Agent/Broker profiles

How they fared

The 23 largest insurance brokerage firms in the U.S. and Canada grew by 18.7% in 1976, just missing 1975's mark of 19.1%. An overall look at the brokerage industry leads off our agent/broker profiles section on **Page 11.**

Conflicts of interest

What kind of rules do brokerage firms impose to avoid conflict of interest situations? The era of unlimited expense accounts and large gift giving appears to be over. **Page 11.**

The listings

Extended profiles of the 23 largest U.S. and Canadian firms begin on page 20. An alphabetical listing of 350 other brokers begins on **Page 56.** The city-by-city listing, **Page 91.**

Elsewhere:

- KEMPER WILL become the insurer for many CGT employers, **Page 2.**
- INTERNATIONAL Paper improves its pension benefits. Benefit beat. **Page 3.**
- AMERICAN HOME drastically cuts back punitive damage exclusion. **Page 4.**
- CARTER'S support boosts the outlook for a federal no-fault bill. **Page 6.**
- THE LABOR department finally issues rules for summary plan descriptions. **Page 6.**
- OUR MAD columnist reports on surviving the blackout. **Page 94.**
- U.S. attorneys are invading the North Sea oil field looking for business. **Page 99.**
- CLAIMS handling was the key to the Fireman's Fund-Chubb dispute. **Page 102.**

Chrysler workers get legal program

By KATHRYN McINTYRE ROBERTS

DETROIT—The United Auto Workers union is setting up a group legal plan for unionized hourly paid employes of Chrysler Corp.

When fully operating—in about 14 months—the plan will serve the personal legal services needs of about 150,000 UAW-Chrysler families in the U.S. Covering active and retired workers and their dependents, it is the first nationwide breakthrough in group legal plans.

The UAW Legal Services Plan cannot technically be identified as a prepaid legal plan, a UAW spokesman cautioned, because it will be paid for with money from an existing fund, not deductions from employes' paychecks. In addition, it will be self-funded and employes will not have any vested rights.

But the plan's effect—providing prepaid legal services to workers—is the same. And it's expected to have a wave-like impact on the entire auto industry.

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Week of July 25, 1977

business insurance

the national newsmagazine of loss prevention, risk financing and employe benefit management

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Firms report

Pregnancy benefit costs vary widely

By JERRY GEISEL

WASHINGTON — The cost of including pregnancy in employer disability income plans has varied enormously, ranging from a substantial 9% increase to less than 3% of the annual cost.

Based on interviews with employe benefit managers, insurance executives, private consultants and a still-unpublished Senate report, a *Business Insurance* survey found the scope of a plan, the percentage of women in a workforce and efforts to prevent abuses are the major factors affecting cost when pregnancy is included in a disability plan.

At Xerox Corp., for example, where disabled employes are paid 100% of salary during the first five months of disability, pregnancy accounted for 9.1% of the total cost of its short-term disability plan in 1976, according to a corporate report prepared for a Senate committee.

However, at Cummins Engine Co. in Columbus, Ind., where disability benefits for hourly employes are limited to about $100 per week, only a modest 2.7% of sick leave benefits went to pay for pregnancy-related disabilities.

And despite the wide publicity given to pending legislation that would prohibit the exclusion of pregnancy from disability plans, insurance companies and consultants report little interest from clients whose plans will have to be revamped if the bills pass.

The Labor Department reports that as many as 40% of all employer disability plans may have to be scrapped or revised to meet the guidelines of the pending legislation.

Continued on page 104

Insurers warily eye advertisers' liability

By MARIE KRAKOWIECKI

NEW YORK—Advertisers' liability insurance is going to start costing more, even for companies that derive only a small part of their revenues from television and print ad campaigns.

There has been growing evidence over the past year that insurance companies are becoming more sensitive to the risks they run by including the coverage automatically and cheaply under their umbrella liability policies.

As a result, more umbrella companies are requiring insureds to purchase a separate primary advertising liability policy if they want to renew their umbrella packages. Fuqua Industries Inc., a diversified Atlanta-based firm that is involved in a broad range of leisure products and services, may have been among the first corporate insureds to face the problem.

In the past, few umbrella insurers worried about the claims that might result from advertising unless the policyholder was an advertising agency, publisher, broadcaster or consumer products company that derived 40% or more of its annual receipts directly from advertising.

Underwriters sometimes included advertisers' liability as part of the umbrella package without insisting that the policyholder first purchase basic advertisers' liability coverage. In these cases, especially for industrial firms, an insured might as-

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The people column page 106

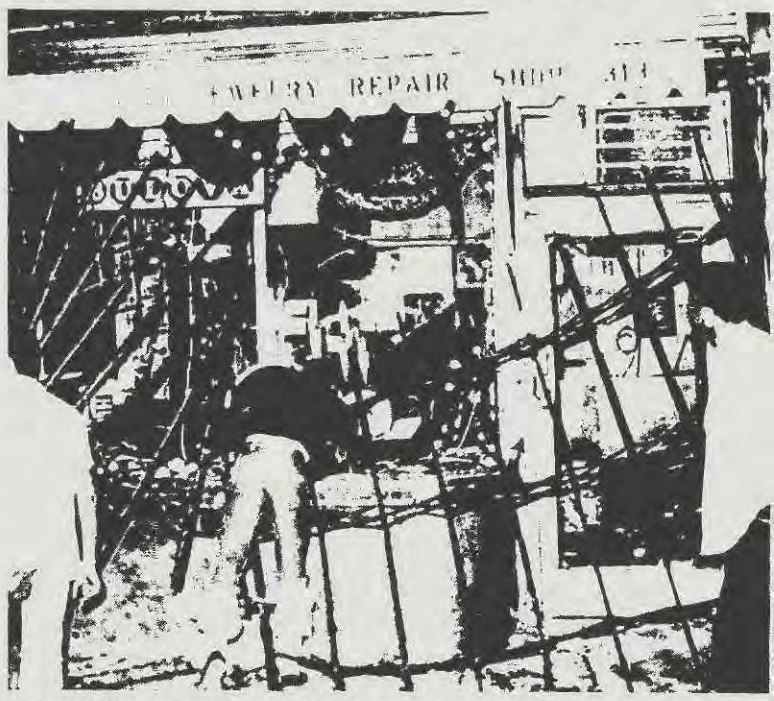
NY blackout losses top $1 billion; 3% insured

NEW YORK—The looting is over, the fires are out, the lights are back on.

But New York is still in the dark about who will be ultimately liable for the worst power blackout in the city's history. Even God has been mentioned, mostly by Consolidated Edison, the electric utility whose services were cut short by lightning.

The blackout is being investigated by federal, state and city officials. But in the meantime, Con Ed, which is largely self-insured, says it is not liable for what are estimated to be nearly $1 billion in damages caused by the July 13-14 power failure.

Most of those losses are uninsured, particularly for business interruption and for properties owned by small businesses in the metropolitan area. Figures released by the Property Claims Service, a division of the American Insurance Assn., following the blackout indicated that losses covered by insurance probably totaled about $30 million.



A LOOTER reaches through the shattered window of a jewelry store on Utica St. during the New York blackout.

This includes insurance written by the Federal Crime Insurance Agency and the New York Property Insurance Underwriting Assn. (FAIR plan) as well as by private insurance companies.

The blackout proved to be a field day for arsonists. According to the New York City Fire Department, approximately 900 fires occurred during the blackout and about 55 buildings were completely destroyed.

The New York FAIR plan, which was designed to provide insurance for people and businesses in high-crime areas where insurance would otherwise be impossible to purchase, provided fire insurance for some of the businesses destroyed or damaged. The FAIR plan fire insurance policies included extended coverage, which also applies to claims arising from riots or civil commotion. More than 100 claims were filed with the FAIR plan by early in the week following the blackout.

Looting was also rampant, with the city taking on a carnival-like atmosphere in some areas as gangs of people ranging from children to the elderly smashed store windows and took everything they could carry. More than 3,000 arrests were made in connection with lootings. Many of the worst-hit

Continued on page 101

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This story was researched and written by Eastern Editor Marie Krakowiecki with the aid of Rebecca Fannin and Frank Markowitz of our New York bureau.

Controversy erupts

Medical malpractice scheme eyed in U.K.

By JOHN H. MILLER

LONDON—Insurance experts here are drawing up plans for a new medical malpractice scheme for British doctors. But the scheme is causing a dispute between the historic "pool" medical defense societies and commercial insurance operators who are trying to market the new policies.

No matter what the outcome, British doctors will still have very low premiums compared to their colleagues in the U.S. because British court awards remain low.

The indemnity limit on any individual claim will be $425,000. Most family and junior hospital interns will have to pay premiums of less than $50 a year, while even hospital specialists and top surgeons will pay less than $200 a year at the estimated rates.

The scheme has been prepared by the Bowring insurance brokering group which played a large part in a comparable scheme for lawyers two years ago.

Personal injury awards in the U.K. rarely go above the $200,000 mark. Liability suits are tried by judges on the basic precepts of fault, awards are made on the passes of proved losses and punitive damages are excluded (except for limited awards in Scotland). There is also no contingency fee for lawyers.

Malpractice insurance for British lawyers is more expensive than malpractice coverage for doctors since lawyers can be exposed to substantial corporate malpractice judgments. Even legal premiums (usually $600 to $700 a year) are low by U.S. standards and there is little problem obtaining malpractice insurance.

However, doctors are in conflict among themselves over the new scheme because most have been previously protected by their own funded pools which have made minimal calls on their resources for many years.

This has enabled rates to be maintained at an average for every doctor, whether high-risk or low-risk, of less than $70 a year.

Until recently, this was enough to meet all normal court awards. But as litigation costs are rising, even in the U.K., there is the fear the pools will have to hike their future rates to keep within solvency margins.

The U.K.'s Department of Trade is now looking at the structure of the medical pools to ensure they come into line with financial rules laid down for insurance companies.

So doctors in some areas approached John Bozman and Bill Batchelor, of the C.T. Bowring Professional Indemnity group, to come up with new ideas.

"We looked at the current malpractice situation in both the U.S. and western Europe, and found there was enough information available about risk exposures for us to prepare suitable projected rates for U.K. doctors," Mr. Bozman said.

"To our surprise we discovered that there is a remarkably close common factor in personal injury statistics for medical men in both the U.S. and the U.K.

"This applies in spite of the vast dissimilarity in the size of awards in those two countries. That comes from the difference in legal systems, rather than from any difference of skill in the medical profession, so we found our U.S. research very helpful to our projections."

The result enabled them to offer a scheme which will help many doctors by reducing their present low-level premiums even further, although it will mean higher rates for medical experts with large exposures in hospital or surgery fields.

"If the scheme prepared by us is accepted, it will initially be placed 100 percent with Crusader Insurance Co. in the U.K., and then a large part will be reinsured into various specialist markets in the U.K., Europe and elsewhere," Mr. Bozman said. "Premium rates might have to be adjusted slightly if the scheme is delayed until 1978, but we believe our proportion of low to high risks in the medical world will prove correct so that we can offer attractive policies to most U.K. doctors." ■

Deaf put at 20 million

NEW YORK—The partially deaf population of the United States is up to an estimated 20 million, says the Health Insurance Institute—about one in 10 people in the nation with some degree of hearing loss.

And some two million Americans have so little hearing capacity that they are unable to understand normal speech.

According to the National Health Education Committee, people developing the sclerotic changes of old age have a far higher incidence of sensory nerve deafness than people in younger groups.

At the same time, the incidence of hearing problems in premature children is nearly seven times that found in children delivered normally. ■

From impaired insurer

Kemper to take over many CGT employers

By GREG DAVID

CHICAGO—The Kemper Insurance Cos. are taking over a large number of the groups insured with financially troubled Loyal Protective Life Insurance Co. through Consolidated Group Trust.

Loyal Protective of Boston was placed in receivership last month by the Massachusetts insurance department after suffering severe losses on life and health coverage written through the trust. CGT insures 300,000 persons and represents 60% of Loyal's business (*Business Insurance*, July 11).

CGT, a multiple employer trust based in Framingham, Mass., specializes in coverage for smaller employers with between three and 100 lives. Officials at competing insurance companies said CGT's rates have been well below market price and the level needed to pay claims.

