Edward B. Moreton, president; Craig L. Smith, executive vp; Jon Jepson, senior vp; William R. Moreton, vp/treasurer; Scott Smith, vp-risk management.
Contact: Craig L. Smith.

Morris & Mackenzie Inc.

1130 Sherbrooke St. W., Montreal, Quebec H3A 3K4, Canada; 514-499-0999; fax: 514-499-9188

	1994*	1993*
Gross revenues	$10,174,800**	$10,307,500**
Brokerage: Retail	70%	71%
Non-U.S. offices	$7,122,360**	$7,318,325**
Personal lines	25%	25%
Invstmt. income	5%	4%
Employees	141	136
Offices	4	4

* Fiscal years ending 9/30/94 and 9/30/93.
** Converted at applicable exchange rates.
Founded: 1939.
Parent: Mackmor Ltd.
Retail brokerage: 90% commissions, 10% fees.
Employee benefits: 5% of revenues.
Retail brokerage branches: Canada: Calgary, Alberta; Toronto; Vancouver, British Columbia.
Officers: Frank Dougan, president/CEO; Maurice Sauve, senior vp; Alf Parke, Vic Allen, Bruce Owen-Hicks, vps.
Contact: Frank Dougan, 416-595-9899.

Moselle Insurance Inc.

4705 Laurel Canyon Blvd., North Hollywood, Calif. 91607; 818-980-7211; fax: 818-505-9130

	1994*	1993*
Premium volume	$12,000,000	$12,000,000
Gross revenues	$1,500,000	$1,500,000
U.S. clients	100%	100%
Brokerage: Retail	90%	90%
U.S. offices	$1,350,000	$1,350,000
Personal lines	5%	5%
Invstmt. income	3%	3%
Other	2%	2%
Employees	18	18
Offices	1	1

* Fiscal years ending 6/30/95 and 6/30/94.
Founded: 1910.
Retail brokerage: 100% commissions.
Employee benefits: 3% of revenues.
Officers: William J. Witt, president; Victor Neamtzu, senior vp; Claudia L. Edens, vp/secretary/CFO; Thomas L. Feia, vp.
Contact: William J. Witt.

N

NBD Insurance

107 W. Franklin St., Elkhart, Ind. 46516; 219-524-3300; fax: 219-524-3394

	1994	1993
Gross revenues	$9,200,000	$8,200,000
U.S. clients	100%	100%
Brokerage: Retail	60%	60%
U.S. offices	$5,520,000	$4,920,000
Personal lines	17%	17%
Services	18%	18%
Invstmt. income	2%	2%
Other	3%	3%
Employees	108	120
Offices	5	5

Founded: 1910.
Parent: NBD Bank.
Retail brokerage: 82% commissions, 18% fees.
Employee benefits: 18% of revenues.
Retail brokerage branches: Corydon, Indianapolis, Jeffersonville and Mishawaka, Ind.
Licensed excess/surplus broker in: Indiana.
Officers: Donald R. Anderson, president; Stuart L. Holaway, Farrel Zehr, Kevin M. Buchanan, Sharon Y. McCloud, James Stringfellow, Gaylord Russell, vps.
Contact: Donald R. Anderson.

NIA/Kornreich Group of Cos.

66 Route 17, Paramus, N.J. 07652; 201-845-6600; fax: 201-845-0061

	1994	1993
Gross revenues	$29,250,000	$17,170,000
U.S. clients	100%	100%
Brokerage: Retail	69%	61%
U.S. offices	$20,182,500	$10,473,700
Wholesale	4%	9%
Personal lines	21%	25%
Services	3%	2%
Invstmt. income	2%	2%
Other	1%	1%
Employees	280	200
Offices	8	6

Founded: 1926.
Parent: The NIA Group.
Retail brokerage: 96% commissions, 4% fees.
Employee benefits: 14% of revenues.
Retail brokerage branches: West Palm Beach, Fla.; Freehold, Long Valley and Randolph, N.J.; Monticello, New York and White Plains, N.Y.
Licensed excess/surplus broker in: New Jersey and New York.
Officers: Paul L. Gross, chairman/CEO; Alan Klein, Roger Gross, Steven Grossberg, executive vps; Matthew Kornreich, Morton Kornreich, vice chairmen; William Kornreich, James Kornreich, Thomas Kornreich, vps.
Contact: Paul L. Gross.

National Coverage Corp.

520 Broadhollow Road, Suite 3, Melville, N.Y. 11747-3678; 516-454-1500; fax: 516-454-1860

	1994	1993
Premium volume	$32,250,000	$37,500,000
Gross revenues	$3,404,624	$3,885,116
U.S. clients	100%	100%
Brokerage: Retail	90%	78%
U.S. offices	$3,064,162	$3,030,390
Personal lines	8%	10%
Services	NA	10%
Invstmt. income	2%	2%
Employees	27	36
Offices	1	2

Founded: 1964.
Retail brokerage: 84% commissions, 16% fees.
Employee benefits: 17% of revenues.
Officers: Ronald P. D'Alessandro, president; Russell J. Tillman, secretary/treasurer.
Contact: William Kulesh, director.

National Insurance Agency

P.O. Box 6750, Corpus Christi, Texas 78466; 512-993-6700; fax: 512-993-0870

	1994	1993
Premium volume	$8,733,772	$9,185,885
Gross revenues	$1,026,546	$1,137,881
U.S. clients	100%	100%
Brokerage: Retail	75%	75%
U.S. offices	$769,909	$853,411
Personal lines	25%	25%
Employees	16	17
Offices	1	1

Founded: 1965.
Retail brokerage: 100% commissions.
Officers: Robert Harris, president; Scot Oshman, Claude Watts, John McFall, vps.
Contact: Robert Harris.

Near North Insurance Brokerage Inc.

875 N. Michigan Ave., 20th Floor, Chicago, Ill. 60611; 312-280-5600; fax: 312-280-5602

	1994	1993
Premium volume	$482,000,000	$390,000,000
Gross revenues	$55,000,000	$44,500,000
U.S. clients	100%	100%

Continued on next page

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Continued from previous page

Brokerage: Retail	85%	88%
U.S. offices	$46,750,000	$39,160,000
Reinsurance	4%	4%
Personal lines.....	2%	4%
Services.....	5%	2%
Invstmt. income	4%	2%
Employees.....	428	404
Offices.....	12	12

Founded: 1962.
Parent: Near North National Group Inc.
Retail brokerage: 91% commissions, 9% fees.
Employee benefits: 6% of revenues.
Acquisitions: First Financial General Agency Inc., Austin, Texas, October 1994.
Retail brokerage branches: Los Angeles, Washington, New York, Dallas; Fine Arts Risk Management Inc.: Chicago, New York; International Film Guarantors Inc., Los Angeles; National Professional Group Risk Management Services Inc., Chicago; Near North National Title Inc., Chicago; Settlement Planning Associates Inc.: Washington; Tampa, Fla.; Chicago; Dallas; THB Intermediaries Inc.: Los Angeles, Chicago, New York.
Licensed excess/surplus broker: Nationwide.
Officers: Michael Segal, chairman/CEO; William Bartholomay, president; Dan Borbas, Bill Hines, senior vps; Steve Coleman, executive vp.
Contact: Steve Coleman.

New World Insurance Services Ltd.

18th Floor, Siu On Centre, 188 Lockhart Road, Wanchai, Hong Kong; 852-2845-4373; fax: 852-2845-5146

	1994*	1993*
Premium volume.....	$37,459,536**	$37,891,041**
Gross revenues.....	$4,446,372**	$3,801,372**
Non-U.S. clients..	100%	100%
Brokerage: Retail	79.84%	79.53%
Non-U.S. offices..	$3,549,983**	$3,023,231**
Reinsurance	3.30%	3.79%
Personal lines.....	14.53%	15.28%
Invstmt. income	2.33%	1.40%
Employees.....	98	92
Offices.....	13	13

* Fiscal years ending 6/30/95 and 6/30/94; figures for fiscal year ending 6/30/95 are company estimates. ** Converted at applicable rates.
Founded: 1988.
Parent: New World Development Co. Ltd.
Retail brokerage: 95.65% commissions, 4.35% fees.
Employee benefits: 16.38% of revenues.
Retail brokerage branches: NWI Risk Management Consultants Sdn Bhd, Kuala Lumpur, Malaysia; New World Insurance Brokers (Singapore) Pte Ltd., Singapore; New World Insurance Consultants Ltd., Hong Kong; New World Insurance Consultants Ltd., Macau; New World Insurance Management Ltd., Hong Kong; New World Insurance Management (L) Ltd., Kuala Lumpur and Labuan, Malaysia; New World Insurance Services (British Columbia) Ltd., British Columbia, Canada; New World Insurance Services (China) Ltd., Beijing; New World Insurance Services (China) Ltd., Wuhan, China; New World Insurance Services (China) Ltd., Hong Kong; New World Insurance Services (Ontario) Ltd., Ontario, Canada; PAP New World Insurance Brokers (Thailand) Ltd., Bangkok, Thailand.
Non-retail brokerage subsidiaries: International Reinsurance Management Ltd., Hong Kong.
Officers: Paul S.K. Lam, director/group chief executive; Nancy N.S. Tsing, director/assistant group chief executive; Ricky W.K. So, Michael T.L. Wong, directors; William B. Terry, group marketing director.
Contact: Paul S.K. Lam.

North American Insurance Agency Inc.

3800 Classen Blvd., Oklahoma City, Okla. 73118; 405-523-2100; fax: 405-556-2332

	1994	1993
Premium volume.....	$68,000,000	$70,000,000
Gross revenues.....	$6,118,542	$6,543,729
U.S. clients	100%	100%
Brokerage: Retail	68.9%	66.8%
U.S. offices	$4,215,675	$4,370,909
Personal lines.....	15.4%	16.3%
Other.....	15.7%	16.9%
Employees.....	77	90
Offices.....	4	4

Founded: 1959.
Retail brokerage: 94% commissions, 6% fees.
Employee benefits: 14.8% of revenues.
Acquisitions: Agar, Ford, Jarmon & Muldrow, Norman, Okla., January 1995.
Retail brokerage branches: Tulsa, Okla.; Metairie, La.; Agar, Ford, Jarmon & Muldrow, Norman, Okla.
Licensed excess/surplus broker in: Colorado and Oklahoma.
Officers: W.E. Durrett, chairman; John L. McMahan, president; Donald W. Glaspey, executive vp; Steven P. Garrett, secretary.
Contact: Monica L. Swink, controller.

Norwest Insurance Inc.

IDS Tower, Suite 355, 80 S. Eighth St., Minneapolis, Minn. 55479-2119; 612-667-5600; fax: 612-667-2681

	1994	1993
Premium volume.....	$483,000,000	$278,000,000
Gross revenues.....	$65,100,000	$56,500,000
U.S. clients	100%	100%
Brokerage: Retail	10%	14%
U.S. offices	$6,800,000	$7,900,000
Wholesale.....	NA	1%
Personal lines.....	11%	10%
Invstmt. income	1%	3%
Other.....	78%	72%
Employees.....	509	500
Offices.....	46	49

Founded: 1929.
Parent: Norwest Corp.
Retail brokerage: 98% commissions, 2% fees.
Employee benefits: 1% of revenues.
Retail brokerage branches: Davis, Calif.; Denver; Des Moines and Sioux City, Iowa; Anoka, Edina, Duluth, Ely, Fergus Falls, Grand Rapids, Hibbing, Litchfield, Mankato, Marshall, Minneapolis, St. Cloud, Thief River Falls,and Virginia, Minn.; Norfolk and Omaha, Neb.; King, N.C.; Bismark, Fargo, Grafton, Jamestown, Minot, Valley City and Wahpeton, N.D.; Aberdeen, Brookings, Chamberlain, Dell Rapids, Groton, Huron, Lake Preston, Madison, Milbank, Mobridge, Rapid City, Redfield, Sioux Falls, Watertown and Yankton, S.D.; Bryan, Texas.
Officers: Timothy J. King, president; Steven C. Veno, executive vp/COO; Kevin P. Berg, senior vp/CFO.
Contact: Michelle Leschisin, 612-667-5596.

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O

O'Gorman & Young Inc.

159 Main St., Chatham, N.J. 07928; 201-635-1800; fax: 201-635-7744

	1994	1993
Gross revenues.....	$5,150,000	$4,700,000
U.S. clients	100%	100%
Brokerage: Retail	83%	83%
U.S. offices	$4,275,000	$3,901,000
Personal lines.....	14%	14%
Invstmt. income	3%	3%
Employees.....	33	31
Offices.....	2	2

Founded: 1894.
Retail brokerage: 100% commissions.
Employee benefits: 0.06% of revenues.
Retail brokerage branches: G.R. Murray Insurance, Princeton, N.J.
Officers: Simeon H. Rollinson, president; Eugene V. Tracey, executive vp/treasurer; Ernest J. Lawton III, Peter J. Redfern, Robert Luadati, Richard A. Farnow, vps.
Contact: Eugene V. Tracey.

The James B. Oswald Co.

1 Erieview Plaza, Suite 600, Cleveland, Ohio 44114-1715; 216-241-0468; fax: 216-241-4520

	1994	1993
Premium volume.....	$76,000,000	$71,000,000
Gross revenues.....	$12,100,000	$11,400,000
U.S. clients	100%	100%
Brokerage: Retail	62%	54%
U.S. offices	$7,500,000	$6,200,000
Personal lines.....	7%	7%
Services.....	24%	27%
Invstmt. income	1%	1%
Other.....	6%	11%
Employees.....	155	145
Offices.....	5	6

Founded: 1893.
Retail brokerage: 90% commissions, 10% fees.
Employee benefits: 5% of revenues.
Retail brokerage branches: Oswald, Trippe & Co. Inc.: Cape Coral, Fort Myers, Miami and Naples, Fla.
Licensed excess/surplus broker in: Ohio.
Officers: James R. Pender, chairman/CEO; John E. Warfel, president; Robert A. Bracci, COO; Marc S. Byrnes, president-life/group; Raymond J. Malone, chairman-Oswald Risk Management Services Co.
Contact: Robert A. Bracci.

P

Palley Simon Associates Inc.

165 Township Line Road, P.O. Box 508, Jenkintown, Pa. 19046; 215-884-2100; fax: 215-881-2473

	1994	1993
Premium volume.....	$18,175,125	$20,900,000
Gross revenues.....	$2,761,091	$2,826,156
U.S. clients	100%	100%
Brokerage: Retail.....	80.1%	81.4%
U.S. offices	$2,211,634	$2,300,490
Personal lines.....	16.7%	15.8%
Invstmt. income	3.2%	2.8%
Employees.....	28	31
Offices.	1	1

Founded: 1974.
Retail brokerage: 96.8% commissions, 3.2% fees.
Employee benefits: 12.6% of revenues.
Officers: Mahlon B. Simon Jr., chairman; Samuel M. Palley, president; Reid B. Sandner, vp.
Contact: Samuel M. Palley.

Palmer & Cay/Carswell Inc.

25 Bull St., Savannah, Ga. 31402; 912-234-6621; fax: 912-234-3001

	1994	1993
Premium volume.....	$345,891,586	$243,965,879
Gross revenues.....	$33,658,773	$23,284,646
U.S. clients	100%	100%
Brokerage: Retail	83%	86%
U.S. offices	$27,897,645	$19,951,250
Personal lines.....	7%	7%
Services.....	8%	6%
Invstmt. income	2%	1%
Employees.....	362	299
Offices.....	15	13

Founded: 1868.
Retail brokerage: 82% commissions, 18% fees.
Employee benefits: 17% of revenues.
Acquisitions: Bilco Insurance Co., Charleston, S.C., April 1995; Lifton Professional Insurance Services Inc., Savannah, Ga., August 1994; Pyramid Financial Resources Inc, Charlotte, N.C., June 1994.
Retail brokerage branches: Jacksonville and Tallahassee, Fla.; Atlanta, Augusta, Brunswick, Savannah and Vidalia, Ga.; Charlotte, N.C.; Greenville, S.C.; Richmond, Va.; Heffron Ingle McDowell & Cooper: Charleston and Florence, S.C.; IMS of Texas Inc., Dallas; Jordan/Woolfolk Insurance Inc , Columbus, Ga.; Midyette-Moor, Tallahassee, Fla.
Licensed excess/surplus broker in: Georgia and Virginia.
Officers: John E. Cay III, CEO; Lewis H. Oden III, executive vp; F. Michael Crowley, president-Georgia; Douglas A. Mitchell, president-Carolina; Richard W. Stein, president-Florida.
Contact: Kavin Smith, vp/marketing manager.

Palomar Insurance Corp.

4121 Carmichael Road, Suite 300, Montgomery, Ala. 36106; 334-270-0105; fax: 334-271-0499

	1994	1993
Premium volume.....	$68,800,000	$51,000,000
Gross revenues.....	$6,595,000	$5,200,000
U.S. clients	100%	100%
Brokerage: Retail	90%	86%
U.S. offices	$5,935,500	$4,472,000
Personal lines.....	9%	13%
Invstmt. income	1%	1%
Employees.....	58	62
Offices.....	3	4

Founded: 1954.
Retail brokerage: 92% commissions, 8% fees.
Employee benefits: 8% of revenues.
Retail brokerage branches: Birmingham and Troy, Ala.
Licensed excess/surplus broker in: Alabama.
Officers: John R. Pacholick, CEO; George Skipper III, president; James R. Harruff, Terry Henley, vps; Tony L. Craft, treasurer.
Contact: John R. Pacholick.

Parker, Smith & Feek Inc.

1700 First Interstate Center, 999 Third Ave., Seattle, Wash. 98104; 206-382-7900; fax: 206-382-1135

	1994	1993
Premium volume.....	$110,000,000	$108,000,000
Gross revenues.....	$12,276,000	$12,214,000
U.S. clients	100%	100%
Brokerage: Retail	80%	80%
U.S. offices	$9,821,000	$9,771,000
Wholesale.....	NA	1%
Personal lines.....	5%	5%
Services.....	NA	1%
Invstmt. income	2%	2%
Other.....	13%	11%
Employees.....	130	123
Offices.....	2	3

Founded: 1937.
Retail brokerage: 95% commissions, 5% fees.
Employee benefits: 13% of revenues.
Retail brokerage branches: Anchorage, Alaska.
Licensed excess/surplus broker in: Alaska and Washington.
Officers: Vic Parker, president/CEO; John Zefkeles, chairman; Dennis Westover, John Tracey, senior vps; Greg Collins, vp/COO.
Contact: Steve Wolf, director-information services.

Pembroke Insurance Agency Inc.

4668 Pembroke Blvd., Suite 117, Virginia Beach, Va. 23455; 804-497-9611; fax: 804-497-4162

	1994	1993
Premium volume.....	$13,000,000	$12,989,000
Gross revenues.....	$1,850,100	$1,753,515
U.S. clients	100%	100%
Brokerage: Retail	79%	80%
U.S. offices	$1,461,579	$1,402,812
Personal lines.....	14%	13%
Other.....	7%	7%
Employees.....	16	16
Offices.....	1	1

Founded: 1969.
Retail brokerage: 100% commissions.
Licensed excess/surplus broker in: Virginia.
Officers: W.K. Hammaker, president; Brenda H. Hammaker, Dennis P. Browne, senior vps; James B. Carver, vp.
Contact: W.K. Hammaker.

H&R Phillips Inc.

350 Fifth Ave., Suite 5400, New York, N.Y. 10118; 212-239-5353; fax: 212-239-5484

	1994	1993
Gross revenues.....	$2,400,000	$2,500,000
U.S. clients	100%	100%
Brokerage: Retail	84.0%	84.0%
U.S. offices	$2,016,000	$2,100,000
Personal lines.....	13.0%	13.0%
Invstmt. income	0.5%	1.0%
Other.....	2.5%	2.0%
Employees.....	22	23
Offices.....	1	1

Founded: 1964.
Retail brokerage: 100% commissions.
Licensed excess/surplus broker in: New York.
Officers: Judith L. Robinson, president; Carmen Barros, Eli Mishanie, vps.
Contact: Judith L. Robinson, 212-239-5462.

The Pilgrim Organization

518 Stuyvesant Ave., P.O. Box 615, Lyndhurst, N.J. 07071-0615; 201-460-8400; fax: 201-460-7415

	1994	1993
Premium volume.....	$35,000,000	$35,000,000
Gross revenues.....	$10,490,596	$10,289,106
U.S. clients	100%	100%
Brokerage: Retail	45%	45%
U.S. offices	$4,720,768	$4,630,098
Personal lines.....	5%	5%
Services.....	48%	48%
Invstmt. income	2%	2%
Employees.....	75	78
Offices.....	4	5

Founded: 1972.
Retail brokerage: 52% commissions, 48% fees.
Employee benefits: 1% of revenues.
Retail brokerage branches: Griffith-Prideaux, Morristown, N.J.; Kennedy Insurance Agency, Eatontown, N.J.; Pilgrim Insurance Agency, Lyndhurst, N.J.; Pilgrim West Insurance Agency, San Diego.
Non-retail brokerage subsidiaries: MRM Management Corp., Lyndhurst, N.J.
Licensed excess/surplus broker in: New Jersey.
Officers: Robert A. Nicosia, CEO; Margaret A. Nicosia, president-Pilgrim Insurance; Jack Prideaux, president-Griffith-Prideaux; William Kennedy, president-Kennedy Insurance.
Contact: Robert A. Nicosia.

Poe & Brown Inc.

220 S. Ridgewood Ave., Daytona Beach, Fla. 32114; 904-252-9601; fax: 904-239-7252

	1994	1993
Premium volume.....	$800,000,000	$766,000,000
Gross revenues.....	$99,507,000	$95,570,000
U.S. clients	100%	100%
Brokerage: Retail	54%	54%
U.S. offices	$53,734,000	$51,608,000
Wholesale.....	29%	25%
Personal lines.....	1%	7%
Services.....	11%	12%
Invstmt. income	5%	2%
Employees.....	971	980
Offices.....	22	21

Founded: 1956.
Retail brokerage: 92% commissions, 8% fees.
Employee benefits: 8% of revenues.
Acquisitions: Insurance West, Phoenix March 1995; King Insurance Inc., Naples Fla., December 1994; Russell Lee Jacobe Insurance, Houston, January 1995.
Retail brokerage branches: Daytona Beach, Fort Lauderdale, Fort Myers, Jacksonville, Kissimmee, Leesburg, Melbourne Miami, Naples, Orlando, Sarasota, Tampa West Palm Beach and Winter Haven, Fla. Giblon & Claffey Agency, Clark, N.J.; Poe & Brown of Arizona, Phoenix; Poe & Brown of California, San Francisco; Poe & Brown of Georgia, Atlanta; Poe & Brown of New Jersey, Somerset, N.J.; Charlotte, N.C.; Poe & Brown of Texas, Houston.
Non-retail brokerage subsidiaries: Halcyon Underwriters Inc., Maitland, Fla.; Health Care Insurers, Colorado Springs, Colo.; Insurance Adm. Center, Tampa, Fla. MacDuff Insurance Inc., Daytona Beach Fla.; Poe & Brown Benefits, Daytona Beach Fla.; Poe & Brown of Connecticut, Glastonbury, Conn.; Underwriters Services, Orlando and Tampa, Fla.; United Self Insured Services, Orlando, Fla.
Licensed excess/surplus broker in: Florida.
Officers: J. Hyatt Brown, chairman/president/CEO; V.C. Jordan Jr., vice chairman; Bruce G. Geer, Jim W. Henderson, Kenneth E. Hill, executive vps.
Contact: Timothy L. Young, CFO, 904-239-5700.

Popkin Lebson Bergstein Inc.

25 Rockwood Place, P.O. Box 5599, Englewood, N.J. 07631; 201-569-8090; fax: 201-569-9893

	1994	1993
Premium volume.....	$27,889,379	$26,816,71
Gross revenues.....	$4,163,377	$4,003,24
U.S. clients	100%	100%
Brokerage: Retail	62%	62%
U.S. offices	$2,581,293	$2,482,01
Wholesale.....	1%	1%
Personal lines.....	24%	24%
Services.....	1%	1%
Invstmt. income	1%	1%
Other*	11%	11%
Employees.....	45	4
Offices.....	1	

* Includes life, health and group.
Founded: 1974.
Retail brokerage: 99% commissions, 1% fees.
Employee benefits: 2% of revenues.
Non-retail brokerage subsidiaries: P.L.B Life Agency Inc., Englewood, N.J.
Licensed excess/surplus broker in: New Jersey.
Officers: Jay Bergstein, president; Michael Bergstein, Ron Bergstein, vps; Martin A Lebson, vp/treasurer/secretary; Ted Kadison, vp-P.L.B. Life Agency Inc.
Contact: Martin A. Lebson.

Cecil W. Powell & Co.

219 Newnan St., P.O. Drawer 41490, Jacksonville, Fla. 32202; 904-353-3181; fax: 904-353-5722

	1994	1993
Premium volume.....	$48,000,000	$45,000,00
Gross revenues.....	$4,000,000	$3,800,00
U.S. clients	100%	100
Brokerage: Retail	90.0%	90.0
U.S. offices	$3,600,000	$3,420,00
Personal lines.....	5.0%	5.0
Invstmt. income	2.5%	2.5
Other.....	2.5%	2.5
Employees.....	41	
Offices.....	1	

Founded: 1935.
Retail brokerage: 98% commissions, 2% fees.
Employee benefits: 20% of revenues.
Officers: Fitzhugh K. Powell Sr., chairman; Fitzhugh K. Powell Jr., presiden

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homas S. Powell, secretary/treasurer; Stan torey, executive vp; Johnny Cowart, vp-enefits; Pat Wright, manager-personal nes.

Contact: Fitzhugh K. Powell Sr.

rice Forbes Group (Pty.) Ltd.

25 Sauer St. Extension, Johannesburg 2001, South Africa ; 27-11-637-9111; fax: 27-11-838-1010

	1994*	1993*
remium volume**	$2,072,000,000	$2,000,000,000
ross revenues**	$131,320,000	$126,752,000
Non-U.S. clients	100%	100%
okerage: Retail	79%	81%
Non-U.S. offices**	$103,742,800	$102,669,120
einsurance	2%	2%
ersonal lines	5%	4%
ervices	10%	9%
vstmt. income	4%	4%
mployees	2,890	2,800
ffices	34	31

* Fiscal years ending 3/31/95 and 3/31/94. Converted at applicable rates.

Founded: 1935.
Parent: Price Forbes Holdings.
Retail brokerage: 80% commissions, 20% es.
Employee benefits: 36% of revenues.
Acquisitions: Fulford Brothers, Johannesurg, South Africa, 1994.
Retail brokerage branches: Benoni, oemfontein, Cape Town, Durban, East ondon, George, Graaf-Reinet, Johannesurg, Kimberley, Klerksdorp, Nelspruit, aarl, Peitersburg, Pietermaritzburg, Port izabeth, Pretoria, Richards Bay, Rustenurg, Stellenbosch, Upington, Welkom, Witank, South Africa; Derby, London and outhampton, England.
Non-retail brokerage subsidiaries: Alexander Forbes Consultants & Actuaries, Johannesburg, South Africa; Corporate Risk anagement, Johannesburg, South Africa; orbes Reinsurance Brokers, Johannesburg, outh Africa; Integrated Risk Consultants, ohannesburg, South Africa.
Officers: Paul L. Heinamann, chairman/EO; David J. Bergman, financial director; ike R. Hofmeyr, managing director-Price orbes; Graeme W. Kerrigan, joint managg director-Alexander Forbes; Leon Lewis, int managing director-Alexander Forbes; eoff Todd, executive director-Price Forbes.
Contact: Jim Foot, Price Forbes Group, 7-11-637-3312 or John Robinson, Alexander Forbes, 27-11-637-3251.

roctor Homer Warren Inc.

2100 W. Big Beaver Road, Troy, Mich. 48084; 810-649-8700; fax: 810-649-8093

	1994	1993
emium volume	$40,000,000	$35,000,000
oss revenues	$6,188,584	$6,082,610
U.S. clients	100%	100%
okerage: Retail	20%	20%
U.S. offices	$1,237,717	$1,216,522
holesale	75%	75%
rsonal lines	5%	5%
nployees	87	85
fices	3	3

Founded: 1884.
Retail brokerage: 100% commissions.
Employee benefits: 13% of revenues.
Retail brokerage branches: Hollywood, a.; Kalamazoo, Mich.
Non-retail brokerage subsidiaries: Woodnd Hills, Calif.; Stone Mountain, Ga.; awnee Mission, Kan.; Edina, Minn.; Dub-, Ohio; Pittsburgh.
Licensed excess/surplus broker in: Michin.
Officers: Woods Proctor, chairman; Thoas W. Proctor, president; Paul A. Glantz, /treasurer; Robert R. Laird, Mark M. Leiein, Karen I. Schickel, Craig D. Butler, cqueline M. Young, Ronald F. George, s; Timothy M. Milz, assistant vp.
Contact: Robert R. Laird.

urdy Insurance Agency Inc.

136 Market St., Sunbury, Pa. 17801; 717-286-5855; fax: 717-286-0219

	1994	1993
emium volume	$14,870,000	$14,622,100
oss revenues	$1,807,100	$1,859,900
U.S. clients	100%	100%
okerage: Retail	57%	59%
U.S. offices	$1,030,047	$1,097,341
holesale	5%	5%
rsonal lines	16%	18%
vstmt. income	1%	2%
ner	21%	16%
nployees	25	25
ices	1	1

Founded: 1926.
Retail brokerage: 99% commissions, 1% es.
Employee benefits: 3% of revenues.
Officers: T. Chris Purdy, president; J. aig Purdy, vp; William H. Purdy, treaer.
Contact: Stephen A. Engle, manager.

ne Quarles Group

5810 E. Skelly Drive, 3rd Floor, Tulsa, Okla. 74135; 918-665-1252; fax: 918-665-2119

	1994	1993
emium volume	$40,000,000*	$35,000,000

Gross revenues	$4,488,139	$3,963,010
U.S. clients	100%	100%
Brokerage: Retail	90%	90%
U.S. offices	$4,050,000	$3,566,000
Personal lines	4%	5%
Services	4%	4%
Invstmt. income	2%	1%
Employees	43	44
Offices	3	3

* Company estimate.

Founded: 1979.
Retail brokerage: 97% commissions, 3% fees.
Employee benefits: 10% of revenues.
Retail brokerage branches: Omega Insurance Agency, Irving, Texas; The Quarles Agency of Georgia Inc., Smyrna, Ga.
Licensed excess/surplus broker in: Georgia, Oklahoma and Texas.
Officers: C. Gene Quarles, chairman; Robin Buerge, president; Dale Wells, president-Omega Insurance Agency; John Bilton, Tom Hoyt, vps-The Quarles Agency of Georgia.
Contact: C. Gene Quarles.

RWP Group Inc.

875 Merrick Ave., Westbury, N.Y. 11590; 516-683-3000; fax: 516-683-3069

	1994	1993
Premium volume	$69,000,000	$68,000,000
Gross revenues	$8,400,000	$8,300,000
U.S. clients	100%	100%
Brokerage: Retail	47%	41%
U.S. offices	$3,950,000	$3,400,000
Personal lines	40%	52%
Services	1%	1%
Invstmt. income	1%	1%
Other	11%	5%
Employees	94	103
Offices	2	2

Founded: 1972.
Retail brokerage: 98% commissions, 2% fees.
Employee benefits: 13% of revenues.
Retail brokerage branches: Simeone/Orrino Agency, Corona, N.Y.
Officers: Robert Bergner, president; Kenneth D. Pollack, chairman/CEO; Monroe J. Roffer, executive vp/secretary.
Contact: Kenneth D. Pollack, 516-683-3000 ext. 2110.

Rebsamen Insurance Inc.

1500 Riverfront Drive, Little Rock, Ark. 72202; 501-661-4800; fax: 501-666-9592

	1994	1993
Premium volume	$133,283,974	$126,671,245
Gross revenues	$19,614,258	$17,811,270
U.S. clients	100%	100%
Brokerage: Retail	66.81%	68.43%
U.S. offices	$13,102,810	$12,188,252
Wholesale	19.55%	18.98%
Personal lines	4.06%	3.78%
Services	6.53%	5.98%
Invstmt. income	3.05%	2.83%
Employees	150	146
Offices	3	3

Founded: 1929.
Retail brokerage: 94% commissions, 6% fees.
Employee benefits: 5.96% of revenues.
Acquisitions: Crockett Adjustment Inc., Little Rock, Ark., April 1995.
Retail brokerage branches: Fort Smith and Springdale, Ark.
Non-retail brokerage subsidiaries: Insurisk Excess & Surplus Lines, Little Rock, Ark.
Licensed excess/surplus broker in: Arkansas.
Officers: Allen J. McDowell, president/CEO; William R. Stringfellow, general counsel/senior vp; John H. O'Donnell, CFO.
Contact: John O'Donnell.

Ricci Associates Inc.

1910 Pine, St. Louis, Mo. 63103; 314-231-2277; fax: 314-231-1641

	1994	1993
Premium volume	$12,880,000	$12,020,000
Gross revenues	$1,503,000	$1,412,000
U.S. clients	100%	100%
Brokerage: Retail	93.5%	93.4%
U.S. offices	$1,405,305	$1,318,808
Wholesale	0.5%	0.5%
Reinsurance	0.5%	1.0%
Personal lines	4.5%	4.0%
Invstmt. income	1.0%	1.1%
Employees	17	17
Offices	2	2

Founded: 1985.
Retail brokerage: 98% commissions, 2% fees.
Employee benefits: 15% of revenues.
Retail brokerage branches: Public Entity Risk Managers, Springfield, Mo.
Licensed excess/surplus broker in: Illinois and Missouri.
Officers: Thomas C. Ricci Jr., chairman; Stephen E. Ricci, president; John Wittenberg, executive vp; Tony Miller, vp/sales manager.
Contact: Thomas C. Ricci Jr.

Wm. Rigg Co.

309 W. Seventh, Fort Worth, Texas 76102; 817-335-4444

	1994	1993
Premium volume	$80,000,000	$75,000,000
Gross revenues	$7,000,000	$6,500,000
U.S. clients	100%	100%
Brokerage: Retail	80%	78%
U.S. offices	$5,600,000	$5,070,000
Personal lines	10%	12%
Services	5%	5%
Invstmt. income	5%	5%
Employees	97	98
Offices	5	5

Founded: 1895.
Parent: Rigg Group.
Retail brokerage: 95% commissions, 5% fees.
Employee benefits: 3% of revenues.
Retail brokerage branches: Austin, Dallas, Houston and Odessa, Texas.
Non-retail brokerage subsidiaries: American Financial Services, Dallas; International Lloyds, Dallas; RISC Inc., Dallas; William Rigg Realty, Fort Worth, Texas.
Licensed excess/surplus broker in: Texas.
Officers: Cecil Y. Ray, chairman; Harry D. Johnson, president; George Kane, senior vp-marketing.
Contact: Harry D. Johnson.

Riverside Insurance Associates Inc.

257 Riverside Ave., Westport, Conn. 06880; 203-226-1551; fax: 203-454-9942

	1994	1993
Premium volume	$12,500,000	$11,000,000
Gross revenues	$1,300,000	$1,200,000
U.S. clients	90%	90%
Non-U.S. clients	10%	10%
Brokerage: Retail	70%	70%
U.S. offices	$819,000	$756,000
Non-U.S. offices	$91,000	$84,000
Personal lines	5%	5%
Services	23%	23%
Invstmt. income	2%	2%
Employees	8	7
Offices	1	1

Founded: 1982.
Retail brokerage: 77% commissions, 23% fees.
Employee benefits: 20% of revenues.
Licensed excess/surplus broker in: Connecticut.
Officers: Kenneth T. Knechtel, president; Beverly E. Setz, vp.
Contact: Kenneth T. Knechtel.

Roanoke Brokerage Services Inc.

1930 Thoreau Drive, Schaumburg, Ill. 60173; 708-490-9540; fax: 708-885-8710

	1994	1993
Gross revenues	$16,900,000	$16,600,000
U.S. clients	96%	97%
Non-U.S. clients	4%	3%
Brokerage: Retail	85%	85%
U.S. offices	$14,360,000	$14,110,000
Wholesale	4%	6%
Personal lines	2%	2%
Services	4%	3%
Invstmt. income	5%	4%
Employees	172	177
Offices	9	9

Founded: 1935.
Parent: Roanoke Cos. Inc.
Retail brokerage: 95% commissions, 5% fees.
Employee benefits: 2% of revenues.
Retail brokerage branches: Long Beach and San Francisco, Calif.; Miami; Hunt Valley, Md.; Boston; New York; Charleston, S.C.; Houston.
Licensed excess/surplus broker in: California, Florida, Illinois, Maryland, Massachusetts, New York, South Carolina, Virginia and Washington.
Officers: William D. Sterrett, chairman; Robert P. Froese, president; Lewis M. Moeller, vp-finance/administration; Sean F. Walsh, Kathleen A. Wilson, executive vps.
Contact: Robert P. Froese.

Robertson-Ryan & Associates

660 E. Mason St., Milwaukee, Wis. 53202; 414-271-3575; fax: 414-271-0196

	1994	1993
Premium volume*	$57,271,073	$52,933,344
Gross revenues	$9,829,396	$9,327,081
U.S. clients	100%	100%
Brokerage: Retail	84%	84%
U.S. offices	$8,256,693	$7,834,748
Personal lines	13%	14%
Invstmt. income	3%	2%
Employees	76	79
Offices	1	1

* Includes property and casualty only.

Founded: 1960.
Retail brokerage: 98% commissions, 2% fees.
Employee benefits: 35% of revenues.
Licensed excess/surplus broker in: Nationwide.
Officers: Jay H. Robertson, chairman; John S. Borges, president; Charles V. Johnson, executive vp; Jack T. Ryan, James C. Boyce, Steven R. Kuhnmuench, directors; Lloyd G. Schutte, secretary/treasurer.
Contact: Charles V. Johnson.

Rollins Hudig Hall Group Inc.

123 N. Wacker Drive, Chicago, Ill. 60606; 312-701-4000; fax: 312-701-4580

	1994	1993
Gross revenues	$1,422,100,000	$1,215,000,000
U.S. clients	73%	70%
Non-U.S. clients	27%	30%
Brokerage: Retail	60%	56%
Wholesale*	15%	14%
Reinsurance*	10%	8%
Services	12%	19%
Invstmt. income	3%	3%
Employees	11,850	10,650
Offices	322	312

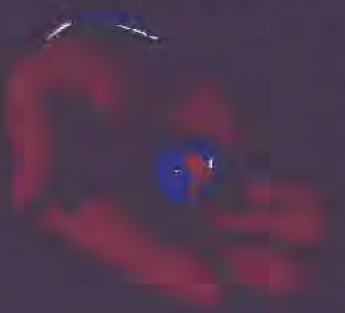
Founded: 1680.
Parent: Aon Corp.
Acquisitions: ABP Behrens & Partner GmbH, Wuppertal, Germany, February, 1995; A.R.M. Group, London, February 1995; Accent Forsakringsmaklare A.B., Stockholm, Sweden, December 1994; Accent Insurance Brokers OY, Helsingfors, Finland, December 1994; Alexander & Associates Inc., Coral Gables, Fla., December 1994; BCOA S.A., Paris, July 1994; Blaak Risk Managers b.v., Rotterdam, Netherlands, December 1994; Carlson Erven & Peterson Inc., Seattle, April 1994; Claro, Santa Cruz y Cia. S.A. Productores De Seguros, Santiago, Chile, February 1995; Cogrup, Correduria de Seguros S.A., Barcelona, Spain, March 1995; Conseguro, Corretores de Seguros S.A., Lisbon, Portugal, March 1995; Dansk Forsikringsmaeglere A/S, Copenhagen, Denmark, April, 1995; Elektrorisk Beheer b.v., Arnhem, Netherlands, May 1995; Energy Insurance International Inc., Houston, December 1994; Garantie Europeene de Publication S.A., Paris, February 1995; HRStrategies Inc., Grosse Pointe, Mich., December 1994; Hamond & Regine Inc., Mineola, New York, March 1994; A.J. Horan & Co., Chicago, March 1995; Independent Dealer Services Inc., St. Louis, May 1994; Intercontinental Brokers Inc., London, May 1995; JSE & Partners A.B., Stockholm, Sweden, April 1994; Jenner Fenton Slade, London, November 1994; Laurila & Loda Insurance Brokers OY, Helsinki, Finland, April 1994; Macey Williams Ltd., London, June 1994; Morency, Weible, & Sapa Inc., Naperville, Ill., January 1995; OWAT Assurantien b.v., Utrecht, Netherlands, December 1994; PRC Excess Specialists Inc., Seattle, May 1995; PWS International Poland S.A., Warsaw, Poland, February 1994; Pecos River Learning Center Inc., Eden Prairie, Minn., September 1994; John Scott & Partners, London, May 1995; Steeves Lumley Ltd, Melbourne, Australia, January 1995; M. Stinglamber S.p.r.l., Brussels, Belgium, April 1994; Sutherland Page & Co. Inc., Rosemont, Ill., January 1995; Wellesley Barratt Insurance Management Ltd., London, July 1995; A. Zeta S.r.l., Rome, Italy, July 1994.