A CGT letter to employers and agents dated July 8 announced that all policies with Loyal Protective would be terminated Sept. 1. In the interim, a rate increase effective Aug. 1 is designed to keep the insurance company from becoming insolvent.

Bill Montgomery, life and health officer at Kemper, said his company would evaluate CGT's entire block of business, writing those groups that met Kemper's underwriting standards. A team of Kemper underwriters are now in CGT's home office reviewing files, he said.

Kemper had been CGT's exclusive insurer for the trust's package of coverage in several southeastern and Rocky Mountain states. (*Business Insurance* previously reported that Kemper insured the trust's dental coverage, a statement based on a CGT advertisement.)

Kemper and at least one other insurance company had been engaged in negotiations with the Massachusetts department of insurance to take over the CGT business.

"We've been operating with them for eight months," Mr. Montgomery said, "so we agreed to extend our underwriting to the 19 additional states where CGT was operating with business insured by Loyal."

Michael Clark, a CGT vp, said the trust "is engaged in an expansion of its existing activity with Kemper and is assisting many employers in placing coverage."

Mr. Montgomery said it is impossible to estimate what rate increases Kemper will apply to the CGT groups. The trust and Loyal had instituted four or five rate increases in the past year, he continued, and some groups require much smaller increases than others.

Mr. Clark said he agreed with Mr. Montgomery's assessment of the rate situation.

Kemper believes CGT will remain a viable marketing organization and intends to work with it in the future, Mr. Montgomery said. ■

60 companies offer treatment for alcohol

NEW YORK—Some 60 of the 400 largest U.S. corporations currently offer treatment programs for their alcoholic employes, according to the Health Insurance Institute.

A growing number of big companies apparently believe it is cheaper in the long run to help an employe control his drinking problem rather than firing him and training a replacement. The National Council of Alcoholism estimates that a problem drinker costs his firm $3,000 per year in absenteeism, increased health care costs and lower productivity.

Illinois Bell, for example, has enrolled some 600 workers in a company alcoholism program. The program has saved an estimated $459,000 after five years.

Some unions are also pressing for alcoholism treatment in their health insurance benefits. The United Auto Workers, third-largest union in the nation, has coverage for its members and families for care in nonhospital residential facilities.

An Opinion Research Corp. survey of 500 executives found that 80% believe treatment for alcoholic employes is worth the cost. ■

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SEE OUR AD ON PAGE 4

the benefit beat

International Paper improves pension benefits

THE INTERNATIONAL PAPER CO. will increase the minimum pension benefits from $7.50 a month per year of service to $9 a month per year of service for 10,000 members of the United Paperworkers International Union at 10 of the company's plants in the South. At the same time, International Paper Co. agreed to repay employe contributions made prior to 1970 when the plan became non-contributory. Union officials estimate that 8,000 workers will receive an average of $3,000 paid in three installments. The pension improvements cover workers at plants in Florida, Mississippi, Louisiana, South Carolina, Alabama and Arkansas. Medical benefits also were improved and vacation schedules were lengthened, but details were not available.

OHIO AND ITS employes are paying more for health insurance this year than they did last year, but they are looking forward to either increased benefits or reduced rates next year through a self-insured plan. The State Employe Compensation Board accepted effective July 1 an $81.7 million bid from Blue Cross/Blue Shield to provide health insurance for two years to 43,000 state employes. The Blues were the only bidder on the contract, which it has held since mid-1974. The cost is 22% more than the former contract. The state is committed to the Blues program for just one year, and the Bureau of Risk and Insurance Management is shooting for self-insuring the health plan effective July 1, 1978. John Belknap, administrator of the bureau, estimates the state would have saved anywhere from $5 million to $12 million in the past two years if it had self-insured for health benefits. The new contract was signed for this year, he said, because self-insuring a health program is a "great undertaking," that also affects other state departments. Ohio has studied West Virginia's self-insured health plan for state workers and the one Georgia is now formulating. In the meantime, the state is saving $2 million by eliminating the waiver premium in its life insurance coverage for state workers. Should a worker become totally disabled, the state will now pay his life insurance premium. The Blues had been charging the state a monthly premium of $34.21 for an individual health plan and $77.38 for a family. Now the premiums are $40.54 for an individual and $93.93 under the family plan. If the state doesn't self-insure next year, the premiums will climb to $47.20 for individual coverage and $109.38 for a family. The state pays 70% and the employe the remaining 30%.

THE BENEFITS OF HMO participation compared with conventional group health insurance coverage are detailed in a new movie produced by Kwasha Lipton Inc., Englewood Cliffs, N.J. The film was sponsored by four corporations: Celanese Corp., New York; Borden Inc., Columbus, Ohio; Supermarkets General Corp., Woodbridge, N.J., and Chesebrough-Pond's, Stamford, Conn. The corporate sponsors each paid $1,700 up-front to produce and lease the movie, and now Kwasha Lipton vp John Kearney is seeking 15 other corporate benefit managers to pay a similar lease cost of $1,700 so they can have the movie available to show employes. The cost covers a full 10-year lease of the 17-minute film, said Mr. Kearney. "The companies felt they shouldn't get involved in leading their employes in one direction or another on this issue," he said, because of the complexity of the HMO Act of 1974 which mandates a dual option on health benefits. "But they did want their employes to have full information about HMOs" and used Kwasha Lipton as the independent contractor to make an "objective" movie on the subject. Entitled "It's Your Choice", the film uses five actual employes to illustrate the differences in coverage under the two types of plans. INA Corp. and Inmont Corp. have already signed on the dotted line to lease the film.

METROPOLITAN LIFE Insurance Co. has been awarded a group insurance contract covering more than 100,000 Texas state employes and their dependents. A team of independent consultants picked Metropolitan over Blue Cross/Blue Shield, National Health Insurance Co. of Dallas and Prudential. The contract, whose premiums are expected to total $55 million, offers employes a range of coverage including a health plan, term life insurance, disability income insurance, accidental death and dismemberment insurance and dependent life insurance. Only the health plan is mandatory and it is available in various degrees of coverage. The basic health plan provides annual coverage at 80% up to $5,000 and 100% thereafter for hospitalization in a semi-private room, eligible medical and surgical expenses, and hospital and medical care for complications of pregnancy. The basic health plan carries an annual maximum deductible of $250 per person and $750 for a family and a lifetime benefit maximum of $250,000.

KENNECOTT COPPER CORP., the nation's largest copper producer, settled a new three-year contract with its 9,500 union employes, altering medical and health-care plans, increasing company contributions to life insurance and pension plans and increasing salaries. The dental plan will be improved to include two exams and cleanings every 12 months if the two appointments are separated by 150 days rather than one exam every six months. Kennecott has also expanded its definition of hospital, adding licensed surgical centers and psychiatric facilities and its definition of medical surgery to include dental surgery. In the weekly sickness and accident program increases from the current $135 a week amount to $10 the first year, $10 the second year and $15 the final year. Kennecott's accidental death and dismemberment coverage formerly provided for only nonoccupation-

Continued on page 4

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Benefit beat . . .

Continued from page 3

al cases, but the new contract stipulates that occupational accidents and deaths will be included. Three changes in the health and welfare program have been made, enabling new employes to qualify for coverage after three months of consecutive employment, stipulating a new method of handling disputed employe discharges and allowing for a committee composed of union and company representatives to study the quality of health-care programs and recommend methods of reducing their cost. In addition, the company's contribution to life insurance has doubled—to a maximum of $40,000 from $20,000. Pension benefits will also be increased $1 a month by Jan. 1, 1978 and $1 again by July 1, 1979. Current benefits are $11 a month for each year of service up to 15 years, $12.50 for service of 15-30 years and $14 for more than 30 years. The three-year contract also increases salaries for workers who receive slightly more than $7 an hour by 25 cents the first year, 35 cents the second year and 25 cents the final year.

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Benefit Beat keeps insurance and employe benefit managers up-to-date on what other companies are doing and informed of current developments in the employe benefit field. We'd like to know if you've made any changes or know of any significant developments. Write Benefit Beat, Business Insurance, *740 N. Rush St., Chicago, Ill. 60611 or call (312) 649-5279.*

Insurer reduces punitive damage exclusion; ISO still ponders case

NEW YORK—American Home Assurance Co. has "dramatically cut back on excluding punitive damages" when writing excess insurance policies, said Dennis Busti, vp for commercial casualty.

The insurer had been attaching a punitive damage exclusion to excess insurance policies, guided by the philosophy that one should not be insured for a punishment *(Business Insurance,* Feb. 7).

American Home still believes "punitive damages should not be covered if they are awarded in the true spirit of punitive damages," said Mr. Busti. But he conceded the company found itself less competitive in the marketplace with its approach to the exposure.

Mr. Busti explained that insurers had been discussing a punitive damage exclusion and American Home believed it was paving the way for an industrywide exclusion. But the movement did not develop, he said.

Still, the insurer is including coverage for punitive damages "in some areas," the vp noted, "but not as much as before."

Meanwhile, committees of the Insurance Services Office (ISO) are still haggling over whether to exclude punitive damages in general liability policy forms. The exclusion has been an issue within the ISO since the early 1970s when large punitive damage awards began making headlines.

Most of the insurers believe a justified punitive damage award —one that is ordered because of gross and wanton misconduct— should not be covered, an ISO spokesman said.

The problem with making a sweeping exclusion, the spokesman explained, is that insurers say they see punitive damage awards made when a company shouldn't be punished.

Since there is no way to write a policy form to handle this disparity in awards of punitive damage, the ISO must take an all or nothing approach. "If we took action as a rating organization, it would be a standard exclusion, across the board," the spokesman said.

In the absence of ISO action, many insurers are attaching the exclusion to policies on a risk-by-risk basis, the ISO spokesman observed. The exclusion is most often attached to policies covering a heavy product exposure, he said.

The ISO is hoping to settle the punitive damages exclusion issue by the end of 1977. But even if the industry-comprised organization decides to adopt such an exclusion, insurers could continue to write the coverage if they pleased in states which now permit insurance for punitive damages.

But the ISO spokesman predicted that if the committees adopt the exclusion, their decision "would increase the number of policies written with an exclusion for punitive damages." ■



Bank wins $6 million settlement

MEMPHIS—Union Planters National Bank won a $6.3 million out-of-court settlement from its fidelity bond insurers for four bond claims headed for litigation.

Fidelity & Deposit Co. of Maryland, the primary bonding carrier, and U.S. Fidelity & Guaranty did a complete about-face and became interested in settling the four outstanding claims after a jury here awarded Union Planters $4.5 million resulting from embezzlement and misapplication of funds by a bank vp and loan officer. (*Business Insurance,* June 27).

The four outstanding claims were for a total of $10.2 million.

Wynn Smith, the bank's attorney and a partner in the firm of Canada, Russell & Turner here, described the settlement as "very good" and said "we're very pleased with it, indeed."

He believes the jury finding for the bank in the first of the five claims "broke the logjam."

This clears up all litigation between Union Planters and the bonding companies, except for a potential appeal of the $4.5 million judgment.

The bank came away with significantly more than just the $6.3 million settlement of the four remaining claims, said Mr. Smith. "The settlement also left Planters with certain salvage rights. Thus, the bank could then go back against the defalcating parties." ■



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Come to the source



Employers Insurance of Wausau

Wausau, Wisconsin

Carter support boosts no-fault bill outlook

WASHINGTON—Backers of federal no-fault auto insurance guidelines received an important boost this month when President Jimmy Carter announced his support for the no-fault legislation now pending in Congress.

This marks the first time that an adminstration has come out solidly in favor of a federal approach to no-fault. The Nixon and Ford administrations had continually voiced their strenuous opposition to mandatory federal standards.

After learning of the Carter announcement, Sen. Warren Magnuson (D-Wash.), the chief cosponsor of the measure in the Senate, was jubilant.

"That's a big help. With that help I think we can win," Mr. Magnuson said.

During previous Congressional sessions, no-fault legislation was defeated by stiff opposition from several insurance groups and by powerful lobbying efforts by the influential American Trial Lawyers Assn.

In 1974, the Senate passed a no-fault bill 53 to 42, but the House failed to take action before Congress adjourned. In March, 1976, the Senate killed that session's proposed no-fault measure 49-45.