Retail brokerage branches: Aon Risk Services: Glendale, San Francisco, Torrance, Universal City and Woodland Hills, Calif.; Denver; Glastonbury, Greenwich and Stamford, Conn.; Boca Raton, Miami and North Palm Beach, Fla.; Chicago, Schaumburg and Winnetka, Ill.; Ft. Wayne, Ind.; Topeka, Kan.; New Orleans; St. Louis; Hoboken and Jamesburg, N.J.; Albuquerque, N.M.; New York; Cincinnati; Horsham, Jenkintown and Philadelphia, Pa.; Austin and Dallas, Texas; Salt Lake City, Utah; Burlington, Vt.; Seattle; Hamilton, Bermuda; London; Montreal; Rotterdam, Netherlands; Strassen, Luxembourg. Aon Specialty Group: Concord, Diamond Bar, Los Angeles, San Francisco and Universal City, Calif.; Stamford, Conn.; Washington; Coral Gables, Ft. Lauderdale and Tampa, Fla.; Atlanta; Chicago; Detroit;

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San Francisco, CA (415) 391-3080

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Kansas City, Mo.; Bohemia and New York, N.Y.; Trevose, Pa.; Brentwood, Tenn.; Dallas, Houston, Richardson and San Antonio, Texas; Richmond, Va.; Bellevue, Wash. Godwins Ltd.: Birmingham, Bristol, Chelmsford, Exeter, Farnborough, Harlow, Harrogate, Ipswich, Kendal, Leeds, London, Manchester, Newcastle, Northampton, Nottingham, Plymouth, Portsmouth, St. Albans, Sevenoaks, Swindon and Truro, England; Belfast, Ireland; Aberdeen, Edinburgh and Glasgow, Scotland; Cardiff, Wales. Godwins Australia Pty. Ltd.: Melbourne and Sydney, Australia. Godwins Booke & Dickenson: Los Angeles, San Francisco and Universal City, Calif.; Stamford, Conn.; Washington; Coral Gables, Jacksonville and Tampa Fla.; Atlanta; Chicago; Cedar Rapids, Iowa; Boston; Detroit, Grand Rapids and Grosse Pointe, Mich.; St. Louis; Parsippany, N.J.; Briarcliff Manor and New York, N.Y.; Winston-Salem, N.C.; Columbus, Ohio; Portland, Ore.; Conshohocken and Pittsburgh, Pa.; Houston; Seattle. Nicholson Leslie Group: Melbourne and Sydney, Australia; London; Hong Kong; Milan, Italy; Tokyo; Amsterdam, Netherlands; Singapore; Istanbul, Turkey; Sharjah, United Arab Emirates. Rollins Hudig Hall: Cost Mesa, Fresno, Los Angeles, Sacramento, Salinas and San Francisco, Calif.; Denver; Greenwich, Hartford and Meriden, Conn.; Washington; Boca Raton, Coral Gables, Jacksonville, Orlando, Palm Beach Gardens and Tampa, Fla.; Atlanta; Honolulu; Chicago; Indianapolis; Wichita, Kan.; New Orleans; Boston; Detroit and Grand Rapids, Mich.; Bloomington, Minn.; Kansas City and St. Louis, Mo.; Omaha, Neb.; Las Vegas; Parsippany and West Atlantic City, N.J.; Briarcliff Manor, New York and Uniondale, N.Y.; Charlotte and Winston-Salem, N.C.; Akron, Cincinnati and Cleveland, Ohio; Tulsa, Okla.; Portland, Ore.; Conshohocken, Hershey, Philadelphia and Pittsburgh, Pa.; Providence, R.I.; Knoxville, Tenn.; Dallas, Fort Worth and Houston, Texas; Salt Lake City; Blacksburg, Herndon and Roanoke, Va.; Milwaukee; Seattle; Oranjestad, Aruba; Brisbane, Dulwich, Melbourne, Perth and Sydney, Australia; Vienna, Austria; Antwerp, Brussels and Ghent, Belgium; Hamilton, Bermuda; Rio de Janeiro and Sao Paulo, Brazil; Toronto; Santiago, Chile; Willemstad, Curacao; Brno and Prague, Czech Republic; Bjerringbro and Copenhagen, Denmark; Birmingham, Farnborough, Forest Row, Iver, Leeds, London, Manchester, Norwich and Southampton, England; Tallinn, Estonia; Helsinki, Finland; Besancon, Brest, Clermont-Ferrand, Lyon, Marseille, Montpellier, Paris, Saint Dizier and Strasbourg, France; Beckum, Berlin, Duesseldorf, Frankfurt, Hamburg, Leipzig, Monheim, Munich, Saarbrucken and Stuttgart, Germany; Hong Kong; Budapest, Hungary; Jakarta, Indonesia; Tehran, Iran; Dublin and Glasgow, Ireland; Milan and Rome, Italy; Cancun, Guadalajara, Juarez, Mexico City, Monterrey and Tijuana, Mexico; Amsterdam, Groningen, Hengelo, Hilversum, Maastricht, Nijmegen, Noordwijk, Rotterdam, The Hague, Tilburg, Utrecht and Venlo, Netherlands; Oslo, Norway; Stettin and Warsaw, Poland; Lisbon, Portugal; St. Petersburg, Russia; Singapore; Bratislava, Slovakia; Barcelona, Bilbao and Madrid, Spain; Goteborg, Malmo and Stockholm, Sweden; Istanbul, Turkey; Dubai and Sharjah, United Arab Emirates.

Non-retail brokerage subsidiaries: Aon Broker Services Inc., Chicago; Aon Direct Group Inc., Chicago; Aon Entertainment Ltd., Universal City, Calif.; Aon Insurance Management of Texas Inc., Dallas; Aon Insurance Management Services Inc., Chicago; Aon Re Inc., Chicago; Aon Re Worldwide, Hamilton, Bermuda; Aon Risk Consultants, Chicago; Aon Risk Services, Chicago; Aon Risk Services (Vermont) Inc., Burlington, Vt.; Aon Specialty Group Inc., Chicago; Bankers Insurance Services Corp., Chicago; Martin Boyer Co. Inc., Chicago; The Brennan Group Inc., Winnetka, Ill.; Bryson Associates Inc., Jenkintown, Pa.; Go Pro Underwriting Managers Inc., Richmond, Va.; Godwins Ltd., United Kingdom; Godwins Australia Pty. Ltd., Australia; Godwins Booke & Dickenson, Calif., Mass., N.Y. and Pa.; Godwins General Agency Inc., Texas; Godwins International Inc., Del.; Godwins Investment Advisors Inc., Fla.; Godwins Securities Inc., Wash.; HRStrategies Inc., Grosse Pointe, Mich.; IRISC Inc., Jamesburg, N.J.; IRISC (London) Ltd., London; IRISC Specialty Inc., Torrance, Calif.; Insurance Broker Services, Chicago; K&K Insurance Group Inc., Fort Wayne, Ind.; Keeling & Co., Los Angeles; Leslie & Godwin, London; London Ltd., London; Media/Professional Insurance Inc., Kansas City, Mo.; Muirfield Underwriters Ltd., Chicago; National Benefits Corp. (NBC), Horsham, Pa.; Nicholson Leslie Group, London; OUM & Associates Inc., Bellevue, Wash.; PLCM Group Inc., Chicago; Tampa, Fla.; Pecos River Learning Centers Inc., Eden Prairie, Minn.; Rollins Hudig Hall Holdings b.v., Rotterdam, Netherlands; Scarborough & Co. Inc., Chicago; Sherwood Insurance Services, Woodland Hills, Calif.; Sutherland Page & Co. Inc., Rosemont, Ill.; Underwriters Marine Services Inc., New Orleans; Wexford Underwriting Managers Inc., Chicago.

Licensed excess/surplus broker.

Officers: Patrick G. Ryan, chairman; Arthur F. Quern, chairman-Rollins Hudig Hall Co.; Dirk P.M. Verbeek, chairman-Rollins Hudig Hall Holdings b.v.; Michael D. Rice, chairman-Aon Specialty Group Inc.; Michael D. O'Halleran, chairman-Aon Risk Services Inc.; Daniel T. Cox, chairman-Godwins International Inc.; Donald C. Ingram, chairman-Godwins Booke & Dickenson; J. Hunter Devine, chairman-Godwins Ltd.; Alan H.C. Colls, chairman-Nicholson Leslie Group Ltd.; Donald R. Bell, vice chairman-Rollins Hudig Hall Co.; Richard A. Riley, president-Rollins Hudig Hall Co.

Contact: Joan Steel, vp-financial relations, 312-701-3016 or Paul Cristiano, vp-corporate communications, 914-742-3093.

Rothschild, Bell & Walseth Inc.

251 W. Lafayette Road, P.O. Box 7128, St. Paul, Minn. 55107; 612-221-0205; fax: 612-221-0921

	1994	1993
Premium volume	$50,500,000	$49,000,000
Gross revenues	$5,000,200	$4,850,000
U.S. clients	100%	100%
Brokerage: Retail	58%	55%
U.S. offices	$2,900,116	$2,667,500
Wholesale	17%	17%
Personal lines	22%	25%
Services	2%	2%
Invstmt. income	1%	1%
Employees	52	52
Offices	1	1

Founded: 1981.

Retail brokerage: 98% commissions, 2% fees.

Employee benefits: 7% of revenues.

Acquisitions: PIA, Apple Valley, Minn., May 1994.

Retail brokerage branches: Milwaukee, Wis.

Non-retail brokerage subsidiaries: Church Underwriters Inc., St. Paul, Minn.

Licensed excess/surplus broker in: Minnesota.

Officers: Bruce Walseth, president; Dean Hildebrandt, CFO; Lowell Faa, Paul Schnebele, Shelley Mulvihill, Gordon Johnson, vps.

Contact: Bruce Walseth.

S

Saldana & Associates Inc.

701 Ponce de Leon Ave., Centro de Seguros Building, Suite 303, Santurce, Puerto Rico 00907; 809-721-2600; fax: 809-721-1093

	1994	1993
Premium volume	$133,000,000	$127,008,000
Gross revenues	$15,138,000	$13,006,000
U.S. clients	100%	100%
Brokerage: Retail	95.5%	95.3%
U.S. offices	$14,532,480	$12,355,700
Personal lines	2.5%	2.8%
Invstmt. income	2.0%	1.9%
Employees	114	102
Offices	3	3

Founded: 1972.

Retail brokerage: 100% commissions.

Employee benefits: 13.7% of revenues.

Retail brokerage branches: Riverdale, N.J.; Ponce, Puerto Rico.

Licensed excess/surplus broker in: Puerto Rico.

Officers: Ralph G. Christiansen Jr., president; Eduardo R. Emanuelli, executive vp. Ruben A. Jordan, treasurer/senior vp; Manuel J. Mendez, secretary/senior vp; Jose E. Vazquez, director/senior vp.

Contact: Ralph G. Christiansen Jr.

San Diego Associates Inc.

3550 Camino Del Rio N., Suite 206, San Diego, Calif. 92108; 619-283-7800; fax: 619-283-8686

	1994	1993
Premium volume	$20,000,000	$20,000,000
Gross revenues	$995,000	$975,000
U.S. clients	100%	100%
Brokerage: Retail	60%	60%
U.S. offices	$597,000	$585,000
Services	40%	40%
Employees	6	6
Offices	1	1

Founded: 1984.

Retail brokerage: 90% commissions, 10% fees.

Employee benefits: 100% of revenues.

Officers: David N. Peterson, president; Bruce N. Kesler, director.

Contact: Bruce N. Kesler.

Schwartz Brothers Insurance

135 S. LaSalle St., Suite 2035, Chicago, Ill. 60603; 312-630-0800; fax: 312-630-0833

	1994	1993
Premium volume	$69,500,000	$52,000,000
Gross revenues	$7,782,000	$6,678,000
U.S. clients	100%	100%
Brokerage: Retail	86%	86%
U.S. offices	$6,692,520	$5,743,080
Personal lines	8%	8%
Invstmt. income	6%	6%
Employees	63	63
Offices	1	1

Founded: 1919.

Retail brokerage: 99% commissions, 1% fees.

Employee benefits: 6% of revenues.

Licensed excess/surplus broker in: Illinois.

Officers: Edward H. Schwartz, president; Robert I. Schwartz, executive vp; Mark Nahin, vp/secretary; Raymond L. Miller, vp; Joseph J. Schwartz.

Contact: Dave Kunkel.

Seaman Ross & Wiener Inc.

6851 Jericho Turnpike, Syosset, N.Y. 11791; 516-921-9100; fax: 516-496-4040

	1994	1993
Premium volume	$13,740,000	$13,250,000
Gross revenues	$2,867,236	$2,871,000
U.S. clients	100%	100%
Brokerage: Retail	85%	85%
U.S. offices	$2,437,150	$2,440,350
Personal lines	10%	8%
Services	3%	5%
Invstmt. income	2%	2%
Employees	14	14
Offices	1	1

Founded: 1950.

Retail brokerage: 99% commissions, 1% fees.

Employee benefits: 15% of revenues.

Officers: Douglas Schenendorf, chairman; Alex Seaman, president; Christopher Brady, secretary.

Contact: Doug Schenendorf.

Sedgwick Group P.L.C.

Sedgwick House, The Sedgwick Centre, London E1 3DX, England; 44-171-377-3456; fax: 44-171-377-3919

	1994	1993
Premium volume	$11,251,008,000	$10,797,878,000
Gross revenues	$1,422,508,800*	$1,208,659,400*
U.S. clients	44%	47%
Non-U.S. clients	56%	53%
Brokerage: Retail	54.0%	58%
U.S. offices	$409,644,000*	$377,002,000*
Non-U.S. offices	$363,084,000*	$324,432,000*
Wholesale	10%	11%
Reinsurance	8%	9%
Services	23%	16%
Invstmt. income	5%	6%
Employees	15,415	15,503
Offices	230	233

* Converted at applicable exchange rates.

Founded: 1825.

Retail brokerage: 69% commissions, 31% fees.

Employee benefits: 25% of revenues.

Acquisitions: Arvid Bergvall A/S, Scandinavia, January 1994; Muenchener Versicherungsmakler GmbH, Germany, January 1994.

Retail brokerage branches: Mariners Insurance Agency Inc., New Bedford, Mass. Maritime Adjusters Inc., New Bedford, Mass. S.J. Petrakis Insurance Services Inc., San Francisco. Sedgwick Global U.S., Boise, Idaho; New York. Sedgwick James*: Birmingham and Mobile, Ala.; Tempe and Tucson, Ariz.; Bentonville and Little Rock, Ark.; Irvine, Los Angeles, Sacramento, San Diego and San Francisco, Calif.; Denver; Hartford and Stamford, Conn.; Washington; Fort Lauderdale, Fort Myers, Maitland, Naples, Tampa and West Palm Beach, Fla.; Atlanta; Honolulu; Boise, Idaho; Chicago; New Orleans; Bangor and Portland, Maine; Columbia, Md.; Boston and Canton, Mass.; Detroit; Minneapolis and Ranier, Minn.; Clayton, Mo.; Omaha, Neb.; Las Vegas and Reno, Nevada; Manchester, N.H.; Roseland, N.J.; Albuquerque, N.M.; Melville, New York and Rochester, N.Y.; Charlotte, N.C.; Toledo, Ohio; Oklahoma City and Tulsa, Okla.; Medford, Portland and Salem, Ore.; Bethlehem, Harrisburg, Philadelphia, Pittsburgh, Williamsport and Wyomissing, Pa.; Hato Rey, Puerto Rico; Columbia and Jackson, S.C.; Knoxville, Memphis and Nashville, Tenn.; Dallas and Houston; Seattle, Spokane, Wenatchee and Yakima, Wash. Sedgwick Management Services (U.S.) Ltd.: Honolulu; Burlington, Vt. Sedgwick Peek Inc.: Atlanta. ACE Europe (Insurance Brokers) Ltd.: Athens, Greece. ACE (Hellas) Insurance L.L.C.: Athens, Greece. Andueza y Compania, Corredores de Seguros S.A.: Santiago, Chile. Antak Sedgwick Insurance Brokers Sdn. Bhd.: Johor Baru, Kuala Lumpur, Kuching and Perang, Malaysia. Arab Commercial Enterprises*: Manama, Bahrain; Kuwait; Beirut, Lebanon; Doha, Qatar; Al Khobar, Dammam, Jeddah, Jubail, Mecca, Riyadh and Yanbu al Sinaiyah, Saudi Arabia; Abu Dhabi and Dubai, United Arab Emirates. Cabinet Billet et Cie S.A.: Paris. Cabinet Dragon SARL: Aix-en-Provence, France. Cabinet Loire: Lyon, France. Ceska Sedgwick Risk Services A.S.: Prague, Czech Republic. Ch. Vander Elst & Cie S.A., Charleroi, Belgium. Continental Insurance & Reinsurance Agency N.V.-S.A. (C.I.R.A.): Brussels, Belgium. FIM Consultants Ltd.: Ibadan, Kaduna and Lagos, Nigeria. Fritz Devos N.V.: Roeselare, Belgium. Groupe Triangle Assurances S.A.: Lille, France. Intercontinental Insurance Brokers Inc.: Kuwait. Legal & Commercial Insurances Ltd.: Dublin, Ireland. MVM Italia S.r.l. Broker di Assicurazione: Bolzano/Bozen, Italy. MVM Lebensversicherungsmakler GmbH: Munich, Germany. MVM Versicherungsmakler: Vienna, Austria; Lugano and St. Gallen, Switzerland. PT. Sedgwick Dharmala: Jakarta, Indonesia. Park Insurance Division: St. George, Canada. Pontier & Karreman B.V.: Rotterdam, Netherlands. Roger Lark & Sedgwick: Barking, England. SEDFEMA Insurance Brokers Inc.: Manila, Philippines. Sedgwick A.G.: Zurich, Switzerland. Sedgwick A/S: Copenhagen, Denmark. Sedgwick B.V.: Amsterdam and Rotterdam, Netherlands. Sedgwick GmbH & Co., Berlin, Cologne, Hamburg, Leipzig, Munich and Stuttgart, Germany. Sedgwick Kft.: Budapest, Hungary. Sedgwick Ltd.: Adelaide, Brisbane, Canberra, Hobart, Melbourne, Perth, Sydney and Toowoomba, Australia; Calgary, Edmonton, Halifax, Hamilton, Kamloops, Montreal, Ottawa, Prince George, Quebec City, Saskatoon, Sudbury, Toronto and Vancouver, Canada; Norwich, England; Hong Kong; Auckland, Christchurch, Dunedin, New Plymouth and Wellington, New Zealand; Taipei, Taiwan. Sedgwick S.A.: Luxembourg; Paris. Sedgwick S.p.A., Genoa, Milan, Rome, Turin and Verona, Italy. Sedgwick Argentina S.A.: Buenos Aires, Argentina. Sedgwick Bahrain WLL: Manama, Bahrain. Sedgwick Bankrisk Ltd.: London. Sedgwick Brasil Corretora de Seguros Ltda.: Rio de Janeiro and Sao Paulo, Brazil. Sedgwick Construction Asia Ltd.: Hong Kong. Sedgwick, Correduria de Seguros S.C.: Barcelona, Bilbao and Madrid, Spain. Sedgwick-Correteres de Seguros Ltda.: Lisbon and Oporto, Portugal. Sedgwick Credit Ltd.: London. Sedgwick Deeks Insurance Agency: Toronto. Sedgwick (Deutschland) GmbH: Cologne, Germany. Sedgwick Dineen Ltd.: Cork, Dublin and Galway, Ireland. Sedgwick Europe Ltd.: London. Sedgwick European Risk Services B.V.: Amsterdam, Netherlands. Sedgwick Far East Ltd.: London; Manila, Philippines.Sedgwick (Fiji) Ltd.: Lautoka and Suva, Fiji. Sedgwick Forbes Middle East Ltd.: Muscat, Oman; Dubai, United Arab Emirates. Sedgwick Global Ltd.: London. Sedgwick Group Consultant: Bombay, India.

Sedgwick Group Liaison Office: Seoul, Korea. Sedgwick Group Representative: Santiago, Chile; Lima, Peru. Sedgwick Insurance Brokers (Private) Ltd.: Bulawayo and Harare, Zimbabwe. Sedgwick Insurance Brokers (Pty.) Ltd.: Francistown and Gaborone, Botswana. Sedgwick Insurance & Risk Management Consultants (China) Ltd.: Beijing, Shanghai and Shenzhen, China. Sedgwick International Broking Services GmbH: Cologne, Germany. Sedgwick International Broking Services Ltd.: London. Sedgwick Japan Ltd.: Tokyo. Sedgwick Kassman Pty. Ltd.: Port Moresby, Papua New Guinea. Sedgwick Kenya Insurance Brokers Ltd.: Nairobi, Kenya. Sedgwick MacDermott Pty. Ltd.: Brisbane, Australia. Sedgwick Management Services*: St. John's, Antigua; Bridgetown, Barbados; Hamilton, Bermuda; George Town, Cayman Islands; Curacao, Netherlands Antilles; St. Peter Port, Guernsey; Dublin, Ireland; Douglas, Isle of Man; London; Luxembourg; Singapore. Sedgwick Midi-Provence: Aix-en-Provence, France. Sedgwick Nederland B.V.: Amsterdam, Netherlands. Sedgwick Northern Ireland Ltd.: Belfast, Northern Ireland. Sedgwick Private Ltd.: Singapore. Sedgwick Polska Sp.zo.o.: Warsaw, Poland. Sedgwick Risk Management & Consultancy (Pvt.) Ltd.: Harare, Zimbabwe. Sedgwick Risk Management (Japan): Tokyo. Sedgwick Russia Ltd.: Moscow. Sedgwick Special Risks Ltd.: London and Witham, England. Sedgwick Sweden A.B.: Stockholm, Sweden. Sedgwick Thai Ltd.: Bangkok, Thailand. Sedgwick Turkey Ltd.: Istanbul, Turkey. Sedgwick UK Ltd.: Birmingham, Bristol, Leeds, Leicester, London, Manchester, Newcastle upon Tyne, Northampton, Norwich, Reading, Redditch, Redhill, Sheffield, Watford and Witham, England; Aberdeen, Edinburgh and Glasgow, Scotland; Cardiff, Wales. Sedgwick Versicherungsmakler Ges mbH: Vienna, Austria. Shariffuddin-Sedgwick (B) Sdn. Bhd.: Kuala Belait, Brunei. Scib Nigeria & Co.: Ibadan, Kaduna and Lagos, Nigeria. Thilly Van Eessel N.V.-S.A., Antwerp, Brussels and Liege, Belgium.

Non-retail brokerage subsidiaries: Arvid Bergvall Inc.: Miami. Claims Inc.: Hartford, Conn. Crump E&S of California Insurance Services Inc.: Glendale, Irvine, San Diego and San Francisco, Calif. Crump Financial Services Inc.: Nashville, Tenn. Crump Insurance Services*: Denver; Casselberry, Fla.; Atlanta; Chicago; Boston; Portland, Ore.; Memphis, Tenn.; Dallas; Houston; Bellevue, Wash. Crump of New York Inc.: New York. Crump Re Inc. of Dallas: Dallas. Reinsurance Solutions Inc.: Seattle. Sedgwick Energy: New York. Sedgwick Energy (Insurance Services) Inc.: Chicago; Dallas; Houston. Sedgwick International Marketing Services Inc., New York. Sedgwick Noble Lowndes: Tempe, Ariz.; Irvine and San Francisco, Calif.; Denver; Dover, Del.; Washington; Fort Lauderdale, Maitland, Naples and West Palm Beach, Fla.; Atlanta; Boise, Idaho; Chicago; Portland, Maine; Boston; Minneapolis/St. Paul, Minn.; Clayton and Kansas City, Mo.; Las Vegas and Reno, Nev.; Roseland, N.J.; Melville, New York and Rochester, N.Y.; Charlotte, N.C.; Oklahoma City; Portland, Ore.; Harrisburg, Philadelphia, Pittsburgh and Warminster, Pa.; Memphis, Tenn.; Dallas; Seattle, Spokane and Yakima, Wash; Puerto Rico. Sedgwick Payne Co.: Dallas.Sedgwick Re Inc.: Los Angeles; Hartford, Conn.; Atlanta; Chicago; Minneapolis/St. Paul, Minn.; New York; Philadelphia; Seattle. Southern Marine & Aviation Inc.: Atlanta; New Orleans; Houston. ACE (Qatar) Ltd. (Lloyd's Agency): Doha, Qatar. Allied Medical Assurance Services Ltd.: London. Arvid Bergvall A/S: Kristiansand and Oslo, Norway. Arvid Bergvall Insurance Brokers A.B.: Gothenburg, Sweden. Cofast-E.B.C. S.A.: Paris. Crump Euings Inc.: Toronto. Cullen Egan Dell Ltd.: Adelaide, Brisbane, Melbourne, Perth and Sydney, Australia. Cullen Egan Dell (NZ) Ltd: Auckland and Wellington, New Zealand. E.W. Payne Ltd.: Sydney, Australia. E.W. Payne Services Ltd.: London and Witham, England. Excess Corredores de Reaseguros S.A.: Santiago, Chile. Grupo Internacional de Reaseguro, Intermediario de Reaseguros S.A. de C.V., Mexico City. Health Care Management Ltd.: Slough, England. Irish Pensions Trust Ltd.: Cork, Dublin and Galway, Ireland. Lynch Insurance Brokers Ltd.: Bridgetown, Barbados. Marinan Dundas S.A.: Buenos Aires, Argentina. Marine Risk Management Services Ltd.: London. Minerva Health Management Ltd: Redditch, England. Noble Lowndes (PNG) Pty. Ltd.: Port Moresby, Papua New Guinea. O.W.J. Schlencker Assuradeuren B.V.: Amsterdam and Rotterdam, Netherlands. Price Forbes Ltd.: London. Price Forbes Asia Pacific Ltd.: Singapore. Probenefits Sedgwick Noble Lowndes Chile S.A.: Santiago, Chile. Reclaim Ltd.: Norwich, England. Sedgwick Ltd.: Norwich, England. Sedgwick Agency Services Ltd: Witham, England. Sedgwick Aviation Ltd: London. Sedgwick Consulting Group (Chile) S.A.: Santiago, Chile. Sedgwick Energy A/S: Oslo, Norway. Sedgwick Energy Ltd.: London. Sedgwick Financial Services Ltd.: Birmingham, Bristol, Cambridge, Croydon, Guildford, Leeds, Leicester, Liverpool, London, Manchester, Newcastle upon Tyne, Norwich, Nottingham, Reading, Redhill, Sheffield, Slough, Solihull, Southampton, Watford and Witham, England; Belfast, Northern Ireland; Aberdeen, Edinburgh and Glasgow, Scotland; Cardiff, Wales. Sedgwick Kazakhstan Ltd.: Almaty, Kazakhstan. Sedgwick Marine & Cargo Ltd.: London. Sedgwick Noble Lowndes: Adelaide, Brisbane, Melbourne, Perth and Sydney, Australia; Antwerp and Brussels, Belgium; Montreal, Toronto and Vancouver, Canada; Frankfurt, Germany; Hong Kong; Amsterdam, Netherlands; Birmingham, Bristol, Croydon, Leeds, London, Manchester, Reading, Slough, Solihull, Watford and Witham, England; Auckland and Wellington, New Zealand; Aberdeen, Edinburgh and Glasgow, Scotland; Madrid, Spain. Sedgwick Noble Lowndes Data Consulting Ltd.: Budapest, Hungary. Sedgwick Noble Lowndes Healthcare Ltd.: Birmingham, Bristol, Leeds, Manchester, Northampton and Slough, England. Sedgwick Noble Lowndes Insurance Services Ltd.: London. Sedgwick Noble Lowndes Ulster Pension Trustees Ltd.: Belfast, Northern Ireland. Sedgwick Norge A/S: Oslo, Norway. Sedgwick Payne Ltd.: London. Sedgwick Payne Brasil Reaseguros Ltda.: Rio de Janeiro, Brazil. Sedgwick Payne Insurance Strategies Ltd. (INSTRAT): London. Sedgwick Reinsurance Intermediaries (Canada) Ltd.: Toronto and Vancouver, Canada. Sedgwick Resseguros e Consultores de Seguros Ltda.: Lisbon and Oporto, Portugal. Sedgwick Venezuela Corredores de Reaseguros C.A.: Caracas, Venezuela. Singel Reinsurance Underwriting B.V.: Amsterdam, Netherlands. Thilly Reinsurance Services S.A.: Brussels, Belgium. Verenigde Reassurantie Makelaars B.V.: Amsterdam, Netherlands.

Licensed excess/surplus broker in: Alabama, Arizona, Arkansas, California, Colorado, Connecticut, Delaware, Florida, Georgia, Hawaii, Idaho, Illinois, Louisiana, Maine, Maryland, Massachusetts, Michigan, Minnesota, Mississippi, Missouri, Nebraska, Nevada, New Hampshire, New Jersey, New Mexico, New York, North Carolina, Ohio, Oklahoma, Oregon, Pennsylvania, South Carolina, Tennessee, Texas, Vermont, Virginia, Washington, Puerto Rico.

Officers: Lord Fanshawe, chairman; Saxon Riley, CEO; W.R. White-Cooper, vice chairman; S.S. Tarrant, finance director; B.O. Healey, CEO-Sedgwick James, U.S.A.

Contact: Julia C. Fish, director-corporate communications.

** Company/subsidiary names may vary slightly in different states or countries.*

Seed-Roberts Agency Inc.

480 Pierce St., Birmingham, Mich. 48012-3027; 810-644-6606; fax: 810-644-6430

	1994	19
Premium volume	$31,995,111	$32,202
Gross revenues	$3,951,387	$4,133
U.S. clients	100%	1
Brokerage: Retail	82.7%	8
U.S. offices	$3,267,797	$3,45
Personal lines	16.3%	1
Invstmt. income	1.0%	
Employees	50	
Offices	1	

Founded: 1962.

Retail brokerage: 100% commissions.

Licensed excess/surplus broker in: M

gan.

Officers: William E. Roberts Sr., ch man; William D. Brunett, president/C William E. Roberts Jr., executive vp; Roberts, senior vp.

Contact: William D. Brunett.

Seitlin & Co.

8125 N.W. 53rd St., Suite 200, Mia Fla. 33166; 305-591-0090; fax: 305-593-6993

	1994	1
Premium volume	$58,366,341	$54,00
Gross revenues	$8,389,530	$8,10
U.S. clients	100%	
Brokerage: Retail	89%	
U.S. offices	$7,466,681	$6,8

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Personal lines	10%	13%
Invstmt. income	1%	2%
Other	NA	1%
Employees	90.5	84.0
Offices	2	2

Founded: 1945.
Retail brokerage: 100% commissions.
Employee benefits: 13% of revenues.
Retail brokerage branches: Seitlin & Co. of Broward Inc., Fort Lauderdale, Fla.
Licensed excess/surplus broker in: Florida.
Officers: Sam Seitlin, chairman; M. Stephen Jackman, president; Robert L. Seitlin, vp/secretary; Lynn Tsucalas, vp/marketing manager; Richard Johnson, Frank Wheeler, vps.
Contact: M. Stephan Jackman.

Shelton Insurance Agency Inc.

1227 Third St., Corpus Christi, Texas 78404; 512-882-5586; fax: 516-882-7935

	1994	1993
Premium volume	$7,044,862	$7,277,046
Gross revenues	$710,102	$775,747
U.S. clients	100%	100%
Brokerage: Retail	90%	90%
U.S. offices	$639,092	$698,172
Personal lines	8%	8%
Invstmt. income	2%	2%
Employees	11	13
Offices	1	1

Founded: 1945.
Retail brokerage: 100% commissions.
Officers: W.J. Shelton, chairman; Robert Foster, vp/secretary/treasurer; J. Michael Hyne, vp.
Contact: W.J. Shelton.

Jordan Shields Insurance Agency Inc.

250 Bel Marin Keys Blvd., Suite E4, Novato, Calif. 94949; 415-382-8585; fax: 415-382-0349

	1994	1993
Premium volume	$19,000,000	$16,000,000
Gross revenues	$700,000	$620,000
U.S. clients	100%	100%
Brokerage: Retail	98%	98%
U.S. offices	$686,000	$607,600
Services	2%	2%
Employees	4	4
Offices	1	1

Founded: 1985.
Retail brokerage: 100% commissions.
Employee benefits: 100% of revenues.
Officers: Jordan D. Shields, president.

The Simkiss Cos.

150 Radnor-Chester Road, St. Davids, Pa. 19087-8710; 610-902-5000; fax: 610-902-5016

	1994*	1993*
Premium volume	$66,455,000	$62,576,000
Gross revenues	$9,011,000	$8,300,000
U.S. clients	100%	100%
Brokerage: Retail	92%	92%
U.S. offices	$8,290,000	$7,636,000
Personal lines	5%	5%
Services	1%	1%
Invstmt. income	2%	2%
Employees	61	61
Offices	1	1

* Fiscal years ending 3/31/95 and 3/31/94.

Founded: 1965.
Retail brokerage: 85% commissions, 15% fees.
Employee benefits: 4% of revenues.
Licensed excess/surplus broker in: Pennsylvania.
Officers: John A. Simkiss, president; Richard J. Decker, William F. Simkiss, William O'Brien, executive vps.
Contact: Daniel B. Norris, vp.

The Sklover Organization/ The Sklover Benefits Group

400 Post Ave., Westbury, N.Y. 11590; 516-333-6011; fax: 516-333-6608

	1994	1993
Premium volume	$19,800,000	$18,000,000
Gross revenues	$2,100,000	$2,000,000
U.S. clients	90%	90%
Non-U.S. clients	10%	10%
Brokerage: Retail	85%	85%
U.S. offices	$1,785,000	$1,700,000
Personal lines	10%	10%
Services	4%	4%
Invstmt. income	1%	1%
Employees	8	9
Offices	2	2

Founded: 1964.
Retail brokerage: 95% commissions, 5% fees.
Employee benefits: 10% of revenues.
Retail brokerage branches: New York.
Officers: Richard Sklover, president; Dominic Repetto, executive vp; Andrew Sklver, James Herrmann, vps.
Contact: Richard Sklover.

Ian Smith Insurance Agency Inc.

14950 Circle Drive, Victorville, Calif. 92392; 619-245-5344; fax: 619-241-3567

	1994	1993
Premium volume	$6,000,000	$6,500,000
Gross revenues	$980,000	$1,050,000
U.S. clients	100%	100%
Brokerage: Retail	60%	57%
U.S. offices	$587,000	$594,000
Personal lines	26%	31%
Services	13%	10%
Other	2%	2%
Employees	15	18
Offices	2	2

Founded: 1917.
Retail brokerage: 88% commissions, 12% fees.
Employee benefits: 14% of revenues.
Retail brokerage branches: Apple Valley Insurance, Apple Valley, Calif.; Hesperia Insurance Services, Hesperia, Calif.
Officers: Daniel E. Smith, president; Susanne Escobedo, CFO; Gisela Saporiti, vp-operations.
Contact: Daniel E. Smith.

Donald F. Smith & Associates

3120 Princeton Pike, Lawrenceville, N.J. 08648; 609-895-1616; fax: 609-895-1511

	1994	1993
Premium volume	$106,000,000	$125,000,000
Gross revenues	$4,872,000	$5,830,000
U.S. clients	100%	100%
Brokerage: Retail	84%	73%
U.S. offices	$4,092,480	$4,255,900
Personal lines	7%	8%
Services	4%	16%
Invstmt. income	5%	3%
Employees	75	107
Offices	3	4

Founded: 1965.
Retail brokerage: 90% commissions, 10% fees.
Employee benefits: 19% of revenues.
Retail brokerage branches: Wallingford, Conn.; Richmond, Va.
Licensed excess/surplus broker in: New Jersey, New York.
Officers: Donald F. Smith, chairman; William B. Stephenson, president; Robert M. Neumann, executive vp; Robert B. Bainbridge, senior vp; Cynthia K. List, vp.
Contact: Robert M. Neumann.

SODARCAN Inc.

1140 de Maisonneuve Blvd. W., Suite 701, Montreal, Quebec H3A 1M8, Canada; 514-288-0100; fax: 514-282-9841

	1994	1993
Premium volume	$640,500,000*	$635,500,000*
Gross revenues	$69,323,328*	$70,531,975*
U.S. clients	7%	8%
Non-U.S. clients	93%	92%
Brokerage: Retail	39%	36%
Non-U.S. offices	$27,036,420*	$25,391,325*
Reinsurance	23%	21%
Personal lines	14%	15%
Services	20%	24%
Invstmt. income	3%	3%
Other	1%	1%
Employees	1,032	1,003
Offices	21	19

* Converted at applicable exchange rates.

Founded: 1972.
Retail brokerage: 90% commissions, 10% fees.
Employee benefits: 16% of revenues.
Acquisitions: Insurance brokerage portfolios of P. Brunet Assurance, Montreal, March 1994.
Retail brokerage branches: Dale Intermediaries Ltd.: Vancouver, British Columbia; Halifax, Novia Scotia; Hamilton, London, Niagara Falls, Ottawa, Sarnia, Toronto and Windsor, Ontario. Dale-Parizeau Inc.: Hull, Jonquiere, Laval, Montreal, Quebec and Sherbrooke, Quebec.
Non-retail brokerage subsidiaries: BEP International Holding Inc.: Montreal. BEP International (Canada) Holding Inc.: Toronto. BEP International Corp.: Minneapolis; Jersey City, New Jersey; Seattle.
Officers: Robert Parizeau, president; Mario Myre, executive vp-insurance brokerage; Marcel Le Houillier, executive vp-actuarial services & employee benefits consulting; Raymond Gilbert, executive vp-reinsurance brokerage; Gilles P. Grenier, senior vp-finance/treasurer; Claudette Leblanc, vp-human resources; Louise Menard, vp-corporate affairs/secretary.
Contact: Gilles P. Grenier.

Special Risk Services Ltd.

America House, 2 America Square, London, EC3N 2SR, England; 44-171-480-7070; fax: 44-171-454-9510

	1994*	1993*
Premium volume	$93,300,000**	$90,300,000**
Gross revenues	$8,900,988**	$10,765,583**
U.S. clients	25%	26%
Non-U.S. clients	75%	74%
Brokerage: Retail	88%	86%
U.S. offices	$2,150,410**	$2,742,562**
Non-U.S. offices	$5,682,460**	$6,515,840**
Reinsurance	3%	3%
Services	2%	2%
Invstmt. income	6%	7%
Other	1%	2%
Employees	60	66
Offices	5	5

* Fiscal years ending 3/31/95 and 3/31/94.
** Converted at applicable exchange rates.

Founded: 1988.
Retail brokerage: 80% commissions, 20% fees.
Retail brokerage branches: SRS Insurance Services Inc., Santa Ana, Calif.; Special Risk Services Inc., New York; Risque & Finance S.A., Paris; Special Risk Services New Zealand Ltd., Auckland, New Zealand.
Licensed excess/surplus broker in: California and New York.
Officers: S.L. Wenman, chairman; J.C. Brooks, president-U.S.A.; J.R. Adams, Group secretary; D.L. Parker, vp-U.S.A.; E. Remus, general manager-France.
Contact: S.L. Wenman.

Starkweather & Shepley Inc.

155 S. Main St., Providence, R.I. 02903; 401-421-6900; fax: 401-272-0180

	1994	1993
Premium volume	$74,000,000	$70,000,000
Gross revenues	$9,123,000	$8,600,000
U.S. clients	100%	100%
Brokerage: Retail	74%	73%
U.S. offices	$6,751,020	$6,278,000
Wholesale	10%	8%
Personal lines	12%	13%
Services	2%	2%
Invstmt. income	2%	4%
Employees	92	82
Offices	3	2

Retail brokerage: 98% commissions, 2% fees.
Employee benefits: 5% of revenues.
Acquisitions: John P. Slade, Fall River, Mass., June 1994.
Retail brokerage branches: John P. Slade & Son Insurance Agency Inc., Fall River, Mass.; Starkweather & Shepley Insurance Inc., Westerly, R.I.
Non-retail brokerage subsidiaries: RISCO Inc.
Licensed excess/surplus broker in: Maine, Massachusetts, New Hampshire, Rhode Island, Vermont.
Officers: Richard A. Bentfield, president; Fred R. Tripp, executive vp; William P. McGillivray, treasurer; Natale P. Calamis, vp.
Contact: Richard A. Bentfield.

Steel Burrill Jones Group P.L.C.

2 Minster Court, Mincing Lane, London EC3R 7FT, England; 44-171-816-2000; fax: 44-171-816-2111

	1994	1993
Premium volume*	$597,480,000	$600,800,000
Gross revenues	$75,374,400	$77,052,600
U.S. clients	10%	15%
Non-U.S. clients	90%	85%
Brokerage: Retail*	31%	28%
Non-U.S. offices*	$23,439,600	$21,628,800
Wholesale*	22%	21%
Reinsurance*	17%	20%
Personal lines*	8%	8%
Services*	13%	11%
Invstmt. income	9%	12%
Employees	807	822
Offices	11	12

* BI estimates.
Figures converted at applicable exchage rates.

Founded: 1977.
Retail brokerage: 75% commissions, 25% fees.
Employee benefits: 11% of revenues.
Acquisitions: J.C. Graves & Co. Ltd., July 1994; Interman Ltd., January 1995; SBJ Actuaries & Consultants Ltd, June 1994; SBJ P&I Ltd., London, March 1994.
Retail brokerage branches: Devitt Insurance Services Ltd.: London. SBJ Actuaries and Consultants Ltd., Reading, England; SBJ Benefit Consultants Ltd., Birmingham, Bristol, Leatherhead, London and Stockport, England; SBJ Employment & Safety Services Ltd., Conventry, England; SBJ Stephenson Ltd., Birmingham, Bristol, Gravesend, London, New Malden and Stockport, England.
Non-retail brokerage subsidiaries: ISU (Europe) Ltd., Meacock Samuelson & Devitt Ltd., Nelson Steavenson Bloodstock Ltd., Steel Burrill Jones Ltd., SBJ International, SBJ Marine Reinsurance Brokers, SBJ Marine & Energy, SBJ P&I Ltd., SBJ Professional Risk, SBJ Speciality, SBJ TLO, London.
Officers: Clive Richards, chairman; George Boden, CEO; Christopher Birrell, finance director; M.E. Blackburn, O.H.J. Stocken, non-executives.
Contact: Peter Allan.

Sterling & Sterling Inc.

161 Great Neck Road, Great Neck, N.Y. 11021; 516-773-8605; fax: 516-487-0372

	1994	1993
Premium volume	$60,000,000	$58,000,000
Gross revenues	$7,910,840	$7,827,509
U.S. clients	99%	100%
Non-U.S. clients	1%	NA
Brokerage: Retail	87%	87%
U.S. offices	$6,882,431	$6,809,933
Personal lines	5%	5%
Services	7%	7%
Invstmt. income	1%	1%
Employees	84	85
Offices	1	1

Founded: 1932.
Retail brokerage: 96% commissions, 4% fees.
Employee benefits: 10% of revenues.
Licensed excess/surplus broker in: New York.
Officers: David A. Sterling, president; Howard R. Meyers, senior vp; Mark Kaplan, Ann Frantzen, Carol Schindell, vps.
Contact: Mark Kaplan.

DeWitt Stern Group Inc. (DeWitt Stern Group Planning Services L.L.C.)

420 Lexington Ave., New York, N.Y. 10170; 212-867-3550; fax: 212-983-6483

	1994	1993
Gross revenues	$7,250,000	$7,438,000
U.S. clients	90%	90%
Non-U.S. clients	10%	10%
Brokerage: Retail	76%	76%
U.S. offices	$4,960,000	$5,087,600
Non-U.S. offices	$550,000	$565,288
Wholesale	1%	1%
Personal lines	22%	22%
Services	1%	1%
Employees	77	86
Offices	3	4

Founded: 1899.
Retail brokerage: 99% commissions, 1% fees.
Employee benefits: 5% of revenues.
Retail brokerage branches: DeWitt Stern Fisher Inc., Darien, Conn.; DeWitt Stern Imperatore Ltd., Weehawken, N.J.
Licensed excess/surplus broker in: New Jersey, New York.
Officers: Jolyon F. Stern, president/CEO; Gilbert Andrus, executive vp; James L. Lippe, senior vp; Bertram B. Fisher, Frank B. McKown, vps; Jay Hochfelsen, president-DeWitt Stern Group Planning Services L.L.C.; David Flecker, executive vp-DeWitt

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Continued from previous page
Stern Group Planning Services L.L.C.; David O'Dowd, managing director-DeWitt Stern Imperatore Ltd.
Contact: Gilbert Andrus.

John Stuart & Co. Inc.

4427 S. Polaris Ave., Las Vegas, Nev. 89103; 702-736-8644; fax: 702-736-8217

	1994*	1993*
Premium volume	$44,000,000	$38,000,000
Gross revenues	$1,950,000	$1,500,000
U.S. clients	100%	100%
Brokerage: Retail	90%	90%
U.S. offices	$1,755,000	$1,350,000
Services	10%	10%
Employees	18	15
Offices	2	1

* Fiscal years ending 1/31/95 and 1/31/94.

Founded: 1991.
Parent: Insurance Services Corp. of Nevada.
Retail brokerage: 50% commissions, 50% fees.
Employee benefits: 95% of revenues.
Licensed excess/surplus broker in: Nevada.
Officers: John A. Stuart, president; Judith Ann Banks, vp-sales; Tina M. Bratton, vp-administration; Alice E. Lynwalter, secretary; Sheila M. Kuller, treasurer.
Contact: Alice E. Lynwalter.

Summit Global Partners Inc.

3102 Oak Lawn Ave., Suite 700, Dallas, Texas 75219; 214-520-9418; fax: 214-526-5660

	1994*	1993
Gross revenues	$6,610,000	NA
U.S. clients	92%	NA
Non-U.S. clients	8%	NA
Brokerage: Retail	86%	NA
U.S. offices	$5,684,600	NA
Personal lines	5%	NA
Services	6%	NA
Invstmt. income	3%	NA
Employees	51	NA
Offices	6	NA

* Fiscal years ending 2/28/95. Summit Global Partners is a newly founded holding company. All figures reflect 1994 data of acquired companies.

Founded: 1995.
Retail brokerage: 91% commissions, 9% fees.
Employee benefits: 6% of revenues.
Acquisitions: Bain Hogg Robinson, Burlington, N.C., January 1995; Bain Hogg Robinson, Hamilton, Bermuda, January 1995; Bain Hogg Robinson, Milwaukee, February 1995; David Locker & Associates, Atlanta, June 1995.
Retail brokerage branches: Atlanta; Chicago; Burlington, N.C.; Dallas; Milwaukee; Hamilton, Bermuda.
Licensed excess/surplus broker in: Georgia, Illinois, North Carolina, Texas, Wisconsin.
Officers: Gary R. Griffith, chairman/CEO; Robert Hogan, president/COO; C.F.Brady, executive vp/CFO.
Contact: Gary R. Griffith.

T

Tanenbaum-Harber Co. Inc.

320 W. 57th St., New York, N.Y. 10019; 212-603-0210; fax: 212-603-0397

	1994	1993
Premium volume	$190,000,000	$185,000,000
Gross revenues	$19,800,000	$19,600,000
U.S. clients	99%	99%
Non-U.S. clients	1%	1%
Brokerage: Retail	83%	83%
U.S. offices	$16,134,000	$16,018,000
Non-U.S. offices	$300,000	$250,000
Wholesale	5%	5%
Reinsurance	2%	2%
Personal lines	4%	4%
Services	4%	4%
Invstmt. income	2%	2%
Employees	172	161
Offices	6	6

Founded: 1860.
Retail brokerage: 91% commissions, 9% fees.
Employee benefits: 10% of revenues.
Retail brokerage branches: San Diego; Miami; Boston; D.R. Reiff & Associates, New York.
Non-retail brokerage subsidiaries: Common Market Agency Inc., New York and London; Tanenbaum-Harber Reinsurance Intermediaries, New York; Thesco Consulting Actuaries, New York.
Licensed excess/surplus broker in: New York.
Officers: Robert K. Harris, chairman; Walter L. Harris, president; Alan Rovin, executive vp; James Mannino, Robert V. Donovan, Ronald S. Hanstein, Robert J. Pulver, senior vps; Randa Globerman, treasurer.
Contact: Robert K. Harris or Walter L. Harris.

Texas Insurance Agency Inc.

5368 Fredericksburg Road, Suite 300, San Antonio, Texas 78229; 210-366-0671; fax: 210-524-2087

	1994	1993
Premium volume	$65,000,000	$50,000,000
Gross revenues	$7,200,000	$5,000,000
U.S. clients	100%	100%
Brokerage: Retail	68%	62%
U.S. offices	$4,900,000	$3,100,000
Personal lines	26%	31%
Services	1%	3%
Invstmt. income	5%	4%
Employees	125	100
Offices	4	4

Founded: 1973.
Retail brokerage: 99% commissions, 1% fees.
Employee benefits: 10% of revenues.
Acquisitions: Lawrence Ilfrey & Co., May 1995.
Retail brokerage branches: Austin, Houston and Uvalde, Texas.
Licensed excess/surplus broker in: Texas.
Officers: Joe Minihan, president; Greg Stevens, vp/CFO; Rick Clements, president-Austin agency; Jim Carlisle, president-Uvalde agency; Mike Minihan, manager-Houston agency.
Contact: Joe Minihan.

Thilman & Filippini

1 E. Wacker Drive, Suite 1800, Chicago, Ill. 60601; 312-527-9500; fax: 312-527-9509

	1994	1993
Premium volume	$55,300,000	$50,000,000
Gross revenues	$6,100,000	$5,850,000
U.S. clients	100%	100%
Brokerage: Retail	85%	86%
U.S. offices	$5,440,000	$5,031,000
Personal lines	5%	5%
Services	8%	7%
Invstmt. income	2%	2%
Employees	61	60
Offices	1	1

Founded: 1980.
Retail brokerage: 90% commissions, 10% fees.
Employee benefits: 20% of revenues.
Licensed excess/surplus broker in: Illinois.
Officers: E. Thomas Thilman, partner; Thomas W. Filippini, partner.
Contact: E. Thomas Thilman.

Thoits Insurance Service Inc.

250 Cambridge Ave., 3rd Floor, Palo Alto, Calif. 94306-0190; 415-324-0606; fax: 415-853-3882

	1994*	1993*
Premium volume	$60,000,000	$60,000,000
Gross revenues	$5,588,896	$6,068,477
U.S. clients	100%	100%
Brokerage: Retail	87%	84%
U.S. offices	$4,862,340	$5,097,521
Personal lines	8%	12%
Services	2%	2%
Invstmt. income	3%	2%
Employees	54	55
Offices	2	2

* Fiscal years ending 1/31/95 and 1/31/94.

Founded: 1891.
Retail brokerage: 98% commissions, 2% fees.
Employee benefits: 17% of revenues.
Retail brokerage branches: San Francisco.
Officers: Donald A. Way, CEO; Kenneth K. Peterson, COO.
Contact: Donald A. Way, 415-617-0600.

Timberline Insurance Managers Inc.

301 Congress Ave., 15th Floor, Austin, Texas 78701; 512-472-9297; fax: 512-472-9468

	1994	1993
Premium volume	$235,000,000	$268,000,000
Gross revenues	$17,524,840	$20,217,462
U.S. clients	100%	100%
Brokerage: Retail	38.5%	24.8%
U.S. offices	$6,741,639	$5,025,263
Wholesale	4.9%	2.7%
Personal lines	8.0%	7.7%
Services	1.2%	1.6%
Invstmt. income	1.7%	2.9%
Other	45.7%	60.3%
Employees	107	111
Offices	5	5

Founded: 1957.
Parent: Lumbermen's Investment Corp.
Retail brokerage: 88.8% commissions, 11.2% fees.
Employee benefits: 0.9% of revenues.
Retail brokerage branches: Timberline Insurance Services Inc., Baytown, Dallas, El Paso and San Antonio, Texas.
Licensed excess/surplus broker in: Texas.
Officers: Gary Cooper, president; Hal Shults, executive vp; Gary Johnson, Pat Bridgwater, vps; Brian Elkouri, treasurer.
Contact: Brian Elkouri.

Tower Chisholm Ferguson Ltd.

2 Lansing Square, Suite 901, Willowdale, Ontario M2J 4P8, Canada; 416-495-0463; fax: 416-495-7274

	1994*	1993*
Premium volume	$12,0..6,749**	$12,304,000**
Gross revenues	$1,9.0,559**	$1,998,400**
U.S. clients	9%	8%
Non-U.S. clients	91%	92%
Brokerage: Retail	62%	63%
Non-U.S. offices	$1,1.9,842**	$1,258,992**
Wholesale	3%	3%
Personal lines	32%	30%
Services	1%	2%
Invstmt. income	2%	2%
Employees	22	19
Offices	1	1

* Fiscal years ending 14/31/94 and 10/31/93.
** Converted at applicable rates.

Founded: 1928.
Retail brokerage: 98% commissions, 2% fees.
Officers: Herbert Schwartze, chairman; Darryl D. Ticknor, president; Debbie Massa, vp.
Contact: Darryl D. Ticknor.

Transportation Insurance Managers

11300 N. Central, Suite 207, Dallas, Texas 75243; 214-373-4566

	1994	1993
Premium volume	$10,800,000	$9,850,000
Gross revenues	$946,992	$788,000
U.S. clients	100%	100%
Brokerage: Retail	98.2%	98.6%
U.S. offices	$929,946	$776,968
Invstmt. income	1.8%	1.4%
Employees	8	8
Offices	4	4

Founded: 1983.
Retail brokerage: 100% commissions.
Employee benefits: 1% of revenues.
Retail brokerage branches: St. Louis; Memphis, Tenn.; Houston.
Officers: Dale Weatheread, president; Bob Hunt, vp/secretary.
Contact: Bob Hunt.

U

USI Insurance Services Corp.

235 Pine St., 10th Floor, San Francisco, Calif. 94104; 415-983-0100; fax: 415-983-0101

	1994	1993
Premium volume	$87,500,000	NA
Gross revenues	$10,050,000	NA
U.S. clients	100%	NA
Brokerage: Retail	84.5%	NA
U.S. offices	$8,492,250	NA
Personal lines	12.5%	NA
Invstmt. income	2.0%	NA
Other	1.0%	NA
Employees	194	NA

Founded: 1994.
Retail brokerage: 100% commissions.
Employee benefits: 2.5% of revenues.
Acquisitions: Assn. Growth Enterprises Inc., Landover, Md., June 1995; Max Behn & Associates Inc., Sherman Oaks, Calif., July 1994; Benefit Plan Administrators Inc., Melville, N.Y., July 1995; Clinton L. Booth Inc., Sherman Oaks, Calif., April 1995; Campbell, Galt & Newlands, Portland, Ore., February 1995; El Camino Insurance Agency, Vista, Calif., May 1995; Compensation Management Inc., Exton, Pa., January 1995; Flannigan, O'Hara, Gentry & Associates, Fort Washington, Pa., April 1995; Flannigan, O'Hara, Gentry & Associates-Allentown, Allentown, Pa., July 1995; Julius Moll & Son Inc., Chicago, June 1995; Progressive Plan Administrators Inc., New York, March 1995; TriWest Insurance Services, Sherman Oaks, Calif., June 1994; USI California Insurance Services, San Francisco, May 1995; Ken Ulis & Co., Sherman Oaks, Calif., June 1995; United California Insurance Agency, North Hollywood, Calif., May 1995; WRIMS Corp., Exton, Pa., August 1994 (including Warren Welsh & Thomson, Exton, Pa.; InterNational Rental Insurance Inc., Rental Industry Services and Insurance Risk Managers Inc., San Clemente, Calif.), for total annualized revenues of $61.4 million.
Licensed excess/surplus broker in: California.
Officers: Bernard H. Mizel, chairman/CEO; John Addeo, executive vp/COO; Michael Leonard, senior vp/CFO; Robert Norwood, vp-sales/marketing; Dennis Poggenburg, vp-administration.
Contact: Robert Norwood.

UVW/Elizabeth Group

1 Executive Drive, Somerset, N.J. 08875; 908-469-3000; fax: 908-271-9573

	1994	1993
Premium volume	$82,300,000	NA
Gross revenues	$11,200,000	$9,800,000
U.S. clients	97%	96%
Non-U.S. clients	3%	4%
Brokerage: Retail	64.0%	66.0%
U.S. offices	$7,168,000	$6,468,000
Personal lines	20.0%	18.0%
Services	12.0%	10.0%
Invstmt. income	1.5%	2.0%
Other	2.5%	4.0%
Employees	87	90
Offices	2	2

Founded: 1994.
Retail brokerage: 92% commissions, 8% fees.
Employee benefits: 8.5% of revenues.
Retail brokerage branches: Cranford, N.J.
Licensed excess/surplus broker in: New Jersey.
Officers: John N. Voorhees III, chairman; Stephen A. Warner, chairman-executive committee; Donald Readlinger II, president; Robert Canarick, CFO/general counsel.
Contact: Stephen A. Warner.
UVW/Elizabeth Group is a merger between Ulrich Voorhees Warner Associates and Elizabeth Agency.

V

Valley Insurance Service/ISU

861 S. Oak Park Road, Covina, Calif. 91723; 818-966-3664; fax: 818-966-3895

	1994	1993
Premium volume	$15,000,000	$12,800,000
Gross revenues*	$1,650,000	$1,300,000
U.S. clients	100%	100%
Brokerage: Retail	90%	88%
U.S. offices	$1,438,000	$1,170,000
Personal lines	8%	10%
Invstmt. income	2%	2%
Employees	14	1
Offices	5	

Founded: 1940.
Retail brokerage: 99% commissions.
Employee benefits: 13% of revenues.
Acquisitions: Bowker-Hale, Laguna Hills, Calif., July 1992; Ed Evers, Orange, Calif., August 1993; Dennis Monahan, Yorba Linda, Calif., August 1993; Ben Suddock, Ventura, Calif., May 1994.
Retail brokerage branches: Scottsdale, Ariz.; Laguna Hills, Escondido and Ventura, Calif.
Officers: Harold J. Borak, president; Barbara J. Borak, vp; Cindy Cole, treasurer.
Contact: Harold Borak.

Van Beurden Insurance Services Inc.

1600 Draper St., Kingsburg, Calif. 93631-1911; 209-897-2975; fax: 209-897-4070

	1994	1993
Premium volume	$116,321,141	$91,451,67
Gross revenues	$12,075,031	$11,179,9
U.S. clients	100%	100
Brokerage: Retail	80%	82
U.S. offices	$9,660,024	$9,167,5
Wholesale	5%	3
Personal lines	8%	8
Invstmt. income	7%	7
Employees	115	1
Offices	13	

Founded: 1934.
Retail brokerage: 98% commissions, 2 fees.
Employee benefits: 9% of revenues.
Retail brokerage branches: Alpine, Cam thers, Fresno, Los Osos, Modesto, Paso Rob les, San Bernardino, Visalia and Woodlan Calif.; Atlanta; Portland, Ore.; Seattl Wash.
Licensed excess/surplus broker in: Cal fornia, Oregon.
Officers: William J. Van Beurden, pres dent; Steven C. Wigh, senior vp; John Chou, CFO; Donald K. Bingham, presiden Van Beurden Washington Corp.; Michael J James, president-wholesale divisicn.
Contact: Steven C. Wigh.

Truman Van Dyke Co.

6255 Sunset Blvd., Suite 1401, Hollywood, Calif. 90028; 213-462-3300; fax: 213-462-4857

	1994	1993
Premium volume	$9,556,256	$8,778,4
Gross revenues	$1,868,268	$1,310,5
U.S. clients	99%	98
Non-U.S. clients	1%	2
Brokerage: Retail	82%	74
U.S. offices	$1,531,980	$969,7
Wholesale	18%	26
Employees	18	
Offices	1	

Founded: 1953.
Retail brokerage: 96% commissions, 4 fees.
Licensed excess/surplus broker in: Cal fornia.
Officers: Truman Van Dyke Jr., presider Rose Van Dyke, chairman.
Contact: Truman Van Dyke Jr.

Van Gilder Insurance Corp.

700 Broadway, Denver, Colc. 80203; 303-837-8500; fax: 303-831-5295

	1994	1993
Premium volume	$104,000,000	$99,000,0
Gross revenues	$14,675,000	$13,860,0
U.S. clients	100%	100
Brokerage: Retail	73%	75
U.S. offices	$10,000,000	$10,000,0
Non-U.S. offices	$713,000	$395,0
Personal lines	12%	12
Invstmt. income	3%	5
Other	12%	8
Employees	150	1
Offices	4	

Founded: 1905.
Retail brokerage: 98% commissions, 2 fees.
Employee benefits: 6% of revenues.
Retail brokerage branches: Sterling, Col Kansas City, Kan.; Casper, Wyo.
Licensed excess/surplus broker in: N tionwide.
Officers: Dell Van Gilder, preside Henry Higginbottom, CFO; Jerry Ray, CO Velma Lane, senior vp; Jim Hayes, vp.
Contact: Dell Van Gilder.

Vidal & Rodriguez Inc.

Capital Center Building, Suite 501, 3 Arterial Hostos Ave., Hato Rey, P.R. 00918; 809-751-7610; fax: 809-763-2810

	1994*	199
Premium volume	$27,000,000	$22,000,0
Gross revenues	$2,250,000	$2,100,0
U.S. clients	100%	10
Brokerage: Retail	94.0%	94.5
U.S. offices	$2,115,000	$1,984,5
Wholesale	1.0%	1.0
Personal lines	2.0%	2.5
Services	2.0%	1.5
Invstmt. income	1.0%	1.0
Employees	18	
Offices	1	

* Fiscal years ending 6/30/95 and 6/30/94.

Founded: 1986.
Retail brokerage: 98% commissions, 2 fees.
Employee benefits: 15% of revenues.
Continued on next pa



ntinued from previous page

Licensed excess/surplus broker in: Puerto
co.
Officers: Luis Rodriguez, president; Diego
dal, executive vp.
Contact: Luis Rodriguez.

/allace Welch & Willingham

3810 16th St., St. Petersburg, Fla. 33703; 813-522-7777; fax: 813-521-2902

	1994	1993
emium volume	$32,500,000	$33,000,000
oss revenues	$3,600,000	$3,600,000
U.S. clients	99%	99%
Non-U.S. clients	1%	1%
okerage: Retail	73%	70%
U.S. offices	$2,628,000	$2,520,000
rsonal lines	24%	27%
stmt. income	2%	2%
ier	1%	1%
ployees	49	48
ices	1	1

Founded: 1925.
Retail brokerage: 98% commissions, 2%
s.
Employee benefits: 16% of revenues.
Licensed excess/surplus broker in: Flor-
.
Officers: John I. Welch, chairman; Wey-
n Willingham, president; Robert Stam-
ugh, CEO.
Contact: Stanley B. Shreve, vp.

rthur A. Watson & Co. Inc.

225 Spring St., Wethersfield, Conn. 06109; 203-563-8111; fax: 203-563-5201

	1994	1993
mium volume	$82,000,000	$73,445,000
ss revenues	$8,546,741	$7,194,000
J.S. clients	100%	100%
erage: Retail	64%	56%
J.S. offices	$5,469,914	$4,028,640
sonal lines	20%	26%
stmt. income	1%	1%
ier	15%	17%
ployees	86	84
ices	1	1

ounded: 1929.
etail brokerage: 85% commissions, 15%
s.
mployee benefits: 14% of revenues.
icensed excess/surplus broker in: Con-
ticut.
Officers: Thomas A. Willsey, president;
er E. Peterson, Elliot H. Levine, Stephen
Gass, executive vps; Alan S. Currie, CFO.
Contact: Thomas A. Willsey.

elsch, Flatness & Lutz Inc.

701 Market St., Suite 600, St. Louis, Mo. 63101; 314-436-2399; fax: 314-342-7170

	1994*	1993*
mium volume	$49,000,000	$42,000,000
ss revenues	$6,300,000	$5,200,000
.S. clients	99%	99%
on-U.S. clients	1%	1%
erage: Retail	92.5%	92.0%
.S. offices	$5,796,000	$4,784,000
onal lines	5.0%	6.0%
ices	1.3%	1.2%
tmt. income	1.2%	0.8%
loyees	52	49
es	1	1

cal years ending 5/31/95 and 5/31/94.
ounded: 1979.
etail brokerage: 85% commissions, 15%
.
mployee benefits: 5% of revenues.
icensed excess/surplus broker in: Illinois,
souri.
fficers: Dennis D. Flatness, chairman;
mas R. Welsch, president/treasurer;
nis W. Lutz, executive vp/secretary;
mas H. Etling, executive vp/COO.

harton/Lyon & Lyon

101 S. Livingston Ave., Livingston, N.J. 07039; 201-992-5775; ax: 201-992-6660

	1994*	1993*
ium volume	NA	NA
s revenues	$8,698,000	$8,565,000
S. clients	100%	100%
erage: Retail	87%	87%
S. offices	$7,567,260	$7,451,550
onal lines	12%	12%
mt. income	1%	1%
loyees	80	90
es	5	3

ounded: 1912.
etail brokerage: 94% commissions, 6%
.
mployee benefits: 9% of revenues.
equisitions: Keating Insurance, Pleasant,
December 1994; Jonathan Kilmer
ncy, North Brunswick, N.J., January
.
etail brokerage branches: Keating Insur-
, Point Pleasant, N.J.; Jonathan Kilmer
ncy, North Brunswick, N.J.; Wharton/
ntic, Oakhurst, N.J.; Wharton Financial,
ngston, N.J.
fficers: Albert L. Klein, chairman/CEO;
ard T. Hebert, president/COO.
ntact: Albert L. Klein.

Willis Corroon Group P.L.C.

10 Trinity Square, London EC3P 3AX, England; 44-171-488-8111; fax: 44-171-488-8223

	1994	1993
Premium volume*	$10,724,000,000	$10,514,000,000
Gross revenues*	$1,087,260,400	$1,056,506,800
U.S. clients	54%	59%
Non-U.S. clients	46%	41%
Brokerage: Retail	44%	43%
U.S. offices*	$330,912,000	$331,942,000
Non-U.S. offices*	$150,136,000	$126,168,000
Wholesale	22%	18%
Reinsurance	12%	11%
Personal lines	5%	5%
Services	10%	10%
Invstmt. income	6%	7%
Other	1%	6%
Employees**	11,283	11,110
Offices	168	175

* Converted at applicable rates. ** Excludes underwriting staff.

Founded: 1828.
Retail brokerage: 74% commissions, 26% fees.
Employee benefits: 10% of revenues.
Acquisitions: Global Special Risks Inc., New Orleans, September 1994; International Relocation Insurance Services Inc. (IRIS), Vienna, Va., January 1994; Richard Oliver Holdings (40% acquired), Melbourne, Australia, April 1994; Willis Corroon McNicoll Ltd., Auckland, New Zealand, January 1994.
Retail brokerage branches: Willis Corroon: Fairbanks, Birmingham, Mobile and Montgomery, Ala.; Anchorage, Alaska; Phoenix and Tucson, Ariz.; Glendale, Sacramento, San Diego, San Francisco, San Jose and Santa Ana, Calif.; Denver; Farmington, Conn.; Tampa and Winter Haven, Fla.; Atlanta; Boise, Idaho; Chicago and Naperville, Ill.; New Orleans; Bethesda and Hunt Valley, Md.; Boston; Grand Rapids and Livonia, Mich.; Minneapolis; St. Louis; Rochester, N.H.; New Hyde Park and New York, N.Y.; Chapel Hill and Charlotte, N.C.; Cleveland and Dublin, Ohio; Eugene and Portland, Ore.; Bethlehem, Pittsburgh and Radnor, Pa.; Columbia and Greenville, S.C.; Chattanooga, Knoxville and Nashville, Tenn.; Dallas, Fort Worth and Houston, Texas; Salt Lake City; Vienna, Va.; Burlington, Vt.; Seattle; Milwaukee. Willis Corroon Ltd.: Albury, Adelaide, Brisbane, Hobart, Melbourne, Perth and Sydney, Australia. C. Wuppesahl & Co.: Vienna, Austria. Willis Faber Bahrain WLL: Manama, Bahrain. Assaubra S.A.: Antwerp, Brussels and Kortrijk, Belgium. Willis Corroon (Bermuda) Ltd.: Hamilton, Bermuda. York S.A.: Belo Horizonte, Recife, Rio de Janeiro, Salvador, Sao Jose dos Campos, Sao Paulo, Vitoria, Campinas and Blumenau, Brazil. Willis Faber Insurance Brokers (B) Sdn. Bhd.: Bandar Seri Begawan, Brunei Darussalam. Willis Corroon Melling Inc.: Edmonton, Montreal, Ottawa, Vancouver, Toronto, Sainte Foy, Cloverdale, White Rock and Langley, Canada. Willis Corroon Czechoslovakia: Prague, Czechoslovakia. Willis Corroon A/S: Copenhagen, Denmark. Willis Corroon France S.A.: Paris. C. Wuppesahl & Co. Assekuranzmakler: Bremen, Berlin, Chemnitz, Duesseldorf, Frankfurt, Leipzig and Munich, Germany. Willis Faber (Hellas) S.A.: Athens, Greece. Willis Faber (Far East) Ltd.: Hong Kong. Tower Insurance & Reinsurance Services (India) Pvt. Ltd.: Bombay, New Delhi, Madras and Calcutta, India. Willis Corroon Ireland Ltd.: Dublin, Ireland. UTA SpA: Florence, Genoa, Milan, Turin and Vicenza, Italy. Willis Corroon Japan Ltd.: Tokyo. Willis Corroon Management (Luxembourg) S.A.: Luxembourg. Willis Faber (Malaysia) Sdn. Bhd.: Kuala Lumpur, Malaysia. Scheuer Insurance Brokers: Amsterdam and Velsen-Noord, Netherlands. Willis Corroon Ltd.: Auckland, Christchurch and Wellington, New Zealand. CISCO: Warsaw, Poland. Willis Faber Ltda.: Lisbon, Oporto and Portimao, Portugal. Willis Corroon (CIS): Moscow. Willis Faber (PTE) Ltd.: Singapore. S & C Correduria de Seguros S.A.: Barcelona, Bilbao, Madrid, Santander, Seville and Valencia, Spain. Insurance Services International (Pte.) Ltd.: Colombo, Sri Lanka. Willis Faber A.B.: Gothenburg and Stockholm, Sweden. C. Wuppesahl & Co. Assekuranzmakler: Zurich, Switzerland. Multi-Risk Consultants (Thailand) Ltd.: Bangkok, Thailand. Al-Futtaim Willis Faber (Pte.) Ltd.: Dubai, United Arab Emirates. Willis Corroon: Aberdeen, Abingdon, Belfast, Birmingham, Bristol, Cardiff, Cheltenham, Douglas, Dundee, Edinburgh, Glasgow, Guernsey, Haverfordwest, Hemel Hempstead, Hinckley, Ipswich, Kingston upon Thames, Leeds, Leicester, Liverpool, London, Maidstone, Manchester, Newcastle, Newmarket, Nottingham, Preston, Reading, Sheffield, Southampton and Wolverhampton, United Kingdom. Willis Corroon (Pvt.) Ltd.: Bulawayo and Harare, Zimbabwe.
Non-retail brokerage subsidiaries: CIIA (California Institutional Insurance Agency): San Diego and Phoenix. W.F. Corroon: Carson, Glendale, San Diego and San Francisco, Calif.; Stamford, Conn.; Washington; Atlanta; New Orleans; Baltimore; St. Louis; Las Vegas; Cleveland; Pittsburgh; Nashville and Knoxville, Tenn.; Dallas; Seattle; Belfast, Birmingham, Bristol, Cardiff, Glasgow, Hemel Hempstead, Ipswich, Kingston upon Thames, Leeds, London, Maidstone, Manchester, Reading and Thatcham, United Kingdom. Global Special Risks: San Francisco; Metairie, La.; New York; Dallas and Houston. McAlear Associates: Grand Rapids, Mich.; Cleveland, Ohio. PENCO/WCASC (Public Entities National Co./Willis Corroon Administrative Services Corp.): Birmingham and Mobile, Ala.; Phoenix; San Diego, San Jose and Stockton, Calif.; Altamonte Springs and Orlando, Fla.; Atlanta; Honolulu; Aurora, Ill.; Indianapolis; Bettendorf, Iowa; Topeka and Wichita, Kan.; Lexington, Louisville, Owensboro and Pikeville, Ky.; Baton Rouge, La.; Hunt Valley, Md.; Lansing and Livonia, Mich.; Jackson, Miss.; Helena, Mont.; Jefferson City and St. Louis, Mo.; Omaha, Neb.; Las Vegas and Reno, Nev.; Albuquerque, N.M.; Albany, N.Y.; Cary, Charlotte and Raleigh, N.C.; Worthington, Ohio; Oklahoma City; Harrisburg and Radnor, Pa.; Nashville, Tenn.; Dallas, San Antonio and Waco, Texas; Richmond, Va.; Kent, Seattle and Tukwila, Wash.; Milwaukee and Mukwonago, Wis.; Worland, Wyo. PLUM (Professional Liability Underwriting Managers): Eden Prairie, Mich. Stewart Smith: Phoenix; Glendale and San Francisco, Calif.; Farmington, Conn.; Tampa, Fla.; Chicago; Detroit and Southfield, Mich.; Cedar Knolls, N.J.; New York; Eugene, Ore.; Philadelphia; Nashville, Tenn.; Dallas. Willis Corroon Management: Burlington, Vt.; Hamilton, Bermuda; St. Peter Port, Guernsey; Dublin, Ireland; Douglas, Isle of Man; Luxembourg. Willis Faber & Dumas Ltd.: Manama, Bahrain; Hamilton, Bermuda; Bandar Seri Bagawan, Brunei; Montreal and Vancouver, Canada; Copenhagen, Denmark; Paris; Athens, Greece; Hong Kong; Tokyo; Beirut, Lebanon; Kuala Lumpur, Malaysia; Mexico City; Lima, Peru; Singapore; Seoul, South Korea; Madrid, Spain; Zurich, Switzerland; Taipei, Taiwan; London, Ipswich and Billericay, United Kingdom; Caracas, Venezuela. Willis Faber North America Inc.: San Francisco; Stamford, Conn.; Atlanta; Chicago; Minneapolis; New York; Stoney Creek, N.C.; Philadelphia.
Licensed excess/surplus broker in: Stewart Smith Group Inc. (subsidiary) is licensed in all states.
Officers: Roger J. Elliott, executive chairman; Richard M. Miller, vice chairman; J. Max P. Taylor, COO; Kenneth H. Pinkston, chairman/CEO-Willis Corroon Americas/Willis Corroon Corp.
Contact: Peter R. Stevens, head-corporate communications, 44-171-481-7045; fax: 44-171-481-7096.

Wisconsin Insurance Management Inc.

300 Wisconsin Ave., P.O. Box 1630, Waukesha, Wis. 53187; 414-542-8822; fax: 414-542-9750

	1994	1993
Premium volume	$140,000,000	$117,000,000
Gross revenues	$8,367,753	$7,754,000
U.S. clients	100%	100%
Brokerage: Retail	51%	53%
U.S. offices	$4,267,554	$4,109,620
Wholesale	1%	1%
Personal lines	23%	22%
Services	3%	3%
Other	22%	21%
Employees	84	76
Offices	2	2

* Fiscal years ending 6/30/94 and 6/30/93.

Founded: 1978.
Parent: First Financial Corp.
Retail brokerage: 95% commissions, 5% fees.
Employee benefits: 11% of revenues.
Licensed excess/surplus broker in: Wisconsin.
Officers: Robert Toerpe, president; Darwin Matter, vp-operations; Jeff Ashley, senior vp-sales; David Petersen, vp-commercial lines.
Contact: Robert Toerpe or David Petersen.

Wisenberg Insurance & Risk Management

24 Greenway Plaza, 11th Floor, Houston, Texas 77046-2401; 713-507-9476; fax: 713-507-9432

	1994*	1993*
Premium volume	$80,000,000	$80,000,000
Gross revenues	$7,000,000	$7,000,000
U.S. clients	100%	100%
Brokerage: Retail	64%	69%
U.S. offices	$4,480,000	$4,830,000
Wholesale	2%	2%
Personal lines	7%	7%
Services	18%	18%
Invstmt. income	1%	1%
Other	8%	3%
Employees	63	61
Offices	1	1

* Fiscal years ending 4/30/95 and 4/30/94.

Founded: 1934.
Retail brokerage: 79% commissions, 21% fees.
Employee benefits: 5% of revenues.
Non-retail brokerage subsidiaries: Risk Analysts Inc., Houston.
Licensed excess/surplus broker in: Texas.
Officers: Irving Pozmantier, chairman; Joe L. Williams, president; Jay Williams, executive vp-marketing; Jeff Pozmantier, Tom Francis, executive vps.
Contact: Joe L. Williams, 713-507-4702.

Wittner & Co. Inc.

5999 Central Ave., Suite 400, St. Petersburg, Fla. 33710; 813-384-3000; fax: 813-345-3482

	1994	1993
Premium volume	$223,921,000	$218,435,000
Gross revenues	$4,783,446	$3,760,752
U.S. clients	100%	100%
Brokerage: Retail	41.3%	48.2%
U.S. offices	$1,975,563	$1,812,682
Wholesale	53.5%	46.8%
Services	4.5%	4.0%
Invstmt. income	0.7%	1.0%
Employees	26	27
Offices	3	4

Founded: 1955.
Retail brokerage: 93.7% commissions, 6.3% fees.
Employee benefits: 100% of revenues.
Retail brokerage branches: Orlando, Florida.
Non-retail brokerage subsidiaries: Wittner & Co., St. Petersburg, Fla.
Officers: Ted P. Wittner, chairman; Jean Giles Wittner, president; John W. Fraser, senior vp; Katherine Woodard, John D. Robinson, vps.
Contact: John W. Fraser.

Thomas E. Wood Inc.

1500 Carew Tower, Cincinnati, Ohio 45202; 513-852-6300; fax: 513-852-6428

	1994*	1993*
Premium volume	$140,000,000	$130,000,000
Gross revenues	$9,951,000	$10,158,000
U.S. clients	100%	100%
Brokerage: Retail	86%	86%
U.S. offices	$8,557,860	$8,735,880
Wholesale	1%	1%
Personal lines	10%	9%
Invstmt. income	3%	4%
Employees	108	107
Offices	2	2

* Fiscal years ending 9/30/94 and 9/30/93.

Founded: 1895.
Retail brokerage: 99% commissions, 1% fees.
Employee benefits: 18% of revenues.
Retail brokerage branches: Wood Underwriters Agency Inc., Edgewood, Ky.
Licensed excess/surplus broker in: Kentucky, Ohio.
Officers: Thomas J. Klinedinst Jr., president; Edward R. Bowmann, Marjorie A. Dunn, Paul R. Swanson, John K. Ashmore, senior vps.
Contact: Thomas J. Klinedinst Jr.

John L. Wortham & Son L.L.P.

P.O. Box 1388, 2727 Allen Parkway, Houston, Texas 77251-1388; 713-526-3366; fax: 713-522-3056

	1994	1993
Premium volume	$368,000,000	$334,000,000
Gross revenues	$34,965,000	$31,211,000
U.S. clients	100%	100%
Brokerage: Retail	96%	96%
U.S. offices	$33,566,400	$29,962,560
Personal lines	3%	3%
Invstmt. income	1%	1%
Employees	243	235
Offices	1	1

Founded: 1915.
Retail brokerage: 100% commissions.
Employee benefits: 9% of revenues.
Non-retail brokerage subsidiaries: John L. Wortham & Son Inc., Houston; John L. Wortham & Son Investments Inc., Houston.
Licensed excess/surplus broker in: Texas.
Officers: Fred C. Burns, managing partner; Allen H. Carruth, chairman-executive committee; James R. Davis, Charles Flournoy, Robert B. Hixon, executive committee members.
Contact: Fred C. Burns. BI

A geographical index of agents and brokers follows on the next page.

The annual directory is published as an editorial service and there is no charge to be included.

However, companies must generate at least $500,000 of their gross revenues from commercial retail brokering in order to be listed in the *Business Insurance* directory.

To be listed in next year's directory of agents and brokers, please contact Rich Trout, assistant directory editor, *Business Insurance*, 740 N. Rush St., Chicago, Ill. 60611; 312-649-5483.

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Fax: (504) 898-5324

Geographical listings of agents and brokers by individual states

The geographical index of agents and brokers lists organizations appearing in the directory and their commercial retail brokerage branch offices by city and state or county (if located outside the United States). Branch offices operating under names similar to that of their parent company are indexed under the parent company's name. If a branch office name is significantly different from that of the parent, the office will be listed under its operating name followed by the parent company name in parentheses.

Alabama

Birmingham
Arthur J. Gallagher
Hilb, Rogal & Hamilton
Johnson & Higgins/UNISON
McGriff, Seibels & Williams
McGriff, Seibels & Williams/Assurex
Palomar Insurance
Sedgwick
Willis Corroon
Fairbanks
Willis Corroon
Huntsville
J. Smith Lanier & Co.
Lafayette
J. Smith Lanier & Co.
Mobile
Hilb, Rogal & Hamilton
Sedgwick
Thames Batre Mattei
Beville & Ison/Assurex
Willis Corroon
Montgomery
Meadowbrook Insurance Group
Palomar Insurance
Willis Corroon
Opelika
J. Smith Lanier & Co.
Troy
Palomar Insurance

Alaska

Anchorage
Brady & Co.
Johnson & Higgins/UNISON
Parker, Smith & Feek
Willis Corroon

Arizona

Casa Grande
The Mahoney Group/Assurex
Flagstaff
Hilb, Rogal & Hamilton
Kingman
Acordia
Mesa
Hilb, Rogal & Hamilton
Phoenix
Acordia
Alexander & Alexander Services
Alliance Insurance Group Inc.
Diversified Insurance Brokers
Hilb, Rogal & Hamilton
Jardine Insurance Brokers
(JIB Group)
Johnson & Higgins/UNISON
Lovitt & Touche
Poe & Brown
Sedgwick
Willis Corroon
Scottsdale
Andreini & Co.
Benefits Resources
(Anchor Pacific Underwriters)
Arthur J. Gallagher
Valley Insurance Service/ISU
Taylor
Lovitt & Touche
Tucson
Alliance Insurance Group Inc.
Hilb, Rogal & Hamilton
Lovitt & Touche
Sedgwick
Willis Corroon

Arkansas

Bentonville
Sedgwick
Eureka Springs
BHC Life & Group Specialists
(Brown-Hiller-Clark & Associates)
Brown-Hiller-Clark & Associates
Fort Smith
BHC Life & Group Specialists
(Brown-Hiller-Clark & Associates)
Brown-Hiller-Clark & Associates
Rebsamen Insurance
Jacksonville
Arthur J. Gallagher
Little Rock
Marsh & McLennan
Sedgwick
Rebsamen Insurance
North Little Rock
Arthur J. Gallagher
Springdale
Rebsamen Insurance

California

Alamo
Arthur J. Gallagher
Alpine
Van Beurden Insurance Services
Anaheim
Arthur J. Gallagher
Apple Valley
Apple Valley Insurance
(Dan Smith Insurance Agency)
Auburn
Acordia
Bakersfield
Hilb, Rogal & Hamilton
Belmont
Alburger Basso deGrosz
Beverly Hills
Kaye Insurance Services
(Kaye Insurance Associates)
Brea
Alburger Basso deGrosz
Burbank
Frenkel of California (Frenkel & Co.)
Burlingame
Acordia
Campbell
Keenan & Associates
Capitola
Alburger Basso deGrosz
Caruthers
Van Beurden Insurance Services
Chico
Keenan & Associates
Concord
Anchor Pacific Underwriters
Aon Specialty Group
(Rollins Hudig Hall Group)
Arthur J. Gallagher
Costa Mesa
Alexander & Alexander Services
Johnson & Higgins/UNISON
Rollins Hudig Hall Group
Covina
Valley Insurance Service/ISU
Culver City
Acordia
Davis
Norwest Insurance
Diamond Bar
Aon Specialty Group
(Rollins Hudig Hall Group)
Dinuba
Hilb, Rogal & Hamilton
Emeryville
Keenan & Associates
Encino
Acordia
Escondido
Robert F. Driver Co.
Valley Insurance Service/ISU
Fresno
Cal-Central Insurance
& Management Services
Calco Insurance Brokers & Agents
Arthur J. Gallagher
Hilb, Rogal & Hamilton
Keenan & Associates
Rollins Hudig Hall Group
Van Beurden Insurance Services
Garden Grove
Jardine Insurance Brokers
(JIB Group)
Glendale
Anderson & Anderson
Insurance Brokers
Aon Risk Services
(Rollins Hudig Hall Group)
Calco Insurance Brokers & Agents
Willis Corroon
Grass Valley
Acordia
Hesperia
Hesperia Insurance Services
(Dan Smith Insurance Agency)
Hollywood
Truman Van Dyke Co.
Huntington Beach
Arthur J. Gallagher
Irvine
Acordia

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Issue Date: JULY 17, 1995
Card Expiration: SEPTEMBER 11, 1995

All questions must be answered to process inquiries.

PLEASE CHECK ONE ITEM FOR EACH CATEGORY:

1. My organization is best described as:
A ❑ Mfg/Svcs
B ❑ Association
C ❑ Union
D ❑ Government
E ❑ Educational Inst
F ❑ Ins Agent
G ❑ Ins Broker
H ❑ Ins/Reins Co
I ❑ Actry/Conslt
J ❑ Attorney
K ❑ Adj/Apprs
L ❑ TPA
M ❑ Health care Inst
N ❑ Other ____

2. Number of employees:
1 ❑ 150 or less
2 ❑ 151 - 499
3 ❑ 500 - 999
4 ❑ 1,000 - 4,999
5 ❑ 5,000 or more
6 ❑ Unknown

3. My title is best defined as:
A ❑ Administrative Mgt
B ❑ Financial Mgt
C ❑ Risk Mgt
D ❑ Benefits Mgt
E ❑ Loss Prevention Mgt
F ❑ Other_____

4. My purchasing involvement for the requested products is to :
1 ❑ recommend only
2 ❑ specify
3 ❑ approve

5. Do you now receive a personally addressed copy of *Business Insurance*?
A ❑ Yes
B ❑ No, so please send subscription info

Circle the numbers below that correspond to the companies listed on our Advertiser Index for the **July 17, 1995** issue. Cards with more than 20 items circled will not be processed. This card expires **September 11, 1995**

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Please print clearly

Name _____

Title _____

Company _____

Address _____

City _____ State _____ Zip _____

Phone ( ) _____

Continued from previous page

Anderson & Anderson
Insurance Brokers
Andreini & Co.
Arthur J. Gallagher
Gow & Hanna West
John Burnham & Co.
Sedgwick

Kingsburg
Van Beurden Insurance Services

La Jolla
Marsh & McLennan

Laguna Hills
Alliance Insurance Group Inc.
Arthur J. Gallagher
Valley Insurance Service/ISU

Lodi
Acordia

Long Beach
Acordia
Roanoke Brokerage Services

Los Angeles
Allen Insurance Associates
(Minet Group)
Aon Specialty Group
(Rollins Hudig Hall Group)
ARISCO
Arthur J. Gallagher
Aviation Insurance Services
Cumbre Inc. Insurance Services
Godwins Booke & Dickenson
(Rollins Hudig Hall Group)
Haas & Wilkerson
Hilb, Rogal & Hamilton
Hobbs Group
International Film Guarantors
(Near North Insurance Brokerage)
James Econn & Co.
Jardine Insurance Brokers
(JIB Group)
Johnson & Higgins/UNISON
Lockton Cos.
Marsh & McLennan
Minet Insurance Services
Near North Insurance Brokerage
Rollins Hudig Hall Group
Sedgwick
THB Intermediaries
(Near North Insurance Brokerage)

Los Osos
Van Beurden Insurance Services

Mill Valley
Acordia

Modesto
Van Beurden Insurance Services

Newport Beach
Alexander & Alexander Services
Kelter-Thorner Inc.
Marsh & McLennan
Robert F. Driver Co.

North Hollywood
Kalvin-Miller International
Moselle Insurance
United California Insurance Agency
(USI Insurance Services)

Novato
Jordan Shields Insurance Agency

Orange
Acordia
The Cal-Surance Cos.
Cal-Surance Associates
(The Cal-Surance Cos.)
Calco Insurance Brokers & Agents

Oxnard
Andreini & Co.
Bolton/RGV Insurance Brokers

Palm Desert
HRH Insurance Services
(Hilb, Rogal & Hamilton)

Palo Alto
Minet Insurance Services
Thoits Insurance Service

Pasadena
Alexander & Alexander Services
DeFazio & Co.

Paso Robles
Van Beurden Insurance Services

Pleasanton
Arthur J. Gallagher

Rancho Cordova
Robert F. Driver Co.

Rancho Cucamonga
HRH Insurance Services
(Hilb, Rogal & Hamilton)

Redwood City
Kelter-Thorner Inc.