Under the Magnuson measure, states would have to meet certain minimum levels of no-fault insurance coverage. If the states failed to adopt those standards within three years, the federal guidelines automatically would go into effect.

Accident victims, under the proposed standards, would be entitled to at least $100,000 for medical and rehabilitation expenses, up to $12,000 in lost wages and for the costs of obtaining a housekeeper.

A civil action could be filed if an injury suffered in an automobile accident resulted in permanent scarring, disfigurement or loss of bodily function.

In addition, legal action would be allowed if an injury prevented the victim from taking part in his usual activities for more than 180 days. Prior measures placed the cutoff at only 90 days.

Although the Carter announcement markedly improves the chances of the bill making it through the Senate, the real battle lies in the House where the influence of personal injury attorneys is much stronger. ■

Labor finally issues most SPD regulations

WASHINGTON — The Labor Department this month issued its long-delayed regulations, most of them final, covering the format, content and disclosure of summary plan descriptions (SPD) of private pension and welfare plans.

At the same time, however, the deadline for distributing and filing the SPDs with the Labor Department was extended to Nov. 16, 1977, for most summary plans. Employers who adopted master plans after March 16 can file as late as six months after they receive determination letters from the Internal Revenue Service.

The heart of the regulations and a bone of contention for plan sponsors—the statement of participants' rights under ERISA—was left almost unchanged from the interim regulation issued last March.

The Labor Department, however, amended the regulations to require that the statement of rights be set off as a separate, easy-to-read unit in the SPD. In addition, plan sponsors now will be required to inform participants that they will receive a written explanation when a claim for a benefit is denied either in full or in part.

The ERISA statement of rights must disclose that a plan participant is entitled to:

- Obtain a statement disclosing his or her right to receive a pension at the normal retirement age and what the benefit would be if the participant retired now.
- Examine (without charge) or obtain at a reasonable cost all plan documents and forms filed with the government.
- Obtain a statement of accrued and vested pension benefits.
- File suit in federal court if the requested materials are not received within 30 days. The court, in addition, can require the plan administrator to pay $100 for each day of delay.
- File suit in state or federal court if improperly denied a benefit. The court also may award attorney's fees to the participant if the suit is successful.

Sponsors whose plans cover a large number of participants who don't understand English must provide a statement in the participant's native language.

The inclusion of the information statement for non-English speaking participants applies to:

- A plan that covers less than 100 persons of which 25% or more of the participants are literate in the same foreign language.
- A plan that covers more than 100 persons and 10% or more of plan participants are literate only in the same foreign language. For example, if an employer maintained a plan covering 1,000 persons of which 500 were literate in Spanish and 101 were literate only in Vietnamese, the summary plan booklet would have to contain the assistance information notice in both Spanish and Vietnamese. ■

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editorial opinions

Who's to audit?

A WELL-KNOWN independent risk management consulting firm recently made a pitch in its newsletter for regular risk management audits performed every three to five years by firms like theirs.

This firm proceeded to note that general financial auditors often don't have the specialized knowledge to perform such audits. And the firm implied that insurance agents and brokers calling themselves consultants aren't properly objective when they perform audits. Initials behind an individual's name from the insurance industry organizations that confer titles, don't necessarily guarantee the proper qualifications to audit risk management and insurance programs, noted the consulting firm.

We don't dispute any of these remarks. But we would add that some fine audits have been performed by agents, brokers and independent consultants. And some lousy—or at least, disappointing—audit reports have similarly been turned in by the full range of firms mentioned, including independent risk management consultants.

So the financial manager, risk manager or other executive looking for someone to supply a service had best have a very clear and detailed idea—preferably in writing—of exactly what he wants to get out of such an audit. The buyer's knowledge, clarity of purpose and assigned tasks are the only guarantee that the audit performed will conform to the desired objective.

If that goal is "total" objectivity in terms of distance from the insurance-oriented management of risk, then it's true that an independent risk management consultant is probably the best bet.

And in that case, there are two professional associations of such consultants a buyer can look to. . . . The Institute of Risk Management Consultants and The Insurance Consultants Society. They have different prerequisites for membership and different ethical codes, so it pays to read the fine print at least to be aware of those variations.

But if a company needs a basic check on the full range of exposures to loss, claims and losses over a given period, risk control programs being used or that could be instituted, or a report on the adequacy and comprehensiveness of purchased insurance, the expertise of agents, brokers and even insurers might be what's needed and desired.

We're cautious about accepting the line that everybody needs a consultant, or that consultants do the best audit job for every different kind of need.

Cutting and welding

UNSAFE CUTTING AND WELDING practices in industry caused a staggering $20 million per year in losses for companies insured by Factory Mutual between 1970 and 1975.

Cutting and welding fires cause 7% of all industrial fires and 12% of all industrial fire losses. And fires caused by cutting and welding are worsening, says FM.

Chief among the tasks facing every risk manager is assuring that outside contractors use safe practices when working on a company's premises. About one out of every three fires caused by cutting and welding occur while outside contractors are engaged in these operations. FM urges its policyholders to consult lawyers when issuing contracts to specify standards of conduct to be observed by outside contractors in performing cutting and welding operations.

The contracts should also fix the amount of a contractor's liability in the event of a resulting loss, says FM.

The insurer suggests that every contract include a provision that contractors are responsible for complying with the safety rules of the National Fire Protection Assn.'s national fire codes and that contractors are responsible for all damages resulting from any failure to comply with the codes.

We second the motion.

Assessing disasters

RECENTLY IT came to our attention that the Life Insurance Assn. has stopped issuing any statistics on life insurance payouts following natural disasters—or any disasters, for that matter.

We understand the association was pressured by outside groups to stop tabulating the life insurance losses after accidents because it was too macabre.

We disagree. In an instance where two planes collide, as in Tenerife, it's impossible to assess the total impact of such a tragedy on the world insurance markets without knowing how much life insurance was paid.

There's nothing that says the association has to publicize these figures. But we'd like to have them available so that an accurate picture can be drawn of the financial outcome of a single event. An important—often critical—role of a trade association is to gather statistics for the use of its members. And those statistics should be available to the press when needed in order to put a story or an event in the proper perspective.



"Now don't get me wrong, some of my best friends are policyholders."

letters

Business Insurance *welcomes letters from its readers. Please keep your comments as brief as possible and we reserve the right to edit or shorten letters for clarity or space. Please send your comments to Letters to the Editor,* Business Insurance *Magazine, 740 N. Rush St., Chicago, Ill. 60611.*

Fronting?

To the Editor: I read with interest your June 13 editorial "Fronting for Captives" in which you mentioned Ideal Mutual. I think part of the problem you describe may arise from the misuse of the word "fronting."

In 1958 the New York State Insurance Department issued directives prohibiting the practice of "fronting" (also described as "filing") by insurers under that department's jurisdiction. This prohibited operation is vastly different from the one you described, yet you still refer to it by the same term used to describe the prohibited operation. This is unfortunate.

I know you didn't mean to imply that the insurers mentioned in your editorial were doing prohibited acts; yet your use of the term "fronting" could certainly give rise to that inference.

Edward P. Lalley
President, Ideal Mutual Insurance Co., New York, N.Y.

Checker replies

To the Editor: With reference to your editorial published in your June 13 issue titled "A Classic Case," I feel it necessary to make a comment.

There certainly is no question that the death of Ed Cole, my friend and partner, was untimely and unfortunate. However, I must take great exception to your describing Checker Motors Corp. as a troubled company and again later in the editorial a financially troubled company. For your information, Checker Motors Corp. is neither troubled nor is its survival and continuation a matter of any conjecture. We have no funded debt of any kind and our balance sheet has long been a study of a superior financial condition.

Your conclusion that Checker did not think key-man life insurance was necessary for Mr. Cole is erroneous and presumptuous. Mr. Cole was in the process of getting such insurance when his unfortunate accident occurred. It is understandable that your point is that risk insurance on important managerial talent is a necessity and we certainly agree.

However, it should not be nec-

Continued on page 14

business insurance

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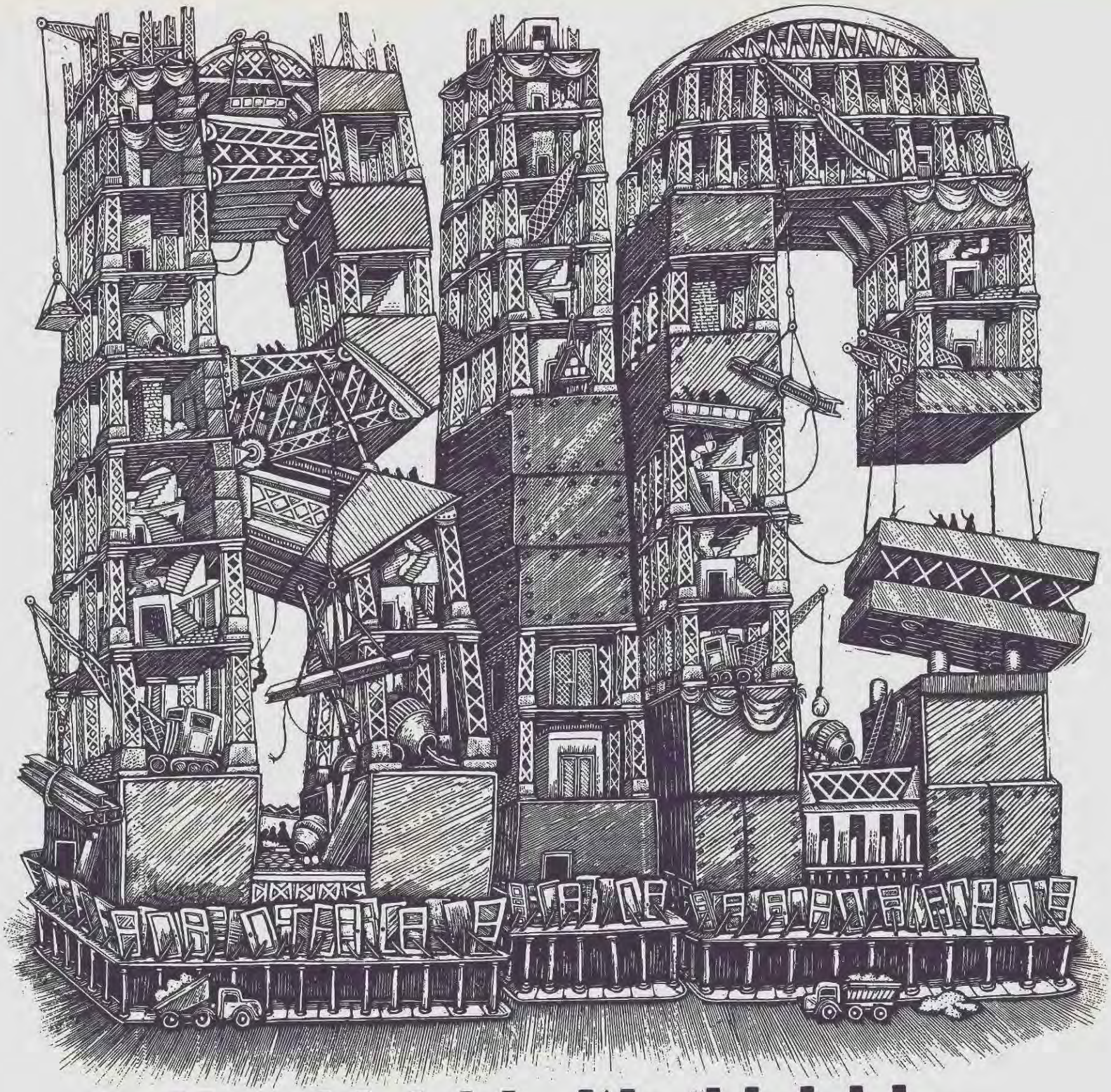
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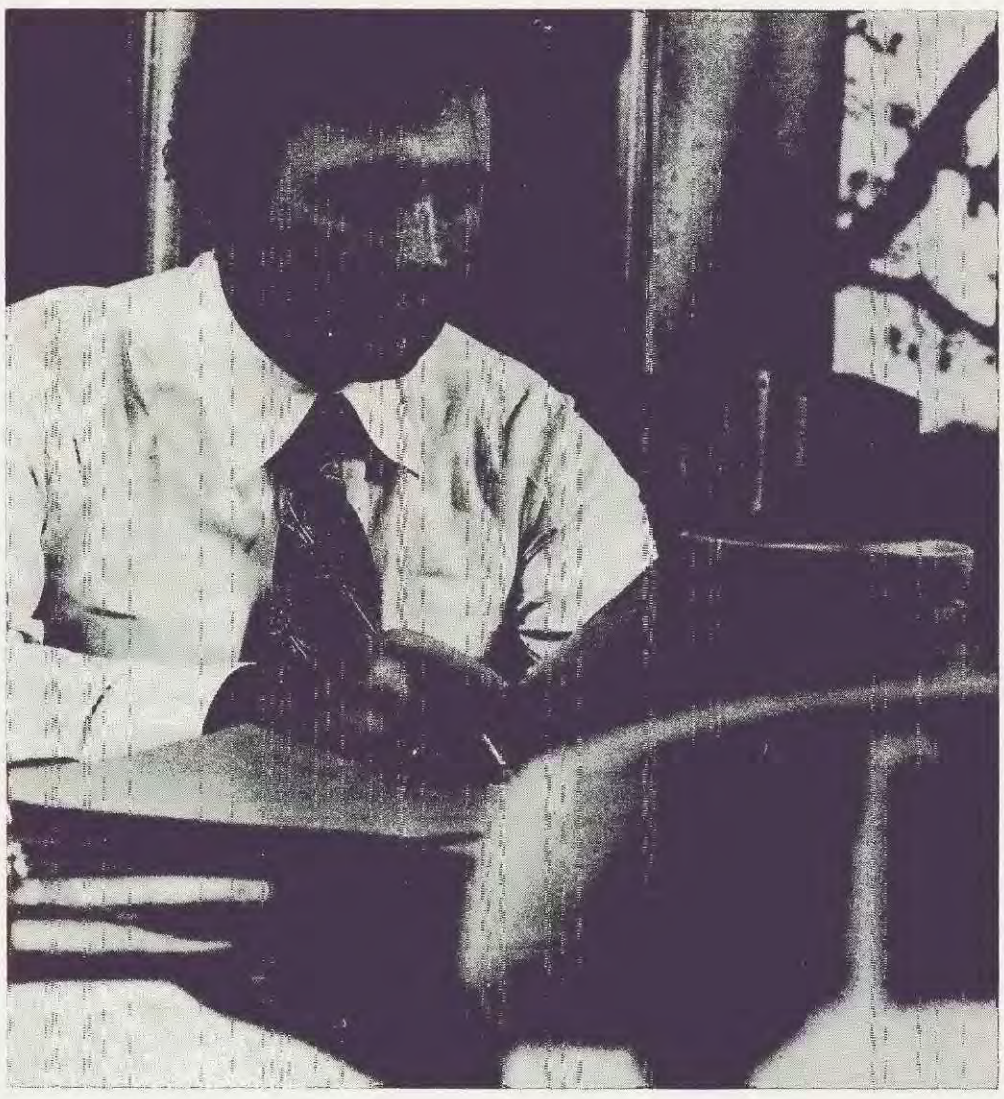
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agent/broker profiles