Riverside
Keenan & Associates

Sacramento
Acordia
Arthur J. Gallagher
Calco Insurance Brokers & Agents
HRH of Northern California
(Hilb, Rogal & Hamilton)
Keenan & Associates
Rollins Hudig Hall Group
Sedgwick
Willis Corroon

Salinas
Andreini & Co.
Rollins Hudig Hall Group

San Bernardino
Van Beurden Insurance Services

San Clemente
Insurance Risk Managers
(USI Insurance Services)
InterNational Rental Insurance
(USI Insurance Services)
Rental Industry Services
(USI Insurance Services)

San Diego
Barney & Barney/Assurex
Calco Insurance Brokers & Agents
Arthur J. Gallagher
Jardine Insurance Brokers
(JIB Group)
John Burnham & Co.
Johnson & Higgins/UNISON
Keenan & Associates
Pilgrim West Insurance Agency
(The Pilgrim Organization)
Robert F. Driver Co.
San Diego Associates
Sedgwick
Tanenbaum-Harber Co.
Willis Corroon

San Francisco
Acordia
Alexander & Alexander Services
Aon Risk Services
(Rollins Hudig Hall Group)
Aon Specialty Group
(Rollins Hudig Hall Group)
ARISCO
Arthur J. Gallagher
Calco Insurance Brokers & Agents
Credit Insurance Associates
(Bain Hogg Group)
Fritz International Insurance Brokers
Godwins Booke & Dickenson
(Rollins Hudig Hall Group)
Heath Insurance Brokers
(C.E. Heath)
Hobbs Group
Intermediary Insurance Services
(JIB Group)
ISU/Insurance Services
Jardine Insurance Brokers
(JIB Group)
Johnson & Higgins/UNISON
Lockton Cos.
Marsh & McLennan
Poe & Brown
Richard N. Goldman & Co.
Roanoke Brokerage Services
Rollins Hudig Hall Group
Sedgwick
S.J. Petrakis Insurance Services
(Sedgwick)
Thoits Insurance Service
USI California Insurance Services
(USI Insurance Services)
USI Insurance Services
Willis Corroon
Woodruff-Sawyer & Co./Assurex

San Jose
Alexander & Alexander Services
Jardine Insurance Brokers
(JIB Group)
Johnson & Higgins/UNISON
Willis Corroon

San Mateo
Andreini & Co.
Calco Insurance Brokers & Agents

San Rafael
HRH of Northern California
(Hilb, Rogal & Hamilton)

Sanger
Hilb, Rogal & Hamilton

Santa Ana
Keenan & Associates
SRS Insurance Services
(Special Risk Services)
Willis Corroon

Santa Barbara
Alexander & Alexander Services

Santa Monica
Andreini & Co.
ISU/Bob Gabriel Co.

Santa Rosa
Ellingson & Jones
(Alburger Basso deGrosz)
HRH of Northern California
(Hilb, Rogal & Hamilton)

Sherman Oaks
Max Behm & Associates
(USI Insurance Services)
Clinton L. Booth
(USI Insurance Services)
TriWest Insurance Services
(USI Insurance Services)
Ken Ulis & Co.
(USI Insurance Services)

South Pasadena
Bolton/RGV Insurance
Brokers/Assurex

Stockton
Anderson & Anderson
Insurance Brokers
Jardine Insurance Brokers
(JIB Group)

Torrance
Aon Risk Services
(Rollins Hudig Hall Group)
Cal-Surance Group Benefits Plans
(The Cal-Surance Cos.)
Keenan & Associates

Truckee
Acordia
HRH of Northern California
(Hilb, Rogal & Hamilton)

Universal City
Aon Risk Services
(Rollins Hudig Hall Group)
Aon Specialty Group
(Rollins Hudig Hall Group)
Godwins Booke & Dickenson
(Rollins Hudig Hall Group)

Upland
Cumbre Inc. Insurance Services

Vallejo
HRH of Northern California
(Hilb, Rogal & Hamilton)

Ventura
Valley Insurance Service/ISU

Victorville
Dan Smith Insurance Agency

Visalia
Van Beurden Insurance Services

Vista
El Camino Insurance Agency
(USI Insurance Services)

Westlake Village
Keenan & Associates

Woodland
Van Beurden Insurance Services

Woodland Hills
Aon Risk Services
(Rollins Hudig Hall Group)
Arthur J. Gallagher

Colorado

Castle Rock
Arthur J. Gallagher

Colorado Springs
Acordia
Arthur J. Gallagher

Denver
Alexander & Alexander Services
Aon Risk Services
(Rollins Hudig Hall Group)
Arthur J. Gallagher
Hilb, Rogal & Hamilton/
The Talbert Corp.
Insurance Management Associates
Jardine Insurance Brokers
(JIB Group)
Johnson & Higgins/UNISON
Lockton Cos.
Marsh & McLennan
Norwest Insurance
Rollins Hudig Hall Group
Sedgwick
Van Gilder Insurance/Assurex
Willis Corroon

Durango
Acordia

Englewood
Arthur J. Gallagher

Golden
Acordia
AirSure

Lakewood
Meadowbrook Insurance Group

Montrose
Acordia

Sterling
Van Gilder Insurance/Assurex

Connecticut

Avon
American Phoenix
Kenney, Webber & Lowell
(American Phoenix)

Canton
Arthur J. Gallagher

Darien
Dewitt Stern Fisher
(Dewitt Stern Group)

East Haven
The Mathog & Moniello Cos.

Fairfield
Hastings-Tapley Insurance Agency

Farmington
Arthur J. Gallagher
Willis Corroon

Glastonbury
Aon Risk Services
(Rollins Hudig Hall Group)

Greenwich
Alexander & Alexander Services
Aon Risk Services
(Rollins Hudig Hall Group)
Hobbs Group
Rollins Hudig Hall Group

Hartford
Alexander & Alexander Services
Capacity Coverage Co.
Gow & Hanna
Johnson & Higgins/UNISON
R.C. Knox & Co.
Marsh & McLennan
Rollins Hudig Hall Group
Sedgwick

Meriden
Rollins Hudig Hall Group

Middletown
R.C. Knox & Co.

New Haven
The Burton Co.
(Hilb, Rogal & Hamilton)

Simsbury
Simsbury Insurance Agency
(R.C. Knox & Co.)

Southport
Kaye of Connecticut
(Kaye Insurance Associates)

Stamford
Alexander & Alexander Services
Aon Risk Services
(Rollins Hudig Hall Group)
Aon Specialty Group
(Rollins Hudig Hall Group)
Godwins Booke & Dickenson
(Rollins Hudig Hall Group)
Johnson & Higgins/UNISON
Marsh & McLennan
Sedgwick

Wallingford
Donald F. Smith & Associates

Westport
Riverside Insurance Associates

Wethersfield
Arthur A. Watson & Co./Assurex

Windsor
R.C. Knox & Co.

Delaware

Wilmington
Johnson & Higgins/UNISON

District of Columbia

Alexander & Alexander Services
Aon Specialty Group
(Rollins Hudig Hall Group)
A.H. Baker & Co. (The BGS&G Cos.)
Johnson & Higgins/UNISON
Marsh & McLennan
Near North Insurance Brokerage
Rollins Hudig Hall Group
Sedgwick
Settlement Planning Associates
(Near North Insurance Brokerage)

Florida

Boca Raton
Acordia
Aon Risk Services
(Rollins Hudig Hall Group)
Century Financial Services
Arthur J. Gallagher
Rollins Hudig Hall Group

Brooksville
Poe & Brown

Cape Coral
Oswald, Trippe & Co.
(The James B. Oswald Co./Assurex)

Clearwater
Acordia
Roger Bouchard Insurance
Arthur J. Gallagher
Jones & Hawkins Insurance

Coral Gables
Alexander & Alexander Services
Aon Specialty Group
(Rollins Hudig Hall Group)
Arthur J. Gallagher
Elliott, McKiever & Stowe
Godwins Booke & Dickenson
(Rollins Hudig Hall Group)
Marsh & McLennan
Rollins Hudig Hall Group

Daytona Beach
Hilb, Rogal & Hamilton
Poe & Brown

Deltona
Arthur J. Gallagher

Eustis
Arthur J. Gallagher

Fort Lauderdale
Alexander & Alexander Services
Aon Specialty Group
(Rollins Hudig Hall Group)
Capacity Coverage Co.
Frank Crystal & Co.
Hilb, Rogal & Hamilton
The Loomis Co.
Marsh & McLennan
Poe & Brown
Sedgwick
Seitlin & Co.

Fort Myers
Arthur J. Gallagher
Hilb, Rogal & Hamilton
Oswald, Trippe & Co.
(The James B. Oswald Co./Assurex)
Poe & Brown
Sedgwick

Gainesville
Arthur J. Gallagher
Hilb, Rogal & Hamilton

Hollywood
Hummel Cos. (Laub Group/Assurex)
Proctor Homer Warren

Jacksonville
Acordia
Arthur J. Gallagher
Godwins Booke & Dickenson
(Rollins Hudig Hall Group)
Greene Hazel & Associates
Marsh & McLennan
Palmer & Cay/Carswell
Poe & Brown
Cecil W. Powell & Co.
Rollins Hudig Hall Group

Kissimmee
Poe & Brown

Leesburg
Poe & Brown

Longwood
J. Rolfe Davis Insurance Agency

Maitland
Acordia
Arthur J. Gallagher
Sedgwick

Melbourne
Braishfield Associates
Poe & Brown

Miami
Acordia
Alexander & Alexander Services
Aon Risk Services
(Rollins Hudig Hall Group)
Arthur J. Gallagher
Johnson & Higgins/UNISON
Frank R. MacNell & Son (JIB Group)
Meadowbrook Insurance Group
Oswald, Trippe & Co.
(The James B. Oswald Co./Assurex)
Poe & Brown
Roanoke Brokerage Services
Seitlin & Co.
Seitlin & Co./Assurex
Stemblar-Adams & Sweet
Tanenbaum-Harber Co.

Naples
Oswald, Trippe & Co.
(The James B. Oswald Co./Assurex)
Poe & Brown
Sedgwick

North Palm Beach
Aon Risk Services
(Rollins Hudig Hall Group)

Orlando
Alexander & Alexander Services
Cappleman & Associates
(American Phoenix)
Frank Drane Insurance Agency
(American Phoenix)
Arthur J. Gallagher
Hilb, Rogal & Hamilton
Johnson & Higgins/UNISON
McGriff, Seibels & Williams
Poe & Brown
J. Rolfe Davis Insurance
Agency/Assurex
Rollins Hudig Hall Group
Wittner & Co.

Palm Beach
Marsh & McLennan

Palm Beach Gardens
Rollins Hudig Hall Group

Pensacola
McGriff, Seibels & Williams

Sarasota
Acordia
Nicholas & Cannon Agency
(American Phoenix)
Poe & Brown

Seminole
American E&S (Acordia)

Stuart
Acordia

St. Petersburg
American Phoenix
Haas & Wilkerson
Wallace Welch & Willingham
Wittner & Co.

Sunrise
Arthur J. Gallagher

Tallahassee
Arthur J. Gallagher
Midyette-Moor (Palmer
& Cay/Carswell / Assurex)
Palmer & Cay/Carswell / Assurex

Tampa
Acordia
Alexander & Alexander Services
Aon Specialty Group
(Rollins Hudig Hall Group)
Davis Baldwin
Godwins Booke & Dickenson
(Rollins Hudig Hall Group)
Arthur J. Gallagher
Hilb, Rogal & Hamilton
Johnson & Higgins/UNISON
Marsh & McLennan
Poe & Brown
Rollins Hudig Hall Group
Sedgwick
Settlement Planning Associates
(Near North Insurance Brokerage)
Willis Corroon

West Palm Beach
Acordia
Arthur J. Gallagher
NIA/Komreich Group of Cos./
Assurex
Poe & Brown
Sedgwick

Winter Haven
Willis Corroon
Poe & Brown

Georgia

Atlanta
Acordia
Alexander & Alexander Services
Aon Specialty Group
(Rollins Hudig Hall Group)
Arthur J. Gallagher
ESIX
(Insurance Management Associates)
Godwins Booke & Dickenson
(Rollins Hudig Hall Group)
Hamilton Dorsey Alston Co./Assurex
Heath Insurance Brokers (C.E. Heath)
Hilb, Rogal & Hamilton
Hobbs Group
Johnson & Higgins/UNISON
Marsh & McLennan
McGriff, Seibels & Williams
Minet
Palmer & Cay/Carswell / Assurex
Poe & Brown
Rollins Hudig Hall Group
Sedgwick
J. Smith Lanier & Co.
Summit Global Partners
Van Beurden Insurance Services
Willis Corroon

Augusta
Palmer & Cay/Carswell / Assurex

Brunswick
Palmer & Cay/Carswell / Assurex

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Carrollton
J. Smith Lanier & Co.
Columbus
Jordan/Woolfolk Insurance (Palmer & Cay/Carswell / Assurex)
J. Smith Lanier & Co.
Duluth
Acordia
Gainesville
Hilb, Rogal & Hamilton
Manchester
J. Smith Lanier & Co.
McDonough
Arthur J. Gallagher
Newnan
J. Smith Lanier & Co.
Norcross
Arthur J. Gallagher
North Columbus
J. Smith Lanier & Co.
Roswell
Acordia
Savannah
Palmer & Cay/Carswell / Assurex
Hilb, Rogal & Hamilton
Smyrna
The Quarles Agency
St. Simons Island
Hilb, Rogal & Hamilton
Vidalia
Palmer & Cay/Carswell / Assurex
West Point
J. Smith Lanier & Co.

Hawaii

Honolulu
Acordia
Alexander & Alexander Services
American Mutual Underwriters/Assurex
Johnson & Higgins/UNISON
Marsh & McLennan
Rollins Hudig Hall Group
Sedgwick
Kahului
Marsh & McLennan
Lihue
Marsh & McLennan
Wailuku
Alexander & Alexander Services

Idaho

Boise
AirSure
Johnson & Higgins/UNISON
Sedgwick
Willis Corroon

Illinois

Arlington Heights
Condominium Insurance Specialists of America
Arthur J. Gallagher
Burr Ridge
Affiliated Insurance Consultants
Chicago
Alexander & Alexander Services
Alper Services
Aon Risk Services (Rollins Hudig Hall Group)
Aon Specialty Group (Rollins Hudig Hall Group)
Arthur J. Gallagher
Byrne, Byrne & Co.
CIA-Midwest (Bain Hogg Group)
Fine Arts Risk Management (Near North Insurance Brokerage)
Godwins Booke & Dickenson (Rollins Hudig Hall Group)
Heath Insurance Brokers (C.E. Heath)
Hobbs Group
Jardine Insurance Brokers (JIB Group)
Johnson & Higgins/UNISON
Julius Moll & Son
Julius Moll & Son (USI Insurance Services)
Kaye Administrators (Kaye Insurance Associates)
Lamb, Little & Co.
Lockton Cos.
Mack & Parker/Assurex
Marsh & McLennan
Mesirow Insurance Services
Minet
National Professional Group Risk Management Services (Near North Insurance Brokerage)
Near North Insurance Brokerage
Near North National Title (Near North Insurance Brokerage)
Rollins Hudig Hall Group
Schwartz Brothers Insurance
Sedgwick
Settlement Planning Associates (Near North Insurance Brokerage)
Summit Global Partners
THB Intermediaries (Near North Insurance Brokerage)
Thilman & Filippini
Willis Corroon
Danville
Cannon Cochran Management Services
Wolford-Cannon-Hoecker (Cannon Cochran Management Services)
Des Plaines
Meeker Magner
Downers Grove
Arthur J. Gallagher
East Moline
Arthur J. Gallagher
Elgin
Mesirow Insurance Services
Elmhurst
Euclid Insurance Agencies
Glen Ellyn
Arthur J. Gallagher
Highland Park
Dann Brothers
Mesirow Insurance Services
Itasca
Arthur J. Gallagher
Moline
Bartlett Agency
Mount Olive
C&G Midwest Insurors Agency
Naperville
Willis Corroon
Northbrook
Dann Brothers
Oak Brook
T.J. Adams & Associates
Cannon Cochran Management Services
Jardine Insurance Brokers (JIB Group)
Oakbrook Terrace
Boockford & Co.
Cassady Neeser & Brasseur
Peoria
Arthur J. Gallagher
Rockford
Arthur J. Gallagher
Rolling Meadows
Arthur J. Gallagher
Lamb, Little & Co.
Laub Group/Assurex
Schaumburg
Acordia
Aon Risk Services (Rollins Hudig Hall Group)
Arthur J. Gallagher
Roanoke Brokerage Services
Skokie
Insurance Benefit Consultants
Wheeling
Complete Equity Markets
Winnetka
Aon Risk Services (Rollins Hudig Hall Group)
Mack & Parker/Assurex

Indiana

Anderson
Acordia
Bloomington
ISU/The May Agency
Corydon
NBD Insurance
Elkhart
NBD Insurance
Evansville
Acordia
Arthur J. Gallagher
Fort Wayne
Aon Risk Services (Rollins Hudig Hall Group)
Insurance & Risk Management/Assurex
Greenwood
Acordia
Indianapolis
Acordia
Alexander & Alexander Services
Cannon Cochran Management Services
Daniel James Insurance
Forrest Sherer
Arthur J. Gallagher
Insurance & Risk Management/Assurex
Johnson & Higgins/UNISON
Marsh & McLennan
NBD Insurance
Newman, Hayes & Dixon (Acordia)
Rollins Hudig Hall Group
Jasper
German American/Forrest Sherer Agency (Forrest Sherer)
Jeffersonville
NBD Insurance
Mishawaka
NBD Insurance
Muncie
Insurance & Risk Management/Assurex
Morrison Galliher/ISU (ISU/Beauchamp & McSpadden)
New Albany
Acordia
North Manchester
ISU/Beauchamp & McSpadden
South Bend
Acordia
Cassady Neeser & Brasseur
Arthur J. Gallagher
Terre Haute
Forrest Sherer
Wabash
ISU/Beauchamp & McSpadden
Warsaw
ISU/Beauchamp & McSpadden
Insurance & Risk Management/Assurex

Iowa

Cedar Rapids
Godwins Booke & Dickenson (Rollins Hudig Hall Group)
Holmes, Murphy & Associates
Des Moines
Alexander & Alexander Services
Cannon Cochran Management Services
Holmes, Murphy & Associates
La Mair-Mulock-Condon/Assurex
Norwest Insurance
Dubuque
Cottingham & Butler/Assurex
Metrowest
Norwest Insurance
Sioux City
Norwest Insurance
West Des Moines
Arthur J. Gallagher

Kansas

Fairway
Haas & Wilkerson
Kansas City
Van Gilder Insurance
Lenexa
Frank Crystal & Co. (Midwest)
Overland Park
Acordia
ISU/Oliver & Shopen Insurance Agency
Meadowbrook Insurance Group
Prairie Village
Lockton Cos.
Shawnee Mission
Haas & Wilkerson
Topeka
Aon Risk Services (Rollins Hudig Hall Group)
Insurance Management Associates
Jardine Insurance Brokers (JIB Group)
Wichita
Insurance Management Associates/Assurex
Rollins Hudig Hall Group

Kentucky

Ashland
Acordia
Bowling Green
Acordia
Edgewood
Wood Underwriters Agency (Thomas E. Wood)
Fort Wright
Acordia
Lexington
Acordia
Alexander & Alexander Services
Powell-Walton-Milward/Assurex
Louisville
Acordia
Alexander & Alexander Services
Arthur J. Gallagher
Harris & Harris
Johnson & Higgins/UNISON
Owensboro
Acordia
Paducah
Acordia
Pikeville
Acordia
Pineville
Acordia

Louisiana

Alexandria
Alexander & Alexander Services
Arthur J. Gallagher
Baton Rouge
Arthur J. Gallagher
Louisiana Cos.
Houma
Louisiana Cos.
Lafayette
Louisiana Cos.
Lake Charles
Louisiana Cos.
Mandeville
Louisiana Cos.
Metairie
Arthur J. Gallagher
North American Insurance Agency
Monroe
Arthur J. Gallagher
New Orleans
Alexander & Alexander Services
Aon Risk Services (Rollins Hudig Hall Group)
Arthur J. Gallagher
Gillis, Ellis & Baker/Assurex
Hilb, Rogal & Hamilton
Johnson & Higgins/UNISON
Marsh & McLennan
McGriff, Seibels & Williams
Rollins Hudig Hall Group
Sedgwick
Willis Corroon
Roseland
Sedgwick
Shreveport
Alexander & Alexander Services
Arthur J. Gallagher

Maine

Bangor
Sedgwick
Portland
Arthur J. Gallagher
Hylant-MacLean Group
Johnson & Higgins/UNISON
Marsh & McLennan
Morse, Payson & Noyes Insurance/Assurex
Sedgwick

Maryland

Annapolis
The Loomis Co.
Baltimore
Alexander & Alexander Services
American Phoenix
Hilb, Rogal & Hamilton
Johnson & Higgins/UNISON
Riggs, Counselman, Michaels & Downes/Assurex
Bethesda
Early, Cassidy & Schilling/Assurex
Willis Corroon
Columbia
Hobbs Group
Marsh & McLennan
Sedgwick
The BGS&G Cos.
The Jacobs Co.
William Gallagher Associates (Minet Group)
Cumberland
The BGS&G Cos.
Frostburg
The BGS&G Cos.
Gaithersburg
Arthur J. Gallagher
Hagerstown
The BGS&G Cos.
Hunt Valley
Roanoke Brokerage Services
Willis Corroon
Landover
Association Growth Enterprises (USI Insurance Services)
Lexington Park
ISU/J. Frank Raley
Oakland
The BGS&G Cos.
Owings Mills
Alexander & Alexander Services
Rockville
Hilb, Rogal & Hamilton
Upper Marlboro
CRM Inc. (The Jacobs Co.)
Waldorf
ISU/J. Frank Raley

Massachusetts

Boston
Acordia
Alexander & Alexander Services
Arthur J. Gallagher
Godwins Booke & Dickenson (Rollins Hudig Hall Group)
Hobbs Group
Insurance Marketing Agencies
Johnson & Higgins/UNISON
Mahoney & Wright Insurance Agency
Marsh & McLennan
Roanoke Brokerage Services
Rollins Hudig Hall Group
Sedgwick
Tanenbaum-Harber Co.
William Gallagher Associates (Minet Group)
Willis Corroon
Cambridge
Hastings-Tapley Insurance Agency
Intermediary Insurance Services (JIB Group)
Canton
Sedgwick
Cohasset
Mahoney & Wright Insurance Agency
Danvers
Hastings-Tapley Insurance Agency
Dedham
Mahoney & Wright Insurance Agency
Fall River
John P. Slade & Son (Starkweather & Shepley)
Falmouth
Lawrence Insurance (Carlin Insurance Agency)
Gloucester
Hastings-Tapley Insurance Agency
Hampden
Arthur J. Gallagher
Haverhill
Mahoney & Wright Insurance Agency
Ipswich
Hastings-Tapley Insurance Agency
Lowell
Caddell & Byers Insurance Agency (American Phoenix)
Fred C. Church/Assurex
Middleboro
Mahoney & Wright Insurance Agency
Natick
Carlin Insurance Agency
Mahoney & Wright Insurance Agency
New Bedford
Mariners Insurance Agency (Sedgwick)
Maritime Adjusters (Sedgwick
Newburyport
Alexander & Alexander Services
Newton
Mahoney & Wright Insurance Agency
North Attleboro
Mahoney & Wright Insurance Agency
North Quincy
Arthur J. Gallagher
North Reading
Hastings-Tapley Insurance Agency
Peabody
Mahoney & Wright Insurance Agency
Mazonson Inc.
Plymouth
Mahoney & Wright Insurance Agency
Quincy
Hastings-Tapley Insurance Agency
Reading
Mahoney & Wright Insurance Agency
Rockland
Mahoney & Wright Insurance Agency
Saugus
Hastings-Tapley Insurance Agency
Scituate
Mahoney & Wright Insurance Agency
Tewksbury
Mahoney & Wright Insurance Agency
Wakefield
Mahoney & Wright Insurance Agency
Waltham
Hobbs Group
Watertown
Hastings-Tapley Insurance Agency
Wellesley
ISU/Hoffman Insurance Services
Westborough
Arthur J. Gallagher
Weymouth
Mahoney & Wright Insurance Agency
Woburn
Hastings-Tapley Insurance Agency
Worcester
Braley & Wellington Insurance Agency
Insurance Marketing Agencies
Wrentham
Mahoney & Wright Insurance Agency
Yarmouth
Mahoney & Wright Insurance Agency

Michigan

Birmingham
The Auten Group
Kelter-Thorner Inc.
Seed-Roberts Agency
Detroit
Alexander & Alexander Services
Aon Specialty Group (Rollins Hudig Hall Group)
Godwins Booke & Dickenson (Rollins Hudig Hall Group)
Hylant-MacLean Group
Johnson & Higgins/UNISON
Marsh & McLennan
Rollins Hudig Hall Group
Sedgwick
East Lansing
Arthur J. Gallagher
Grand Rapids
Acordia
Arthur J. Gallagher
Godwins Booke & Dickenson (Rollins Hudig Hall Group)
Hilb, Rogal & Hamilton
Johnson & Higgins/UNISON
Marsh & McLennan
Rollins Hudig Hall Group
Willis Corroon
Grosse Pointe
Godwins Booke & Dickenson (Rollins Hudig Hall Group)
Kalamazoo
Proctor Homer Warren
Livonia
Cambridge Underwriters
Arthur J. Gallagher
Willis Corroon
Port Huron
Moore & Povenz (Hilb, Rogal & Hamilton)
Saginaw
Acordia
Southfield
Acordia
Arthur J. Gallagher
Meadowbrook Insurance Group
Traverse City
Meadowbrook Insurance Group
Troy
Arthur J. Gallagher
General Underwriters/Assurex
Jardine Insurance Brokers (JIB Group)
Proctor Homer Warren

Minnesota

Anoka
Norwest Insurance
Bloomington
Meadowbrook Insurance Group
Rollins Hudig Hall Group
Duluth
Norwest Insurance

Continued on next pa

Continued from previous page

Edina
Arthur J. Gallagher
Norwest Insurance
Ely
Norwest Insurance
Fergus Falls
Norwest Insurance
Grand Rapids
Norwest Insurance
Hibbing
Norwest Insurance
Litchfield
Norwest Insurance
Mankato
Norwest Insurance
Marshall
Norwest Insurance
Minneapolis
Acordia
Alexander & Alexander Services
Arthur J. Gallagher
BHK&R/Assurex
Johnson & Higgins/UNISON
Marsh & McLennan
Norwest Insurance
Sedgwick
Willis Corroon
Lanier
Sedgwick
St. Cloud
Norwest Insurance
St. Paul
Rothschild, Bell & Walseth
Thief River Falls
Norwest Insurance
Virginia
Norwest Insurance
Winona
Arthur J. Gallagher

Mississippi

Jackson
Fox-Everett/Assurex
Arthur J. Gallagher
Ridgeland
Acordia

Missouri

Kansas City
Alexander & Alexander Services
Aon Specialty Group
(Rollins Hudig Hall Group)
Arthur J. Gallagher
Cannon Cochran Management Services
Gilbert-Magill Co./Assurex
Jardine Insurance Brokers
(JIB Group)
Marsh & McLennan
Rollins Hudig Hall Group
Sedgwick
Maryland Heights
Arthur J. Gallagher
O'Fallon
Arthur J. Gallagher
Raytown
Arthur J. Gallagher
Rolla
C&G Midwest Insurors Agency
Springfield
Public Entity Risk Managers
St. Charles
ISU/St. Charles Insurance
St. Louis
Alexander & Alexander Services
Aon Risk Services
(Rollins Hudig Hall Group)
Cannon Cochran Management Services
Charles L. Crane Agency
C&G Midwest Insurors Agency
The Daniel & Henry Co./Assurex
Arthur J. Gallagher
Godwins Booke & Dickenson
(Rollins Hudig Hall Group)
Haas & Wilkerson
ISU/Corporate Insurance Management
Johnson & Higgins/UNISON
Lockton Cos.
Marsh & McLennan
Ricci Associates
Rollins Hudig Hall Group
Sedgwick
Transportation Insurance Managers
Welsch, Flatness & Lutz
Willis Corroon
Wentzville
ISU/St. Charles Insurance

Montana

Missoula
Terry Payne & Co./Assurex

Nebraska

Lincoln
Alexander & Alexander Services
Norfolk
Norwest Insurance
Omaha
Alexander & Alexander Services
Johnson & Higgins/UNISON
The Harry A. Koch Co./Assurex
Norwest Insurance
Rollins Hudig Hall Group
Sedgwick

Nevada

Incline Village
HRH of Northern California
(Hilb, Rogal & Hamilton)
Las Vegas
Aviation Insurance Services
Johnson & Higgins/UNISON
Lovitt & Touche
Marsh & McLennan
Rollins Hudig Hall Group
Sedgwick
John Stuart & Co.
Reno
Acordia
Sedgwick

New Hampshire

Bedford
Arthur J. Gallagher
Concord
Horan Goldman Cos. (JIB Group)
Arthur J. Gallagher
Manchester
Acordia
Sedgwick
Nashua
Bechard Insurance Agency
(Hastings-Tapley Insurance Agency)
Rochester
Willis Corroon
Salem
Bechard Insurance Agency
(Hastings-Tapley Insurance Agency)

New Jersey

Atlantic City
McCay Corp.
Belle Mead
Capacity Coverage Co.
Bordentown
McCay Corp.
Cedar Knolls
Marsh & McLennan
Chatham
O'Gorman & Young
Clark
Poe & Brown
Clifton
Braishfield Associates
Cranford
Allied Brokerage Services Group Inc.
(Allied Coverage)
Arthur J. Gallagher
Meeker Sharkey Bonding
(Meeker Sharkey Financial Group)
Meeker Sharkey Financial Group
Meeker Sharkey Public
Entities Group (Meeker
Sharkey Financial Group)
Meeker Sharkey & MacBean
(Meeker Sharkey Financial Group)
UVW/Elizabeth Group
Eatontown
Kennedy Insurance Agency
(The Pilgrim Organization)
Englewood
Capacity Coverage Co.
Popkin Lebson Bergstein
East Brunswick
Capacity Coverage Co.
Fords
Kelter-Thorner Inc.
Freehold
NIA/Kornreich Group of Cos./
Assurex
Hoboken
Aon Risk Services
(Rollins Hudig Hall Group)
Jamesburg
Aon Risk Services
(Rollins Hudig Hall Group)
Jersey City
Arthur J. Gallagher
Lakewood
Capacity Coverage Co. of New Jersey
Lawrenceville
John D. Sayer & Co. (JIB Group)
Donald F. Smith & Associates
Livingston
Wharton Financial
(Wharton/Lyon & Lyon)
Wharton/Lyon & Lyon
Long Valley
NIA/Kornreich Group of Cos./
Assurex
Lyndhurst
Alexander & Alexander Services
Pilgrim Insurance Agency
(The Pilgrim Organization)
The Pilgrim Organization
Marlton
McCay Corp.
Medford
Arthur J. Gallagher
Horan Goldman Cos. (JIB Group)
Montvale
Capacity Coverage Co.
Morristown
Acordia
Griffith/Prideaux
(The Pilgrim Organization)
Marsh & McLennan
Mount Holly
McCay Corp.
Mount Laurel
Arthur J. Gallagher
Meeker Sharkey & Lane
(Meeker Sharkey Financial Group)
North Brunswick
Jonathan Kilmer Agency
(Wharton/Lyon & Lyon)
Oakhurst
Wharton/Atlantic
(Wharton/Lyon & Lyon)
Oldwick
Braishfield Associates
Paramus
NIA/Kornreich Group of Cos./
Assurex
Parsippany
Burkar & Associates
(American Phoenix)
William Gallagher Associates
(Minet Group)
Godwins Booke & Dickenson
(Rollins Hudig Hall Group)
Johnson & Higgins/UNISON
Rollins Hudig Hall Group
Piscataway
Meeker Sharkey & Dileo
(Meeker Sharkey Financial Group)
Pitman
Capacity Coverage Co.
Point Pleasant
Keating Insurance
(Wharton/Lyon & Lyon)
Princeton
G.R. Murray Insurance
(O'Gorman & Young)
Randolph
NIA/Kornreich Group of Cos. /
Assurex
Riverdale
Saldana & Associates
Rutherford
Hobbs Group
Short Hills
Bollinger Fowler Co.
Somerdale
Capacity Coverage Co.
Somerset
Poe & Brown
UVW/Elizabeth Group
Tinton Falls
Horan Goldman Cos. (JIB Group)
Trenton
Meeker Sharkey Gervasio & Seeger
(Meeker Sharkey Financial Group)
Turnersville
Capacity Coverage Co.
McCay Corp.
Voorhees
Hilb, Rogal & Hamilton
Wall
Kurmin Marine Insurance Agency
(Meeker Sharkey Financial Group)
Meeker Sharkey & Moffatt
(Meeker Sharkey Financial Group)
Wayne
Arthur J. Gallagher
Weehawken
Dewitt Stern Imperatore
(Dewitt Stern Group)
West Atlantic City
Rollins Hudig Hall Group

New Mexico

Albuquerque
Acordia
Alexander & Alexander Services
Aon Risk Services
(Rollins Hudig Hall Group)
Arthur J. Gallagher
Sedgwick
Hobbs
Daniels Insurance Agency/Assurex

New York

Albany
Alexander & Alexander Services
Allied Coverage Corp.
Governmental Entities Management
Services (Hastings-Tapley
Insurance Agency)
Amherst
Arthur J. Gallagher
Batavia
Genesee Agency (Lawley Service)
Bayshore
Frenkel & Co.
Bohemia
Aon Specialty Group
(Rollins Hudig Hall Group)
Briarcliff Manor
Godwins Booke & Dickenson
(Rollins Hudig Hall Group)
Rollins Hudig Hall Group
Buffalo
Alexander & Alexander Services
Gow & Hanna
Johnson & Higgins/UNISON
Lawley Service
Marsh & McLennan
Cairo
Grossman Agency
(Marshall & Sterling)
Carle Place
KM Consulting Group
(Kalvin-Miller International)
Kalvin-Miller International
Catskill
Grossman Agency
(Marshall & Sterling)
Corona
Simeone-Orrino (RWP Group)
Coxsackie
Grossman Agency
(Marshall & Sterling)
Dunkirk
Tradition Agency (Lawley Service)
Fredonia
Tradition Agency (Lawley Service)
Garden City
Arthur J. Gallagher
Great Neck
Sterling & Sterling
Greenville
Grossman Agency
(Marshall & Sterling)
Huntington
Gunderman & Gunderman

Continued on next page

Everybody wants to look like a million.



Unfortunately, many top executives look like 25 million.

It is well known that more than a handful of today's top corporate executives pull down high six- or seven- figure salaries. Which makes them particularly attractive targets in lawsuits involving corporate wrong-doing.

In fact, many directors and officers these days are spending more time in the courtroom and less time in the boardroom.

Yet, as the magnitude of claims continues to escalate, few insurance companies have been able to provide adequate D&O protection.

Great American offers limits up to $25 million.

Our marketing and underwriting staff will help you tailor coverage to meet the specific needs of those clients who face substantial liability. And, in the event of a claim, we'll respond quickly and efficiently.

So, if your idea of looking like a million involves an $800 suit and an absence of attorneys, then we'd like to talk.

Have your independent agent or broker call Pattie Schueneman at (708) 330-6789 for further details, or write Great American Insurance Companies, Executive Liability Division, P.O. Box 66943, Chicago, IL 60666.

After all, the only suit you want your client to be in is hanging in the closet.

GREAT AMERICAN®
INSURANCE COMPANIES

Continued from previous page

Jamestown
Erickson-Swan-Rowley (American Phoenix)
Tradition Agency (Lawley Service)
Jericho
Allied Coverage Corp.
Lake Success
BWD Group Ltd. Blumencranz, Klepper, Wilkins & Dubofsky
Latham
Jardine Insurance Brokers (JIB Group)
Melville
Alexander & Alexander Services
Benefit Plan Administrators (USI Insurance Services)
National Coverage Corp.
Sedgwick
Middleton
Arthur J. Gallagher
Marshall & Sterling
Millbrook
George T. Whalen Agency (Marshall & Sterling)
Monticello
Gersten-Hillman Agency
NIA/Kornreich Group of Cos./ Assurex
New Hyde Park
Willis Corroon
New Windsor
Marshall & Sterling
New York
Alexander & Alexander Services
American E&S (Acordia)
Aon Risk Services (Rollins Hudig Hall Group)
Aon Specialty Group (Rollins Hudig Hall Group)
Bain Hogg Robinson (Bain Hogg Group)
Le Blanc de Nicolay
Frank Crystal & Co.
Dewitt Stern Group
D.R. Reiff & Associates (Tanenbaum-Harber Co.)
Fine Arts Risk Management (Near North Insurance Brokerage)
Frenkel & Co./Assurex
Arthur J. Gallagher
Godwins Booke & Dickenson (Rollins Hudig Hall Group)
Gow & Hanna
H&R Phillips
Joseph Held Co.
Jardine Insurance Brokers (JIB Group)
Jauch & Huebener KGaA/UNISON
Johnson & Higgins/UNISON
KM Consulting Group (Kalvin-Miller International)
Kalvin-Miller International
Kaye Insurance Associates
Lee & Hawthorne
Lockton Cos.
MLW Services
Marsh & McLennan
Meadowbrook Insurance Group
Minet
NIA/Kornreich Group of Cos./ Assurex
Near North Insurance Brokerage
Progressive Plan Administrators (USI Insurance Services)
Roanoke Brokerage Services
Rollins Hudig Hall Group
Sedgwick
The Sklover Organization
Special Risk Services
THB Intermediaries (Near North Insurance Brokerage)
Tanenbaum-Harber Co.
Willis Corroon
World Trade Services (C.E. Heath)
North Syracuse
Arthur J. Gallagher
Ogdensburg
Arthur J. Gallagher
Poughkeepsie
Marshall & Sterling
Rochester
Arthur J. Gallagher
Hatch-Leonard/Markin-Shaw/ Assurex
Johnson & Higgins/UNISON
Marsh & McLennan
Sedgwick
Roslyn Heights
Allied Coverage Corp.
Schenectady
Marshall & Sterling
Scotia
Arthur J. Gallagher
Spring Valley
Arthur J. Gallagher
Syosset
Seaman Ross & Wiener
Syracuse
Alexander & Alexander Services
Lee & Hawthorne
Marsh & McLennan
Marshall & Sterling
Tarrytown
Allied Coverage Corp.
Uniondale
Rollins Hudig Hall Group
Utica
Alexander & Alexander Services
Valhalla
Arthur J. Gallagher
Wappinoers Falls
Marshall & Sterling
Westbury
RWP Group
The Sklover Organization
White Plains
Arthur J. Gallagher
NIA/Kornreich Group of Cos./ Assurex
Yonkers
Arthur J. Gallagher

North Carolina

Arden
Arthur J. Gallagher
Asheville
Acordia
Boone
Cameron M. Harris & Co.
Burlington
Summit Global Partners
Chapel Hill
Acordia
Willis Corroon
Charlotte
Alexander & Alexander Services
Arthur J. Gallagher
Cameron M. Harris & Co./Assurex
Marsh & McLennan
Palmer & Cay/Carswell
Poe & Brown
Rollins Hudig Hall Group
Sedgwick
Willis Corroon
Greensboro
Acordia
Greenville
Insurance & Consulting Services
King
Norwest Insurance
Lenoir
Cameron M. Harris & Co./Assurex
Morgantown
Cameron M. Harris & Co./Assurex
Raleigh
Cameron M. Harris & Co./Assurex
Marsh & McLennan
Winston-Salem
Alexander & Alexander Services
Godwins Booke & Dickenson (Rollins Hudig Hall Group)
Rollins Hudig Hall Group
Charlotte
Johnson & Higgins/UNISON

North Dakota

Bismarck
Norwest Insurance
Fargo
Norwest Insurance
Grafton
Norwest Insurance
Jamestown
Norwest Insurance
Minot
Norwest Insurance
Valley City
Norwest Insurance
Wahpeton
Norwest Insurance

Ohio

Akron
Rollins Hudig Hall Group
Canfield
ISU/L. Calvin Jones & Co.
Cincinnati
Acordia
Alexander & Alexander Services
Aon Risk Services (Rollins Hudig Hall Group)
Berwanger Overmyer Associates
Johnson & Higgins/UNISON
Marsh & McLennan
Rollins Hudig Hall Group
Schiff, Kreidler-Shell/Assurex
Thomas E. Wood
Cleveland
Acordia
Alexander & Alexander Services
Arthur J. Gallagher
Britton-Gallagher & Associates
The Brooks & Stafford Co.
Hobbs Group
Hylant-MacLean Group
Johnson & Higgins/UNISON
Marsh & McLennan
The James B. Oswald Co.
Rollins Hudig Hall Group
The James B. Oswald Co./Assurex
Willis Corroon
Columbus
Alexander & Alexander Services
Arthur J. Gallagher
Berwanger Overmyer Associates
Godwins Booke & Dickenson (Rollins Hudig Hall Group)
Hylant-McCloy (Hylant-MacLean Group)
Daniel James Insurance
Johnson & Higgins/UNISON
Marsh & McLennan
The McElroy-Minister Co./Assurex
Dayton
The McElroy-Minister Co./Assurex
Defiance
Insurance & Risk Management
Dublin
Willis Corroon
Independence
Alexander & Alexander Services
Mansfield
Arthur J. Gallagher
Middleburg Heights
Kelter-Thorner Inc.
Pepper Pike
Acordia
Perrysburg
Daniel James Insurance
Sylvania
Insurance & Risk Management
Toledo
Daniel James Insurance
Arthur J. Gallagher
Hylant-MacLean Group
Picton Cavanaugh/Assurex
Sedgwick
West Chester
Arthur J. Gallagher
Youngstown
Arthur J. Gallagher

Oklahoma

Chandler
LaGere & Walkingstick Insurance Agency
Norman
Agar, Ford, Jarmon & Muldrow (North American Insurance Agency)
Oklahoma City
Arthur J. Gallagher
Hilb, Rogal & Hamilton
Marsh & McLennan
North American Insurance Agency/Assurex
Sedgwick
Sallisaw
Brown-Hiller-Clark & Associates
Tulsa
Alexander & Alexander Services
Arthur J. Gallagher
Johnson & Higgins/UNISON
Marsh & McLennan
North American Insurance Agency
The Quarles Group
Rollins Hudig Hall Group
Sedgwick

Oregon

Eugene
Willis Corroon
Medford
Sedgwick
Newport
Acordia
Portland
Acordia
Alexander & Alexander Services
Campbell, Galt & Newlands (USI Insurance Services)
Godwins Booke & Dickenson (Rollins Hudig Hall Group)
JBL&K Insurance/Assurex
Johnson & Higgins/UNISON
Marsh & McLennan
Rollins Hudig Hall Group
Sedgwick
Van Beurden Insurance Services
Willis Corroon
Salem
Sedgwick

Pennsylvania

Allentown
Flannigan, O'Hara, Gentry & Associates (USI Insurance Services)
Arthur J. Gallagher
Bala Cynwyd
Acordia
Bethlehem
Sedgwick
Willis Corroon
Blue Bell
The Gleason Agency
Carlisle
Acordia
Chambersburg
American Phoenix
Conshohocken
Godwins Booke & Dickenson (Rollins Hudig Hall Group)
Rollins Hudig Hall Group
Erie
Acordia
Insurance Management Co.
Exton
Compensation Management (USI Insurance Services)
WRIMS (USI Insurance Services)
Warren, Welsh & Thomson (USI Insurance Services)
Fort Washington
Flannigan, O'Hara, Gentry & Associates (USI Insurance Services)
Greensburg
Arthur J. Gallagher
Harrisburg
Alexander & Alexander Services
The Gleason Agency
Marsh & McLennan
Sedgwick
Hershey
Rollins Hudig Hall Group
Horsham
Aon Risk Services (Rollins Hudig Hall Group)
Jenkintown
Aon Risk Services (Rollins Hudig Hall Group)
Johnstown
The BGS&G Cos.
The Gleason Agency
Lancaster
Engle-Hambright & Davies/Assurex
Mechanicsburg
Acordia
Arthur J. Gallagher
Philadelphia
Alexander & Alexander Services
American Brokerage of Philadelphia (American Phoenix)
Aon Risk Services (Rollins Hudig Hall Group)
Braishfield Associates
Arthur J. Gallagher
The Graham Co.
Haas & Wilkerson
The Hirshorn Co.
Hobbs Group
Johnson & Higgins/UNISON
Marsh & McLennan
Rollins Hudig Hall Group
Sedgwick
Pittsburgh
Acordia
AirSure
Alexander & Alexander Services
The BGS&G Cos.
Berwanger Overmyer Associates
The Gleason Agency
Godwins Booke & Dickenson (Rollins Hudig Hall Group)
The HDH Group/Assurex
Hilb, Rogal & Hamilton
Johnson & Higgins/UNISON
Marsh & McLennan
Rollins Hudig Hall Group
Sedgwick
Willis Corroon
Plymouth Meeting
Clair Odell Group/Assurex
Radnor
Willis Corroon
Rydal
Palley Simon Associates
Scranton
Arthur J. Gallagher
St. Davids
The Simkiss Cos.
Sunbury
Purdy Insurance Agency
Trevose
Aon Specialty Group (Rollins Hudig Hall Group)
Arthur J. Gallagher
Uniontown
The BGS&G Cos.
Wayne
Horan Goldman Cos. (JIB Group)
Williamsport
Sedgwick
Wyomissing
The Loomis Co.
Sedgwick
York
American Phoenix

Puerto Rico

Ponce
Saldana & Associates
Santurce
Saldana & Associates

Rhode Island

Cranston
Arthur J. Gallagher
Providence
Rollins Hudig Hall Group
Starkweather & Shepley Insurance/Assurex
Warwick
Arthur J. Gallagher
Westerly
Starkweather & Shepley Insurance/Assurex

South Carolina

Charleston
Palmer & Cay/Carswell/Assurex
Roanoke Brokerage Services
Columbia
Boyle-Vaughan Associates/Assurex
Horan Goldman Cos. (JIB Group)
Marsh & McLennan
Sedgwick
Willis Corroon
Florence
Palmer & Cay/Carswell/Assurex
Greenville
Arthur J. Gallagher
Intermediary Insurance Services (JIB Group)
Johnson & Higgins/UNISON
Marsh & McLennan
Palmer & Cay/Carswell/Assurex
Willis Corroon
Jackson
Sedgwick
Sumter
Frank R. MacNell & Son (JIB Group)

South Dakota

Aberdeen
Norwest Insurance
Brookings
Norwest Insurance
Chamberlain
Norwest Insurance
Dell Rapids
Norwest Insurance
Groton
Norwest Insurance
Huron
Norwest Insurance
Lake Preston
Norwest Insurance
Madison
Norwest Insurance
Milbank
Norwest Insurance
Mobridge
Norwest Insurance
Rapid City
Norwest Insurance
Redfield
Norwest Insurance
Sioux Falls
Mesirow Insurance Services
Norwest Insurance
Watertown
Norwest Insurance
Yankton
Norwest Insurance

Tennessee

Brentwood
Aon Specialty Group (Rollins Hudig Hall Group)
Chattanooga
AGA Inc.
Willis Corroon
Knoxville
Rollins Hudig Hall Group
Sedgwick
Willis Corroon
Memphis
Arthur J. Gallagher
Sedgwick
Transportation Insurance Managers
Treadwell & Harry Insurance Agency/Assurex
Nashville
Acordia
Alexander & Alexander Services
Arthur J. Gallagher
Haas & Wilkerson
Johnson & Higgins/UNISON
Lockton Cos.
Marsh & McLennan
Polk & Sullivan Group/Assurex
Sedgwick
Willis Corroon

Texas

Abilene
Hilb, Rogal & Hamilton

Continued on next p

Insurance Brokers E&O

Professional Liability Programs include:

- Insurance Agents & Brokers
- Wholesalers/E&S Brokers/MGAs
- Consultants
- Other Miscellaneous Classes

For more information, call or write:

Tennant Risk Services Inc.

Cityplace II * 185 Asylum Street
Hartford, CT 06103-4105

Tel: (203) 527-9717
Fax: (203) 527-2438

Continued from previous page

marillo
Hilb, Rogal & Hamilton
rlington
Anco Metroplex
(Anco Insurance Managers)
ustin
Acordia
Alexander & Alexander Services
Anco Capitol City
(Anco Insurance Managers)
Aon Risk Services
(Rollins Hudig Hall Group)
Arthur J. Gallagher
Hobbs Group
Wm. Rigg Co.
Texas Insurance Agency
Timberline Insurance Managers
aytown
Timberline Insurance Services
ryan
Anco Insurance Managers
Norwest Insurance
orpus Christi
Acordia
Hilb, Rogal & Hamilton
National Insurance Agency
Shelton Insurance Agency
uero
Hilb, Rogal & Hamilton
allas
Acordia
Alexander & Alexander Services
Anco Dallas-Fort Worth
(Anco Insurance Managers)
Andreini & Co.
Aon Risk Services
(Rollins Hudig Hall Group)
Aon Specialty Group
(Rollins Hudig Hall Group)
Arthur J. Gallagher
Brook Crawford Insurance Services
(Hilb, Rogal & Hamilton)
Heath Holdings (C.E. Heath)
Hilb, Rogal & Hamilton
Holmes, Murphy & Associates
IMS of Texas
(Palmer & Cay/Carswell / Assurex)
Johnson & Higgins/UNISON
Marsh & McLennan
Near North Insurance Brokerage
Wm. Rigg Co.
Roach Howard Smith
& Hunter/Assurex
Rollins Hudig Hall Group
Sedgwick
Settlement Planning Associates
(Near North Insurance Brokerage)
Summit Global Partners
Timberline Insurance Services
Transportation Insurance Managers
Willis Corroon
Paso
Arthur J. Gallagher
Timberline Insurance Services
rt Worth
Alexander & Alexander Services
Wm. Rigg Co.
Rollins Hudig Hall Group
Willis Corroon
eeport
Arthur J. Gallagher
uston
Acordia
Alexander & Alexander Services
American E&S (Acordia)
The Anderson Co.
Aon Specialty Group
(Rollins Hudig Hall Group)
Arthur J. Gallagher
Financial Guardian of Texas
Frank Crystal & Co.
Godwins Booke & Dickenson
(Rollins Hudig Hall Group)
Gow & Hanna
Healthcare Insurance Services
Heath Insurance Brokers (C.E. Heath)
Hilb, Rogal & Hamilton
Hobbs Group
Insurance Services of America
(Anco Insurance Managers)
Jardine Insurance Brokers
(JIB Group)
Johnson & Higgins/UNISON
Lockton Cos.
Marsh & McLennan
McGriff, Seibels & Williams
Minet Insurance Services
Poe & Brown
Wm. Rigg Co.
Roanoke Brokerage Services
Rollins Hudig Hall Group
Sedgwick
Texas Insurance Agency
Transportation Insurance Managers
Willis Corroon
Wisenberg Insurance
& Risk Management
John L. Wortham & Son/Assurex
tchinson
Jardine Insurance Brokers
(JIB Group)
ine
Acordia
Omega Insurance Agency
ingston
Anco Jernigan-Dabney (Anco Insurance Managers)
ngview
Hibbs-Hallmark & Co.
bbock
Acordia
Arthur J. Gallagher
Mart
Anco Pioneer
(Anco Insurance Managers)
McAllen
Insurance Brokers
(Hilb, Rogal & Hamilton)
Midland
Alexander & Alexander Services
Odessa
Wm. Rigg Co.
Richardson
Aon Specialty Group
(Rollins Hudig Hall Group)
Rockport
Anco-GSM
(Anco Insurance Managers)
San Antonio
Alexander & Alexander Services
Aon Specialty Group
(Rollins Hudig Hall Group)
Arthur J. Gallagher
Intermediary Insurance Services
(JIB Group)
Marsh & McLennan
Texas Insurance Agency
Timberline Insurance Services
Temple
Anco Insurance of Temple
(Anco Insurance Managers)
The Woodlands
Anco Insurance of the Woodlands
(Anco Insurance Managers)
Tyler
Acordia
Hibbs-Hallmark & Co.
Uvalde
Texas Insurance Agency
Victoria
Hilb, Rogal & Hamilton

Utah

Salt Lake City
Acordia
Aon Risk Services
(Rollins Hudig Hall Group)
Aviation Insurance Services
Diversified Insurance Brokers
Johnson & Higgins/UNISON
Fred A. Moreton & Co.
Rollins Hudig Hall Group
Willis Corroon

U.S. Virgin Islands

St. Croix
Marshall & Sterling
St. Thomas
Theodore Tunick & Co.
(Marshall & Sterling)

Vermont

Burlington
Alexander & Alexander Services
Aon Risk Services
(Rollins Hudig Hall Group)
Arthur J. Gallagher
Marsh & McLennan
Sedgwick
Willis Corroon
Rutland
Kinney, Pike, Bell & Conner/Assurex

Virginia

Alexandria
Acordia
Bigstone Gap
Acordia
Blacksburg
Rollins Hudig Hall Group
Charlottesville
Hilb, Rogal & Hamilton
Fredericksburg
Hilb, Rogal & Hamilton
Glen Allen
DeJarnette & Paul/Assurex
Governmental Entities Management
Services (Hastings-Tapley
Insurance Agency)
Herndon
Rollins Hudig Hall Group
Middleburg
Arthur J. Gallagher
Newport News
Colonial Premium Finance Co.
(Henderson & Phillips Insurance)
Firestone Insurance Services
(Henderson & Phillips Insurance)
Henderson & Phillips Insurance
Norfolk
Henderson & Phillips
Insurance/Assurex
Marsh & McLennan
Richmond
Alexander & Alexander Services
Aon Specialty Group
(Rollins Hudig Hall Group)
Arthur J. Gallagher
Hilb, Rogal & Hamilton
Johnson & Higgins/UNISON
Marsh & McLennan
Palmer & Cay/Carswell / Assurex
Self Insurance Services
(Henderson & Phillips Insurance)
Donald F. Smith & Associates
Roanoke
Acordia
Rollins Hudig Hall Group
Vienna
Willis Corroon
Virginia Beach
Acordia
Hilb, Rogal & Hamilton
Pembroke Insurance Agency

Washington

Bellevue
Aon Specialty Group
(Rollins Hudig Hall Group)
Bellingham
Acordia
Mercer Island
Caledonian Insurance Group
Seattle
Acordia
Alexander & Alexander Services
Aon Risk Services
(Rollins Hudig Hall Group)
Aviation Insurance Services
Arthur J. Gallagher
Godwins Booke & Dickenson
(Rollins Hudig Hall Group)
Johnson & Higgins/UNISON
Marsh & McLennan
Parker, Smith & Feek/Assurex
Rollins Hudig Hall Group
Sedgwick
Van Beurden Insurance Services
Willis Corroon
Spokane
Caledonian Insurance Group
May-Davis Inc.
Sedgwick
Wenatchee
Sedgwick
Yakima
Sedgwick

West Virginia

Beckley
Acordia
Charleston
Acordia
Elkins
Acordia
Huntington
Acordia
Keyser
The BGS&G Cos.
Morgantown
Acordia
Parkerburg
Acordia
Wheeling
Acordia

Wisconsin

Appleton
Laub Group/Assurex
Marsh & McLennan
Big Bend
Arthur J. Gallagher
Brookfield
Arthur J. Gallagher
Green Bay
Alexander & Alexander Services
Madison
Arthur J. Gallagher
Milwaukee
Alexander & Alexander Services
Broker Resources (Laub Group/Assurex)
Fitzgerald, Clayton, James & Kasten
Arthur J. Gallagher
Johnson & Higgins/UNISON
Laub Group/Assurex
Marsh & McLennan
Robertson-Ryan & Associates
Rollins Hudig Hall Group
Summit Global Partners
Willis Corroon
Racine
Arthur J. Gallagher
Rice Lake
Laub Group/Assurex
Waukesha
Wisconsin Insurance Management
Wausau
Laub Group/Assurex

Wyoming

Casper
Van Gilder Insurance

Branch offices operating under names similar to that of their parent company are indexed under the parent company's name.

If a branch office name is significantly different from that of the parent company, the office is listed under its operating name followed by the parent company name in parentheses.

Directory of Canadian offices of insurance agents, brokers

Alberta

Calgary
Alexander & Alexander Services
Jardine Rolfe (JIB Group)
Johnson & Higgins/UNISON
Marsh & McLennan
Minet
Morris & MacKenzie
Sedgwick
Edmonton
Alexander & Alexander Services
Jardine Rolfe (JIB Group)
Johnson & Higgins/UNISON
Lowndes Lambert Group
Marsh & McLennan
Sedgwick
Willis Corroon
Grande Prairie
Alexander & Alexander Services

British Columbia

New World Insurance Services
Cloverdale
Willis Corroon
Kamloops
Sedgwick
Langley
Willis Corroon
Prince George
Alexander & Alexander Services
Sedgwick
Vancouver
Alexander & Alexander Services
Dale Intermediaries (Sodarcan)
Jardine Rolfe (JIB Group)
Johnson & Higgins/UNISON
Lowndes Lambert Group
Marsh & McLennan
Morris & MacKenzie
Parsons Brown & Co./Assurex
Sedgwick
Willis Corroon
Victoria
Alexander & Alexander Services
Jardine Rolfe (JIB Group)
White Rock
Willis Corroon

Manitoba

Winnipeg
Alexander & Alexander Services
Johnson & Higgins/UNISON
Lowndes Lambert Group
Marsh & McLennan
Ryan Gateway Insurance
Brokers/Assurex

New Brunswick

Fredericton
Wilson Insurance/Assurex
Grand Falls
Johnson & Higgins/UNISON

Newfoundland

Corner Brook
Johnson & Higgins/UNISON
St. George
Park Insurance Division (Sedgwick)
St. John's
Alexander & Alexander Services
Anthony Insurance/Assurex
Johnson & Higgins/UNISON
Marsh & McLennan

Northwest Territories

Yellowknife
Alexander & Alexander Services

Nova Scotia

Halifax
Alexander & Alexander Services
Dale Intermediaries (Sodarcan)
Johnson & Higgins/UNISON
Marsh & McLennan
Sedgwick
New Glasgow
Fraser & Hunt Insurance
Brokers/Assurex

Ontario

New World Insurance Services
Hamilton
Dale Intermediaries (Sodarcan)
Sedgwick
Kitchener
Dalton Smith MacNaughton
London
Alexander & Alexander Services
Dale Intermediaries (Sodarcan)
Johnson & Higgins/UNISON
Stevenson & Hunt Insurance
Brokers/Assurex
Niagara Falls
Dale Intermediaries (Sodarcan)
North Bay
Knox Insurance Brokers
Ottawa
Alexander & Alexander Services
Dale Intermediaries (Sodarcan)
Johnson & Higgins/UNISON
Marsh & McLennan
Sedgwick
Willis Corroon
Richmond Hill
Holman Insurance Brokers
Sarnia
Dale Intermediaries (Sodarcan)
Scarboro
Breckles Insurance Brokers
Sudbury
Sedgwick
Thunder Bay
Alexander & Alexander Services
Toronto
Alexander & Alexander Services
Dale Intermediaries (Sodarcan)
Hobbs Group
Jardine OME (JIB Group)
Johnson & Higgins/UNISON
Lee & Hawthorne
Lowndes Lambert Group
Marsh & McLennan
Minet
Morris & MacKenzie
Rollins Hudig Hall Group
Sedgwick
Willis Corroon

Continued on next page

ENVIRONMENTAL IMPAIRMENT LIABILITY

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- Environmental Consultants Professional Liability & GL
- Hazardous Materials Transporters (Auto with MCS-90 & GL)
- Landfills (GL, Pollution & Financial Assurance)
- Site Specific Pollution coverages
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Continued from previous page

Willowdale
Tower Chisholm Ferguson
Tower-Chisholm Ferguson/Assurex
Windsor
Dale Intermediaries (Sodarcan)

Quebec

Hull
Dale-Parizeau (Sodarcan)
Jonquiere
Dale-Parizeau (Sodarcan)
Laval
Parizeau-Brunet (Sodarcan)
Montreal
Alexander & Alexander Services
Aon Risk Services
(Rollins Hudig Hall Group)
Dale-Parizeau (Sodarcan)
Johnson & Higgins/UNISON
Lamarre, Caty, Houle (Sedgwick)
Lee & Hawthorne
Lowndes Lambert Group
Marsh & McLennan
Minet
Morris & MacKenzie
Sodarcan
Willis Corroon
Quebec City
Johnson & Higgins/UNISON
Lamarre, Caty, Houle (Sedgwick)
Marsh & McLennan
Poitras, Lavigueur (Sodarcan)
Sainte Foy
Willis Corroon
Sept-Iles
Johnson & Higgins/UNISON
Sherbrooke
Dunn-Parizeau (Sodarcan)

Saskatchewan

Regina
Alexander & Alexander Services
Marsh & McLennan
Saskatoon
Alexander & Alexander Services
Johnson & Higgins/UNISON
Marsh & McLennan
Sedgwick

Yukon Territory

Whitehorse
Alexander & Alexander Services

The United States index begins on page 84. The agent/broker directory begins on page 63; metholdology and terms are explained on page 64.

International offices by nation

Anguilla

Alexander & Alexander Services

Antigua & Barbuda

St. John's
Alexander & Alexander Services

Argentina

Buenos Aires
Alexander & Alexander Services
C.E. Heath
Jardine (JIB Group)
Johnson & Higgins/UNISON
Marsh & McLennan
Sedgwick

Aruba

Alexander & Alexander Services
Rollins Hudig Hall Group

Australia

Adelaide
Alexander & Alexander Services
Bain Hogg Group
Jardine Australian Insurance Brokers
(JIB Group)
Lowndes Lambert
Marsh & McLennan
Minet
Minet Professional Services
Sedgwick
Willis Corroon
Albury
Jardine Australian Insurance Brokers
(JIB Group)
Willis Corroon
Banksdown Aerodrome
Fielding Aviation Insurance Broking
(C.E. Heath)
Brisbane
Alexander & Alexander Services
Bain Hogg Group
Heath Fielding (C.E. Heath)
Jardine Australian Insurance Brokers
(JIB Group)
Lowndes Lambert
Marsh & McLennan
Minet
Minet Professional Services
Rollins Hudig Hall Group
Sedgwick
Sedgwick MacDermott
Willis Corroon
Cairns
Alexander & Alexander Services
Bain Hogg Group
Jardine Australian Insurance Brokers
(JIB Group)
Canberra
Alexander & Alexander Services
Marsh & McLennar
Sedgwick
Coffs Harbour
Jardine Australian Insurance Brokers
(JIB Group)
Darwin
Alexander & Alexander Services
Lowndes Lambert
Devenport
Lowndes Lambert
Gold Coast
Alexander & Alexander Services
Hobart
Alexander & Alexander Services
Lowndes Lambert
Marsh & McLennan
Sedgwick
Willis Corroon
Launceston
Lowndes Lambert
Maroochydore
Fielding Aviation Insurance Broking
(C.E. Heath)
Melbourne
Alexander & Alexander Services
Bain Hogg Group
Godwins (Rollins Hudig Hall Group)
Jardine Australian Insurance Brokers
(JIB Group)
Lowndes Lambert
Marsh & McLennan
Minet
Minet Professional Services
Nicholson Leslie Group
(Rollins Hudig Hall Group)
Rollins Hudig Hall Group
Sedgwick
Willis Corroon
Newcastle
Alexander & Alexander Services
North Sydney
Minet
Minet Agricultural Insurance Brokers
Western United Insurance
Brokers/Assurex
Peregian
Aviation Office of Australia
(C.E. Heath)
Perth
Alexander & Alexander Services
Bain Hogg Group
Heath Fielding (C.E. Heath)
Jardine Australian Insurance Brokers
(JIB Group)
Lowndes Lambert
Marsh & McLennan
Minet
Minet Professional Services
Rollins Hudig Hall Group
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Willis Corroon
Rockhampton
Alexander & Alexander Services
South Yarra
Accident Compensation Management
Services (C.E. Heath)
Heath Fielding (C.E. Heath)
St. Leonards Sydney
J.M.D. Ross Insurance
Brokers/Assurex
Sydney
Alexander & Alexander Services
Bain Hogg Group
Godwins (Rollins Hudig Hall Group)
Heath Fielding (C.E. Heath)
Jardine Australian Insurance Brokers
(JIB Group)
Jardine Thompson Graham
(JIB Group)
Lowndes Lambert
Marsh & McLennan
Minet Professional Services
Nicholson Leslie Group
(Rollins Hudig Hall Group)
Rollins Hudig Hall Group
Sedgwick
Willis Corroon
Toowoomba
Alexander & Alexander Services
Sedgwick
Townsville
Alexander & Alexander Services
Jardine Australian Insurance Brokers
(JIB Group)
Unley
Heath Fielding (C.E. Heath)
Willetton
Fielding Aviation Insurance Broking
(C.E. Heath)

Austria

Dulwich
Rollins Hudig Hall Group
Graz
Jauch & Huebener KGaA/UNISON
Hohenems
Jauch & Huebener KGaA/UNISON
Innsbruck
Jauch & Huebener KGaA/UNISON
Linz
Jauch & Huebener KGaA/UNISON
Salzburg
Jauch & Huebener KGaA/UNISON
Vienna
Alexander & Alexander Services
Gradman & Holler & Kiefhaber
(Marsh & McLennan)
Jauch & Huebener KGaA/UNISON
MVM Versicherungsmakler GES
M.B.H. (Sedgwick)
Rollins Hudig Hall Group
Sedgwick
C. Wuppensahl & Co. (Willis Corroon)

Bahamas

Freeport
Alexander & Alexander Services
Marsh Harbour
Alexander & Alexander Services
Nassau
Alexander & Alexander Services
Johnson & Higgins/UNISON

Bahrain

Alexander & Alexander Services
Manama
Arab Commercial Enterprises
(Sedgwick)
Jardine Insurance Brokers
(JIB Group)
Sedgwick
Willis Faber (Willis Corroon)

Barbados

Bridgetown
Marsh & McLennan
Sedgwick
St. Michael
Alexander & Alexander Services

Belgium

Antwerp
Alexander & Alexander Services
Assaubra (Willis Corroon)
Boels & Begault (Bain Hogg Group)
Gras Savoye/UNISON
Henrijean (Marsh & McLennan)
Rollins Hudig Hall Group
Thibaut Colson de Nef
(Lowndes Lambert)
Thilly Van Eessel (Sedgwick)
UNISON Belgium
(Johnson & Higgins/UNISON)
Anvers
CECAR
Brussels
Alexander & Alexander Services
Assaubra (Willis Corroon)
Boels & Begault (Bain Hogg Group)
CECAR
Continental Insurance & Reinsurance
Agency (Sedgwick)
Gras Savoye/UNISON
Henrijean (Marsh & McLennan)
Jardine SIACI & Partners (JIB Group)
Rollins Hudig Hall Group
Suys & Janssens
(Le Blanc de Nicolay)
Thibaut Colson de Nef
(Lowndes Lambert)
Thilly Van Eessel (Sedgwick)
UNISON Belgium
(Johnson & Higgins/UNISON)
Charleroi
Boels & Begault (Bain Hogg Group)
CECAR
Ch. Vander Elst & Cie (Sedgwick)
Gras Savoye/UNISON
Thibaut Colson de Nef
(Lowndes Lambert)
UNISON Belgium
(Johnson & Higgins/UNISON)
Courtai
Boels & Begault (Bain Hogg Group)
Courtray
CECAR
UNISON Belgium
(Johnson & Higgins/UNISON)
Gand
CECAR
Ghent
Boels & Begault (Bain Hogg Group)
Gras Savoye/UNISON
Rollins Hudig Hall Group
Thibaut Colson de Nef
(Lowndes Lambert)
UNISON Belgium
(Johnson & Higgins/UNISON)
Hasselt
Gras Savoye/UNISON
Kortrijk
Assaubra (Willis Corroon)
Liege
Boels & Begault (Bain Hogg Group)
Gras Savoye/UNISON
UNISON Belgium
(Johnson & Higgins/UNISON)

Belize

Belize City
Alexander & Alexander Services

Bermuda

Hamilton
Alexander & Alexander Services
Aon Risk Services
(Rollins Hudig Hall Group)
Arthur J. Gallagher
Harnett & Richardson/Assurex
Jardine Pinehurst (JIB Group)
Johnson & Higgins/UNISON
Marsh & McLennan
Minet Professional Services
Rollins Hudig Hall Group
Sedgwick
Summit Global Partners
Willis Corroon

Bolivia

La Paz
Alexander & Alexander Services

Botswana

Francistown
Associated Insurance Brokers
(Minet Group)
Sedgwick
Gaborone
Associated Insurance Brokers
(Minet Group)
Sedgwick
Selebi Phikwe
Associated Insurance Brokers
(Minet Group)

Brazil

Belo Horizonte
Johnson & Higgins/UNISON
York (Willis Corroon)
Blumenau
York (Willis Corroon)
Campinas
Alexander & Alexander Services
Johnson & Higgins/UNISON
York (Willis Corroon)
Curitiba
Johnson & Higgins/UNISON
Porto Alegre
Johnson & Higgins/UNISON
Recife
York (Willis Corroon)
Rio de Janeiro
Alexander & Alexander Services
Heath do Brasil (C.E. Heath)
Jardine Corretagem de Seguros
(JIB Group)
Jardine Pont & Associados
(JIB Group)
Johnson & Higgins/UNISON
Rollins Hudig Hall Group
Sedgwick
Tudor-Marsh & McLennan
(Marsh & McLennan)
York (Willis Corroon)
Salvador
Johnson & Higgins/UNISON
York (Willis Corroon)
Sao Jose dos Campos
York (Willis Corroon)
Sao Paulo
Adams & Porter/Assurex
Alexander & Alexander Services
Jardine Corretagem de Seguros
(JIB Group)
Jardine Corretagem de Seguros
(JIB Group)
Jauch & Huebener KGaA/UNISON
Johnson & Higgins/UNISON
Rollins Hudig Hall Group
Sabramar (CECAR)
Sedgwick
Tudor-Marsh & McLennan
(Marsh & McLennan)
York (Willis Corroon)
Vitoria
York (Willis Corroon)

British Virgin Islands

Road Town
Alexander & Alexander Services

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Brunei

ndar Seri Begawan
Willis Faber (Willis Corroon)
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Shariffuddin Sedgwick (Sedgwick)

Cameroon

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ACFRA (Gras Savoye/UNISON)
Les Assureurs Conseils (Marsh & McLennan)
Gras Savoye/UNISON
Sogerco (Gras Savoye/UNSION)
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ACFRA (Gras Savoye/UNISON)
Les Assureurs Conseils (Marsh & McLennan)
Gras Savoye/UNISON
Sogerco (Gras Savoye/UNISON)

Cayman Islands

orge Town
Alexander & Alexander Services
Sedgwick
and Cayman
Johnson & Higgins/UNISON
Marsh & McLennan

Chad

jamena
Les Assureurs Conseils (Marsh & McLennan)

Chile

ntiago
Alexander & Alexander Services
Andueza y Compania (Sedgwick)
Bain Hogg Group
Claro, Marsh & McLennan (Marsh & McLennan)
Johnson & Higgins/UNISON
Rollins Hudig Hall Group
paraiso
Alexander & Alexander Services

China

jing
Alexander & Alexander Services
Bain Clarkson (Bain Hogg Group)
Johnson & Higgins/UNISON
Marsh & McLennan
New World Insurance Services
Sedgwick
ng Kong
New World Insurance Services/Assurex
nghai
Inchcape Trading (Bain Hogg Group)
Sedgwick
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Sedgwick
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New World Insurance Services

Colombia

nenia
Companias DeLima
ranquilla
Companias DeLima
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Companias DeLima
Heath de Colombia (C.E. Heath)
Johnson & Higgins/UNISON
aramanga
Companias DeLima
Companias DeLima
Johnson & Higgins/UNISON
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Companias DeLima
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Companias DeLima
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Companias DeLima
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Companias DeLima
Johnson & Higgins/UNISON
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Companias DeLima
ta Fe de Bogota
Bain Hogg Group
ota
Alexander & Alexander Services

Costa Rica

Jose
Alexander & Alexander Services

Croatia

reb
Kininmonth Lambert (Lowndes Lambert Group)

Curacao

Sedgwick
Willemstad
Alexander & Alexander Services
Rollins Hudig Hall Group

Cyprus

Alexander & Alexander Services

Czech Republic

Liberec
Minet
Ostrava
Minet
Prague
Alexander & Alexander Services
Ceska Sedgwick Risk Services (Sedgwick)
Jauch & Huebener KGaA/UNISON
Marsh & McLennan
Minet
Rollins Hudig Hall Group
Willis Corroon

Denmark

Alexander & Alexander Services
Bjerringbro
Rollins Hudig Hall Group
Copenhagen
Marsh & McLennan
Rollins Hudig Hall Group
Sedgwick
Willis Corroon

Djibouti

Alexander & Alexander Services

Dominica

Alexander & Alexander Services

Dominican Republic

Santo Domingo
Alexander & Alexander Services

Ecuador

Quito
Alexander & Alexander Services

Egypt

Alexander & Alexander Services

El Salvador

San Salvador
Alexander & Alexander Services

England

Aberdeen
Sedgwick
Abingdon
Willis Corroon
Banbury
Lowndes Lambert
Barking
Roger Lark (Sedgwick)
Birmingham
Alexander & Alexander Services
Bain Hogg Group
Bowring Marsh & McLennan (Marsh & McLennan)
Godwins (Rollins Hudig Hall Group)
Heath Corporate Risks (C.E. Heath)
Jardine Insurance Brokers (JIB Group)
Johnson & Higgins/UNISON
Lowndes Lambert
Minet
Minet Consultancy Services
Minet Professions
Rollins Hudig Hall Group
Sedgwick
Steel Burrill Jones
Willis Corroon
Bolton
Heath Corporate Risks (C.E. Heath)
Bournemouth
Alexander & Alexander Services
Bradford
Bowring Financial Services (Marsh & McLennan)
Jardine Insurance Brokers (JIB Group)
Bridgwater
Minet
Bristol
Alexander & Alexander Services
Bain Hogg Group
Bowring Marsh & McLennan (Marsh & McLennan)
Godwins (Rollins Hudig Hall Group)
Heath Corporate Risks (C.E. Heath)
Lowndes Lambert
Minet
Minet Consultancy Services
Minet Professions
Sedgwick
Steel Burrill Jones
Willis Corroon
Cambridge
Bain Hogg Group
Canterbury
Bain Hogg Group
Carlisle
Bowring Marsh & McLennan (Marsh & McLennan)
Caterham
Bain Hogg Group
Lowndes Lambert
Cheadle
Bain Hogg Group
Chelmsford
Alexander & Alexander Services
Godwins (Rollins Hudig Hall Group)
Jardine Insurance Brokers (JIB Group)
Cheltenham
Willis Corroon
Cheshunt
Anthony Kidd Agencies (C.E. Heath)
Colchester
Bain Hogg Group
Coventry
Steel Burrill Jones
Croydon
Alexander & Alexander Services
Derby
Price Forbes Group
Dudley
Bain Hogg Group
Dursley
Lowndes Lambert Group
Edinburgh
Bain Hogg Group
Sedgwick
Exeter
Bowring Marsh & McLennan (Marsh & McLennan)
Godwins (Rollins Hudig Hall Group)
Fareham
Bain Hogg Group
Minet Commercial
Farnborough
Godwins (Rollins Hudig Hall Group)
Rollins Hudig Hall Group
Folkstone
Bain Hogg Group
Forest Row
Rollins Hudig Hall Group
Gravesend
Steel Burrill Jones
Grimsby
Alexander & Alexander Services
Guildford
FTA Insurance Services (Bain Hogg Group)
Harlow
Godwins (Rollins Hudig Hall Group)
Harrogate
Godwins (Rollins Hudig Hall Group)
Harrow
Alexander & Alexander Services
Haywards Heath
Bain Hogg Group
Heathrow
Air Crew Underwriting Agencies (Minet Group)
Hemel Hempstead
Willis Corroon
Hertford
Heath Corporate Risks (C.E. Heath)
Hinckley
Willis Corroon
Hitchin
Bowring Marsh & McLennan (Marsh & McLennan)
Horsham
C.E. Heath
Hull
Heath Corporate Risks (C.E. Heath)
Ilford
C.E. Heath
Ipswich
Godwins (Rollins Hudig Hall Group)
Willis Corroon
Iver
Rollins Hudig Hall Group
Kendal
Godwins (Rollins Hudig Hall Group)
King's Lynn
Eastward Insurance Services (Bain Hogg Group)
Kingston upon Thames
Willis Corroon
Leatherhead
Steel Burrill Jones
Leeds
Alexander & Alexander Services
Bain Hogg Group
Bowring Marsh & McLennan (Marsh & McLennan)
The Credit Insurance Assn. (Bain Hogg Group)
Godwins (Rollins Hudig Hall Group)
Heath Corporate Risks (C.E. Heath)
Lowndes Lambert
Minet
Minet Professions
Rollins Hudig Hall Group
Sedgwick
Willis Corroon
Leicester
Bain Hogg Group
Sedgwick
Willis Corroon
Leigh
C.E. Heath
Liverpool
Alexander & Alexander Services
Bowring Marsh & McLennan (Marsh & McLennan)
Willis Corroon
London
Alexander & Alexander Services
Aon Risk Services (Rollins Hudig Hall Group)
Bain Hogg Group
Bowring Marsh & McLennan (Marsh & McLennan)
Commercial & Political Risk Consultants (Bain Hogg Group)
Cork, Bays & Fisher (Minet Group)
The Credit Insurance Assn. (Bain Hogg Group)
Fielding Smeaton Jones (C.E. Heath)
Arthur J. Gallagher
Godwins (Rollins Hudig Hall Group)
C.E. Heath
Hobbs Group
Jardine Insurance Brokers International (JIB Group)
Jardine Insurance Brokers (JIB Group)
Jardine Thompson Graham (JIB Group)
Jauch & Huebener KGaA/UNISON
JIB Group
Johnson & Higgins/UNISON
Lowndes Lambert
Minet
Minet Consultancy Services
Minet Group
Minet International
Minet Professions
Nicholson Leslie Group (Rollins Hudig Hall Group)
Price Forbes Group
Robert Fleming Insurance Brokers/Assurex
Rollins Hudig Hall Group
Sedgwick
Special Risk Services
Steel Burrill Jones
Willis Corroon
Maidstone
Heath Corporate Risks (C.E. Heath)
Lowndes Lambert
Willis Corroon
Manchester
Alexander & Alexander Services
Bain Hogg Group
Bowring Marsh & McLennan (Marsh & McLennan)
The Credit Insurance Assn. (Bain Hogg Group)
Godwins (Rollins Hudig Hall Group)
Jardine Insurance Brokers (JIB Group)
Johnson & Higgins/UNISON
Lowndes Lambert
Rochester Kemp (C.E. Heath)
Rollins Hudig Hall Group
Sedgwick
Willis Corroon
Milton Keynes
Bowring Marsh & McLennan (Marsh & McLennan)
New Malden
Steel Burrill Jones
Newcastle
Alexander & Alexander Services
Bain Hogg Group
Bowring Marsh & McLennan (Marsh & McLennan)
Godwins (Rollins Hudig Hall Group)
Johnson & Higgins/UNISON
Sedgwick
Willis Corroon
Newmarket
Willis Corroon
Northampton
Godwins (Rollins Hudig Hall Group)
Sedgwick
Norwich
Heath Corporate Risks (C.E. Heath)
Lowndes Lambert
Premium Search (C.E. Heath)
Rollins Hudig Hall Group
Sedgwick
Nottingham
Bain Hogg Group
Godwins (Rollins Hudig Hall Group)
Lowndes Lambert
Minet
Minet Consultancy Services
Willis Corroon
Orpington
C.E. Heath
Peterborough
Heath Corporate Risks (C.E. Heath)
Plymouth
Bain Hogg Group
Godwins (Rollins Hudig Hall Group)
Portsmouth
Godwins (Rollins Hudig Hall Group)
Potters Bar
Alexander & Alexander Services
Preston
Lowndes Lambert
Willis Corroon
Reading
Alexander & Alexander Services
Bain Hogg Group
Heath Corporate Benefits (C.E. Heath)
Johnson & Higgins/UNISON
Sedgwick
Steel Burrill Jones
Willis Corroon
Redditch
Sedgwick
Redhill
Alexander & Alexander Services
Minet
Minet Consultancy Services
Sedgwick
Romford
Alexander & Alexander Services

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NOTICE

To: The American Policyholders of National Employers' Mutual General Insurance Association Limited (In Liquidation)

Pursuant to the terms of a conservation agreement between Anthony James McMahon and Roger Smith as Liquidators (the "Liquidators") of National Employers' Mutual General Insurance Association Limited, ("NEMGIA") and the Superintendent of Insurance of the State of New York as Conservator (the "Conservator") of NEMGIA, dated March 31, 1995 ("the Agreement"), the Liquidators are required to provide notice to American Policyholders that the Conservator has petitioned the Supreme Court of the State of New York supervising the conservation of NEMGIA for an order approving the Agreement. Accordingly, this it to notify you, as an American Policyholder, as follows:

(a) Pursuant to an order of the Supreme Court of the State of New York dated July 12, 1993, the Conservator is conserving trust funds in the amount of $1.5 million posted by NEMGIA pursuant to NYCRR Section 27.5 (Regulation 41) for the benefit of American Policyholders as defined in the trust agreement dated December 31, 1985 between NEMGIA and Bankers Trust Company.

(b) The Conservator and Liquidators have entered into the Agreement, for the purpose of avoiding duplication of effort and expense, by which the Conservator will distribute the trust funds to the Liquidators for distribution for the creditors of NEMGIA.

(c) The Agreement provides that the Liquidators will either combine the trust funds with the general assets for distribution to all creditors of NEMGIA, if American Policyholders would receive a greater pro-rata distribution from the general assets than they would receive from the trust funds, or that the Liquidators will distribute the trust funds to American Policyholders (as agent for the Conservator), if American Policyholders will receive a greater pro-rata distribution out of the trust funds than out of the general assets.

(d) The Agreement provides that the Liquidators will determine the value of all claims and that the final adjudication of claims by the Liquidators will be binding on the Conservator.

(e) The Conservation Proceeding will be terminated following distribution of the trust funds to the Liquidators.

(f) A hearing has been scheduled before Hon. Alice Schlesinger of the Supreme Court of the State of New York on the 6th day of September, 1995 at 9:30 a.m. at 80 Centre Street, Room 279 at which time all persons who object to the Agreement may be heard.

(g) American Policyholders who wish to be heard must serve written objections on the Conservator by 23 August 1995. Written objections should be served on the Superintendent of Insurance of the State of New York as Conservator of NEMGIA, 123 William Street, New York, New York 10038-3889 and must be filed in the Supreme Court of the State of New York, County of New York, 60 Centre Street, New York, New York 10007, in the proceeding entitled "In the Matter of the Conservation of NATIONAL EMPLOYERS' MUTUAL GENERAL INSURANCE ASSOCIATION LIMITED, Index No. 403456/93".