Top brokers barely miss matching 1975 growth

By SUSAN ALT

CHICAGO—The 20 largest U.S. based brokerage firms and the three largest Canadian firms grew by 18.7% in 1976, slightly less than the average 19.1% increase in their gross revenues the year before.

The U.S. firms, by themselves, out-performed last year's results a bit, chalking up an average 19.3% gain. But the three Canadian firms moved ahead of 1975 at a slower pace of only 13.8%, pulling down the average.

Business Insurance estimated that the 23 largest firms represented a whopping $13.6 billion in commercial premiums collected. We used the premium figures submitted by 10 of the firms and estimated premium flow for the remaining 13 brokers, with the help of brokerage industry executives and observers.

Observers believe that the nation's largest firms didn't increase their share of the commercial insurance market despite good revenue growth, only managing to cling to the 20% to 25% of the market they were thought to hold a year ago.

"I think the brokers were concentrating their energies more on improving their earnings last year than they were on generating faster growth," said one knowledgeable student of the insurance brokerage business. "However, good earnings during 1976 and 1977 are precursors of expanded market activities by the national brokers in coming months."

Among the expanded activities he foresees as part of a drive for greater market share is the addition of still more risk management services, taking over the services business to a large extent from the insurance companies.

Using an estimate of $65 billion for the total commercial insurance market, including group lines, the top 23 firms would hold 22% of the market. Consider, however, an estimate that the top nine firms in the U.S. hold 18.5% of the total commercial market.

A tabulation of 346 other broker profiles in this issue revealed that these firms represent an aggregate $310 million or more of commissions and fees, the lion's share generated by commercial lines business. (Four late profiles are not tabulated.)

Responding to the call for profiles this year were 373 of the nation's leading commercial insurance agents and brokers, up from 350 represented in this special issue a year ago.

Many of the firms profiled this year are new additions to the issue. There are several possible reasons why they are appearing this year for the first time. They may have chosen in prior years not to disclose premiums and revenues or they might not have qualified in prior years for a listing under the prerequisites of premium volume over $1 million and gross revenues over $150,000 a year.

On the other hand, 94 firms that were profiled last year aren't in this year's listing. Some of these have been acquired by larger firms, accounting for an estimated one-third of the absences. It's not known exactly why the remaining firms chose not to participate this year. Several well-known large firms, when queried, said their boards of directors had voted to keep figures private from now on. For this reason, Kindler & Laucci of Los Angeles and Myers-Beatty Co. of Chicago, for example, do not appear in the profiles this year.

One of the firms appearing for the first time this year, though, made it onto the top 20 U.S.-based broker list. John L. Wortham & Sons Agency of Houston jumped into 19th place, with revenues of $9.05 million.

Another firm joining the top 20 for the first time is Emett & Chandler of Los Angeles, a division of Pinehurst Corp. Emett & Chandler ranks 18th among U.S.-based brokers with revenues of $9.24 million.

Continued on page 12

How our profiles are organized

Our special agent/broker profiles issue is divided into three sections to give you easy access to the extensive information we've compiled on 373 insurance brokers.

- Extended profiles of the 20 largest insurance brokerage companies, ranked by gross revenues, begin on **Page 20**. The three largest Canadian firms, again ranked by gross revenues, are profiled on **Pages 50 to 52**.
- Alphabetical listings of 350 brokers run from **Pages 56 to 91**. These profiles include pemium volume, gross revenues, employes, percentage of commercial business, principal officers, branch offices and subsidiaries.
- A regional directory providing buyers of insurance with the brokers headquartered in their own areas is on **Pages 91 to 96**.

The brokers themselves supplied the information in the profiles in almost all cases and we cannot guarantee the accuracy of all the figures. Special care has been taken in presenting the figures and names, but we'd like to know and correct important errors. If something went wrong drop a note to Greg David, *Business Insurance*, 740 N. Rush St., Chicago, Ill. 60611 or call (312) 649-5279.

Brokers tighten reins

Expense accounts, gifts face detailed scrutiny

By JERRY GEISEL

WASHINGTON—Brokers from large and small firms alike generally agree that the era of unlimited expense accounts and massive gift giving and receiving is over.

"We have monthly reporting procedures on expense accounts and let me tell you those accounts are watched carefully," said Edward B. Morrow Jr., senior vp at E.H. Crump Cos. in Memphis.

At Alexander & Alexander, the giant broker based in New York City, internal audit teams periodically make unannounced visits to Alexander's far-flung local offices and affiliates to check expense accounts as well as general office procedures.

Brokers concede that it is impossible to place a fixed limit on entertainment expenses. At Frank B. Hall, for example, the guideline on entertainment expenses says such expenses should be "normal and proper."

Pete Ripp, a Hall vp, concedes that the guideline is "subject to interpretation. We can't say that an executive should spend only $10 or $15 for a lunch." But Mr. Ripp was quick to add that a normal and proper expense would *not* be picking up the tab on a client's trip to Europe.

"From a dollar and cents point of view, a kind of lid is put on as to what our people (Hall employes) can do," Mr. Ripp said. "If something is done that we feel is not terribly wise, that would be brought to the employe's attention," he said.

Brokers who specialize in small- and medium-sized accounts said the relatively small commissions they receive rule out lavish entertainment of clients even if they were so inclined.

"By golly you can't spend $10,000 to make a $1,000," said William B. Graham, president and chief executive officer of the fast-growing Insurance Management Corp. in Richmond, Va.

Another small broker noted that "if you handle the risk of a U.S. Steel or a Continental Can in which you get $100,000 in commissions, you might be able to afford to send their insurance manager to Hawaii on an eight-day trip. But if you're getting a $500 commission, you would be damn lucky to cover two good meals."

Continued on page 16

1976 BROKER PERFORMANCE: THE LEADERS

Company	Gross revenues (millions) 1976	1975	% chg.	Employes 1976	1975	% chg.	Revenues per Employe 1976	1975	% chg.
1. Marsh & McLennan	342.3	287.4	19.1%	8,340	7,710	8.1%	$41,043	$37,276	10%
2. Johnson & Higgins	175*	145*	20.7	4,200*	3,900*	7.7	41,670	37,180	12.1
3. Alexander & Alexander	159	131.3	21	4,250	3,700	14.8	37,411	33,595	11.4
4. Frank B. Hall	123.5	104.2	18.6	2,800	2,550	9.8	44,107	40,843	8
5. Fred S. James	88.7	72	23.3	2,252	2,071	8.7	39,387	34,751	13.3
6. Corroon & Black	62.9	51.2	21.8	1,500	1,400	7.1	41,933	36,536	14.8
7. Rollins Burdick Hunter	36.7	30.9	19	861	687	25	42,600	44,978	(5.3)
8. Bayly Martin & Fay	25.6	20.7	23.7	750	687	9	34,133	30,131	13.3
9. R. B. Jones	21.9	18	21.7	695	675	3	31,511	26,670	18.2
10. Penn General	17.4	16.7	3.9	476	500	(5)	36,513	33,460	9.1
11. Nordstrom Larpenteur	14	12.5	12	392	323	21.4	35,714	38,700	(7.7)
12. E. H. Crump	13.5	11	22	481	412	17	28,066	26,700	5.1
13. Cook-Treadwell & Harry	13.3	10.3	29	305	312	(2.2)	43,606	33,013	32.1
14. Harlan Inc.	12.3	10.5	16.6	385	381	1	31,818	27,559	15.5
15. James S. Kemper	12.08	10.4	16.5	383	403	(5)	31,540	25,732	22.6
16. Arthur J. Gallagher	12.07	8.9	36	324	264	23	37,253	33,598	10.9
17. Insurance Management	12.04	10	20	346	344	0.6	34,797	29,099	19.6
18. Emett & Chandler	9.24	6.4	45.5	301	249	21	30,697	25,502	20.4
19. John L. Wortham	9.05	7.1	26.6	164	153	7	55,183	46,667	18.2
20. Schiff Terhune	8.68	7.13	21.7	260	225	15.6	33,385	31,689	5.4
TOTALS/AVERAGES	1,159.2	971.5	19.3	29,465	26,946	9.3	39,341	36,052	9.1
Canadian-based firms									
1. Reed Shaw Osler	105.3	92.8	13.5	4,300	4,000	7.5	24,488	23,200	5.6
2. Tomenson Saunders Whitehead	20	18	11.1	747	657	13.7	26,774	27,397	(2.3)
3. Dale & Co.	13.6	11.3	20.4	530	524	3	25,660	21,565	19
TOTALS/AVERAGES	138.9	122.1	13.8	5,577	5,181	7.6	24,906	24,054	7.4

*Business Insurance estimates.

Top brokers' results . . .

Continued from page 11

Part of the reason these firms made it onto the top 20 list for the first time is that *Business Insurance* decided to separate U.S.-based and Canada-based brokerage firms, creating a new category for the Canadian firms. The logic behind this change was that two out of the three Canadian firms have little or no presence in the U.S., thereby raising questions about whether they should rightfully be ranked among the largest U.S. brokers.

This is not to say they are not large and important, which is why the new category was created, enlarging the ranking to 23 firms and continuing to show the Canadian firms on the chart of the largest brokers.

Had the Canadian firms, in fact, been ranked as usual among the U.S.-based firms, Reed Shaw Osler would have held its position as fifth largest broker, while Tomenson Saunders would have followed R. B. Jones as 11th largest and Dale & Co. would have followed Nordstrom Larpenteur as 14th largest.

Harlan Inc. returned to the issue this year after a one-year absence last year because company officials didn't want to reveal Harlan's results. Harlan held onto its spot as the 14th largest broker from two years ago, despite a poor showing in 1975 of only a 2% gross revenue gain from 1974. But in 1976 Harlan appears to have done much better, garnering a 16.6% gross revenue increase while holding its employment rolls to only a 1% rise, enabling the firm to significantly raise productivity.

The biggest increases in gross revenues last year were turned in by Emett & Chandler (45.5%), Arthur J. Gallagher (36%), Cook-Treadwell & Harry (29%), and John L. Wortham & Sons Agency (26.6%).

Of those firms, Cook-Treadwell also turned out to be one of the biggest winners in the productivity race, racking up a whopping 32% increase in productivity per employe by actually decreasing its employment 2.2% and pushing revenues per employe up to a very healthy $43,606.

U.S. and Canadian brokers employ a massive force of 35,042 people, up 9.3% for U.S. firms and up a lesser 7.6% for the Canadian companies.

Two of the firms that have grown extremely fast in the self-insurance and administrative services field, Arthur J. Gallagher and Emett & Chandler, also registered some of the biggest increases in employment during 1976. Gallagher's head count rose 23%, although the firm still managed to take its big gross revenue gain and end up with nearly 11% better productivity per employe. Emett & Chandler's employment rolls showed 21% more people, but with the firm's hefty 45.5% revenue hike, employe productivity still registered a good gain from last year.

The other firms leading the pack in higher employment during 1976 were Rollins Burdick Hunter, Nordstrom Larpenteur, E. H. Crump, Alexander & Alexander and Tomenson Saunders Whitehead, in that order.

Surprisingly, the highest revenues per employe were achieved by a newcomer, John L. Wortham & Sons, a Houston-based firm catering to the petroleum industry. Wortham's $55,183 far outdid second place Frank B. Hall at $44,107 revenues per employe.

U.S. firms that reported premiums showed a 9.3% average commission rate, while all three Canadian firms outpaced this by far, showing 12%, 17% and 15% commissions on premiums.

Average revenues per employe for U.S. firms rose to $39,341 in 1976, up 9.1% from the average revenue figure of $36,052 for 1975.

In the coming year, predict a half-dozen people who watch the insurance brokerage business closely, large national brokers will have increasing trouble maintaining their growth rates of the past few years. Says one such observer: "Some of the national brokers are topping out in their potential for more business with Fortune 500 accounts and they're going to have to start looking elsewhere. This year, we'll see the national firms really begin to try to improve their penetration in the medium-sized commercial account market."

But this won't be easy, brokerage officials and other industry-watchers agree. For one thing, national firms reportedly are already having a difficult time competing with the regional and local firms on the so-called intermediate accounts. ■

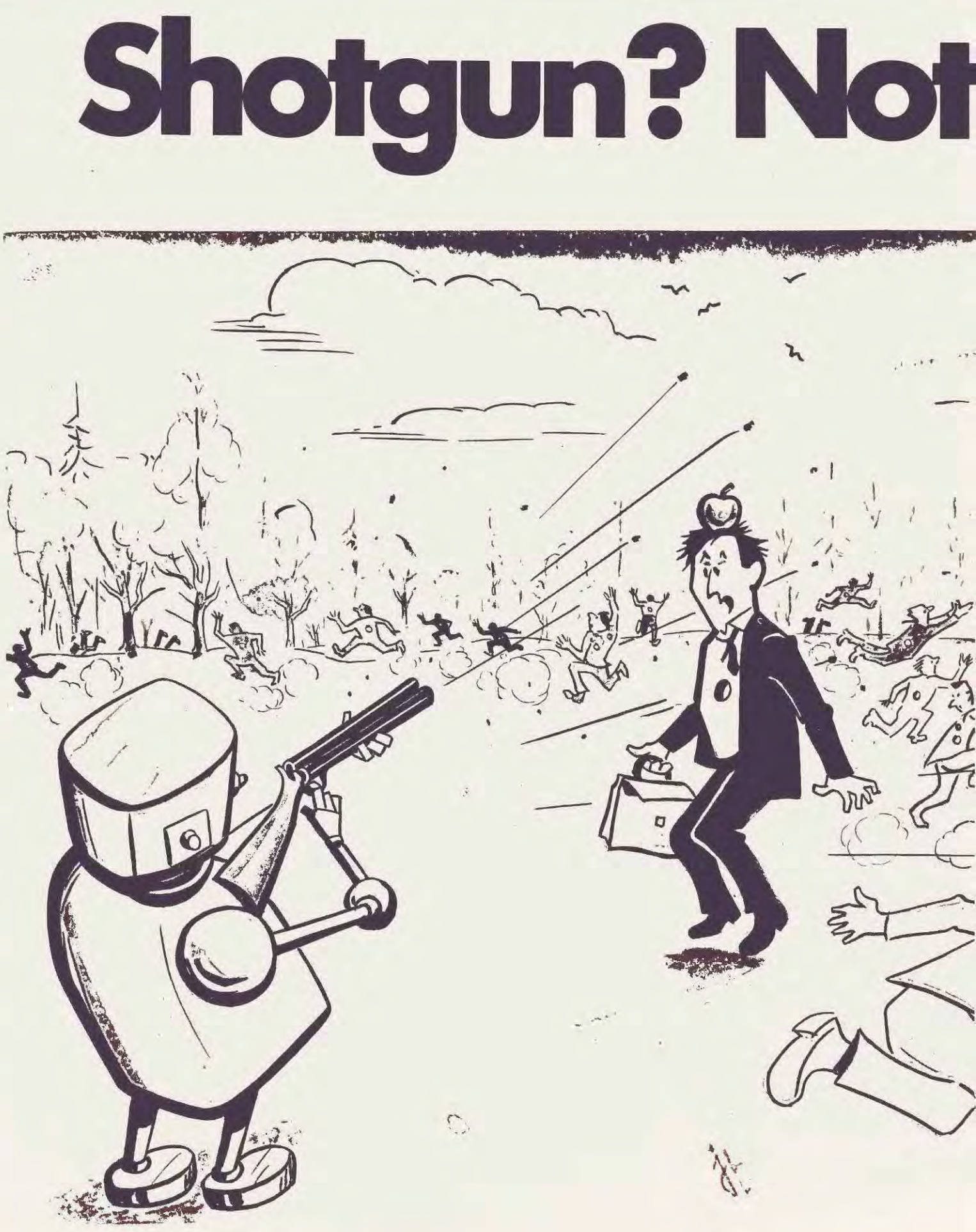
1976 PREMIUM VOLUME: 10 LARGE BROKERS

Company	Premium volume (000)	Revenues as a % of Premiums
Reed Shaw Osler	$879,500	12%
Corroon & Black	797,000	7.9
Bayly Martin & Fay	306,000	8.4
Harlan Inc.	117,700	10.4
Tomenson Saunders Whitehead	117,000	17.1
James S. Kemper	114,000	10.6
E. H. Crump	110,000	12.2
Dale & Co.	87,950	15.5
John L. Wortham	75,800	11.9
Cook-Treadwell & Harry	75,000	17.7

BROKER PRODUCTIVITY

Ranking of the 23 largest firms in the U.S. and Canada by revenues per employe.

1.	John L. Wortham & Sons	$55,183
2.	Frank B. Hall	44,107
3.	Cook-Treadwell & Harry	43,606
4.	Rollins Burdick Hunter	42,600
5.	Corroon & Black	41,933
6.	Johnson & Higgins	41,670
7.	Marsh & McLennan	41,043
8.	Fred S. James	39,387
9.	Alexander & Alexander	37,411
10.	Arthur J. Gallagher	37,253
11.	Penn General	36,513
12.	Nordstrom Larpenteur	35,714
13.	Insurance Management	34,797
14.	Bayly, Martin & Fay	34,133
15.	Schiff Terhune	33,385
16.	Harlan Inc.	31,818
17.	James S. Kemper	31,540
18.	R. B. Jones	31,511
19.	Emett & Chandler	30,697
20.	E. H. Crump	28,066
21.	Tomenson Saunders Whitehead	26,774
22.	Dale & Co.	25,660
23.	Reed Shaw Osler	24,488



Testing adopted in only 5 states

Licensing flaws continue, model system stalled

By MARIE KRAKOWIECKI

NEW YORK—City officials in Newark, N.J., were red-faced in December to learn they had been flimflammed out of $500,000 by an insurance agent who "produced" non-existant policies for them while operating with the agent's license of a dead man.

Their embarrassment may have been surpassed only by that of the state insurance department, which renewed the license in question continually after the real agent's death in 1973.

Like many commercial and public buyers of insurance, the Newark officials paid scant attention to the procedures involved in the licensing of the agents and brokers who helped them get their coverages. So when William Osley, who operated a Newark insurance agency of the same name, used the property/liability license of his deceased colleague, George Wilson, they didn't catch on until it was too late.

Mr. Osley was indicted on 47 counts of fraud in April, and the publicity that surrounded the case stands as an implicit indictment of the current "state of the art" of licensing requirements for agents and brokers.

Ever since 1973, the National Assn. of Insurance Commissioners (NAIC) has been trying to promote a model act for uniform agents and brokers licensing. The NAIC contacted Educational Testing Service, the same Princeton, N.J. group that administers college board examinations around the country, to implement uniform licensing examinations.

But there has been limited acceptance of ETS standardized testing and there are still widespread

agent/broker profiles

complaints that in too many states, it's as easy to get an agent's or broker's license as it is to become a used car salesman. One representative of an independent agent's association even complained that he knew of cases where men actually do work part-time selling used cars and part-time selling insurance.

So far, only five states have adopted the ETS examination and a sixth has passed a law permitting it. Illinois and Delaware were the first to implement it about two years ago. They were followed by Massachusetts and Pennsylvania, and most recently Wisconsin. Colorado, according to a report given to the NAIC's subcommittee on uniform agents and brokers licensing, was awaiting the governor's signature on a measure which would allow ETS type of testing.

ETS says the test it devised is broken into two parts. The first, which is the same for every state, consists of general subject matter agents and brokers must know. The second, which is tailored to the state in which it is given, deals with the laws agents and brokers must follow in that state.

The same test is administered both to agents and brokers. However, some states require that brokers attain a higher score in order to earn a "passing" grade, while other states may allow the same passing grade for both agents and brokers, but make brokers meet stricter eligibility requirements.

Some indication of how working agents and brokers fare on such exams is available from Wisconsin. Wisconsin recently passed a law which eliminated the traditional definition of "agent" and substituted a title of "intermediary." All 25,000 licensed agents in the state had to be re-examined. The tabulation of those passing ratios wasn't available yet, but Wisconsin had the results from 1,200 agents who were given the ETS test.

In May, 800 life, accident and health agents were tested, as were 400 property/casualty agents. The passing ratio was 77% for the life/health agents and slightly lower than that for the property/casualty agents.

Under the NAIC model bill, an insurance agent, broker, or surplus lines broker may receive qualification for a license in one or more of 18 separate lines of coverage ranging from life insurance and annuity contracts to commercial multiple peril.

Some critics of the NAIC model bill accuse it of being too lenient. In particular, they criticize the fragmentation that is possible in allowing an agent to get a license in only one line of insurance, such as crop insurance or bail bonds.

This creates a situation in which an agent may be trained in one or two narrow areas, they pointed out. Yet, he will be dealing with clients regularly, and the temptation exists for him to start giving advice on lines of insurance other than those for which he is licensed and in which he may not be qualified.

Arthur F. Blum, executive vp of the Independent Insurance Agents of America (IIAA), a national organization which has

Continued on page 14

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Broker licensing . . .

Continued from page 13

chapters in every state and in Guam and Puerto Rico, is among those who feel the educational requirements of the NAIC model licensing bill are not strong enough. The IIAA, he says, favors procedures for licensing agents that include meaningful examinations, mandatory training requirements and comprehensive background and testing.