Dated: July 3, 1995

EDWARD J. MUHL
Superintendent of Insurance of the State of New York as Conservator of NATIONAL EMPLOYERS' MUTUAL GENERAL INSURANCE ASSOCIATION LIMITED

Continued from previous page

Sevenoaks
Godwins (Rollins Hudig Hall Group)
Sheffield
Alexander & Alexander Services
Bain Hogg Group
Lowndes Lambert
Sedgwick
Willis Corroon
Shrewsbury
Bain Hogg Group
Sidcup
Bowring Marsh & McLennan (Marsh & McLennan)
Solihull
The Credit Insurance Assn. (Bain Hogg Group)
Southampton
Alexander & Alexander Services
Bowring Marsh & McLennan (Marsh & McLennan)
Jardine Insurance Brokers (JIB Group)
Price Forbes Group
Rollins Hudig Hall Group
Willis Corroon
Southend
Heath Corporate Risks (C.E. Heath)
Southend on Sea
Alexander & Alexander Services
Stockport
Steel Burrill Jones
Stockton
Heath Corporate Risks (C.E. Heath)
St. Albans
Godwins (Rollins Hudig Hall Group)
Swansea
Heath Corporate Risks (C.E. Heath)
Swindon
Godwins (Rollins Hudig Hall Group)
Lowndes Lambert
Tonbridge
Bowring Gauntlet (Marsh & McLennan)
C.E. Heath
Truro
Godwins (Rollins Hudig Hall Group)
Wakefield
C.E. Heath
Waltham Cross
Minet
Minet Consultancy Services
Warrington
Minet
Minet Consultancy Services
Watford
Sedgwick
Wickford
Minet Professions
Witham
Sedgwick
Woking
Alexander & Alexander Services
Jardine Insurance Brokers (JIB Group)
Wolverhampton
Willis Corroon
York
Minet
Minet Consultancy Services

Estonia

Tallinn
Rollins Hudig Hall Group
Lowndes Lambert

Fiji

Lautoka
Marsh & McLennan
Sedgwick
Nadi
Alexander & Alexander Services
Suva
Alexander & Alexander Services
Bain Hogg Group
Marsh & McLennan
Sedgwick
Helsinki
Alexander & Alexander Services
Lowndes Lambert
Minet

Finland

Rollins Hudig Hall Group

France

Aix-en-Provence
Sedgwick
Antibes
Gras Savoye/UNISON
Besancon
Rollins Hudig Hall Group
Bologne
Andrea Scagliarini Assicurazioni (Le Blanc de Nicolay)
Bordeaux
Gras Savoye/UNISON
La Securite Nouvelle (Lowndes Lambert Group)
Brest
Rollins Hudig Hall Group
Caen
Gras Savoye/UNISON
Clermont-Ferrand
Rollins Hudig Hall Group
Douai
Gras Savoye/UNISON
Grenoble
Gras Savoye/UNISON
Levallois-Perret
Le Blanc de Nicolay
Lille
Gras Savoye/UNISON
Groupe Triangle Assurances (Sedgwick)
La Securite Nouvelle (Lowndes Lambert Group)
Lyon
Alexander & Alexander Services
Cabinet Loire (Sedgwick)
Faugere & Jutheau (Marsh & McLennan)
Gras Savoye/UNISON
Office Des Assures (CECAR)
Rollins Hudig Hall Group
La Securite Nouvelle (Lowndes Lambert Group)
Marseille
Faugere & Jutheau (Marsh & McLennan)
Gras Savoye/UNISON
La Securite Nouvelle (Lowndes Lambert Group)
Rollins Hudig Hall Group
Tarrazi Recoing (Le Blanc de Nicolay)
Metz
Gras Savoye/UNISON
Montpellier
Gras Savoye/UNISON
Rollins Hudig Hall Group
Nancy
Gras Savoye/UNISON
Nantes
Gras Savoye/UNISON
Neuilly Sur Seine
Gras Savoye/UNISON
Noisy Le Grand
Gras Savoye/UNISON
Ormes
Gras Savoye/UNISON
Paris
A Morel et Cie (Minet Group)
Alexander & Alexander Services
Bargheon (CECAR)
Le Blanc de Nicolay
Cabinet Billet et Cie (Sedgwick)
CAPA (CECAR)
CECAR
The Credit Insurance Assn. (Bain Hogg Group)
Diot Minet France (Minet Group)
Elysees Prevoyance Gestion (CECAR)
Energie Courtage (CECAR)
Faugere & Jutheau (Marsh & McLennan)
Arthur J. Gallagher
GS Re (Gras Savoye/UNISON)
Jardine Thompson Graham (JIB Group)
OWA Insurance Services (CECAR)
PRIM (CECAR)
Risque & Finance (Special Risk Services)
Rollins Hudig Hall Group
Sagitere (CECAR)
La Securite Nouvelle (Lowndes Lambert Group)
Sedgwick
Societe Centrale de Courtage D'Assurance (Le Blanc de Nicolay)
Societe Intercontinental d'Assurances pour le Commerce et l'Industrie (JIB Group)
Willis Corroon
Rouen
Gras Savoye/UNISON
Saint Dizier
Rollins Hudig Hall Group
Saint Etienne
Gras Savoye/UNISON
Strasbourg
Alexander & Alexander Services
Gras Savoye/UNISON
Rollins Hudig Hall Group
Toulouse
Gras Savoye/UNISON
Valence
Gras Savoye/UNISON

Gabon

Francevillr
Gras Savoye/UNISON
Libreville
Les Assureurs Conseils (Marsh & McLennan)
Gras Savoye/UNISON
Port Gentil
Les Assureurs Conseils (Marsh & McLennan)
Gras Savoye/UNISON

Germany

Baden-Baden
Jauch & Huebener KGaA/UNISON
Beckum
Rollins Hudig Hall Group
Berlin
Alexander & Alexander Services
CECAR
Gradmann & Holler (Marsh & McLennan)
Jauch & Huebener KGaA/UNISON
MVM Munchener Versicherungsmakler (Sedgwick)
Rollins Hudig Hall Group
C. Wuppensahl & Co. (Willis Corroon)
Bielefeld
Alexander & Alexander Services
Jauch & Huebener KGaA/UNISON
Bremen
C. Wuppensahl & Co. (Willis Corroon)
Chemnitz
C. Wuppensahl & Co. (Willis Corroon)
Cologne
Alexander & Alexander Services
CECAR
Sedgwick
Dresden
CECAR
Jauch & Huebener KGaA/UNISON
Duesseldorf
CECAR
Gradmann & Holler (Marsh & McLennan)
Jauch & Huebener KGaA/UNISON
Rollins Hudig Hall Group
C. Wuppensahl & Co. (Willis Corroon)
Frankfurt
Alexander & Alexander Services
CECAR
Gradmann & Holler (Marsh & McLennan)
Rollins Hudig Hall Group
C. Wuppensahl & Co. (Willis Corroon)
Frankfurt am Main
Jauch & Huebener KGaA/UNISON
Hamburg
Alexander & Alexander Services
CECAR
CIA Deutschland Kreditversicherungsmakler (Bain Hogg Group)
Gradmann & Holler (Marsh & McLennan)
Jauch & Huebener KGaA/UNISON
Rollins Hudig Hall Group
Sedgwick
Wesselhoeft Ahlers & Schues/Assurex
Hannover
Alexander & Alexander Services
Leipzig
Alexander & Alexander Services
Gradmann & Holler (Marsh & McLennan)
Jauch & Huebener KGaA/UNISON
Lowndes Lambert
Rollins Hudig Hall Group
Sedgwick
C. Wuppensahl & Co. (Willis Corroon)
Monheim
Rollins Hudig Hall Group
Mulheim an der Ruhr
Jauch & Huebener KGaA/UNISON
Munich
Alexander & Alexander Services
CECAR
Gradmann & Holler (Marsh & McLennan)
Jauch & Huebener KGaA/UNISON
MVM Lebensversicherungsmakler (Sedgwick)
Rollins Hudig Hall Group
Sedgwick
C. Wuppensahl & Co. (Willis Corroon)
Nurnberg
Jauch & Huebener KGaA/UNISON
Rostock
CECAR
Saarbrucken
Rollins Hudig Hall Group
Stuttgart
Alexander & Alexander Services
Gradmann & Holler (Marsh & McLennan)
Jauch & Huebener KGaA/UNISON
Rollins Hudig Hall Group
Sedgwick
Wiesbaden
Alexander & Alexander Services

Greece

Athens
ACE Europe (Sedgwick)
ACE Insurance (Sedgwick)
Alexander & Alexander Services
Hellenic Bain Hogg (Bain Hogg Group)
Marsh & McLennan
Mercury Insurance (Gras Savoye/UNISON)
Willis Faber (Willis Corroon)
Piraeus
Alexander & Alexander Services
Bain Clarkson (Bain Hogg Group)
Lowndes Lambert

Grenada

St. George's
Alexander & Alexander Services

Guadeloupe

Point a Pitre
Gras Savoye/UNISON
Baie Mahault
Alexander & Alexander Services

Guam

Tamuning
Atkins Kroll (Bain Hogg Group)

Guatemala

Guatemala City
Alexander & Alexander Services

Guernsey

Alexander & Alexander Services
Willis Corroon
St. Peter Port
Bain Hogg Group
Jardine Risk Services (JIB Group)
Marsh & McLennan
Sedgwick

Guyana

Georgetown
Alexander & Alexander Services

Haiti

Alexander & Alexander Services

Honduras

Alexander & Alexander Services

Hong Kong

Alexander & Alexander Services
CECAR
HMH Insurance Brokers (C.E. Heath)
Jardine Insurance Brokers (JIB Group)
Johnson & Higgins/UNISON
Marsh & McLennan
Minet Asia
Minet RAIA Insurance Brokers
Nicholson Leslie Group (Rollins Hudig Hall Group)
Rollins Hudig Hall Group
Sedgwick
Willis Faber (Willis Corroon)
Kowloon
Sedgwick
Wan Chai
Inchcape Insurance (Bain Hogg Group)
Lambert Brothers (Lowndes Lambert Group)
New World Insurance Consultants
New World Insurance Management
New World Insurance Services

Hungary

Budapest
Alexander & Alexander Services
Jauch & Huebener KGaA/UNISON
Marsh & McLennan
Rollins Hudig Hall Group
Sedgwick

India

Bangalore
Jardine Insurance Consultants (JIB Group)
Bombay
Alexander & Alexander Services
Jardine Insurance Consultants (JIB Group)
Sedgwick
Tower Insurance & Reinsurance Services (Willis Corroon)
Calcutta
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Tower Insurance & Reinsurance Services (Willis Corroon)
Madras
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Tower Insurance & Reinsurance Services (Willis Corroon)
New Dehli
Jardine Insurance Consultants (JIB Group)
Tower Insurance & Reinsurance Services (Willis Corroon)

Indonesia

Jakarta
Alexander & Alexander Services
P.T. Jardine Insurance Brokers (JIB Group)
Rollins Hudig Hall Group
P.T. Sedgwick Dharmala
Surabaya
Alexander & Alexander Services

Iran

Tehran
Rollins Hudig Hall Group

Ireland

Belfast
Bain Hogg Group
Sedgwick
Cork
Jardine Insurance Brokers (JIB Group)
Marsh & McLennan
Sedgwick
Dublin
Alexander & Alexander Services
Bowring (Marsh & McLennan)
Coyle Hamilton (Assurex)
Jardine Insurance Brokers (JIB Group)
Johnson & Higgins/UNISON
Legal & Commercial Insurances (Sedgwick)
Minet
Rollins Hudig Hall Group
Sedgwick
Willis Corroon
Galway
Sedgwick
Limerick
Marsh & McLennan

Isle of Man

Douglas
Alexander & Alexander Services
Bain Hogg Group
Bowring Marsh & McLennan (Marsh & McLennan)
Jardine Risk Services (JIB Group)
Marsh & McLennan
Sedgwick
Willis Corroon

Israel

Tel Aviv
Alexander & Alexander Services

Italy

Arezzo
Minet
Bologna
Johnson & Higgins/UNISON
Bolzano/Bozen
MVM Italia (Sedgwick)
Brescia
Marsh & McLennan
Florence
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UTA SpA (Willis Corroon)
Genoa
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Milan
A&B Reinsurance (C.E. Heath)
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Assiteca/Assurex
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Marsh & McLennan
Rome
Alexander & Alexander Services
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Marsh & McLennan
Rollins Hudig Hall Group
Sedgwick
Turin
Alexander & Alexander Services
Johnson & Higgins/UNISON
Sedgwick
UTA SpA (Willis Corroon)
Verona
Sedgwick
Vicenza
UTA SpA (Willis Corroon)

Ivory Coast

Abidjan
ACFRA (Gras Savoye/UNISON)
Gras Savoye/UNISON
Sogerco-Safraci (Gras Savoye/UNISON)

Jamaica

Kingston
Alexander & Alexander Services
Montego Bay
Alexander & Alexander Services

Japan

Fukuoka
Hitachi Insurance Service
Haranomachi
Hitachi Insurance Service
Hiratsuka
Hitachi Insurance Service

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Johnson & Higgins/UNISON
Marsh & McLennan
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Hitachi Insurance Service
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Hitachi Insurance Service
imodate
Hitachi Insurance Service
kamatsu
Hitachi Insurance Service
kasaki
Hitachi Insurance Service
chigi
Hitachi Insurance Service
kyo
Alexander & Alexander Services
Bain Clarkson (Bain Hogg Group)
Le Blanc de Nicolay
Hitachi Insurance Service
Jardine Insurance Agency
(JIB Group)
Johnson & Higgins/UNISON
Marsh & McLennan
Minet
Nicholson Leslie Group
(Rollins Hudig Hall Group)
Sedgwick
Willis Corroon
yokawa
Hitachi Insurance Service
uchiura
Hitachi Insurance Service
manashi
Hitachi Insurance Service
kohama
Hitachi Insurance Service

Kazakhstan

naty
Alexander & Alexander Services

Kenya

loret
Minet ICDC Insurance Brokers
mbasa
Alexander & Alexander Services
Minet ICDC Insurance Brokers
irobi
Alexander & Alexander Services
Minet ICDC Insurance Brokers
Sedgwick

Kuwait

Alexander & Alexander Services
wait
Arab Commercial Enterprises
(Sedgwick)
Intercontinental Insurance Brokers
(Sedgwick)

Le Reunion

Dennis
Gras Savoye/UNISON

Lebanon

rut
Arab Commercial Enterprises
(Sedgwick)
Gras Savoye/UNISON

Lesotho

eru
Minet Kingsway

Luxembourg

Boels & Begault (Bain Hogg Group)
GS Re (Gras Savoye/UNISON)
Gras Savoye/UNISON
Marsh & McLennan
Luxembourg
Le Blanc de Nicolay
Sedgwick
SOGECORE (CECAR)
Willis Corroon
Senningerberg
Alexander & Alexander Services
Strassen
Aon Risk Services
(Rollins Hudig Hall Group)

Macau

Inchcape Insurance
(Bain Hogg Group)
New World Insurance Consultants
New World Insurance
Services/Assurex

Malawi

Blantyre
Bain Hogg Group
Lilongwe
Bain Hogg Group

Malaysia

Ipoh
Alexander & Alexander Services
Johor Bahru
Alexander & Alexander Services
Antah Sedgwick Chartered Insurance
Brokers (Sedgwick)
Kuala Lumpur
Alexander & Alexander Services
Amanah (Lowndes Lambert Group)
Antah Sedgwick Chartered Insurance
Brokers (Sedgwick)
Asli-Jardine Insurance Brokers
(JIB Group)
Inchcape Insurance
(Bain Hogg Group)
Johnson & Higgins/UNISON
NWI Risk Management
Consultants/Assurex
New World Insurance Management
SPK Bowring Marsh & McLennan
(Marsh & McLennan)
Willis Faber (Willis Corroon)
Kuching
Antah Sedgwick Chartered Insurance
Brokers (Sedgwick)
Labuan
New World Insurance Management
Penang
Alexander & Alexander Services
Antah Sedgwick Chartered Insurance
Brokers (Sedgwick)
Johnson & Higgins/UNISON

Martinique

Fort de France
Gras Savoye/UNISON

Mexico

Cancun
Rollins Hudig Hall Group
Chihuahua
Alexander & Alexander Services
Guadalajara
Alexander & Alexander Services
Rollins Hudig Hall Group
Juarez
Rollins Hudig Hall Group
Matamoros
Alexander & Alexander Services
Mexico City
Agencia Interoceanica Assesores E
Intermediarios (C.E. Heath)
Alexander & Alexander Services
Bain Hogg Group
Grupo Bobadilla y Rehder
Kalvin-Miller International
Lorant Martinez Salas & Co./Assurex
Marsh & McLennan
Rollins Hudig Hall Group
Monterrey
Alexander & Alexander Services
Rollins Hudig Hall Group
Puebla
Alexander & Alexander Services
Tehuacan
Alexander & Alexander Services
Tijuana
Alexander & Alexander Services
Rollins Hudig Hall Group

Monaco

Monte Carlo
Minet

Montserrat

Alexander & Alexander Services

Morocco

Alexander & Alexander Services
Casa Blanca
Gras Savoye/UNISON
Casablanca
Bain Hogg Group

Netherlands

Alkmaar
Verzekerings Advies Kantoor
(ABN-AMRO)
Amersfoort
Verzekerings Advies Kantoor
(ABN-AMRO)
Amsterdam
Alexander & Alexander Services
Mees & Zoonen
(Johnson & Higgins/UNISON)
Minet
Nicholson Leslie Group
(Rollins Hudig Hall Group)
Rollins Hudig Hall Group
Scheuer Insurance Brokers
(Willis Corroon)
Sedgwick
Verzekerings Advies Kantoor
(ABN-AMRO)
Apeldoorn
Verzekerings Advies Kantoor
(ABN-AMRO)
Arnhem
Verzekerings Advies Kantoor
(ABN-AMRO)
Assen
Verzekerings Advies Kantoor
(ABN-AMRO)
Beek
Verzekerings Advies Kantoor
(ABN-AMRO)
Bergstraat
Kamerbeek
Assurantiemakelaars/Assurex
Breda
Verzekerings Advies Kantoor
(ABN-AMRO)
Delft
Verzekerings Advies Kantoor
(ABN-AMRO)
Den Bosch
Verzekerings Advies Kantoor
(ABN-AMRO)
Den Haag
Verzekerings Advies Kantoor
(ABN-AMRO)
Dordrecht
Verzekerings Advies Kantoor
(ABN-AMRO)
Eindhoven
Verzekerings Advies Kantoor
(ABN-AMRO)
Groningen
Rollins Hudig Hall Group
Verzekerings Advies Kantoor
(ABN-AMRO)
Haarlem
Verzekerings Advies Kantoor
(ABN-AMRO)
Hengelo
Rollins Hudig Hall Group
Verzekerings Advies Kantoor
(ABN-AMRO)
Hilversum
Rollins Hudig Hall Group
Verzekerings Advies Kantoor
(ABN-AMRO)
Leeuwarden
Verzekerings Advies Kantoor
(ABN-AMRO)
Leiden
Verzekerings Advies Kantoor
(ABN-AMRO)
Maastricht
Rollins Hudig Hall Group
Middelburg
Verzekerings Advies Kantoor
(ABN-AMRO)
Nijmegen
Rollins Hudig Hall Group
Verzekerings Advies Kantoor
(ABN-AMRO)
Noordwijk
Rollins Hudig Hall Group
Rotterdam
Alexander & Alexander Services
Aon Risk Services
(Rollins Hudig Hall Group)
Marsh & McLennan
Mees & Zoonen
(Johnson & Higgins/UNISON)
Pointer & Karreman (Sedgwick)
Rollins Hudig Hall Group
Sedgwick
Verzekerings Advies Kantoor
(ABN-AMRO)
Terneuzen
Verzekerings Advies Kantoor
(ABN-AMRO)
The Hague
Alexander & Alexander Services
Rollins Hudig Hall Group
Tilburg
Rollins Hudig Hall Group
Verzekerings Advies Kantoor
(ABN-AMRO)
Utrecht
Rollins Hudig Hall Group
Verzekerings Advies Kantoor
(ABN-AMRO)
Velsen-Noord
Scheuer Insurance Brokers
(Willis Corroon)
Venlo
Rollins Hudig Hall Group
Verzekerings Advies Kantoor
(ABN-AMRO)
Zaandam
Verzekerings Advies Kantoor
(ABN-AMRO)
Zwolle
Verzekerings Advies Kantoor
(ABN-AMRO)

New Zealand

Auckland
Alexander & Alexander Services
Bain Hogg Group
Heath Fielding (C.E. Heath)
Jardine Insurance Brokers
(JIB Group)
Lowndes Lambert
Marsh & McLennan
Minet Archer
Sedgwick
Special Risk Services
Willis Corroon
Blenheim
Alexander & Alexander Services
Christchurch
Alexander & Alexander Services
Jardine Insurance Brokers
(JIB Group)
Marsh & McLennan
Sedgwick
Willis Corroon
Dunedin
Alexander & Alexander Services
Jardine Insurance Brokers
(JIB Group)
Marsh & McLennan
Sedgwick
Gisbourne
Alexander & Alexander Services
Hamilton
Alexander & Alexander Services
Jardine Insurance Brokers
(JIB Group)
Marsh & McLennan
Hastings
Alexander & Alexander Services
Masterton
Alexander & Alexander Services
Napier
Marsh & McLennan
Nelson
Alexander & Alexander Services
New Plymouth
Alexander & Alexander Services
Sedgwick
Tauranga
Marsh & McLennan
Wellington
Alexander & Alexander Services
Jardine Insurance Brokers
(JIB Group)
Marsh & McLennan
Minet Archer
Sedgwick
Willis Corroon

Nicaragua

Managua
Alexander & Alexander Services

Nigeria

Ibadan
Alexander & Alexander Services
FIM Consultants (Sedgwick)
Scib Nigeria & Co. (Sedgwick)
Kaduna
Alexander & Alexander Services
FIM Consultants (Sedgwick)
Scib Nigeria & Co. (Sedgwick)
Lagos
Alexander & Alexander Services
FIM Consultants (Sedgwick)
Glanvill Enthoven & Co. (JIB Group)
Minet Professional Services
Scib Nigeria & Co. (Sedgwick)
Belfast
Alexander & Alexander Services
Bowring Marsh & McLennan
(Marsh & McLennan)
Godwins (Rollins Hudig Hall Group)

Northern Ireland

Willis Corroon

Norway

Oslo
Alexander & Alexander Services
Lowndes Lambert
Minet
Rollins Hudig Hall Group
Tromso
Lowndes Lambert
Sandvika
Alexander & Alexander Services

Oman

Nilsen Brokers (C.E. Heath)
Muscat
Alexander & Alexander Services

Pakistan

Sedgwick

Panama

Panama City
Alexander & Alexander Services

Papua New Guinea

Lae
Alexander & Alexander Services
Port Moresby
Alexander & Alexander Services
Kila Bowring Insurance
(Marsh & McLennan)
Lowndes Lambert
Sedgwick

Paraguay

Alexander & Alexander Services

Peru

Lima
Alexander & Alexander Services
Johnson & Higgins/UNISON
Sedgwick

Philippines

Cebu City
H.I. Group
(Johnson & Higgins/UNISON)
Jardine Davis Insurance Brokers
(JIB Group)
Manila
Alexander & Alexander Services
H.I. Group
(Johnson & Higgins/UNISON)
Jardine Davis Insurance Brokers
(JIB Group)
SEDFEMA Insurance Brokers
(Sedgwick)
Sedgwick

Poland

Crakow
Gras Savoye/UNISON
Opole
Gras Savoye/UNISON
Stettin
Rollins Hudig Hall Group
Szczecin
Gras Savoye/UNISON
Warsaw
Alexander & Alexander Services
CISCO (Willis Corroon)
Gras Savoye/UNISON
Jardine Insurance Brokers
(JIB Group)
Marsh & McLennan
Rollins Hudig Hall Group
Sedgwick
Wroclaw
Gras Savoye/UNISON

Portugal

Coimbra
Jardine Insurance Brokers International
(JIB Group)
Funchal
Jardine Insurance Brokers
International (JIB Group)
Leiria
Marsh & McLennan
Lisbon
Alexander & Alexander Services
CECAR
Gil Y Carvajal
(Gras Savoye/UNISON)
Heath y Amorim re Sociedade
Corretora de Resseguros
(C.E. Heath)
Jardine Insurance Brokers
International (JIB Group)
Marsh & McLennan
Rollins Hudig Hall Group
Sedgwick
Willis Faber (Willis Corroon)
Oporto
Marsh & McLennan
Sedgwick
Willis Faber (Willis Corroon)
Portimao
Jardine Insurance Brokers
International (JIB Group)
Willis Faber (Willis Corroon)
Porto
Jardine Insurance Brokers International
(JIB Group)

Puerto Rico

Hato Rey
Alexander & Alexander Services
Sedgwick
Vidal & Rodriguez

Continued on next page

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Qatar

Alexander & Alexander Services

Doha
Arab Commercial Enterprises (Qatar) (Sedgwick)

Moscow
Bain Hogg Group
J&H-UNISON (Jauch & Huebener KGaA/UNISON)
Sedgwick

Russia

Willis Corroon

St. Petersburg
Microl (Bain Hogg Group)

Saipan

Rollins Hudig Hall Group

Saudi Arabia

Al Khobar
Arab Commercial Enterprises (Sedgwick)

Dammam
Alexander & Alexander Services
Arab Commercial Enterprises (Sedgwick)

Jeddah
Alexander & Alexander Services
Arab Commercial Enterprises (Sedgwick)

Jubail
Arab Commercial Enterprises (Sedgwick)

Mecca
Arab Commercial Enterprises (Sedgwick)

Riyadh
Alexander & Alexander Services
Arab Commercial Enterprises (Sedgwick)
INTERSERVE (Johnson & Higgins/UNISON)

Yanbu al Sinaiyah
Arab Commercial Enterprises (Sedgwick)

Aberdeen
Alexander & Alexander Services
Bowring Marsh & McLennan (Marsh & McLennan)
Godwins (Rollins Hudig Hall Group)

Scotland

Heath (C.E. Heath)
Willis Corroon

Brechin
Heath (C.E. Heath)

Dundee
Bowring Marsh & McLennan (Marsh & McLennan)
Heath (C.E. Heath)
Willis Corroon

Edinburgh
Alexander & Alexander Services
Bowring Marsh & McLennan (Marsh & McLennan)
Godwins (Rollins Hudig Hall Group)
Heath (C.E. Heath)
Jardine Insurance Brokers (JIB Group)
Willis Corroon

Glasgow
Alexander & Alexander Services
Bain Hogg Group
Bowring Marsh & McLennan (Marsh & McLennan)
The Credit Insurance Assn. (Bain Hogg Group)
Godwins (Rollins Hudig Hall Group)
Heath (C.E. Heath)
Johnson & Higgins/UNISON
Minet
Minet Professions
Rollins Hudig Hall Group
Sedgwick
Willis Corroon

Gloucester
Jardine Insurance Brokers (JIB Group)

Inverness
Heath (C.E. Heath)

Peterhead
Heath (C.E. Heath)

Senegal

Dakar
Gras Savoye/UNISON
Safra (Gras Savoye/UNISON)
Sogecoda (Gras Savoye/UNISON)

Singapore

Alexander & Alexander Services
Arthur J. Gallagher
Gras Savoye/UNISON
Inchcape Insurance (Bain Hogg Group)
Jardine Insurance Brokers (JIB Group)
Jardine Thompson Graham (JIB Group)
Jauch & Huebener KGaA/UNISON
Johnson & Higgins/UNISON
LBN Asia (Le Blanc de Nicolay)
Marsh & McLennan
Minet
New World Insurance Brokers/Assurex
Nicholson Leslie Group (Rollins Hudig Hall Group)
Rollins Hudig Hall Group
Sedgwick
Willis Faber (Willis Corroon)

Slovak Republic

Bratislava
Marsh & McLennan
Rollins Hudig Hall Group

Solomon Islands

Honiara
Bain Hogg Group

South Africa

Benoni
Price Forbes Group

Bloemfontein
Price Forbes Group

Cape Town
Price Forbes Group

Durban
Price Forbes Group

East London
Price Forbes Group

George
Price Forbes Group

Graaf-Reinet
Price Forbes Group

Johannesburg
Alexander & Alexander Services
Price Forbes Group

Kimberley
Price Forbes Group

Klerksdorp
Price Forbes Group

Nelspruit
Price Forbes Group

Paarl
Price Forbes Group

Pietermaritzburg
Price Forbes Group

Pietersburg
Price Forbes Group

Port Elizabeth
Price Forbes Group

Pretoria
Price Forbes Group

Richards Bay
Price Forbes Group

Rustenburg
Price Forbes Group

Stellenbosch
Price Forbes Group

Upington
Price Forbes Group

Welkom
Price Forbes Group

Witbank
Price Forbes Group

South Korea

Seoul
Alexander & Alexander Services
Bain Hogg Group
Jardine Insurance Brokers International (JIB Group)
Sedgwick

Spain

Barcelona
Alexander & Alexander Services
Le Blanc de Nicolay
Gras Savoye/UNISON
IBERCECAR (CECAR)
Jardine Insurance Brokers International (JIB Group)
Marsh & McLennan
Rollins Hudig Hall Group
S&C Correduria de Seguros (Willis Corroon)
La Securite Nouvelle (Lowndes Lambert Group)
Sedgwick

Bilbao
AB-IBERCECAR (CECAR)
Alexander & Alexander Services
Rollins Hudig Hall Group
S&C Correduria de Seguros (Willis Corroon)
Sedgwick

Madrid
Alexander & Alexander Services
Le Blanc de Nicolay
Gras Savoye/UNISON
Heath y Associados (C.E. Heath)
IBERCECAR (CECAR)
Marsh & McLennan
Rollins Hudig Hall Group
S&C Correduria de Seguros (Willis Corroon)
Sedgwick

San Sebastian
AB-IBERCECAR (CECAR)
Gras Savoye/UNISON

Santander
S&C Correduria de Seguros (Willis Corroon)

Seville
Marsh & McLennan
S&C Correduria de Seguros (Willis Corroon)

Valencia
S&C Correduria de Seguros (Willis Corroon)

Valladolid
Gras Savoye/UNISON

Vitoria
AB-IBERCECAR (CECAR)

Sri Lanka

Colombo
Insurance Services International (Willis Corroon)

St. Kitts & Nevis

Alexander & Alexander Services

St. Lucia

Castries
Alexander & Alexander Services

St. Vincent & the Grenadi

Alexander & Alexander Services

Suriname

Paramaribo
Alexander & Alexander Services

Swaziland

Manzini
Bowring & Minet (Minet Group)

Mbabane
Alexander & Alexander Services
Bowring & Minet (Minet Group)

Sweden

Goteborg
Rollins Hudig Hall Group

Gothenburg
Bain Clarkson (Bain Hogg Group)
Marsh & McLennan
Willis Faber (Willis Corroon)

Helsingboug
Minet

Malmo
Rollins Hudig Hall Group

Stockholm
Alexander & Alexander Services
Bain Clarkson (Bain Hogg Group)
Le Blanc de Nicolay
Marsh & McLennan
Minet
Rollins Hudig Hall Group
Sedgwick
Willis Faber (Willis Corroon)

Vaxjo
Forsakringsmaklaren Albihn (Bain Hogg Group)

Switzerland

Feldmeilen
Jauch & Huebener KGaA/UNISON

Geneva
Alexander & Alexander Services
Marsh & McLennan

Lausanne
Gras Savoye/UNISON

Lugano
MVM Versicherungsmakler (Sedgwick)

St. Gallen
MVM Versicherungsmakler (Sedgwick)

Zurich
Alexander & Alexander Services
Le Blanc de Nicolay
Marsh & McLennan
Minet
Sedgwick
C. Wuppensahl & Co. (Willis Corroon)

Taiwan

Taipei
Alexander & Alexander Services
Bain Hogg Group
Jardine Insurance Brokers (JIB Group)
Johnson & Higgins/UNISON
Minet
Sedgwick
Yin Hwa Insurance Agent (Bain Hogg Group)

Thailand

Bangkok
Alexander & Alexander Services
Inchcape Insurance (Bain Hogg Group)
Jardine Services (JIB Group)
Johnson & Higgins/UNISON
Minet
Multi-Risk Consultants (Willis Corroon)
New World Insurance Brokers
Pap New World Insurance Brokers/Assurex
Sedgwick

Togo

Lome
Sicar Gras Savoye (Gras Savoye/UNISON)

Trinidad & Tobago

Port of Spain
Alexander & Alexander Services

Tunis

CECAR

Turkey

Ankara
Alexander & Alexander Services

Istanbul
Alexander & Alexander Services
Marsh & McLennan
Nicholson Leslie Group (Rollins Hudig Hall Group)
Rollins Hudig Hall Group
San Insurance & Reinsurance Brokerage (Johnson & Higgins/UNISON)
San Sigorta (Gras Savoye/UNISON)
Sedgwick

Turks & Caicos Islands

Providenciales
Alexander & Alexander Services

Uganda

Kampala
Bain Hogg Group

Ukraine

Kiev
Bain Hogg Group

United Arab Emirate

Abu Dhabi
Arab Commercial Enterprises (Sedgwick)

Dubai
Al-Futtaim Willis Faber (Willis Corroon)
Alexander & Alexander Services
Arab Commercial Enterprises (Sedgwick)
Rollins Hudig Hall Group
Sedgwick

Sharjah
Nicholson Leslie Group (Rollins Hudig Hall Group)
Rollins Hudig Hall Group

Uruguay

Alexander & Alexander Services

Montevideo
Johnson & Higgins/UNISON

Uzbekistan

Tashkent
Alexander & Alexander Services

U.S. Virgin Islands

St. Croix
Alexander & Alexander Services

St. Thomas
Alexander & Alexander Services

Venezuela

Barquisimeto
Johnson & Higgins/UNISON

Caracas
Alexander & Alexander Services
Bain Hogg Group
EX-TRA Excesos Y Tratados (Jauch & Huebener KGaA/UNISON)
Heath de Venezuela (C.E. Heath)
Johnson & Higgins/UNISON

Maracaibo
Alexander & Alexander Services
Johnson & Higgins/UNISON

Puerto La Cruz
Johnson & Higgins/UNISON

Valencia
Alexander & Alexander Services
Johnson & Higgins/UNISON

Vietnam

Hanoi
Jardine Insurance Services (JIB Group)

Ho Chi Minh City
Jardine Insurance Services (JIB Group)

Cardiff
Alexander & Alexander Services
Godwins (Rollins Hudig Hall Group)
Heath Corporate Risks (C.E. Heath)
Marsh & McLennan
RHA Insurance Services (Bain Hogg Group)
Sedgwick

Wales

Willis Corroon

Haverfordwest
Willis Corroon

Zaire

Kinshasa
Alexander & Alexander Services

Zimbabwe

Bulawayo
Minet Insurance Brokers
Sedgwick
Willis Corroon

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Minet Insurance Brokers
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INTERNATIONAL

Lloyd's will shift capital base of market

Changes include some policyholder access to Central Fund

By SARAH GODDARD

LONDON—Recommendations by a Lloyd's of London working party will drastically change the capitalization of the market.

A far-reaching report released last week has been welcomed by Lloyd's Chairman David Rowland, who emphasized the importance of the proposals for "the future development of Lloyd's capital structure."

Lloyd's already has made some of the changes the group recommends. But other changes, including making the Central Fund into a sort of guaranty fund against which policyholders could make claims directly in some cases, will pave the way for a new capital base for the market.

In a bulletin issued to the market, Rosalind Gilmore, director of regulatory services at Lloyd's, said the changes were "intended to strike a balance between safeguarding the interests of existing members and evolving a capital base for the market. The safeguards also take account of the interests of policyholders."

The changes recommended in the report will be implemented for 1996. But potential corporate investors may hold back their capital until 1997 to see how well the new system works.

"There have been a good number of corporate capital inquiries, particularly from insurance companies," said Ewen Gilmour, manager of Lloyd's corporate members unit. "However, the majority have been in respect of the 1997 underwriting year rather than 1996."

One of the most drastic changes to Lloyd's underwriting practices will be the introduction of a risk-based capital system to identify the "riskiness" of a category of business and appropriate membership deposits to match it. Currently, the level of deposits is solely related to whether the member is a "traditional" unlimited liability individual; an investment trust known as members agency pooling arrangement; or a corporate member.

Under the new system, solvency ratios should be higher for syndicates that write more volatile lines of business, providing greater security for policyholders.

Some details of how the risk-based capital system is going to operate still are being put together. Officials are expected to release preliminary information later this month.

All Lloyd's corporate investors will be assessed under the risk-based capital rules for their 1996 underwriting. Only individual names underwriting particularly high-risk portfolios, which seem to be undercapitalized according to the rules, may have to bump up their deposits or change their syndicate spread.

The future of the Lloyd's Central Fund is also called into question in last week's report. The Central Fund, always thought of as a "fund of last resort" for policyholders if members can't or won't pay claims, actually is a fund for the benefit of the membership.

As long as traditional members continue to trade, a Central Fund-type arrangement will be required for policyholder security, the report said. The arrangement may, however, change into a "policyholders' guaranty fund" against which policyholders could claim directly under specific, and as yet undefined, circumstances. Such a guaranty fund may not be controlled by Lloyd's Council, but it has not been decided yet who would control it.

Also, insurance companies that establish "integrated Lloyd's vehicles"—wholly owned agencies or syndicates—will have to provide a guarantee that they will pay all claims for the full amount that they are underwriting in the market. This will "safeguard the Central Fund and preserve the security of Lloyd's policies," the report says. Syndicates could not make guarantees directly to policyholders, so Lloyd's may hold these guarantees in trust for the benefit of policyholders.

Meanwhile, Lloyd's syndicates are continuing to change and move for next year.

Colin Owen, underwriter for syndicate 718, which is managed by Sturge Non-Marine Syndicate Management Ltd., is seeking Lloyd's approval to set up a new agency to manage a personal accident and health syndicate. The syndicate is to be partly financed by a corporate capital vehicle wholly owned by Robert Morey, a Tiburon, Calif., investor in health insurance ventures.

If approved, Mr. Morey will own 60% of the new Owen & Wilby Underwriting Agency Ltd. and the rest will be owned by Mr. Owen and former Sturge managing director of personal lines, Peter Wilby.

According to Mr. Wilby, Owen

See **Capitalize** *on next page*

Highly charged exposure

EMF injury claims likely to soar, two attorneys warn

By KATE TILLEY

NOOSA HEADS, Australia—Despite insufficient medical evidence linking electromagnetic fields with health problems, EMF claims are only going to become more common, according to two attorneys from Australia and the United States.

Tim Price, an insurance attorney with the Sydney office of Phillips Fox, and Rob Manor, special counsel in Washington with LeBoeuf, Lamb, Greene & MacRae, spoke last month at an insurance forum sponsored by Phillips Fox and KPMG.

EMF litigation could dwarf asbestos litigation, and insurers cannot ignore it as they tried to ignore the first asbestos cases in the 1970s, Mr. Price said. EMF suits could outnumber those for asbestos because electrical fields are virtually everywhere. Claims already have been filed in the United States and the United Kingdom (*BI*, May 8).

Although medical evidence does not necessarily support EMF as a potential danger, anyone using a cellular phone or living near power lines potentially could sue phone companies or electric utilities, Mr. Price warned.

In Australia, the New South Wales Planning and Environment Court considered the issue in a 1990 case in which farmers objected to an electricity authority building high-tension lines near their properties. The judge found there was insufficient evidence to say whether the power lines could be dangerous. An appeal to Australia's High Court in 1991 brought a similar verdict.

The High Court's chief justice, Sir Harry Gibbs, said: "It has not been scientifically established that electric fields or magnetic fields created by the electric power system in New South Wales, or any other. . .fields of extremely low frequency, initiate or promote cancer or have harmful effects on humans. However, it has not been scientifically established that such fields are *not* harmful."

Mr. Price said insurers must be aware of the potential exposure, monitor developments in EMF research, take "prudent precautions" and ensure they "control the agenda," rather than ignoring the claims until it is too late, as he said insurance companies did with asbestos claims.

"Don't let plaintiffs take control, as they did with the asbestos argument," he said.

Mr. Price predicted Australian litigation soon would follow the U.S. pattern and advised risk managers to assess their public liability and product liability policies for coverage.

No Australian insurers have yet said whether they will cover magnetic field damage claims under

See **EMF** *on next page*

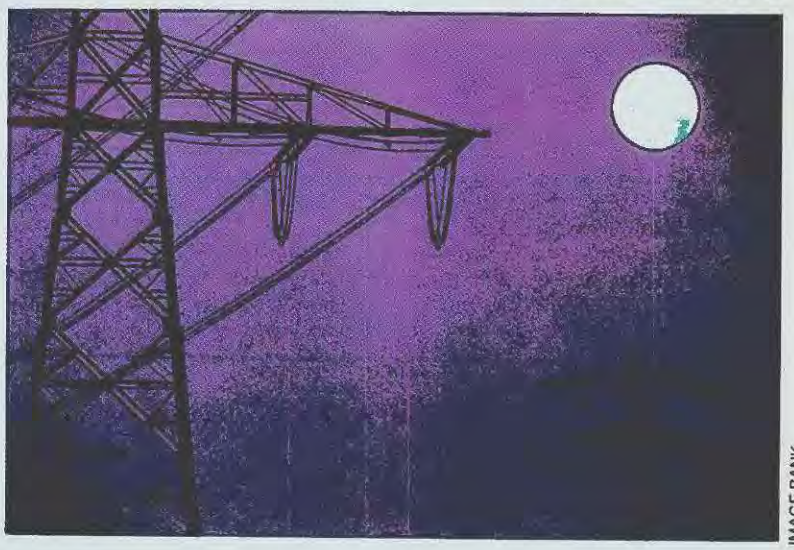


IMAGE BANK

LIRMA opens membership to non-U.K. underwriters

By EDWIN UNSWORTH

LONDON—Insurers from European Union countries will be allowed to underwrite insurance in the London market without establishing a U.K. subsidiary when the London Insurance & Reinsurance Market Assn. opens its doors to new members, possibly later this year.

LIRMA also will accept business from European brokers.

While the measures are designed to increase business, they could reduce business actually underwritten by U.K.-based insurance companies.

However, LIRMA insists that the changes will result in more business being processed through the London Processing Centre using the computerized London Insurance Market Network system. This, in turn, is expected to lower operating costs for all system users.

David Denning, LIRMA's outgoing chairman, said it is "impossible to say how much business it will bring to London."

Until recently, LIRMA was open only to non-marine companies operating in London. But, under E.U. measures for a single insurance market introduced last summer, it now can accept as members any company licensed by regulators in other E.U. countries. To use the London Processing Centre and have access to LIMNET, a company must belong either to LIRMA or the Institute of London Underwriters.

While LIRMA has agreed in principle to admit European insurers as members and accept business from European brokers "as soon as possible," no timetable has been set.

Mr. Denning said there are "many practical implications in this and still much work to be done" before LIRMA's council grants final approval. Tasks include evaluating and analyzing, in consultation with others in the London insurance market, the legal, processing and business im-

See **LIRMA** *on next page*

Trinity seeks strategic delay

Insurer hopes Charter precedent will help its suit

By SARAH GODDARD

LONDON—Insolvent Trinity Insurance Co. Ltd. is seeking to delay trial of a suit it brought against NRG Victory Reinsurance Co. Ltd. until after a landmark court decision that could affect its case is appealed.

A trial of Trinity's suit against NRG Victory Re seeking reinsurance recoverables was scheduled to begin recently but has been postponed while the U.K. Court of Appeal hears a similar case that could boost the reinsurance recoveries of insolvent British insurers.

In that case, which the appeals court is expected to hear in September, Charter Reinsurance Co. Ltd. successfully sued Lloyd's underwriter Patrick Feltrim Fagan to recover reinsurance payments before it actually paid the underlying claims (*BI*, July 3).

In the Charter Re decision, Justice Mance also ruled that once an insolvent insurer has agreed to pay a claim, its excess-of-loss reinsurers are liable to pay in full, even though the insolvent insurer may only be able to pay a fraction of policyholders' claims.

Charter Re entered liquidation last June, but its joint provisional liquidators have been unable to set up a scheme of arrangement for its policyholders because of questions about its reinsurance recoverables.

If upheld on appeal, the decision could set a legal precedent in an area of reinsurance claims that previously had been settled only through arbitration.

Based on the wording of the "ultimate net loss" clause in reinsurance contracts—which was the main point of contention in the Charter Re case—a number of reinsurers have withheld claims payments from insolvent ceding companies because, they have argued, the clause means that they only have to pay after the cedant actually pays the underlying claim. If the cedant is in liquidation, though, the claim may only be partially paid—if at all.

Reinsurance claims totaling £2 billion to £3 billion ($3.19 billion to $4.78 billion) could be at issue.

The Feltrim syndicates will appeal the Charter Re claim on the grounds that the wording in the "ultimate net loss" clause is straightforward and unambiguous. "In short, the point is that 'actually paid' means what it says and not 'actually to be paid' at some time in the future," said Anthony Fitzsimmons, a partner in London solicitor Ince & Co., who represents Feltrim.

See **Trinity** *on next page*

London Club may leave P&I group over liability limit

By EDWIN UNSWORTH

LONDON—The International Group of P&I Clubs, an association of 14 mutual insurers for shipowners, could lose a major member this year over disagreement on proposals to limit members' financial liability for catastrophes.

The London Club may leave the group because it wants a much lower liability limit than other members (*BI*, July 3).

Nearly all the protection and indemnity clubs of the International Group, whose members pool their risks above the limits of their reinsurance, support a proposal that would limit members' aggregate exposure to any one catastrophe to about $20 billion. Currently there is no limit on non-pollution claims.

However, the London Club believes $20 billion is too high and favors instead an overall limit in the range of $2 billion to $3 billion per incident. It has called the higher limit a "recipe for chaos and confusion" because the vast majority of shipowners will be unable or unwilling to contribute up to $20 billion.

Graham Edmiston, the senior partner of A. Bilbrough & Co. Ltd., managers of the London Club, said if a compromise can't be found "it won't be so much a question of us deciding to leave" the International Group as of being forced out of it. He said that if most of the group decides to introduce the $20 billion limit they would effectively be creating a new pooling agreement without the London Club being a participant.

The London Club has some support for a lower liability limit from the Swedish Club, which is also concerned that $20 billion may be too high. The Swedish Club is under pressure from the Swedish Shipowners' Assn., which has complained that the proposed limit is an invitation to excessive claims.

Greek shipowners also favor a lower limit. The Greek Shipping Co-operation Committee, which represents 150 Greek shipping offices in London, sent a letter to the International Group saying the $20 billion limit is "totally unrealistic and unacceptable" and could drive shipowners to seek coverage from traditional insurers.

Liability limits have long been an issue within the P&I clubs because shipowners are concerned that they have no limit on their liability per incident, thus increasing the amount of risk that can be shared by all the members of a P&I club.

In the case of a maritime catastrophe involving a P&I club member, the club pays the first $5 million and the International Group pays the next $25 million. Non-pollution claims above $25 million are reinsured up to $1.5 billion and pollution claims are reinsured up to $500 million. Pollution coverage is limited to $500 million but if any non-pollution claims exceed the reinsurance limit the additional claims are paid by the International Group.

The Group members hold reserves and are able to make calls on members if additional funds are needed.

The proportion required of each shipowner is related to their total tonnage insured with the club.

Under the International Group's compromise proposal, a shipowner's maximum loss contribution would be fixed under a formula established under the 1976 Convention on Limitation of Liability for Marine Claims. This formula produces the limit of about $20 billion per catastrophe.

In the past, P&I clubs did not worry about the exposure because a disaster creating a liability exceeding reinsurance was considered virtually impossible. But now, they fear that if, for example, a tanker collided with a cruise ship, losses could exhaust reinsurance.

The International Group last met formally in London on July 4. The board of each member club presented its views on liability, with no position changes from earlier meetings. The London Club and the Swedish Club were the only dissenters from the $20 billion proposal.

The issue is likely to reach an important stage in October, when the clubs meet next. They would like the new liability limits to be in place in time for the February 1996 renewals.

The International Group's Special Working Group has been instructed to draft new rules for the clubs and a new pooling agreement incorporating the proposed liability limits and to report back in September. BI

Oil spill, hull damage insured in BHP shipping accident

By KATE TILLEY

MELBOURNE, Australia—Australian mining company BHP Ltd. is likely to call on its insurance company subsidiaries to meet hull and cargo claims arising from an oil spill caused by a BHP-chartered ship grounded on a reef off Tasmania.

BHP would not identify the protection and indemnity club that provides liability insurance for the vessel.

The bulk carrier Iron Baron ran aground last Monday on Hebe Reef, off the mouth of the Tamar River, on the northern part of Tasmania.

More than 80,000 gallons of fuel oil have leaked from the ship, said a spokesman for BHP in Melbourne.

The ship was en route to a BHP smelter at Bell Bay, near the mouth of the Tamar, with a cargo of manganese.

The hull is insured for $21 million Australian ($15.2 million) and the cargo is estimated to be worth $3.3 million Australian ($2.4 million), based on current manganese prices.

Environmental cleanup costs have been estimated by the Australian Maritime Safety Authority, a federal government agency that coordinates oil spill cleanups, at up to $5 million Australian ($3.6 million).

Alan Reynolds, managing director of both the Melbourne-based captive, BHP Marine & General Insurances Pty. Ltd., and World Marine & General Insurances Pty. Ltd., BHP's wholly owned insurer that writes third-party business, declined to discuss the company's insurance arrangements.

Mr. Reynolds also would not identify the P&I club that insures the ship's liabilities, which could be responsible for any pollution liability that arises out of the oil spill.

The BHP spokesman said the

But it's too early to say whether there will be any Iron Baron claims, or how large such might be.

Australian-registered vessel owned by a Japanese company which he would not identify, and is on a long-term lease to BHP Transport, a unit of BHP Ltd.

He said the ship "carries appropriate insurance," but it was "too early to say" whether there would be any claims or of what magnitude.

Salvors from United Salvage Ltd. are attempting to refloat the ship.

Australia's last major oil spill occurred when the Kirki broke up off the Western Australian coast in 1991 (*BI*, Dec. 9, 1991).

—*By Kate Tilley*

Capitalize

Continued from previous page

& Wilby has offered to take over the management of Mr. Owen's current Sturge-managed syndicate 718, which has capacity this year of £62.4 million ($97.7 million). Lord Poole, chief executive of SLA Holdings Ltd., the group that includes managing agency Sturge Non-Marine, said that Sturge is currently discussing the syndicate with members agents, but he did not want to comment further out of consideration for the syndicate's names. He added that discussion could not have taken place with the Owen & Wilby agency since it does not exist until Lloyd's approval has been granted.

Lloyd's names who are currently underwriting on syndicate 718 will be given the opportunity to take up capacity on the new syndicate. Mr. Morey's corporate capital vehicle will invest the difference between the names' contributions and the target capacity of £65 million ($101.7 million).

More than 35% of the syndicate's business comes from the United States.

In addition, one of the oldest syndicates in the market, which is known as Chester syndicate 65 after deceased underwriter Henry Chester and which stopped underwriting last year, may be revived this year as a corporate syndicate.

The syndicate will be fully capitalized by a group of Danish corporate investors, said Terry Hayday, marketing director of Highgate Managing Agencies Ltd., which will manage the syndicate. If Lloyd's approves the arrangement, it will be the first time a syndicate has begun underwriting in the middle of the year. BI

Charter

Continued from previous page

Nicholas Bradley, a partner at solicitor Davies Arnold Cooper in London, which represent Trinity, said he welcomed the ruling.

"It would be wrong that purely as an accident of insurer insolvency a reinsurer becomes freed of its responsibilities," Mr. Bradley said.

A lot of insurance companies had been waiting for this judgment before paying out relevant claims, he said.

"I am very encouraged by the ruling, which certainly confirms my views and understanding of how the system should operate," said Christopher Hughes, a partner with Coopers & Lybrand who is administrator of the scheme of arrangement for the KWELM companies. "I would expect this view to remain on appeal."

The Charter Re ruling will help clarify one area of the KWELM scheme of arrangement, which to date has paid out $563 million to creditors. A further $140 million payment will be made later this year.

"This will at least maintain, if not increase, the momentum of the reinsurance recoveries," said Mr. Hughes, "and it may accelerate—and possibly increase—the amounts recovered." But those additional recoveries would be so marginal that they would not have a significant impact on the time frame for the winding up of the KWELM companies.

The ruling may accelerate or increase the amounts of recoveries, says Christopher Hughes.

Anthony Berry, underwriter of Additional Underwriting Agencies (No. 7) Ltd. in London, which is running off the Feltrim syndicates, said there are good arguments on both sides of this case but is confident the ruling will be overturned.

AUA (No. 7) had "reserved pessimistically" in the past, said Mr. Berry, so the Feltrim names would not have any "further shocks" if the ruling was not overturned on appeal.

Michael Taylor, general manager of the Lloyd's of London claims office, is confident that Lloyd's syndicates already have been notified of the vast majority of claims affected by the ruling and already have reserved for them.

"We have been looking at the situation in detail and working with the liquidators of major London insurance companies, as well as brokers and underwriters, to ensure that we are ready to meet any requirements," he said.

The appeal is set for September just one month before Equitas Ltd., the runoff vehicle for Lloyd's liabilities from 1992 and prior, issues its provisional reinsurance premium quotes to Lloyd's names.

An Equitas spokesman said the runoff reinsurer is aware of the case and is doing its best to ensure that full allowance is made for any implications. BI

LIRMA

Continued from previous page

plications of such new membership.

However, Ken Dare, LIRMA's outgoing deputy chairman, said he believes the first new European members could be admitted before the end of the year.

The changes are made possible as much by technological improvements as from legislative changes. European insurers and brokers will be able to use LIMNET to access offices of their own units or other companies in London as well as units in their home countries.

Separately, Philip Marcell, chairman of London-based Unionamerica Insurance Co. Ltd., has been elected chairman of LIRMA. Mr. Marcell, whose appointment is for two years, has been on the LIRMA council since it was created in 1991.

Graham Dimmock, managing director in the London office of Employers Reinsurance Corp., was elected as one of the two deputy chairmen. He will replace Mr. Dare, who is retiring at the end of June.

Ken Haddon, managing director of London-based AXA Reinsurance U.K. P.L.C., was re-elected as LIRMA's other deputy chairman. BI

EMF

Continued from previous page

product or public liability policies, he said.

Michael D. Grossman, regional casualty manager for American International Group Inc. in Melbourne, Australia, said he expected EMF third-party claims would be covered under current product and public liability policies.

But electric utilities may be singled out for policy exclusions if their claims experience warrants it, he added.

If the experience for these claims becomes adverse, the risks would probably be uninsurable because it would be difficult to quantify the degree of exposure, said Mr. Grossman. "It may require some special financial insurance product for the risk."

Some insurers will not write coverage for electric utilities or will do so only with a specific EMF exclusion, said Mr. Price.

"The toxic tort industry has mastered asbestos and silicone breast implants and is hungry for new challenges," he warned.

Mr. Manor has defended U.S. utilities in EMF suits, but said litigation is not confined to the electricity industry.

The inconsistencies in medical and scientific findings are "fodder for litigation, he added.

Plaintiffs lawyers are amassing evidence, expert witnesses and support groups and taking action across the United States. In Texas a lawsuit has been filed on behalf of 13 children with cancer and will be watched closely, Mr. Manor said.

Suits also are expected to be filed against Australian utilities and cellular phone companies.

He warned that the media will help in shaping public perception on EMF, and health-based standards are unlikely to be developed because science will be unable to show conclusively that EMF is or isn't, harmful.

ESRD

Continued from page 2

o Medicare.

Judge Bryant's ruling applies for ervices delivered between Aug. 10, 993—the date the ESRD provision the 1993 law took effect—hrough April 23, 1995, the date CFA formally reversed its earlier terpretation (*BI*, June 12; Feb. 20).

NMC attorneys earlier said that MC's intent—beyond obtaining a mporary injunction—is to win a ourt ruling that the second HCFA terpretation of the ESRD provi-on is not correct and should not be nforced permanently.

While Judge Bryant's injunction nly applies to NMC—which is a 'altham, Mass., unit of W.R. Grace Co.—HCFA is advising its re-onal administrators to comply ith the injunction for the sake of consistency" for ESRD claims in-olving all other dialysis centers as ell.

According to a June 19 memoran-um issued by HCFA regulators, at means Medicare contractors ould not issue refunds to employ-s that paid ESRD claims under CFA's first interpretation of the 93 law and then sought refunds ter HCFA changed its position.

"Until the matter is formally re-lved by the court, Medicare con-actors must. . .not direct providers suppliers to refund primary pay-ents for such services received om group health plans and bill edicare as primary payer for these rvices," the HCFA memorandum id.

The HCFA memorandum applies services rendered between Aug. , 1993, through April 23, 1995—e period covered by Judge Bry-t's injunction. For services deliv-ed on or after April 24, HCFA ys dialysis centers should continue bill Medicare as the primary yer for retirees who develop SRD after turning 65.

While the legal issues involved ay seem arcane—which HCFA in-pretation of an obscure provision ried in the hundreds of pages of a dget law is correct—the financial plications for employers and dial-is centers are obvious.

"There is a lot of money at stake re," said Bob Roth, a partner with e law firm of Dechert, Price & oads in Washington and a former CFA official.

Depending on how the court les, employers could face tens of llions of dollars in medical bills urred by retirees who develop SRD after they become eligible for dicare.

Employers also could face admin-rative hassles, as could their retir-. That is because, under the first CFA interpretation, the primary ponsibility for paying a retiree's dical bills would be bouncing ck and forth between Medicare d an employer.

First, Medicare would be the pri-ry payer. Then, after the retiree velops ESRD, the primary respon-ility for paying the retired work-s medical bills would shift to the ployer's retiree health care plan. en, after 18 months, the liability uld bounce back to Medicare.

Kidney dialysis centers also have ig interest in the outcome of the gation. That is because dialysis ters typically impose higher rges for patients covered under ployer health plans than those ered by Medicare. A study by the neral Accounting Office found t employer plans paid dialysis viders $690 per week on average, % more than the $383 paid by dicare.

Medicare's "artificial rates" pro-e "little margin over actual cost," IC said in court papers. BI

CWCI

Continued from page 1

pate potential administrative economies, reduced frictional costs in determining injuries to be work-related, and lower treatment costs through managed care."

Until now, though, advocates of such programs lacked reliable data to quantify the costs and savings from key elements of the plans.

Based on earlier research, the CWCI estimates that a merger of medical benefits for employees and non-working dependents, as required for a 24-hour system, would cost employers in California $8 billion to $16.9 billion annually because mandatory coverage would be extended to a wide range of employees not now covered by group medical plans.

With those numbers as a base, the CWCI used a health care claims database from William M. Mercer Inc. to quantify the potential costs and savings of applying managed care techniques—as well as introducing deductibles, coinsurance and copayments—to workers comp care.

The CWCI found that introducing a group health care plan design, including managed care, would "dramatically" change patterns of treatment and utilization of medical services for work-related injuries and illnesses.

The findings were based on the institute's development of a set of assumptions for a theoretical 24-hour health care system, which included limits on certain types of treatment, such as chiropractic care. Depending upon the type of health care plan model, the study projects mandatory use of managed care for workers comp medical treatment could save employers in the state as much as $755 million to nearly $1.14 billion annually.

"HMOs offer the greatest potential savings," the CWCI noted. "Fee-for-service plans, preferred provider organizations and point of service plans would produce lesser savings but would entail different levels of utilization," the study found.

Adopting group medical deductibles, coinsurance and copayments would shift $250 million to $292 million per year in workers comp medical costs to employees, depending on the structure of the plan, the study estimates.

Using a group medical HMO would shift 10% of employers' costs to employees, while PPOs would shift 11%; POS plans, 12%; and fee-for-service plans, 16%.

"The (CWCI) research is productive, though Southern California Edison is exploring the topic in a different way," said Suzanne Mercure, benefit administration manager of the major electric utility in Rosemead, Calif.

The utility is evaluating performance standards with independent health plans to determine provider accountability for both quality care and appropriate return to work, regardless of whether the injury is work-related or not, she said.

Ensuring quality care is more complicated with workers comp because the existing statutory approach focuses more on claim payments and requires a long paper trail, Ms. Mercure explained.

"We want workers comp to develop a set of quality-oriented guidelines that don't result in adversarial relations," she said. The goal should be improving employees' health and ability to function.

The concept of 24-hour coverage is applicable nationally, though different states are in different stages of considering it, Ms. Mercure added. California is a little ahead of most states because of former Insurance Commissioner John Garamendi's interest in the topic, she added.

Linda Shuey, claims manager for the County of San Diego's workers compensation program, believes that 24-hour coverage is "an excellent idea."

The county has taken "the first step" toward implementing 24-hour coverage by participating in a three-year pilot program, begun June of 1994, with Kaiser Permanente's health maintenance organization (*BI*, Sept. 26, 1994).

Under the pilot program, 2,500 county employees voluntarily decided to obtain medical treatment for workers compensation injuries and illnesses through the Kaiser HMO where they obtain their general health care services. However, they obtain treatment for work-related injuries from the HMO's occupational specialists.

Fee-for-service plans, PPOs and point of service plans would produce lesser savings' than HMOs, but would entail different levels of utilization, the CWCI study found.

Employees are encouraged to participate in the pilot program because they receive the richer, workers comp benefits mandated by the state, including the services of a nurse case manager and the option of acupuncture treatment, she said.

The county compensates the HMO for employee's care through prepaid capitated fees.

"At this point, we can't say it has saved us money," Ms. Shuey said. However, cost and claims data is being collected for further evaluation.

The CWCI noted that several factors could be expected to "blunt" potential savings from imposing group medical plan design on workers comp, including the fact that workers comp is a statutory benefit, unlike group medical plans.

"Any cost-savings analysis must account for the impact of the 'liberal construction' doctrine in workers compensation"—which generally requires that the law be liberally construed to extend workers comp benefits—"as well as the risk of increased litigation because of due process considerations," the study points out.

"In addition, policymakers need to consider different mandates of treatment under the two systems and recognize that workers compensation involves fewer coverage restrictions, more regulation and less flexibility in defining benefits," the CWCI contends.

In addition, policymakers must weigh political implications of adopting a 24-hour system.

For example, labor representatives would likely oppose the introduction of deductibles and copayments for workers comp medical care. They also would oppose restrictions on employees' choice of providers and on services like chiropractic care, which are currently available under workers comp.

The concept of complete integration of workers comp and group health care remains theoretical rather than practical at this time.

"The obstacles to statutory integration—both practical and political—are fairly significant," said CWCI President Edward C. Woodward.

However, recent market developments are encouraging the voluntary use of managed care techniques because they yield "substantial benefits" like lower treatment costs, he noted.

As a result, there is less need for full, statutory integration of these two systems because the market voluntarily is developing various workable approaches to partial integration, Mr. Woodward contends.

However, none of these voluntary programs charges deductibles or copayments, which are currently banned by statute in California and nearly all states, he said.

•

Copies of the 15-page report, "Managed Medical Care in Workers' Compensation," are available for $6.90 each, including shipping, from the CWCI, 415-981-2107.

401(k)

Continued from page 1

complex projections on what highly compensated employees can contribute or having to make refunds," said Rob Vetere, a vp with Diversified Investment Advisors.

"This is an approach that employers will be examining. It is of reasonable importance," said John Woyke, a principal with Towers Perrin in Valhalla, N.Y.

The technique discussed in the new ruling involves a problem that many employers face: how to allow highly compensated employees to make the maximum deferral to their 401(k) plans without the plan failing the basic IRS non-discrimination test. Under the so-called actual deferral percentage test, average deferrals by highly compensated employees—those earning at least $66,000—generally cannot exceed the average deferrals of rank-and-file employees by more than two percentage points.

If a 401(k) plan fails that test, a portion of deferrals must be returned to highly compensated employees to enable the plan to pass the test.

To avoid the added work of returning those amounts, which would involve issuing new W-2 tax statements, employers now typically use one of two approaches, both of which have their shortcomings.

Some employers limit deferrals of highly compensated employees to a fixed percentage of salary. The trouble is, when an employer runs the ADP test at the end of the year, it may find that its highly compensated employees could have contributed more because rank-and-file employees deferred more than expected. By then, however, it may be too late to make additional deferrals.

Other employers run the ADP test frequently, perhaps even monthly. Based on the results, the employer would have an up-to-date account of deferrals by rank-and-file employees and know how much highly compensated employees could defer without failing the ADP test. The trouble with this strategy is that it requires frequent non-discrimination testing, adding yet another administrative burden on employers.

The pairing of a 401(k) plan with a non-qualified plan, benefit consultants say, is a way to reduce those problems.

An example, based on the IRS private letter ruling, illustrates how this linkage of the two plans would work:

Assume an employer has both a 401(k) plan and a non-qualified plan. Highly compensated employees in the non-qualified plan agree to defer part of their salary to the non-qualified plan and agree to have an amount—based on the results of the ADP test—later transferred from the non-qualified plan to the 401(k) plan.

For example, a senior management employee agrees to defer a total of 10% of salary in 1995 to the non-qualified plan. In the case of a calendar year plan, this decision—an irrevocable one—would have to be made no later than Dec. 31, 1994.

At the end of January 1996, the employer would run the ADP test. The employer might find that highly compensated employees in the non-qualified plan could defer 5% of salary to the 401(k) plan and still pass the ADP test.

That amount then would be transferred from the non-qualified plan to the 401(k) plan, with the 5% remaining in the non-qualified plan.

No investment earnings on amounts credited to deferrals made to the non-qualified plan could be transferred to the 401(k) plan. The earnings would have to remain in the non-qualified plan.

Some benefit experts see the linkage of non-qualified and 401(k) plans as a all-win situation for employers and employees.

"This will be appealing because it is a sure-fire way for (highly compensated) employees to make the maximum deferrals to 401(k) plans," said Donn Johnston, a senior vp with Sedgwick Noble Lowndes in Warminster, Pa.

But other experts say the application of the ruling would be very limited. They note that the private letter ruling involves a non-qualified plan available only to a "select group" of management or highly compensated employees. This type of arrangement is commonly referred to as a top-hat plan.

"The ruling would have broader application if it involved a larger group of employees," said Pam Scott, a principal with Kwasha Lipton L.L.C. in Fort Lee, N.J.

Others note because of IRS non-discrimination tests, the ruling still wouldn't help highly compensated employees contribute significantly more to their 401(k) plans if rank-and-file employees make only small deferrals to the plans.

In addition, participation in a non-qualified plan does pose a risk to employees. If a company were to fail, everything promised to them in a non-qualified plan could be lost. Participants in non-qualified plans are only considered unsecured creditors.

Highly compensated employees, though, are aware and accept that risk when they participate in non-qualified plans, Mr. Vetere says. BI

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The Professional Marketplace

LEGAL NOTICE

UNITED STATES BANKRUPTCY COURT
Southern District of New York

IN THE PETITION OF GARETH HUGHES AND ANTHONY JOAQUIN, AS JOINT PROVISIONAL LIQUIDATORS OF THE BERMUDA FIRE & MARINE INSURANCE COMPANY LIMITED (THE "COMPANY")
CASE NO. 93-B-46013 (PBA)

NOTICE IS HEREBY GIVEN that on June 28, 1995, an Order vas entered by the United States Bankruptcy Court for the Southern District of New York continuing the Preliminary Injunction Order original- / issued on December 14, 1993 (the "Order") which (a) enjoins and estrains the commencement or continuation of any judicial action, arbi- ration proceeding, administrative or regulatory action or proceeding gainst the Company or any of its property in the United States; (b) njoins and restrains the enforcement of any judicial proceeding, arbi- ation award, administrative or regulatory proceeding to create, perfect r enforce any lien or other claim against the Company or any of its prop- rty in the United States; and (c) requires all persons to turn over and ccount to the Petitioners for all funds resulting from the drawdown of etters of credit in excess of what is expressly authorized by the terms of he contracts and any related trust or other agreements pursuant to /hich such letters of credit have been posted, in their possession, cus- ody or control after written demand for turnover and accounting is made y the Petitioners against such entity. The Order shall remain in effect ending a hearing scheduled to be held in Room 617 of the Alexander lamilton U.S. Custom House, One Bowling Green, New York, New York n November 14, 1995 at 10:00 o'clock a.m. Any party in interest who as not received a copy of the Order should contact counsel for the Joint 'rovisional Liquidators in writing at the following address:

Margaret M. Groarke, Esq.
Chadbourne & Parke
30 Rockefeller Plaza
New York, New York 10112

LEGAL NOTICE

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

IN THE PETITION OF DAVID LLEWELLYN MORGAN AND MARK W.R. SMITH, S JOINT PROVISIONAL LIQUIDATORS OF STOCKHOLM RE (BERMUDA) LTD. (THE "COMPANY")
Case No. 95-B40543 (PBA)

NOTICE IS HEREBY GIVEN that on June 28, 1995 an order was entered by the United States nkruptcy Court for the Southern District of New York continuing the Preliminary Injunction Order orig- ılly issued on February 24, 1995 (the "Order"):

1. Enjoining and restraining all persons and entities from (a) transferring, relinquishing or posing of any property of the Company in the United States, or the proceeds of such property, to third rties; (b) commencing or continuing any action or other legal proceeding against the Company or any its property in the United States, or any proceeds thereof; (c) enforcing any judicial, quasi-judicial, ministrative or regulatory judgment, assessment or order or any arbitration award, and commencing continuing any act or any action or other legal proceeding to create, perfect or enforce any lien, set- or other claim against the Company or any of its property in the United States or any proceeds there- including, without limitation, rights under reinsurance or retrocession contracts; and (d) drawing down / letter of credit established by, on behalf or at the request of, the Company, or withdrawing from, 'set- ı off against, or otherwise applying property that is the subject of any escrow agreement or similar angement in which the Company has an interest, in excess of what is expressly authorized by the ns of the contract and any related trust or other agreement pursuant to which such letter of credit, :row, or similar arrangement has been established, except, however, no drawing against any letter of dit shall be made in connection with any commutation unless the amount has been agreed in writing ı the Petitioners or permitted by further order of the Bankruptcy Court;

2. Requiring all persons and entities that are beneficiaries of letters of credit established on behalf or at the request of, the Company, or parties to any escrow or similar arrangement in which Company has an interest, to (a) provide notice to Petitioners' United States counsel of any drawdown any letter of credit established by, on behalf or at the request of, the Company, or any withdrawal r, setoff against, or other application of property that is the subject of any escrow agreement or sim- arrangement in which the Company has an interest, together with information sufficient to permit the itioners to assess the propriety of such drawdown, withdrawal, setoff, or other application, including, iout limitation, the date and amount of such drawdown, withdrawal, setoff or other application and a ıy of the agreement pursuant to which any such drawdown, withdrawal, setoff or other application was de and provide such notice and other information contemporaneously therewith; (b) turn over and count to the Petitioners for all funds resulting from such drawdown, withdrawal, setoff, or other appli- cn, in excess of what is expressly authorized by the terms of the contract, any related trust or other eement pursuant to which such letter of credit, escrow, or similar arrangement has been established;

3. Requiring every person and entity that has a claim arising under a contract of insur- e, reinsurance, retrocession or otherwise, written or entered into by the Company and who is a party ny action or other legal proceeding in which the Company is or was named as a party, or as a result /hich a liability of the Company may be established to place the Petitioners' United States counsel he master service list of any such action or other legal proceeding and to take such other steps as / be necessary to ensure that such counsel receives (a) copies of any and all documents served by parties to such action or other legal proceeding or issued by the court, arbitrator, administrator, reg- or or similar official having jurisdiction over such action or legal proceeding and (b) any and all cor- ıondence, or other documents circulated to parties named in the master service list.

The Order shall remain in effect pending the hearing scheduled to be held in Room 617 of the :ander Hamilton U.S. Custom House, One Bowling Green, New York, New York on November 14, 5 at 10:00 o'clock a.m. Any party in interest who has not received a copy of the Order should con- counsel for the Joint Provisional Liquidators in writing at the address listed below.

Chadbourne & Parke
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Attention: Margaret Groarke, Esq.

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Conference

Continued from page 2

Bay Hotel in San Diego and feature more than two dozen speakers.

"Our conference is designed to bring together leading experts in workers compensation programs who can share their insights with each other in formal conference sessions and informal gatherings," said Kathryn J. McIntyre, vp, publisher and editorial director of *Business Insurance*.

"While workers compensation system reforms around the country and competition among insurers is easing pressure on risk managers to control their workers compensation costs, our conference highlights substantive program changes that risk managers can make to further reduce costs both in the short- and long-term," she added.

"Both experienced risk managers and those new to workers compensation issues will gain new insights from our faculty and other attendees," Ms. McIntyre said.

An open discussion leads off this year's conference on the afternoon of Wednesday, Oct. 11. Facilitated by Ms. McIntyre, the roundtable discussion will allow participants to voice their concerns and share information about their programs.

"Previous conference attendees have asked for time to brain storm together, and we believe this roundtable will offer that," said Ms. McIntyre.

After the roundtable, a welcome reception is scheduled for all conference attendees.

On Oct. 12, the programs begin with a continental breakfast.

Thursday's keynote speaker, Peter C. Madeja, president and chief executive officer of Wayne, Penn.-based Genex Services Inc., will highlight major workers compensation issues and propose solutions to problems.

"Effective Ergonomics in the Workplace," the first of the panel discussions, will focus on appropriate ergonomic standards and offer information about implementation and effectiveness. Ms. McIntyre will moderate the panel composed of: David Cochran, professor at the University of Nebraska in Lincoln, Neb.; Robert Mogg, principal engineer at AT&T Global Information Solutions of Dayton, Ohio; Jacqueline Nowell, assistant director in the Office of Occupational Safety and Health at United Food & Commercial Workers International Union in Washington; and Barbara Thompson, manager at the Occupational Performance Center at Sharp Rees-Stealy Medical Center in San Diego.

A refreshment break with tabletop exhibits, hosted by Commonwealth Risk Services Inc., will follow.

After the break, Meg Fletcher, senior editor at *BI*, will moderate a panel on "Challenges and Potential New Liabilities In Dealing With a Changing Workforce: Temporary/Contract/At Home/On the Road."

With employees more frequently working from home or the road, and employers frequently hiring temporary and contract workers, new challenges confront employers in claims reporting, claims handling and liability exposures. The panelists will deal with these changes and offer suggestions on handling them.

Panel members include: James Conerty, manager of risk and loss management at International Business Machines Corp. of Armonk, N.Y.; Mary Diamond, director of risk management at ACX Technologies Inc. in Golden, Colo.; Jeffrey W. Pettigrew, vp of risk management and insurance at Western Staff Services Inc. in Walnut Creek, Calif.; and Scott Wilson, partner at the law firm of Littler, Mendelson, Fastiff, Tichy & Mathiason in San Francisco.

A luncheon sponsored by Intracorp will feature Sandra M. Jenson, special projects manager at Near North Insurance Brokers Inc. in Chicago, addressing "Safety Incentive Programs."

The afternoon begins with a panel discussion on "24-Hour Programs and Other Insurance Options" moderated by Chip Sharkey, senior vp and chief marketing officer at CNA Insurance Cos. in Chicago. Lee R. Coffey, vp of human resources at Day Runner Inc. of Fullerton, Calif.; Ron Field, senior vp at Great States/FHP Co. of Fountain Valley, Calif.; and Eric Nordman, senior regulatory specialist at the National Assn. of Insurance Commissioners in Kansas City, Mo., will address the topic.

The day concludes with three case studies.

Gail Sater, risk manager at the Red Wing, Mont.-based Red Wing Shoes, will describe "Ergonomic Changes That Have Reduced Repetitive Stress Injuries."

Arnold Davenport, vp of risk management at Bethesda, Md.-based Marriott International Inc., will follow with "An Effective Cost Allocation System to Control Losses."

The third case study, "A Return-To-Work Program That Works," will be presented by Bruce Zaccanti, risk manager of Jupiter Mechanical Industries Inc. of Wheeling, Ill.

Thursday's events will conclude with a reception hosted by CNA.

Following a continental breakfast hosted by New York-based AIG Claim Services Inc., Friday's first panel will address "Building Your Team to Achieve Successful Claims Management." Panelists, moderated by Dr. Stephen Dawkins, an occupational health physician with Occupation Health International in Atlanta, will share their insights on how to build and motivate a team to fairly and efficiently manage workers compensation claims.

The BI conference will target reducing workers comp costs, both in the short- and long-term, says Kathryn J. McIntyre.

The panelists will include: Maddy Bowling, vp of workers comp managed care at Intracorp Inc. of Itasca, Ill.; Janis S. DiMonaco, president and CEO of Health Management Center Inc. in Springfield, Mass.; Martin F. McGavin, manager of safety planning and claims with Milwaukee-based Johnson Controls Inc.; Donald D. Smith, loss control manager, Century Plaza Hotel & Tower in Los Angeles; and Gus Vigil, claims manager at Santa Fe, N.M.-based New Mexico Municipal League Insurance Division.

Friday's second panel will deal with fraud detection and prevention. Jeff Maldonado, vp of AI Claims Services Inc., will modera the panel composed of: David Gri fin, co-chairman of the Washin ton-based Coalition Against Insu ance Fraud; John P. Massucco J deputy district attorney, chief insurance fraud division, San D ego County; and Jeffrey Seilbac assistant treasurer and director risk management at Del Mon Foods Corp. in San Francisco.

At the concluding lunch for t conference, Dr. Barry Gordo Gwartz, a doctor of internal med cine and psychiatry, and founder Integrated Health Care Inc. in L Angeles, will address the issue stress-related claims and off guidelines for differentiating b tween legitimate and illegitima claims.

A special post-conference wor shop on the expanding role of ma aged care and provider reimburs ment options will be sponsored The Travelers Insurance Group I of Hartford, Conn., followed by poolside reception.

The registration fee for the co ference is $895 for service prov ers and $595 for risk, employ benefit or safety managers. A $1 per person group discount is ava able if two or more members of t same company attend.

The fee includes all sessio lunches, refreshments, receptio and the conference workbook.

To register for the conferen contact IBF/International Busin Forum at 7 Penn Plaza, Suite 9 New York, N.Y. 10001; 212-2 2525; fax: 212-279-9307.

For information about table-t exhibits, contact IBF's Julie Ta For information about sponsor a special event at the conferen contact IBF's Alexandra Scott. ■

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Aetna

ontinued from page 1

s' environmental liabilities total round $40 billion and that they ave reserved only about $12 billion.

Only last month analysts said artford, Conn.-based Aetna would ave to boost its environmental lia- lity reserves by at least $750 mil- on to attract an investor. Aetna, hich would like to focus more on s life/health business, reportedly is oking for a partner to take at least 20% stake in its property/casualty surance operation (*BI*, June 12).

Through year-end 1994, Aetna had served $436.1 million for its cur- nt environmental claims and loss djustment expenses but had not re- rved anything for IBNR claims or dverse development of currently eld reserves.

After completing a lengthy and in- olved reserve review, Aetna on July said it would add $750 million to reserve for IBNR as well as cur- nt claims and related legal and her expenses. That will result in a 88 million aftertax charge against erating earnings in the second iarter this year, during which etna has improved its profit- ility.

Aetna also said it "intends to re- enish approximately $450 million capital in its property/casualty siness" by year's end. A spokes- an would not elaborate.

Aetna, though, reportedly has been eking approximately $400 million the 20% stake in its property/casualty operations.

In addition, the insurer said it is purchasing $335 million of net excess-of-loss financial reinsurance above its approximate $1.19 billion environmental liability reserve.

The spokesman said the reinsurance arrangement does involve risk transfer and qualifies as reinsurance.

However, industry sources questioned whether the coverage actually transfers risk.

Under the arrangement, Aetna's earnings would take a partial hit if the policy responded, but its capital and surplus would not be drained, the spokesman said. He would not reveal who is writing the coverage. But, *Business Insurance* learned it was arranged through reinsurance intermediary Atrium Corp. of New York, a unit of Swiss Reinsurance Co.

The reserve strengthening represents Aetna's "best estimate of its ultimate environmental-related liability, based on currently known facts, existing law, technology and reasonable assumptions," said Chairman Ronald E. Compton.

After Aetna bolstered its reserves, insurer rating agency A.M. Best Co. of Oldwick, N.J., affirmed its A- rating—Best's fourth-highest rating—of the dozen companies in the Aetna Insurance Pool.

S&P affirmed its A+ claims-paying-ability rating for Aetna but lowered various ratings for other Aetna companies.

Both agencies said the ratings outlook for Aetna is stable.

Eric Simpson, vp of Best's property/casualty division, agreed that Aetna's action puts its environmental liability problems behind it. "It certainly puts them as one of the most conservatively reserved companies."

Aetna should not have to review the adequacy of its reserves for 10 to 15 years, he said.

Alice Schroeder, a vp with Oppenheimer & Co. of New York, said the addition is reasonable and that it was derived through a "well thought-out plan."

Other analysts are pleased with the reserve strengthening but are not sure it puts Aetna's environmental liability problems to rest.

S&P's Mr. Levin is not convinced that the insurer will not have to add to reserves in 10 years.

John L. Ward, chief executive officer of Ward Financial Group, an insurance research and management consulting firm in Cincinnati, agreed. Any additional information on environmental liability usually "results in bad news," he said.

For example, he pointed to the California Supreme Court's decision earlier this month to adopt the continuous trigger theory of coverage for environmental liability claims (*BI*, July 10).

Mr. Simpson and others also think the addition to reserves will give Aetna more maneuvering room to settle environmental claims. Before, "there's a little bit of reluctance for management to be totally aggressive because of their concern about an earnings hit," Mr. Simpson explained.

Aetna's spokesman said the insurer will continue to maintain in many cases that it is not liable but that it will settle other claims and not challenge some claims.

Aetna's action, on the heels of the moves by Fireman's Fund and Swiss Re America, will motivate the 10 to 15 largest U.S. insurers to either bolster their reserves or explain why current reserves are adequate, analysts believe.

While they agree that the insurer survival ratio is a crude measure, many said that insurers that improve their ratios with reserve boosts put pressure on other insurers to improve their own ratios or explain why that is not necessary. The survival ratio measures how long a company's environmental liability reserves will last based on the company's claims payment history.

The race is on to boost environmental reserves because of expected increased scrutiny, says Eric Simpson.

"The race is on" because of expected increased scrutiny by rating agencies and the media, Mr. Simpson said.

"When things like this hit the headlines, they're forced to study it and prepare a position on it," Mr. Ward said.

The situation is analogous to the banking industry's recent debt problem with Latin American countries, observed William J. Kelly, president of the Risk & Insurance Management Society Inc. and a senior vp of Morgan Guaranty Trust Corp. of New York. "As each financial institution recognized the problem, it put more pressure on others to do so."

Several analysts, including Weston Hicks of Sanford C. Bernstein & Co. of New York, would like to see CIGNA add to its environmental liability reserves. At year-end 1994, CIGNA had reserved about $800 million for its asbestos and environmental liabilities, a spokesman said.

"I think it has a lot of financial options to deal with a reserve strengthening," Mr. Hicks said.

CIGNA is continuing to study the adequacy of its reserves but has not reached "any definitive conclusions," a spokesman said.

Risk managers applauded Aetna's move and said the reserving issue underscores the need to reform the Superfund act.

Cheri J. Hawkins, assistant treasurer and director of insurance at Weyerhaeuser Co. of Tacoma, Wash., and former RIMS president, hopes that recognition by rating agencies will be the carrot that will drive other insurers to boost reserves.

But until joint and several liability and retroactive liability for companies are removed from the Comprehensive Environmental Response Compensation and Liability Act, which created Superfund, insurers still will have problems estimating their liability, Mr. Kelly said. BI

Products

ntinued from page 2

med yet.

Among the reasons for the delay e: a traditional institutional ten- n between the House and Senate; focus on other issues, such as ap- opriations and regulatory reform; d the suggestion of House eaker Newt Gingrich, R-Ga., that e issue of legal reform, including oduct liability reform, might be st put off until next year, when it ld provide Republicans with a tent campaign issue.

The speaker also strongly sug- sted late last week that the differ- es between the bills make action the issue unlikely this year.

As a result, proponents aren't lding their breath in anticipation a House-Senate conference.

'I don't think it's going to be any e soon," said Melissa Wolford, rector-federal affairs for the erican Insurance Assn. in Wash- ton.

'I think it's been left on the back rner and left to simmer," said m O'Day, associate vp-federal af- rs in the Alliance of American In- ers' Washington office.

'There's no indication that they're ying any attention to it right now, I think sending into that elec- n year cycle is the House strat- ," said Mr. O'Day.

'I think there are a lot of other ngs on the agenda. I also think t the speaker is looking at this as longer-term issue," agreed Ms. lford. She pointed out that Rep. ngrich has said he wants to push olution of the issue into 1996, sing the "possibility of getting a nger bill" approved by Congress GOP lawmakers prepare to face electorate.

The idea of delaying the matter il next year does not sit well at with some reform proponents.

I think everybody concerned rec- izes the political reality. We do nt a bill and we want as much as can get, but we want to have a signed this year," said wrence Fineran, assistant vp-resources, environment and regulation for the National Assn. of Manufacturers in Washington.

The business community doesn't want to see reform kicked around as a campaign issue, he said. Mr. Fineran said that he remains optimistic that a bill could be approved by the end of the year.

"We are still hopeful conferees will be named before the August recess," said Ann Gosier, executive director of the Arlington, Va.-based Product Liability Coordinating Committee, a business-backed pro-reform group.

"We think the opportunity for having meaningful legislation enacted and sent to the White House and signed by the president is increased if we can do that this year," she said.

"There is a consensus that we need to get a conference moving. I think there's realization that we can't let this slip deep into 1996. The closer November 1996 approaches, it's just that much tougher" to get any kind of legislation enacted, observed Sherman T. Joyce, president of the American Tort Reform Assn. in Washington.

He got no argument on this point from Jamie Wickett, a legislative representative for the National Federation of Independent Business in Washington. The NFIB wants the "whole enchilada" of comprehensive reform as contained in the House bill, but also wants swift action on the measure, he said.

"I don't see time helping us at all. It's only going to become more politically charged," Mr. Wickett said.

Paul Brown, director of government affairs for the Risk & Insurance Management Society Inc. in New York, was not so concerned about the timing of a bill's passage, just whether a bill gets passed.

"We remain optimistic. It's a very important issue for us. We do want to see something done, but we realize that the vast differences between the two approaches will make it difficult. Whenever they get it done, fine. We just want to make sure that they get something done," he said.

But what such a bill would contain is where wishes run into reality. As NAM's Mr. Fineran put it, "We are on record as supporting as broad a legal reform bill as feasible."

But any bill that goes to the president for his signature must garner at least 60 votes in the Senate to survive any planned filibuster, and many senators are on record as supporting a narrow, product-liability only bill rather than addressing the issue within a more comprehensive tort reform bill.

"My estimation is it will be difficult to get a bill as strong as the House bill through the Senate," said AIA's Ms. Wolford.

She noted that a group of Republican senators, notably Sens. William Cohen, R-Maine, Alan Simpson, R-Wyo., and Arlen Specter, R-Pa., have traditionally opposed federal product liability standards. She called these senators "key players" in determining what might be acceptable to the Senate.

The Alliance's Mr. O'Day added that the earlier votes on proposed amendments that would have broadened the scope of the Senate product liability bill failed to win enough support to be included in S.565. That failure indicates that mixing product liability with more general tort reform and medical malpractice reform will produce "an unpalatable bill" that won't be able to hold the 60 votes needed to block a filibuster, he said.

Mr. O'Day added, however, that House members might not be very willing to compromise. "All of those members who took a tough vote want a tough bill," he said, referring to congressmen who defied powerful interests in their districts, such as the trial bar, to support comprehensive tort reform.

Ultimately, though, the shape of a compromise measure will depend upon people like Speaker Gingrich and Senate Majority Leader Robert J. Dole, R-Kan.

"The decision about the breadth of the bill is really going to be up to the leadership. There is going to have to be a meeting of the minds," said ATRA's Mr. Joyce. BI

For the Record

High court denies fees enhancement

ST. PAUL, Minn.—Liability insurers can breathe a bit easier after the Minnesota Supreme Court last month affirmed that attorneys who successfully argue a pollution coverage case on behalf of a less affluent policyholder cannot receive enhanced fees.

In *SCSC Corp. vs. Allied Mutual Insurance Co. and Tower Insurance Co.*, the Minnesota high court upheld an appellate court's reversal of a trial court ruling that ordered insurers to indemnify SCSC for past and future pollution remediation costs and to pay SCSC's law firm its "reasonable" fees plus 50% to compensate the firm for taking the apparently weak case of a small polluter.

In upholding the appellate court's reversal of the original multiplied fee ruling, which insurer attorneys at the time labeled "punitive" (*BI*, July 19, 1993), the high court said fee enhancement is only a proper incentive for private attorneys to take civil rights cases. The court said there is no policy that justifies a multiplier on plaintiffs attorney fees in insurance coverage actions.

"This is too bad for the small, nearly insolvent potentially responsible parties out there. It would be nice to recognize the fact that firms like ours don't take all of these cases on a straight contingent fee. But we did get full fees, which is still fine," said Thomas Mielenhausen, an attorney with Popham Haik Schnobrich & Kaufman in Minneapolis, who represented SCSC.

$90 million award in Suzuki suit

ST. LOUIS—A woman who was paralyzed after the four-wheel-drive Suzuki Samurai in which she was riding rolled over in February 1990 has been awarded $90 million in damages by a federal court jury.

The award, issued July 7 by the U.S. District Court in St. Louis, included $30 million for actual damages and $60 million for punitive damages.

American Suzuki Motor Corp. has said it will appeal the decision. The Brea, Calif.-based auto manufacturer said in a statement that the trial did not allow the company to present all pertinent evidence.

"Suzuki intends to appeal this case and we are confident that this matter will be reversed when the appellate court considers all of the facts and rulings in this case," said George Ball, Suzuki's general counsel.

Suzuki would not disclose whether the award would be covered by insurance, a spokeswoman said.

Orion Capital buys underwriting manager

NEW YORK—Orion Capital Corp. has acquired Wm. H. McGee & Co. Inc. from Sun Alliance USA, the U.S. arm of Sun Alliance Group P.L.C., for $22 million in cash.

New York-based Wm. H. McGee, which has been owned by Sun Alliance since 1987, has 350 employees in 23 branches throughout the United States and Canada. The underwriting management company has managed ocean marine, inland marine and cargo insurance underwriting pools on behalf of its member insurers for more than 108 years, writing about $90 million in net premiums through its U.S. and Canadian pools in 1994.

Through its Security Insurance Co. of Hartford subsidiary, New York-based Orion Capital has been a pool member for more than a century. Terms of the acquisition call for Orion, through one or more of its subsidiaries, to take most of Sun Alliance's pool participation by 1997. BI

Maine

Continued from page 2

action in the face of serious problems. Some insurers are considering legal challenges.

"I think litigation on the assessment issues as well as the raid on the guaranty fund ranges from possible to likely," said Edward Donahue, northeast regional manager for the Alliance of American Insurers, the insurer trade group that has been the most vocal critic of the law.

While the two camps disagree on the method for getting rid of Maine's residual market deficit, both would welcome an end to the lingering problem.

The roots of the workers compensation problems that hit Maine in the mid-1980s run deep. Logging, paper and other industries so central to the state's economy produced large numbers of claims. And the state had expensive benefits, high medical costs and persistently low insurance rates (*BI*, Sept. 28, 1987).

The crisis came to a head in July 1991. A legislative impasse over workers compensation reform stalled adoption of the state's budget and caused a virtual shutdown of most state government functions for the first time in the state's 171-year history (*BI*, July 8, 1991).

Eventually, an estimated $190 million to $300 million deficit for policy years 1988 to 1992 sparked sweeping changes in the Maine system. Among them were a deficit reduction program that required all employers to chip in—to the extent that they were insured during the troubled years—and created a new employer-mutual insurer that increased employer accountability. That, coupled with tighter benefit controls worked, and earlier this year workers comp loss costs fell 12.5% (*BI*, Jan. 9).

The new Maine law, the Workers Compensation Residual Market Resolution and Recovery Act, aims to eliminate the residual market deficit with a complex package of assessments on insurers, employers and the state's property/casualty guaranty fund (*BI*, July 3).