Should agents and brokers be required to participate in continuing education programs in order to keep their licenses, and should they periodically be re-tested for professional competence?

The IIAA, while it favors continuing education, said informally that it does not favor making continuing education mandatory. But that is not an official policy position, and the IIAA is in fact quietly studying the question.

One group that would favor mandatory continuing education requirements and re-testing of agents and brokers is the Society of Chartered Property & Casualty Underwriters, many of whose members are agents and brokers.

Robert M. Finan, director of continuing education for the CPCU's, said he has observed a "ripple effect" lately, with more and more people demanding that agents and brokers maintain higher professional standards through such programs.

Oddly enough, Mr. Finan said it was the medical malpractice crisis that was a major factor in this push for tougher licensing requirements. The reason? When malpractice and its attendant lack of insurance burst into the limelight, people began to realize for the first time that not even doctors are required by law to keep up with professional developments once they are licensed to practice. Mr. Finan said that the alarm this realization generated resulted in a groundswell of feeling that continuing education programs were vital.

Robert E. Dineen, a former superintendent of insurance for New York and now a consultant to the NAIC, said that the NAIC "always runs into one hell of an argument" when it brings up the subject of mandatory uniform licensing requirements for agents and brokers because many consider it "fence-me-in legislation."

He explained that because such bills have grandfather clauses covering agents and brokers who already have licenses, it has been charged that the effect is to protect those people already established, including incompetents, while keeping out other people who want to become agents and brokers.

Most corporate risk managers interviewed about agent and broker licensing requirements saw no direct advantage to themselves from stricter licensing requirements.

Russell Drake, director of risk management for Borden Inc., said there was one indirect way a risk manager might benefit from stricter agent licensing: if he is involved in giving advice to individual employes about their personal insurance coverages. Mr. Drake estimated that about 5% of risk managers routinely give such advice while about 15% are involved in planning personal coverages for executives and key employes.

More typical was the response from another risk manager who asked not to be identified. He said the chief enforcer of a stricter agent/broker licensing requirement—the state department of insurance—would be something he would actively avoid if he ever had a problem with a broker. Therefore, he saw no benefit to the corporate risk manager from stricter licensing requirements.

His reason? He said he thought it would be a mistake to let the state meddle in his company's corporate insurance program in order to find out where the broker erred. "They're the last ones I'd go to if I had a problem," he said emphatically. "They give me enough trouble already."

He went on to say that risk managers and professional insurance buyers have to be smart enough to detect whether the agents and brokers they are dealing with are honest and competent.

He was not from Newark. ■

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Expense accounts . . .

Continued from page 11

Brokers cited lax administrative controls for the recent upheaval at Frank B. Hall where a senior official resigned after a highly-publicized controversy (*Business Insurance*, April 18) over disallowed expenses covering a three-year period.

"There is no way a Frank B. Hall thing could happen in our office," said Mr. Graham of IMC Corp. "We have a tight audit program and put it (expenses) to a fine tooth comb."

At Arthur J. Gallagher Co. in Rolling Meadows, Ill., Internal Revenue Service regulations on what is and what is not a reasonable business expense are strictly adhered to, said Robert Gallagher, company president.

"I would be naive to say that if an insurance buyer was in town that we wouldn't take him to dinner and pick up the tab," said Mr. Graham. "This to me is a routine thing. It is done every day.

"But taking an insurance buyer on a trip that might have an estimated value of $1,500 or $2,000 . . . this goes far, far beyond anything we have done or would ever consider," he said.

Receiving big gifts is not permitted at the brokers surveyed by *Business Insurance*. Strict rules on accepting presents are necessary since a gift could be construed as rebate, brokers said. And rebates, of course, are forbidden by insurance regulations in every state.

At Frank B. Hall, employes are prohibited from accepting gifts worth more than $25. At IMC, gifts that have "a real intrinstic value" cannot be accepted. The same rule also prevails, for example, at Cook-Treadwell and Harry in Memphis, Alexander & Alexander and Arthur J. Gallagher.

Several brokers emphasized that any wining and dining abuses and problems with gift giving pale in comparison with the scandals that have rocked the giant multinationals such as Gulf Oil and Lockheed.

"Remember if a Lockheed wins an order for a dozen L1011s (a wide-bodied commercial jetliner costing $30 million each), the potential profits are enormous," a broker said. "So there is an incentive for payoffs. But insurance brokers, no matter how big they have grown, just don't work with those kind of dollars," minimizing the potential for dishonesty.

Regulations, however, are much tighter when it comes to preventing internal conflicts of interests. At Cook-Treadwell and Harry, for example, employes involved in a service that Cook bought or leased must disclose that interest before a contract is signed, said Charles Gray III, vp.

Misrepresentation of facts ranks near the top as a violation of professional ethics, several brokers said. "If you don't have a nuclear engineer on your staff, you don't tell a potential client that you can handle that particular (nuclear) problem," Mr. Ripp of Hall said.

"From a business point of view, all of you might have gotten was handling the account for a year," he said. But if the misrepresentation ever leaked, the firm's integrity could be irretrievably damaged.

But the No. 1 sin, without exception, at any brokerage is leaking confidential information about a client."

"Your stock and trade is your integrity with clients," Mr. Ripp said. "We would consider it a serious breach of professionalism if confidential information was divulged." Other brokers added that leaking confidential information would be grounds for dismissal. ■

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Most praise brokers' efforts in tight markets

By JOANNE GAMLIN

LOS ANGELES — What has your broker done for you lately?

"All my brokers do is come in with price increases and new exclusions," replied one San Francisco risk manager who requested anonymity.

This risk manager complained about the sharp increases in his company's umbrella liability coverage, which nearly doubled last year without any losses. He indicated he plans to fire the broker who arranged the coverage.

And Keith Brooks, employe benefits manager at John Breuner Co. in San Ramon, Calif., said "they did nothing but give us a 35% increase."

But many risk managers had high praise for the work of their brokers during the difficult market of the past year. "Work above and beyond the call of duty," "A grade of A," "A helluva lot of hustling," "Walking the last mile" were some of the compliments bestowed on brokers.

Those praises will come as a pleasant surprise to Samuel Alcorn, national vp for Bayly, Martin and Fay Inc. "It is unrealistic to expect an insurance buyer to congratulate a broker for higher costs no matter how hard the latter worked," he said.

Chief executives at companies hit with giant premium hikes are not likely to want to read glowing comments by their risk managers about the firms that serve as messengers of the bad news on insurance costs, he explained.

Alan Troop, corporate director of insurance for Northrop Corp. in Los Angeles, is one of those willing to publicly praise his brokers. Three of his brokers merit compliments "for work above and beyond the call of duty."

Johnson & Higgins in Los Angeles is doing an "outstanding job" with Northrop's reorganized liability insurance program. Placing the liability coverage "is a helluva tough battle" in the extremely tight market.

Johnson & Higgins has been forced to go to incredible lengths, including many more than the normal number of trips to London, he said.

agent/broker profiles

The reorganization of the aerospace company's liability insurance consisted of the consolidation of five overlapping programs, added Mr. Troop, who formerly had his own brokerage firm in San Diego.

Alexander & Alexander of San Francisco was lauded for its work in the placement of property and marine coverage for Northrop's international insurance program. A & A had to walk an extra mile to carry out this assignment, Mr. Troop said.

Finally, the Northrop risk manager nominated the Mercer organization for its "extraordinary" work in placing the company's long term disability program and its war risk coverage.

Edward Riordan, director of risk management for Aerojet General Corp. in El Monte, Calif., said that he bestows a grade of 'A' to Emett & Chandler of Los Angeles for the job it did with his company's reshuffled liability program last year.

To meet the liability insurance crunch of 1976, Mr. Riordan said he and his staff devoted months

Continued on page 18

"I've been in this business 18 years. There've been some ups and downs. But the last few years have been the roughest I can remember. Yet through it all, we learned we could count on MOAC.

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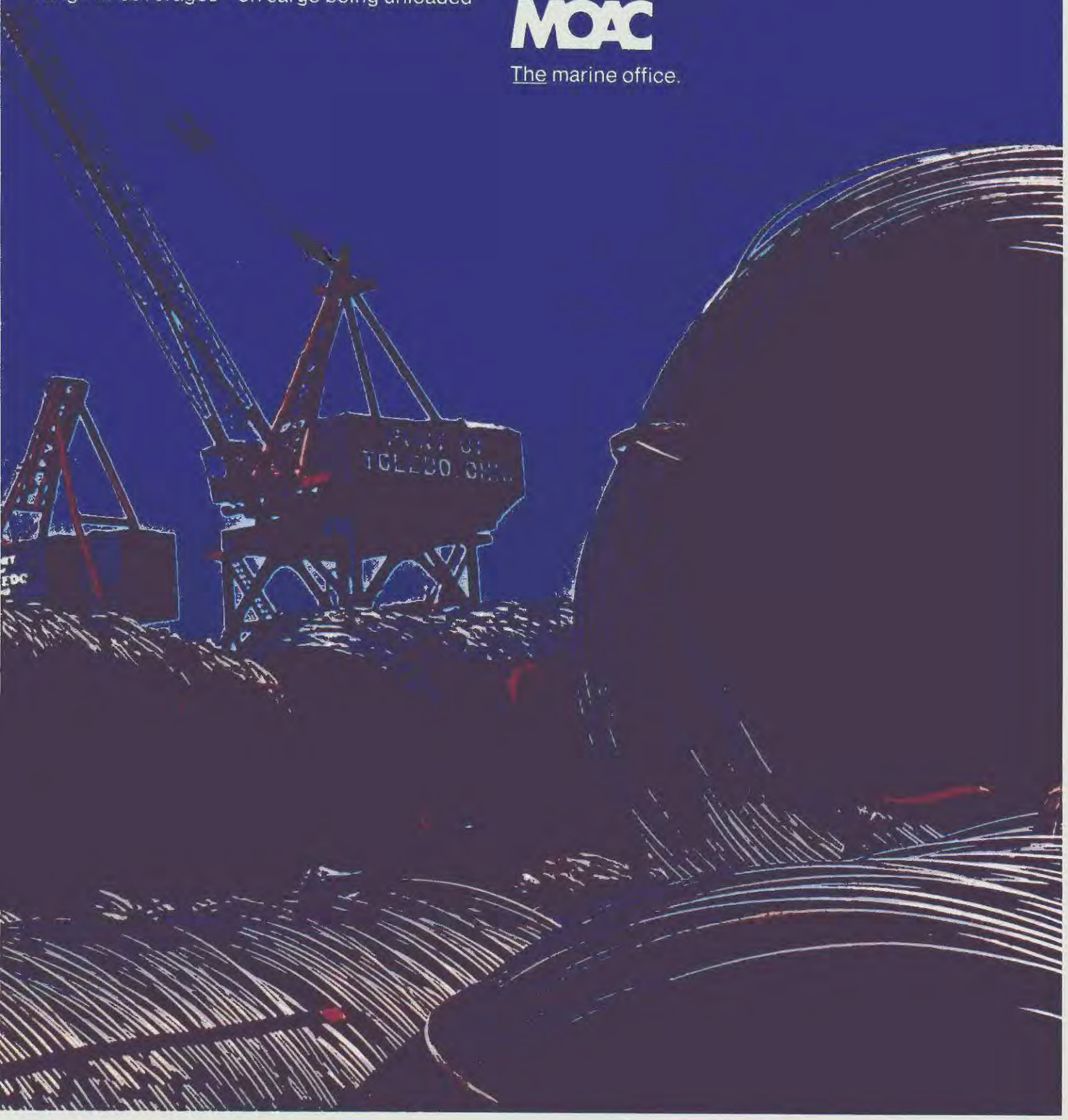
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Brokers praised . . .

Continued from page 17
to preparing for an assault on the market.

"Although we expected the price to go through the ceiling, we were determined to keep the increase as low as possible," he said.

Emett & Chandler was then handed the tough assignment.

"But they responded." Despite a number of false starts, during which the brokerage firm brought in proposals which were rejected, Mr. Riordan said Emett & Chandler ultimately did bring a proposal that met almost to the last digit the dollar cost increase which his staff had targeted for the program six months before the brokerage firm tackled the assignment.