Drafters of the law estimate the net present value of the deficit at $220 million, a gap they aim to plug with:

- $110 million from insured and self-insured employers, to be paid starting July 1 as a 6.32% annual surcharge on workers comp premiums over eight to 10 years. That is one-third lower than a current surcharge of 9.5%, which was implemented as part of the previous deficit reduction package.
- $65 million from insurers licensed to write workers comp coverage in the state on or before Jan. 1, 1996. About 90% of that total is expected to come from a dozen or so servicing carriers that wrote the most workers comp coverage during the troubled years. About 150 other licensed insurers are expected to pay the remaining $6.5 million, which Maine Insurance Bureau actuary Richard Johnson says will amount to a minimum of about $45,000 for each insurer.
- $45 million from the Maine Insurance Guaranty Assn. Quarterly payments are to be made over 10 years starting Aug. 15, 1996. That money will come from assessments on about 300 insurers, including some multiline companies that have written no workers comp coverage, said Paul Gulko, president of Guaranty Fund Management Services in Boston, which manages the guaranty fund.

If the deficit is ultimately less than $220 million, excess funds will be refunded proportionally to employers and individual insurers. If it exceeds $220 million, 70% of the additional amount will be collected from surcharges on premiums and 30% paid by workers comp insurers.

The law also was designed to end the deficit reduction program, to clarify and enhance the powers of the residual market pool, and to authorize the state financing authority to provide financial assistance to the pool.

Gov. King conditioned his approval of the law on insurance companies and others resolving lawsuits challenging various rulings the state insurance commissioner issued as part of the deficit cutting program from 1992 to 1994. Insurers essentially were contesting estimates of their share of liability for the deficit (*BI*, June 13, 1994).

All but one party to that litigation has agreed to dismiss the cases. The exception is American International Pacific Insurance Co., formerly known as American Fidelity Co., an American International Group Inc. unit.

The company became a major servicing carrier for the state's 11 northern counties between 1988 and 1990 under a special contract "which specifically relieves the company from paying any assessments on residual market business," said Patrick J. Foley, AIG vp and associate general counsel in New York.

"The legislation recently enacted fails to acknowledge the legal significance of this servicing carrier agreement," he said. The subsidiary "is currently evaluating all of its options."

Overall, though, the legislation is widely praised.

Insurance Superintendent Brian Atchison calls it a "creative, imperfect solution that serves good public policy."

The law will resolve the impending pool deficit problem "before it became a crisis," said S. Catherine Longeley, commissioner of the Maine Department of Professional and Financial Regulation.

Many business executives agree.

"I believe it will have a positive effect on employers," said Pamela Treadwell, general manager of Vescom Corp., a security guard service in Bangor, Maine.

"If there had been no settlement, the 9.5% surcharge (on employers) would more likely than not have increased into double-digits," she said. Instead, it was reduced by one-third.

In addition, "I anticipate carriers returning to the market, which should help create a competitive market and will, in turn, help reduce base rates," said Ms. Treadwell, who is a National Federation of Independent Business representative.

Employers generally support the new law because it will eliminate litigation, provide greater certainty about the amount of their assessments and reduce those assessments, said Alison Jones Webb, executive director of the Maine Council of Self-Insurers.

Both Ms. Treadwell and Ms. Webb served on the joint employer-insurer panel that drafted a report that served as the basis for the new law.

Major insurer support for the new law comes from the American Insurance Assn. in Washington as well as Aetna Casualty & Surety Co. in Hartford, Conn., and Peerless Insurance Co. in Keene, N.H., which are both considered major insurers.

"Generally speaking...the law means a resolution of the outstanding deficit issue we needed to restore the vitality of the Maine workers comp market," said James R. Harrington, vp with the northeast region in Boston. Most AIA members would be considered major insurers under the law.

Smaller insurers disagree—sometimes vehemently—as do property/casualty guaranty funds.

Rodger S. Lawson, president of the Alliance of American Insurers, said in a statement that the Alliance is "greatly disturbed" by the new law because it spreads the payment of the deficit among insurers who were not involved in the market during the troubled years.

Though most of its members oppose the law, the National Assn. of Independent Insurers has remained neutral. "A small number of primarily Maine domestics favored the legislation because it capped their exposure at a reasonable limit and seeks to end the uncertainty in the marketplace in general," said Rich Aronson, counsel of the Des Plaines, Ill.-based trade group. "The majority of members, most of whom are not domestics and never wrote workers comp at all, oppose it on the grounds that the law requires cross subsidization from one line to another."

The Alliance, which earlier won a court decision over a previous proposal that would have assessed the surplus of insurers licensed in the state without regard to premiums written, considers the new law "even more onerous" because it adds the state's guaranty fund to the insurance entities that are being tapped to retire the debt.

The law also is criticized in some quarters as a misuse of the guaranty fund. Similar complaints were heard when the New York Legislature tapped the state's pre-funded guaranty fund for general purposes, but a court decision required that the money be paid back with interest (*BI*, June 1, 1992; April 8, 1991).

Because insurers are likely to pass assessment costs on to policyholders, it "puts the burden on policyholders of all solvent insurers," said Dale Stephenson, president of the National Conference of Insurance Guaranty Funds in Indianapolis. "As a taxpayer and an insurance buyer, I don't like having the government's hand in my pocket."

Some key legislation supporters justify the guaranty fund assessment by considering it a recoupment of assessments that residual market policyholders paid during the troubled years, plus interest. It is fair because the policyholders would have received no guaranty fund coverage, since an agreement required the pool to step in if a servicing carrier becomes insolvent, they claim.

Critics disagree with that characterization because they say the guaranty fund would have had to step in or, at the very least, the issue is unclear and would have had to be litigated.

"It is unfortunate the industry is divided," said Thomas Strohmenger, an Aetna vp and counsel in Hartford, Conn.

The new law has no direct impact on Liberty Mutual Insurance Co., which had to fight in court before it was allowed to cease writing workers comp coverage and leave the state in 1987, a Liberty spokeswoman said.

However, the insurer still is engaged in a dispute with regulators about a 1989 law—which one trade association dubbed the "Get Liberty" law—that changed the basis of guaranty fund assessments to a five-year average from premium volume in the prior calendar year. One unclear issue is the starting point for calculating the five-year period. BI

Updates

L.A. workers comp scam

LOS ANGELES—A city workers compensation analyst is facing charges of conspiracy to commit embezzlement, workers comp fraud and theft in relation to the bilking of more than $1 million from the city of Los Angeles.

Thelma Bowman, a principal workers comp analyst who had worked for the city for 25 years, was charged July 13 along with 13 others in the biggest case of workers comp fraud against a public entity in California, according to Los Angeles County prosecutors. She was being held in lieu of $1 million bail. Officials allege that the money financed a home, travel and other extravagances.

Ms. Bowman, 43, was fired in June 1994 when discrepancies surfaced during a routine audit. Her attorney could not be reached for comment. She was to be arraigned Friday afternoon.

Los Angeles self-insures its workers comp risks, but the embezzlement losses will be covered by an employee fidelity bond issued by National Union Fire Insurance Co. of Pittsburgh, Pa. The bond has a $100,000 deductible. Los Angeles said the insurer has written it a check for more than $1 million.

The scam worked on three levels, according to prosecutors. They charge that Ms. Bowman authorized payments totaling nearly $500,000 to a physician, who also has been charged. Another $300,000 in bogus temporary disability claims were authorized after computerized information was altered and phony worksheets were created, prosecutors allege. Then information was given to private investigators, allowing them to submit $200,000 in phony bills to the city, they allege. The investigators also have been charged.

Lloyd's keeps market control

LONDON—U.K. Prime Minister John Major has confirmed that the regulation of Lloyd's of London will remain within the insurance market's control for the time being.

"It is clear that because of the difficulties at Lloyd's over the past couple of years, we need to look carefully at the methods of regulation," Mr. Major said during a question-and-answer period in the House of Commons. "However, until we have examined them properly I am not inclined to make any suggestion of a changed regime."

A Treasury and Civil Service Select Committee recently recommended that Lloyd's should be answerable to an external regulator. The U.K. government is due to publish its response to the committee's report before the end of this month.

Briefly noted

A Los Angeles judge has approved the final liquidation dividend plan to complete the **Mission Insurance Cos.'** insolvency receivership (*BI*, Jan. 16). The plan sets Aug. 18 as the date by which previously contingent and undetermined claims must be made certain and dollar amounts specified....Rep. Michael Oxley, R-Ohio, chairman of the House Commerce Committee's Subcommittee on Commerce Trade and Hazardous Materials, will release his principles for **Superfund reform** this morning. Rep. Oxley's counterpart in the Senate, Sen. Robert Smith, R-N.H., released a reform outline last month (*BI*, July 3). Meanwhile, a House appropriations subcommittee voted to cut federal funding for the Superfund program by nearly one-third to $1 billion....A **pension simplification** bill introduced by Sens. David Pryor, D-Ark., and Orrin Hatch, R-Utah, which closely resembles an earlier Clinton administration proposal, would ease 401(k) non-discrimination testing procedures and restrict the definition of highly compensated employees to those earning more than $80,000 (*BI*, June 19). One difference: the Senate bill, S.1006, eliminates five-year forward averaging on lump-sum distributions....South Carolina Gov. David Beasley recently appointed **Lee Jedziniak** as the state's first director of insurance. He had been general counsel for the insurance department....**American International Group Inc.** has filed a shelf registration with the Securities and Exchange Commission to sell up to $500 million in debt securities, the proceeds of which it plans to use for general corporate purposes....The **North Carolina Senate** is expected to vote on a product liability reform bill this week and may vote on a punitive damage reform measure as well (*BI*, June 5). The bills will become law if they win Senate approval....Debate over S. 343, the **Comprehensive Regulatory Reform Act,** continues in the Senate this week. Senators approved an amendment exempting Superfund from the bill's requirement that regulations be subject to cost/benefit analysis....A **scaled-back health care reform measure**, S. 1028, introduced last week by Sens. Edward Kennedy, D-Mass., and Nancy Kassebaum, R-Kan., would curb pre-existing medical condition exclusions in all group plans. Employees changing jobs could not be denied coverage for a pre-existing condition if they had been covered under a previous plan for 12 months....A House Appropriations subcommittee last week approved an amendment to a spending bill that would extend by one year through Sept. 30, 1996, a ban on the Department of Health and Human Services using any funds to enforce the **Medicare Data Bank** law....Rolland L. Wiegers has been named chairman of **Scottsdale Insurance Co.**, a position the Scottsdale founder retired from May 1. Peter F. Frenzer, president and chief operating officer of Nationwide Life Insurance Co. and executive vp of investments for the Columbus, Ohio-based Nationwide Insurance Enterprise, is Scottsdale's acting president while he and Mr. Wiegers search for a permanent president and COO to replace Vickie F. Kartchner, who resigned in June. Ms. Kartchner has joined TIG Holdings Inc. to develop a new surplus lines operation....The National Council on Compensation Insurance Inc. filed for a 13.6% decrease in Virginia's **workers compensation** voluntary loss costs, and a 9.3% decrease in the state's assigned risk plan rates, both beginning Jan. 1, 1996. The NCCI also recently filed for a 4.1% decrease for Connecticut's advisory loss costs rates and a 1.78% decrease for the assigned risk plan rates, to take effect July 1.

ERISA

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oster Higgins & Co. Inc. in New York. "It emed to limit the scope of ERISA pre-ıption, but there is uncertainty whether it nited it so much that any willing provider ws may be viewed as having a small ough impact on plans such that they ouldn't be pre-empted."

Determining exactly where the borders of e-emption are drawn "will become a ıitful area of litigation," Mr. Saveth said.

'Courts understand that employee benefit ans are contracting with limited networks quality and cost reasons," noted Harold lin, an ERISA specialist and partner with uch, White, Brenner, Howard & Feigen-um in Albany, N.Y. "State laws that take ıt away from them clearly impact their ility to do that."

Arkansas BC/BS attorneys hope a U.S. strict Court will reach that conclusion.

The Arkansas General Assembly passed o any willing provider bills at the end of 1995 session, and Gov. Jim Guy Tucker ned both into law. The laws require alth plans to allow any providers or facil-es willing to meet the plans' terms into eviously closed network panels.

The laws also prohibit health care plans from designing plans that encourage or discourage members—through the use of different fees, co-payments or deductibles—to seek treatment from particular providers.

The laws apply only to health plan contracts issued after July 28.

Soon after the law's passage, two hospitals, a chiropractor, an optometrist, an outpatient surgical center and a physician-run medical clinic demanded that Arkansas BC/BS admit them to its managed care networks.

On June 30, the Little Rock, Ark.-based BC/BS plan filed a motion for declaratory judgment in U.S. District Court in Little Rock, Ark., that the plan did not have to admit the providers to its networks. Among other things, Arkansas BC/BS says its managed care plans already included enough providers and permitting more to participate significantly would erode its ability to control quality and obtain the discounts that help it control costs for employer groups and plan members.

Arkansas BC/BS officials say legislators were persuaded to pass the laws by the heavy lobbying of physician groups. The doctors were not happy with increased competition, particularly the spread of managed care and discounted fee arrangements.

Doctors argue that restricting provider choice hurts the quality of medicine.

Broad any willing provider proposals, those that would cover a wide range of providers, were introduced in 23 states this year. The proposals were defeated in 17 states, are still pending in four states, and were enacted in Arkansas and Wyoming, according to Susan Laudicina, director of research at the Blue Cross & Blue Shield Assn. in Washington, D.C. The Washington state Legislature repealed an any willing provider provision included in its massive 1993 health reform law.

Seven states currently have broad any willing provider laws on the books. More than a dozen other states have laws limited to specific types of providers.

A trial date has not been set in the Arkansas action.

In the meantime, Arkansas BC/BS is attempting to avoid the regulation by striking renewal dates from some existing managed care contracts and offering some employers "perpetual" contracts, which allow them to continue to use a closed panel of providers, said Bob Cabe, executive up at Arkansas BC/BS.

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Arkansas Blue Cross & Blue Shield vs. American Medical International Inc. et al, No. LR-C-95-414. U.S. District Court for the Eastern District of Arkansas, Western Division.

High court to rule on Agent Orange liability

By MICHAEL SCHACHNER

WASHINGTON—The U.S. Supreme urt next fall will hear arguments in a se over whether the federal government is ble for settlement and defense costs in oduct liability suits against companies it were forced to become government ntractors.

Two chemical companies—Hercules Inc. Wilmington, Del., and now-defunct Wil-m T. Thompson Corp.—are seeking reim-rsement from the government for $30 llion in defense and settlement costs re-ed to the 1984 class-action settlement of ent Orange injury claims. That settle-nt, in a suit by Vietnam War veterans al-edly hurt by the defoliant, totaled $180 llion (*BI*, May 14, 1984).

The companies unsuccessfully argued be-e the U.S. Claims Court and the Federal Circuit Court in Washington—the two courts that hear cases against the federal government—that they are due reimbursement because the government compelled them to manufacture the product in the 1960s and 1970s and set the specifications for it.

They say it is not their fault that the military used the defoliant extensively in Vietnam and that thousands of veterans became ill.

Under a 1918 U.S. Supreme Court ruling, the chemical companies argue, no government contractor is to be held liable for damage its products cause if those products were made under government orders and according to government specifications.

Both lower courts have ruled that if the companies were going to assert such a defense, they had to have done so before participating in the settlement.

Carter Phillips, an attorney with Sidley & Austin in Washington representing Hercules and Thompson, said the companies attempted to use that defense, but U.S. District Judge Jack B. Weinstein, who oversaw the settlement negotiations, rejected that attempt.

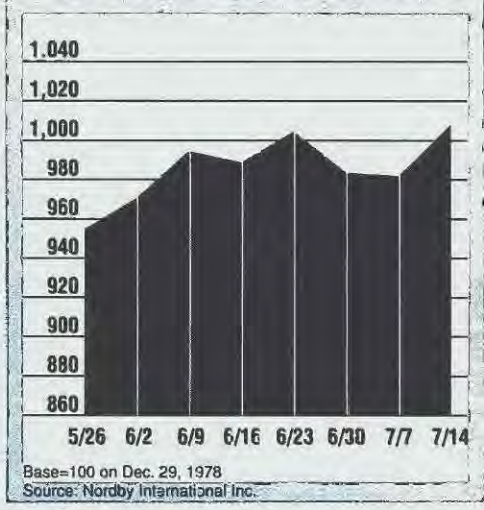
"The theory the courts have used to reject our argument is that the companies had an iron-clad defense that they did not use. That just isn't the case," Mr. Phillips said.

He predicted that the Supreme Court would rule on the case next year.

Even if the Agent Orange manufacturers win, the victory probably would not help the five other manufacturers covered by the settlement, including Dow Chemical Co. and Monsanto Co.

They would be barred by a statute of limitations from filing similar suits against the government. BI

BI Insurance Index



Base=100 on Dec. 29, 1978
Source: Nordby International Inc.

Catastrophe insurance option call spreads

As of July 14

Call spread	Price bid/ask	Rate on line %	Call spread	Price bid/ask	Rate on line %
Eastern September 1995			Western Annual 1995		
45/65	6.5/6.9	32.5/34.5	20/30	—/1.3	—/13
50/70	5.9/6.3	29.5/31.5	30/40	—/—	—/—
60/80	—/6	—/30	30/50	—/—	—/—
100c	10/12	10/12	50/70	—/—	—/—
150c	4.5/5.5	9/11	60/80	—/—	—/—

Total volume: 42 Total open interest: 1,708

For quotes, call the CBOT tracing floor at 312-347-3342. For general information, call 312-435-3674.

Source: Chicago Board of Trade

British Issues

July 13 Companies	Price pence	P/E	Div. pence	Yield %	1 week high—low
Commi Union	604	12.1	33.0	5.5	614—604
Genl Accident	614	9.0	36.3	5.9	623—613
Gdn Royal Exch	211	N/M	10.3	4.9	213—212
Independent	296	8.2	11.9	4.0	296—288
Royal	327	6.2	15.0	4.6	327—323
Sun Alliance	345	11.6	19.7	5.7	355—345
Brokers					
Bradstock	59	6.6	7.1	12.0	59—59
Fenchurch	146	10.2	10.0	6.8	146—146
CE Heath	200	12.6	20.0	10.0	204—200
JIB Group	122	10.6	9.4	7.7	122—122
Lloyd Thmpson	154	10.7	9.8	6.4	154—154
Lowndes Lmbrt	166	9.3	10.3	6.2	167—162
Nelson Hurst	136	10.5	8.3	6.1	140—136
PWS Holdings	16	N/M	0.8	5.0	16—16
Sedgwick Grp	139	12.6	8.1	5.8	142—138
Steel Brl Jones	85	10.0	11.3	13.3	85—85
Willis Corroon	147	N/M	8.3	5.6	150—147

Source: Philip Olsen, London

BI Industry Stock Report JULY 10, 1995, THROUGH JULY 14, 1995

BROKERS		Price	Weekly % change	Year to date % change	Annual High	Annual Low	Vol.(000)	$ Div.	% Yield	P/E	Book value	Mkt./Bk. value
Acordia Inc.	NYS	31.38	-1.58	-6.34	34.50	24.63	20	0.72	2.29	15	13.24	2.37
Alexander & Alexander	NYS	25.13	2.01	35.81	26.44	17.75	375	0.10	0.40	-13	6.08	4.13
E.W. Blanch Holdings Inc.	NYS	19.63	1.95	-4.85	23.00	17.50	27	0.40	2.04	16	4.55	4.31
Gallagher Arthur J. & Co.	NYS	36.25	0.69	13.28	36.50	29.00	118	1.00	2.76	16	6.48	5.59
Hilb, Rogal & Hamilton	NYS	12.38	2.02	2.06	13.13	10.50	32	0.56	4.53	15	4.72	2.62
Marsh & McLennan	NYS	79.50	-2.01	0.32	88.38	71.25	687	2.90	3.65	15	19.40	4.10
Poe & Brown	NDQ	23.25	-4.12	6.90	24.50	19.50	8	0.48	2.06	15	4.49	5.18
BROKERS	AVERAGE		-0.1	6.7					2.5	11		
INSURERS/REINSURERS												
ACE Ltd.	NYS	30.63	5.60	31.02	31.38	20.75	444	0.56	1.83	-14	22.45	1.36
Acceptance Insurance Cos.	NYS	15.75	8.62	5.00	18.00	12.63	159	0.00	0.00	9	9.83	1.60
AEGON N.V.	NYS	35.75	-1.38	40.75	37.25	21.69	295	3.60	10.07	14	43.84	0.82
Aetna Life & Casualty	NYS	62.75	-2.33	33.16	64.88	42.25	1826	2.76	4.40	12	57.21	1.10
AFLAC Inc.	NYS	42.50	-2.03	32.81	44.75	31.63	1580	0.52	1.22	14	57.21	0.74
Allied Group Inc.	NDQ	28.25	1.80	14.14	31.00	22.00	91	0.68	2.41	6	23.43	1.21
Allmerica Prop. & Casualty	NYS	23.38	3.89	38.52	23.38	14.63	416	0.16	0.68	10	19.45	1.20
Allstate Corp.	NYS	31.50	-0.41	32.63	33.38	22.63	11155	0.78	2.48	11	19.60	1.61
American Financial Group	NYS	26.75	2.88	27.38	27.63	21.63	489	1.00	3.74	17	36.30	0.74
American General	NYS	36.38	3.54	28.76	36.75	25.63	1879	1.24	3.41	14	20.39	1.78
American Heritage Life Ins.	NYS	20.63	-1.22	8.55	21.50	16.25	83	0.68	3.30	11	12.42	1.66
American Indemnity/Fin'l	NDQ	10.50	0.00	3.70	12.75	10.00	23	0.28	2.67	3	15.92	0.66
American International	NYS	112.50	-3.02	14.80	119.50	87.63	2577	0.51	0.46	16	49.75	2.26
American Re Corp.	NYS	38.63	3.33	19.77	39.88	25.25	597	0.32	0.83	16	16.85	2.29
Aon Corp.	NYS	38.75	3.33	21.09	38.75	29.25	440	1.36	3.51	12	21.96	1.76
Argonaut Group	NDQ	31.00	-0.80	9.73	32.50	27.50	99	1.32	4.26	11	29.80	1.04
AVEMCO Corp.	NYS	17.25	-3.52	12.20	18.25	13.38	54	0.44	2.55	14	6.30	2.74
Baldwin & Lyons Inc.	NDQ	15.63	-0.79	5.93	17.63	14.50	15	0.32	2.05	11	13.56	1.15
Berkley W.R. Corp.	NDQ	36.25	0.00	-3.33	39.63	32.50	196	0.48	1.32	20	36.47	0.99
Berkshire Hathaway Inc.	NYS	24350.00	2.74	19.36	25200.00	17150.00	1	0.00	0.00	60	9157.79	2.66
Capital RE Corporation	NYS	25.88	-0.48	-5.48	27.38	20.50	30	0.20	0.77	9	21.48	1.20
Capsure Holdings Corp.	NYS	14.13	-0.04	-3.42	14.88	12.13	14	0.00	0.00	14	13.72	1.03
Chubb Corp.	NYS	80.13	-0.32	3.55	85.25	68.63	1040	1.96	2.45	12	48.40	1.66
CIGNA Corp.	NYS	78.00	-2.05	22.59	79.75	59.00	925	3.04	3.90	8	80.98	0.96
CNA Financial Corp.	NYS	88.25	2.46	36.03	88.25	60.00	115	0.00	0.00	21	73.83	1.20
EMC Insurance Group Inc.	NDQ	11.50	-6.12	21.05	12.25	8.63	8	0.52	4.52	8	10.77	N.A.
Emphesys Financial Gr. Inc.	NYS	23.50	2.17	-25.98	39.50	22.75	361	0.60	2.55	6	N.A.	N.A.
EXEL Ltd.	NYS	52.75	-0.47	33.54	53.75	36.88	1133	1.32	2.50	14	31.62	1.67
Fremont General Corp.	NYS	25.00	1.01	6.95	26.13	17.16	466	0.80	3.20	8	22.90	1.09
Frontier Insurance Group	NYS	26.88	0.47	22.86	37.50	16.75	96	0.48	1.79	20	14.94	1.80
Gainsco Inc.	ASE	10.00	1.21	21.21	11.00	7.25	172	0.04	0.40	13	3.79	2.64
General RE Corp.	NYS	135.50	1.50	9.72	138.38	104.50	804	1.96	1.45	15	57.17	2.37
Guaranty National Corp.	NYS	18.63	-0.67	1.36	19.00	15.13	100	0.48	2.58	10	11.84	1.57
Harleysville Group	NDQ	25.25	3.31	4.12	26.50	20.00	38	0.68	2.69	10	20.18	1.25
Hartford Steam Boiler	NYS	43.25	-0.57	8.46	46.25	35.88	160	2.20	5.09	16	14.62	2.96
HCC Insurance Holdings	NYS	27.00	1.41	4.35	27.38	18.50	126	0.00	0.00	16	11.76	2.30
HT (Hartford Group)	NYS	115.13	-4.06	29.90	120.13	77.00	1982	1.98	1.72	15	49.95	2.30
Lincoln National	NYS	42.00	-2.05	20.00	46.25	34.63	415	1.72	4.10	13	31.99	1.31
Markel Corp.	NDQ	59.75	3.46	43.98	61.00	40.25	98	0.00	0.00	17	25.15	2.38
Mid Ocean Ltd.	NDQ	33.63	-2.54	23.39	34.63	22.25	340	1.00	2.97	9	20.24	1.66
Mutual Risk Mgmt. Ltd.	NYS	33.25	-0.75	26.67	36.38	21.25	188	0.32	0.96	18	9.11	3.65
NAC Re Corp.	NDQ	33.38	4.69	-0.37	35.25	24.25	191	0.20	0.60	16	15.75	1.69
National Re Corp.	NYS	34.25	2.24	30.48	34.38	22.25	125	0.16	0.47	20	17.31	1.98
Navigators Group	NDQ	17.88	2.14	23.28	19.75	12.75	29	0.00	0.00	-23	13.21	1.75
Nobel Insurance Ltd.	NDQ	10.25	0.00	24.24	10.50	7.75	5	0.20	1.95	4	8.84	1.50
Ohio Casualty Corp.	NDQ	32.75	1.55	15.93	34.25	27.00	661	1.52	4.64	12	24.68	1.33
Old Republic Int'l	NYS	26.25	-0.49	23.53	26.63	18.88	312	0.52	1.98	10	24.60	1.07
Orion Capital Corp.	NYS	39.13	0.63	10.99	40.25	28.13	86	0.80	2.04	9	25.86	1.51
Partner Re Ltd.	NDQ	25.00	-3.40	20.48	26.25	18.50	890	0.40	1.60	8	N.A.	N.A.
Penn-America Group Inc.	NDQ	9.69	0.60	31.36	9.75	6.50	182	0.12	1.24	11	6.21	1.56
Philadelphia Cons. Holding	NDQ	15.75	5.00	28.57	15.75	10.00	43	0.00	0.00	16	8.43	1.87
Phoenix RE Corp.	NDQ	26.75	12.02	-5.31	29.00	21.00	596	0.60	2.24	5	22.86	1.17
Provident Life	NYS	23.00	1.10	5.75	29.88	20.50	663	0.72	3.13	10	27.09	0.85
Reliance Group Holdings	NYS	6.50	-1.96	25.30	6.75	4.88	1963	0.32	4.92	10	3.48	1.87
Reliastar Financial Corp.	NYS	37.25	-1.32	28.45	39.63	27.00	714	1.00	2.68	11	24.81	1.50
RLI Corp.	NYS	22.88	-2.66	39.48	23.63	15.91	52	0.52	2.27	11	20.51	1.12
St. Paul Companies	NYS	48.75	-1.02	8.94	51.88	39.38	1493	1.60	3.28	9	37.88	1.53
SAFECO Corp.	NDQ	57.50	-1.08	10.58	59.88	46.75	545	2.12	3.69	12	46.94	1.22
SCOR U.S. Corp.	NYS	9.25	1.31	10.45	12.25	7.50	2	0.20	2.16	16	15.60	0.68
Seibels Bruce Group	NDQ	0.94	-6.25	-62.50	3.50	0.75	146	0.00	0.00	-1	1.05	0.89
Selective Ins. Group	NDQ	33.13	-0.38	31.19	33.75	23.25	155	1.12	3.38	11	23.36	1.42
Sphere Drake Holdings	NYS	15.50	0.78	11.71	16.50	10.75	102	0.16	1.03	8	13.15	1.18
TIG Holdings	NYS	22.38	-4.79	19.33	24.63	17.00	1569	0.20	0.89	20	17.25	1.30
Titan Holdings, Inc.	NYS	12.63	-0.98	29.49	12.88	7.84	112	0.24	1.90	10	9.31	1.36
Tokio Marine & Fire	NDQ	59.63	1.27	-1.85	65.63	49.88	190	0.46	0.77	-	57.72	1.03
Torchmark Corp.	NYS	39.00	1.30	13.04	44.50	32.38	696	1.12	2.87	11	17.49	2.23
Transatlantic Holdings	NYS	63.00	-3.08	12.75	65.63	47.75	97	0.40	0.63	13	32.43	1.94
Transnational Re Corp.	NDQ	22.00	6.64	-6.38	25.25	18.75	180	0.00	0.00	7	N.A.	N.A.
Travelers Corp.	NYS	45.38	-1.36	40.15	46.50	30.38	2686	0.80	1.76	12	24.26	1.87
Trenwick Group Inc.	NDQ	43.13	0.88	1.77	45.75	36.50	97	1.12	2.60	11	29.20	1.48
United Fire & Casualty	NDQ	29.25	0.00	5.72	29.81	26.25	2	0.80	2.74	9	28.96	1.01
Unitrin	NDQ	46.63	-0.80	8.43	51.50	38.50	210	2.00	4.29	13	38.64	1.21
UNUM Corp.	NYS	47.13	-0.26	24.83	50.00	35.13	551	1.08	2.25	25	27.78	1.70
US Facilities Corp.	NDQ	16.75	2.26	67.50	17.13	9.13	706	0.20	1.19	11	11.07	1.51
USF&G Corp.	NYS	15.88	-0.03	17.59	17.25	12.50	1237	0.20	1.26	7	10.04	1.58
USLIFE Corp.	NYS	39.75	-0.33	13.98	41.50	30.88	249	1.32	3.32	9	40.82	0.97
Washington National	NYS	21.13	1.17	11.18	22.88	17.75	87	1.08	5.11	8	23.61	0.89
Zenith National Ins.	NYS	21.25	1.77	-6.59	27.38	19.38	1029	1.00	4.71	11	17.54	1.21
Zurich Reinsurance Centr.	NYS	28.25	-0.46	-2.16	30.88	25.00	39	0.00	0.00	-39	23.26	1.27
INSURERS/REINSURERS	AVERAGE		0.3	16.5					2.3	11.7		
HEALTH MAINTENANCE ORGANIZATIONS												
FHP International	NDQ	23.25	2.20	-9.71	31.00	19.50	1211	0.00	0.00	13	12.22	1.90
Humana Inc.	NYS	19.00	8.57	-16.02	27.13	16.50	9726	0.00	0.00	16	6.04	3.15
Pacificare Health Sys.	NDQ	53.13	5.20	-18.43	75.50	44.25	887	0.00	0.00	-	14.21	3.74
Safeguard Health Enter.	NDQ	10.50	0.00	13.51	13.75	8.25	12	0.00	0.00	70	6.16	1.70
Sierra Health Services	NYS	24.13	-1.05	-23.72	33.63	22.13	440	0.00	0.00	14	6.04	3.99
United Healthcare Corp.	NYS	44.50	10.56	-1.39	55.38	34.13	7703	0.03	0.07	25	6.57	6.77
U.S. Healthcare	NDQ	32.13	5.33	-22.12	45.00	26.50	8538	1.00	3.11	13	5.04	6.37
Wellpoint Health Networks	NYS	28.13	-0.44	-3.43	39.00	24.25	353	0.00	0.00	13	12.73	2.21
HMOs	AVERAGE		3.8	-10.2					0.4	18		3.65
ALL COMPANIES	AVERAGE		1.3	4.4					2.5	14		

Top advancing issues: Phoenix RE Corp.; United Healthcare Corp.; Acceptance Insurance Cos. Leading decliners: Seibels Bruce Group; EMC Insurance Group Inc.; TIG Holdings. Most active issue: Allstate Corp. The BI Index rose 2.7%; the Dow Jones 30 Industrials rose 0.1%; the S&P 500 increased 0.6% and the NYSE Composite gained 0.4%.

System design: Nordby International Inc.

Stocks

Continued from page 1

haven't underperformed by that much, and in many ways they're good percentage plays," Mr. Seifer said.

While it is true that insurer stocks are lagging market leaders like high-tech stocks, "the technology stocks do tend to be more volatile, so when they move up they tend to move up dramatically," while their downward movements are more dramatic as well, said Jay Cohen, an analyst with Salomon Brothers Inc. in New York.

'It's hard for this group to perform well when the market has performed in a straight line up as it did in the first half of the year,' says Harry Fong.

"It's hard for this group to perform well when the market has performed in a straight line up as it did in the first half of the year," commented Harry Fong, a director at C.J. Lawrence/Deutsche Securities Corp. in New York.

"Insurance stocks seldom lead the parade. Given the kind of robust stock market that we've had in the first half, it's virtually impossible," said Mr. Fong.

However, Michael A. Lewis, first vp with Dean Witter Reynolds in New York, viewed property/casualty insurers' inability to keep pace with the market more negatively. Saying the stocks are doing better than last year is like saying someone who was deathly ill last year is merely sick this year, he said.

Everything is outperforming last year, Mr. Lewis said, describing last year as a "year of dread" compared to 1995's "year of exuberance."

"Since the beginning of the year, they've done quite well, the main reason being because of the very favorable bond market," said Salomon Brothers' Mr. Cohen.

"The industry fundamentals have not gotten any better, but because the property/casualty insurers have the bulk of their assets in bonds, the strong bond market has strengthened the balance sheet of nearly all the insurance carriers," he said.

"Another reason the stocks have done well up to this point is because I think they're seen as somewhat defensive in nature," said Mr. Cohen.

At the beginning of the summer, there was a chance the nation could be sliding into a recession, which would not "dramatically" affect insurance companies' earnings, he said.

"So if you think the U.S. is going into a major recession, or even a minor recession, the insurance stocks might be the stocks to own," he said.

Observers note multiline stocks have done particularly well.

According to an index developed by Hartford, Conn.-based Langen McAlenney, a division of financial analysis firm Janney Montgomery Scott Inc., multiline insurers' performance improved by 34.5% on a weighted average basis through July 10. This compares with an 18.7% improvement for property/casualty insurers, a 13.8% improvement for reinsurers and an 8.3% improvement for insurance brokers.

"The multilines have really shined in the marketplace," said Dean Witter's Mr. Lewis, who attributed their performance to a number of factors, including that investors have re-evaluated insurers' ability to manage environmental liabilities.

There also may be a belief that the parts of the companies are worth more than the valuations afforded them. An improved earnings picture may be a factor as well, he said.

But, the property/casualty insurance stocks underperformed despite lower interest rates "because there's not really a lot of change in the operating fundamentals," and the insurance industry continues to operate within a soft pricing environment, said Mr. Lewis.

"Basically cash flow available for investments continues to remain relatively low, earnings volatility is probably on the high side because of increased retentions, and...because of these factors and relatively slow top-line growth, you really don't have an environment for particularly exciting performance," said Mr. Lewis.

Robert Branche of the Branche Research Group in Morrisville, Pa., agreed that the multilines have been the strongest performers "because they've been the focus of all sorts of restructuring speculation" as well as of actual moves by management.

"The regionals have done worse than the specialty companies, which have also pretty much moved with the market," said Mr. Branche. "The brokers have really lagged."

But, the Bermuda companies have done particularly well. "The Bermuda companies, along with many of the '93, '94 IPOs, were, I think, oversold last year," Mr. Branche said.

"It was just a very bad year for the IPOs, and now as the Bermuda companies are showing what they can do, I think the market has responded nicely."

Analysts are not expecting dramatic changes in the property/casualty stocks' performance for the rest of the year.

"Right now, I think there's probably still more of the same," said Gloria Vogel, managing director and senior insurance analyst at New York-based Ladenburg, Thalmann & Co. Inc.

There will be "more of the same" with the better companies, industry leaders and specialty niche companies doing better than the "plain vanillas," said Dean Witter's Mr. Lewis. "If interest rates remain low, they should be able to do reasonably well in the market, but nothing exciting," he said.

Carol D. Manning, vp with Prudential Securities in New York, agreed. "The stocks will make some progress, but...you really have to look at individual stocks to find some of those that might do a little better."

The bond market has already had a "kick on the upside," and while good earnings are projected, these presumably already have been taken into account by the market, said Mr. Branche. "I don't see anything in the fundamentals of the industry...to suggest a further broad surge in the group like they've had this year," he said.

"I think that with the Fed lowering interest rates once already, and with the chance of further easing, the group should perform OK," said Mr. Cohen, who believes the interest rate environment will remain favorable.

However, "if you think the interest rates have bottomed here and with the fundamentals still unchanged in the industry, then in that scenario they could show some weakness." BI

Reinsurers 'seize the day' for capital opportunities

Several reinsurers are taking advantage of an apparent window of opportunity in the stock market to raise capital.

The recent relatively good performances of property/casualty stocks and bright prospects for the reinsurance industry are spurring the trend, analysts say.

In recent weeks, several reinsurers have filed initial public offerings with the Securities and Exchange Commission (*BI*, June 19). At least two of them had changed previous IPO plans because of an unreceptive market.

The reinsurers include:

- Prudential Reinsurance Holdings Inc., which had postponed a 1993 offering in part because of poor stock market conditions (*BI*, Aug. 23, 1993). The latest offering filed last month could raise gross proceeds of $483 million, according to the SEC filing.
- Renaissance Re Holdings, parent of the Bermuda catastrophe reinsurer, which had planned to raise $218.5 million in late 1993 but shelved the plan because of poor stock market conditions, receiving another $100 million from its original investors instead (*BI*, Dec. 27, 1993). The latest offering would raise estimated net proceeds of $46.5 million.
- Risk Capital Re Inc., being sponsored by Risk Capital Corp., a Marsh & McLennan Cos. Inc. subsidiary. The reinsurer will focus on traditional and finite risk property and casualty reinsurance coverages, including excess-of-loss reinsurance and quota-share reinsurance, the filing says. The offering could raise estimated gross proceeds of up to $322 million. M&M's Trident is allocating $35 million for the IPO.

Mark D. Mosca has been named the reinsurer's president and CEO. He was formerly senior vp and chief underwriting officer of Zurich Reinsurance Centre Holdings Inc.

- Normandy America Inc., which could raise gross proceeds of up to $262.9 million to capitalize a casualty reinsurer. Normandy America is headed by Christopher K. Bagdasarian, a 29-year-old Omaha, Neb.-based money manager.

Meanwhile, American Re Corp. announced Friday that it has filed a registration statement with the Securities and Exchange Commission for a proposed public offering of $210 million of cumulative quarterly income preferred securities. American Re will use $50 million in net proceeds from the sale to add to the capital and surplus of American Re-Insurance Co.

Analysts say now looks like a good time to go to market.

"I think people have really been inspired by the runup the stocks have had year-to-date, the more favorable interest rate outlook, the fact that the industry is in consolidation and there have been buyers of Home Holdings and Continental Corp.," said Gloria Vogel, managing director and senior insurance analyst with Ladenburg, Thalmann & Co. Inc. in New York.

"Nobody wants to sell something at a low price, and I think that to a certain extent, if you have a favorable market for the stocks, which you have, it certainly makes sense that you'd see some interest in bringing offerings," said Ronald Frank, an analyst with Smith Barney Shearson Inc. in New York. But, he added, each company had its own reasons for going to market.

Even though insurance stocks have not "led the parade" in the booming stock market, "they've fallen up just because the market has gone up and many of these companies looking at the overall stock market believe it's better to get something out there—even if it means on a relative basis it's not as much as they would like," said Harry Fong, a director of C.J. Lawrence/Deutsche Securities Corp. in New York.

"Actually, they'd better hurry, for the reinsurers very recently have really been lagging the market, maybe because of the potential offerings," said Robert Branche of the Branche Research Group in Morrisville, Pa.

Referring to Normandy in particular, David Seifer, vp with Donaldson, Lufkin & Jenrette Securities Corp. in New York, said, "I think the key for the investor is whether these new entrants represent a better value than those existing reinsurers with two to three years' experience in their present structure and managements with many years of industry experience."

—By Judy Greenwald

Insurance stock analysts playing favorites

Stock analysts' buy recommendations show they are sticking to old favorites, including American International Group Inc., General Re Corp. and Chubb Corp., though other companies also are capturing their attention.

It is important to look at individual stocks rather than the property/casualty stocks as a whole, say some analysts.

"It is not our expectation that insurance stocks will outperform the market broadly in 1995, as we do see a general fundamental trend in the industry which is rather lackluster," said Steven A. Gavios, managing director at Bear, Stearns & Co. Inc. in New York.

"However, we do see increased fragmentation within the fundamentals of the insurance market, and we do expect that this fragmentation will also find its way into the insurance stock market," he said.

As a result, "we are positive on selected insurance companies, property/casualty insurance companies who we think can show premium growth of high quality business with low combined ratios," said Mr. Gavios. "This combination should produce strong earnings results that should allow for these stocks to do well." His recommended stocks include USF&G Corp. as well as Chubb, Gen Re and AIG.

"There's a company specific story there that the market seems to be latching onto, even if it has a fair amount of risk attached to it," rather than looking at the stocks as a "group story," said Ronald Frank, an analyst with Smith Barney Shearson Inc. in New York. His recommended stocks include Chubb, Sphere Drake Holdings and HCC Insurance Holdings.

Gloria Vogel, managing director and senior insurance analyst with Ladenburg, Thalmann & Co. Inc. in New York, said she is looking beyond highly capitalized names in her stock recommendations. "Because the big cap names have done so much, my theme was to look more at mid-cap names that appeared to be grossly undervalued in the market." Her stock selections include the Allied Group Inc. and Orion Capital Corp. However, she said she also continues to recommend bigger, high quality companies, including AIG, Chubb and The St. Paul Cos. Inc.

Weston M. Hicks, an analyst with Sanford Bernstein & Co. in New York, likes the multilines, including Aetna Life & Casualty Co. and CIGNA Corp. "Our theme has been that once companies begin to recognize unreserved environmental exposures...the underlying earnings power of these companies will become more evident, and on that basis, we think a number of these stocks are attractive," he said. His recommendations also include the St. Paul, Executive Risk Inc. and TIG Holdings.

Donaldson, Lufkin & Jenrette Securities Corp. recommends stocks with high quality, long-term characteristics, including AIG, Gen Re, Chubb and Aon Corp.

"But in addition, we have large number of what we called outperformed stocks, that is, stocks that over the next 12 months we think can beat the market" and have a total return of 15% or more, said David Seifer, vp at DLJ in New York.

These include Executive Risk, the Progressive Corp., Relia Group Holdings, SAFECO Co TIG and USF&G. Reinsura names on DLJ's recommended include American Re Corp., tional Re Corp., Transatla Holdings, Zurich Reinsuran Centre Holdings Inc. In addit DLJ recommends Marsh McLennan Cos. Inc.

Ira Malis, an analyst with A Brown & Sons in Baltimore, cludes Bermuda companies Ltd., X.L. Insurance Co. Ltd. Mid Ocean Ltd., all of which h done well this year, on his rec mended list.

He also recommends prop catastrophe companies PX Corp. and Transnational Re Co which he said are trading clos book value. His firm's rec mended list also includes fir cial guaranty insurers AMI Inc., MBIA Inc. and Capital G anty Corp., as well as reins Capital Re Corp.

—By Judy Greenu

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