"The boost in costs was high on a percentage basis," he added, "but not on a dollar basis."

Gilmore Steel Co. in Portland, Ore., saved nearly $50,000 according to former risk manager Arno Thies, when Fred S. James & Co. of Portland took over handling the company's boiler and machinery insurance from Frank B. Hall.

"When James became the broker on the account, I resurrected a dead file containing information about a loss that went back two to three years," explained Mr. Thies, who now is Gilmore's marketing manager.

"I said to James, 'Hey, could you do something about this?' One thing then led to another as James got about $50,000 back on this loss," he continued. "James could have said 'no.' Instead, it took the initiative, dug in and, after months of negotiation, got us a lot of money back."

One risk manager singled out Bayly, Martin & Fay for praise. Johr. Degnon, director of corporate insurance for Beneficial Standard Corp. in Los Angeles, said that firm performed an outstanding job in renewing Beneficial's property insurance program.

"We have a diversity of properties, some of which consist of an old hotel, a country club and a marina, all considered undesirable from an insurance standpoint," he said. "But Bayly, Martin & Fay gave us a property specialist, Bob Schill, and he put together a program which was good in respect to coverage, administration and cost."

A small East Coast brokerage firm, Foa & Sons of New York, was cited for above average service by Alpha Metals in Jersey City, N.J.

Stuart Colton, executive vp, said that Foa & Sons intervened when his company was convinced that it had "decent coverage at decent rates and educated us in the use of higher deductibles.

"They gave us more realistic coverage at a lower cost," Mr. Colton said.

Risk managers at public entities seemed willing to praise their brokers for merely placing coverage without considering cost.

"If they (the brokers) get any insurance at all for a public entity, they are walking the last mile," said a spokesman for a major public entity in the Los Angeles area.

In California, the bid business "stinks," he went on, noting that when his entity needed renewal for its auto fleet liability coverage, it turned to three brokers who combed through nine major markets. The upshot: Two bids "and the coverage that we accepted yanked up our premiums for auto liability from $13,000 a year to $135,000 a year."

His conclusion is that without "a helluva lot of hustling by brokers" coverage for California public entities would not exist.

The brokers which did the hustling for this agency were Frank B. Hall, Fred S. James and Marsh & McLennan, all of Los Angeles.

Also grateful for obtaining any insurance at all was the Helix Water District of La Mesa, Calif. Administrative assistant Don Kuhl said that the brokerage firm of Barney & Barney in San Diego was able to secure excess liability coverage for the district in a market which doesn't like public entities that have dams.

"We have two dams, one of which is deemed an insurance problem due to the threat of inundation," Mr. Kuhl explained. Sidestepping this hurdle, Barney & Barney was able to come up with coverage which was cheaper than that of 1976 by about $5,000.

Mr. Kuhl remarked, however, that he remains in a state of shock from the liability premium cost rises between 1975 and 1976 which his district had to absorb.

Alex J. Ratka, director of risk management and insurance for the University of Southern California (USC), a private institution, awarded high marks to Marsh & McLennan and Johnson & Higgins, both of Los Angeles, for their work with USC's program for liability insurance, including malpractice. The premium costs for the program doubled at the last renewal, according to the risk manager, who blames the excess layers for the bulk of the sharp hike.

Nevertheless, Mr. Ratka believes insurance companies are far more responsible for market shortages than are brokers.

Don Blackhurst, insurance and risk manager for Santa Clara County, awarded a grade of A-plus to the Hallin, Bookwalter surplus lines brokerage house in San Jose, Calif.

He said Hallin, Bookwalter was able "to save us a small fortune" because it procured malpractice insurance loss data going back to 1966 in connection with an actuarial study which the county ordered for its Valley Medical Center. ■

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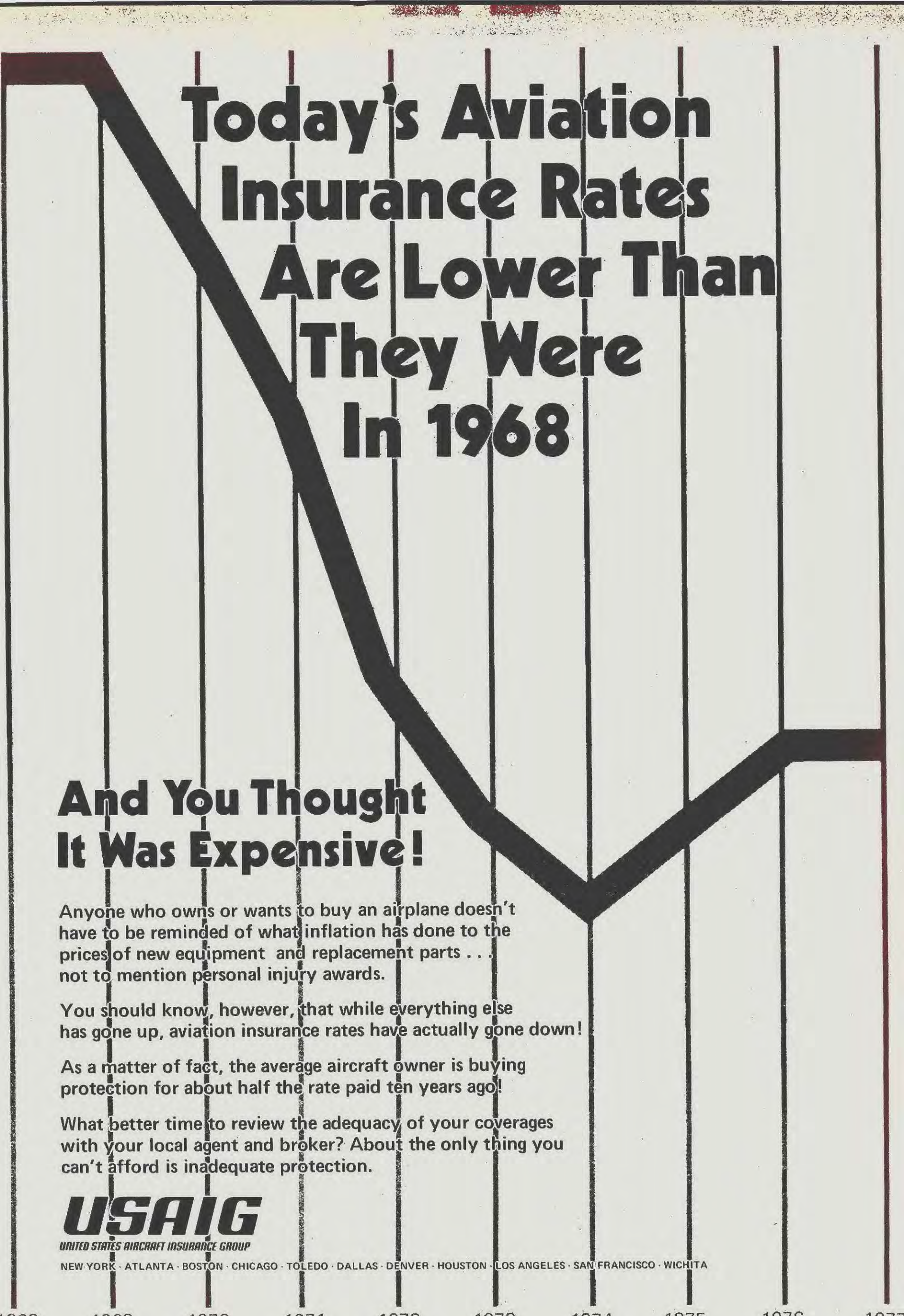


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Premium vol. . .	NA	NA
Gross rev.	$342,303,000	$287,414,000*
Employes	8,340	7,710

* Restated

Marsh & McLennan Inc., whose parent company, Marsh & McLennan Cos. Inc., reported gross revenues of $342.3 million last year, is still far and away the nation's largest insurance brokerage firm. Thought of as one of the most aggressive, if not the most aggressive, firms in the insurance brokerage industry, M&M's gross revenue increase of 19% represents a dollar amount of almost $55 million—more than that reported by any other broker last year.

L. Patton Kline, president and chief executive officer of the operating brokerage subsidiary Marsh & McLennan Inc., said that casualty lines and consumer merchandising were the fastest growth areas in 1976. Increases in casualty insurance premiums during the year had a "large influence" on overall growth, Mr. Kline said. "But in our case, there was also a tremendous increase in new casualty business which outweighed the increase in premium rates as a factor."

Robert J. Newhouse Jr., president of the parent company, said that for the company overall the fastest area of growth (in terms of revenues) was the brokerage subsidiary's insurance and reinsurance operations.

Marsh & McLennan Companies Inc. has a total of five operating subsidiaries. A report by insurance analysts from the Wall Street research division of Loeb Rhoades said that record results were due to strong gains in all five M&M operating subsidiaries, with insurance commissions and fees the principal sources of increased revenues. The firm has 86 U.S. offices and 57 international operations.

According to M&M, it derived about 86.7% of its revenues last year from commercial commissions and fees. Property/casualty and marine lines accounted for 54.3% of gross revenues, while group life and pension lines accounted for 18.8%.

Mr. Kline remarked that M&M Inc. grew very strongly last year in winning new medium-sized accounts, defined as those ranging between $50,000 and $250,000 in annual premiums. The strength in this area last year was more coincidental than the result of a corporate effort to concentrate on medium-sized commercial accounts, Mr. Kline said. But he said for the remainder of 1977, M&M will be actively seeking to increase its share in the medium-sized commercial account market.

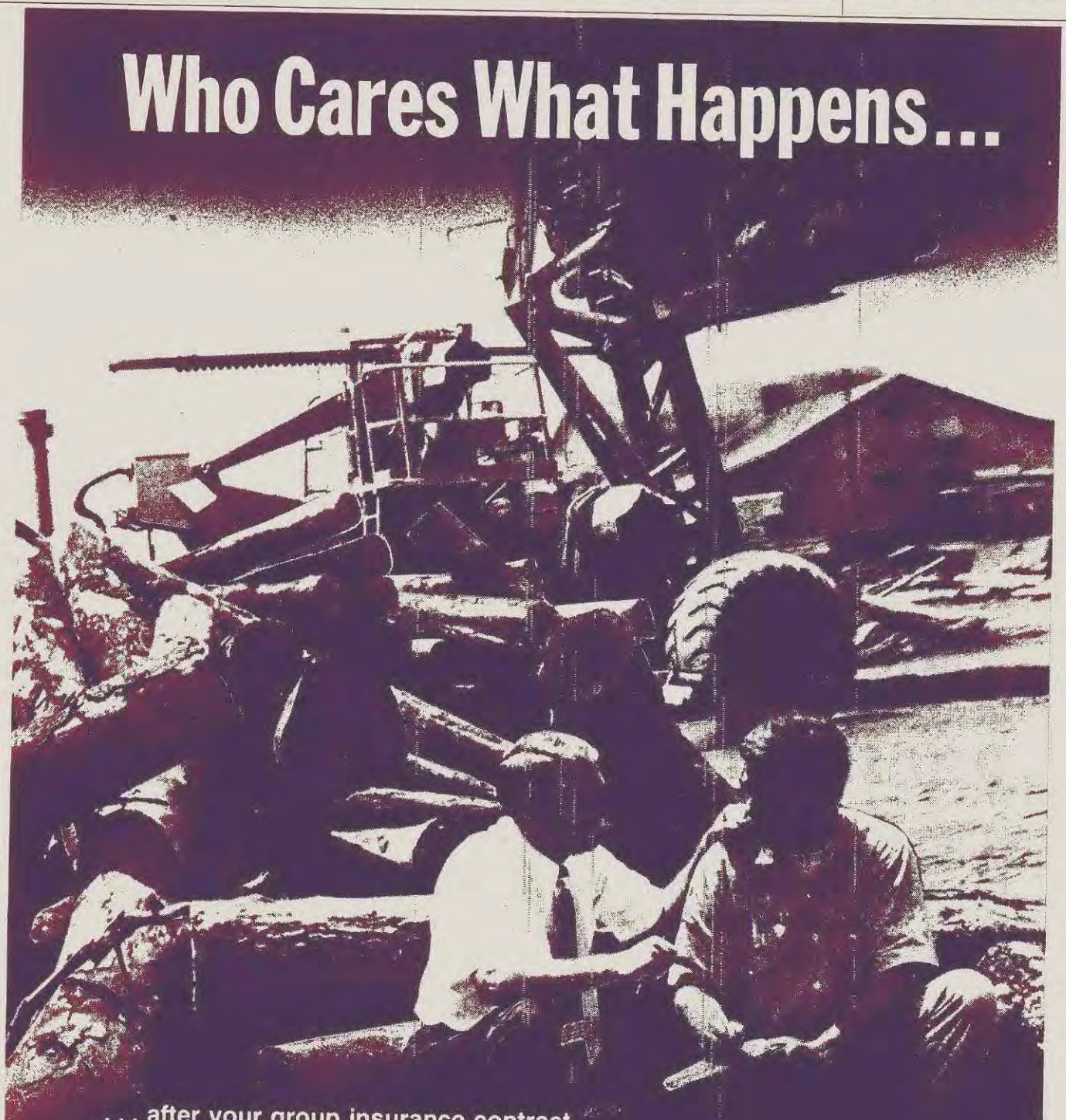
Mr. Newhouse said M&M met its overall corporate goals for growth last year and even exceeded its budget. He agreed with Patton Kline's assessment that the outlook for the remainder of 1977 and the first half of 1978 is "excellent" and the firm expects to add more new clients at its current rate and to increase both its revenues and personnel.

Fiscal 1976 was the first full year of operations under the name Marsh & McLennan Companies Inc. It was changed from Marlennan Corp. at the 1975 shareholders' meeting.

During 1976, William F. Souder Jr. retired as president and chairman of Marsh & McLennan Companies. John M. Regan Jr. was elected chairman and Robert J. Newhouse was elected president.

Continued on page 24

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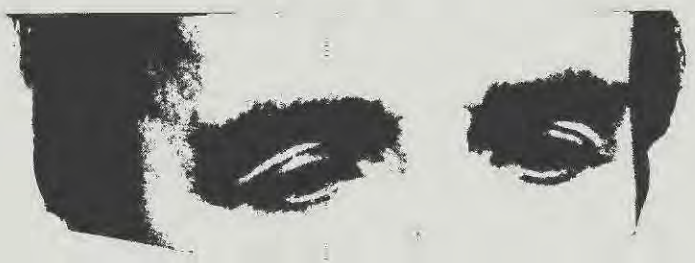
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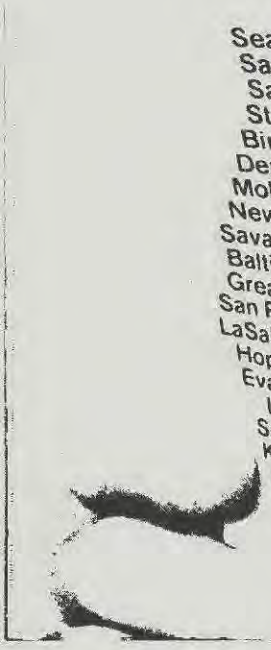


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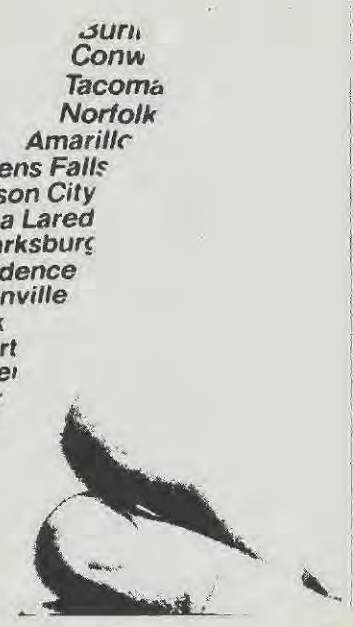
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It's full of information on the causes, the pro's and the con's of some possible cures for high insurance rates.

At The St. Paul we feel Enough is Enough.

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Most claims have a reasonable basis and are settled fairly. But many people feel that an increasing number of jury awards are excessive. When awards are out of line, everyone pays more. In the form of higher insurance rates.

Frankly, unless something is done, this could go on forever. As long as you're willing to pay these higher costs, insurance companies can pay out bigger and bigger awards

But we at The St. Paul feel the trend toward excessive jury awards has pushed insurance premiums to levels that are too high.

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Enough is Enough

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agent/broker profiles

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Principal officers for the five operating subsidiaries are: Kennedy B. Galpin, chairman, and L. Patton Kline, president and chief executive officer of Marsh & McLennan Inc., the largest of all the M&M subsidiaries, which is responsible for U.S. brokerage; A. J. C. Smith, president and chief executive officer of William M. Mercer Inc., a separately managed employe benefit consulting organization, the largest benefit consulting organization in the world; Alessandro C. di Montezemolo, president and chief executive officer of Marsh & McLennan International, which is responsible for brokerage business outside the U.S.; George G. Nichols Jr., chairman and chief executive officer, Edward H. Bennett, vice chairman, and Frank J. Tasco, president of Guy Carpenter & Co. Inc., which is responsible for providing reinsurance and related services to the insurance industry; and Robert E. Riley, president and chief executive officer of Marsh & McLennan Management Co., which provides administrative and support services for three enterprises that operate under their own names: the Putnam Group of companies, Landauer Associates and Victor O. Schinnerer & Co. Inc.

During 1976, the firm continued its policy of acquiring existing firms and opening new offices. M&M Inc. acquired Anchor Insurance Managers Agency Inc. of Fort Worth, which now operates under the name Anchor/Marsh & McLennan. The company also opened offices in Erie, Pa., and Toledo, Ohio.

William M. Mercer Inc. acquired the Houston benefit consulting firm of McKee, Carter & Stewart. M&M International entered into a correspondent relationship with the Mexican brokerage firm of Bourchier, Marquard, Zepeda y Asociados, acquiring a 25% equity interest in three companies owned by the firm which are in the employe benefit consulting field.

M&M International also completed acquisition of an additional 15% interest in Gradmann & Holler, K. G., West Germany, bringing its total interest to 30%, while it increased ownership of Marsh & McLennan Japan Ltd. from 55% to 100%.

But Mr. Newhouse said the most significant new venture since *Business Insurance's* last annual agent/broker survey was the February 1977 move by M&M Inc. to acquire a 30% equity position in the leading Dutch brokerage firm, Hudig-Langeveldt Groep B.V., which was started in Holland in 1750 and has 1,600 employes. In early 1977, M&M also acquired The Furman Agency Inc., headquartered in Greenville, S.C., with offices in Columbia, S.C., and Greensboro, N.C.

Other developments during the year included:

- Switching the international benefit consulting activities last August from Marsh & McLennan International to a new division of Mercer called William M. Mercer International. A. J. C. Smith, president of William M. Mercer Inc., said the new division was created to be consistent with the parent company's overall philosophy of having all benefit functions handled by the Mercer companies and reserving the Marsh & McLennan namesake subsidiaries for property/casualty brokerage business.
- The formation of a marine committee to plan and coordinate development of the international marine activities of Marsh & McLennan Inc.
- Victor O. Schinnerer Inc., which, with the administrative and support services of M&M Management Co., provides insurance management and underwriting for specialized professional groups, established an excess and surplus lines division in 1976 to help in its wholesale marketing of a broad range of speciality coverages.
- A report by Marsh & Mc Lennan International that tl aggregate revenues of the various international companies in which it owns equity was $175 million in 1976. This makes the revenues from foreign brokerage operations virtually the same as that of M&M's brokerage business in the United States, since Marsh & McLennan Inc. reported $170

Continued on page 26

If we didn't own ourselves, maybe we wouldn't send so many people through the College of Insurance.



Randy Roppelt, Linda Bianco and Alan Levine are in work-study programs under J&H sponsorship.

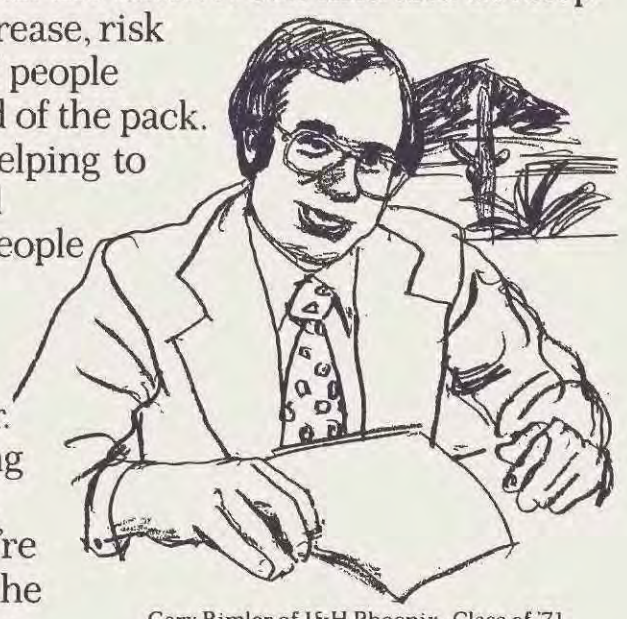
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Gary Rimler of J&H Phoenix, Class of '71, is finishing his master's studies in finance at Arizona State

These young talents are important at J&H. Because they're leaders. With ideas. The very ideas you look for. The kind that have made us the leading private insurance broker in the world.



Rufus Williams of J&H Houston, Class of '72, received his law degree in December.

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CROWN
LIFE INSURANCE COMPANY

agent/broker profiles

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million in 1976 revenues.

• The formation late in the year of M&M's own product liability council, made up of senior professionals, to help develop new underwriting capacity for clients and to work to meet long-term legislative and public education goals.

• Establishment of Agri Risk Services, a new division of M&M Inc. to service the insurance needs of agricultural and livestock businesses.

• A gathering of M&M's own management personnel at a National Energy Conference held in Chicago in May and chaired by M&M Inc. director Lorne V. Palmason, to help the company assess what its own position should be with respect to energy shortages and conservation efforts. The results of the conference are being put together now, and any non-proprietary findings will be released in the M&M publication, according to Patton Kline.

JOHNSON & HIGGINS

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

	1976	1975
Premium vol. ..	NA	NA
Gross rev.	$175,000,000*	$145,000,000
Employes	4,200	3,900

*All numbers are Business Insurance estimates.

Johnson & Higgins, the nation's 2nd largest privately held brokerage firm, is thought to have at least kept pace with the average growth rate established by other large brokerage firms. Calculating a 20% increase from last year's estimate of $145 million in gross revenues for J&H, the firm would have risen to $175 million in revenues.

Alexander & Alexander is thought to be narrowing the margin between itself and second place J&H, largely because of AA's sustained pace of acquisitions in recent years.

Johnson & Higgins has 26 offices in 24 cities in the U.S.; seven in Canada; 16 in South America; nine in Australia and New Zealand; one each in Singapore, Taiwan, Hong Kong and Tokyo; two in Italy; and correspondent offices with resident J&H staff in Brussels, Madrid and Paris, according to Richard I. Purnell, chairman and chief executive officer. In addition, J&H has four Wilcox-Barringer reinsurance offices and two offices for its shipowners claims bureau subsidiary.

Although rumors had circulated in the brokerage industry that J&H's Denver office had been decimated and had nearly folded last year, Mr. Purnell said that's absolutely not true. "The Denver office is thriving," he said pulling out his sales reports and noting a 30.9% increase in business there for the first five months of 1977. J&H has been in Denver since 1972 when it acquired a local firm and opened up shop. The Denver office did, however, get a new manager during 1976 and some people left. J&H has 29 employes there.

During 1976, J&H opened a new office in Dallas as well as one in Hong Kong. Its joint venture in Iran, United Iranian Insurance Services, was finalized in May.

Growth in gross revenues exceeded J&H's targeted goals, for 1976, said Mr. Purnell, who believes that J&H's growth in revenues for the year topped the industry average of 19.1%.

Johnson & Higgins continues to beef up its risk management services departments, including the captive management area, nuclear advisory services, casualty and property loss control and other safety services, said Mr. Purnell. In the captive area, for example, J&H now manages more than 60 captives for clients, he asserted. And the firm has added several nuclear specialists and has three offices manned by specialists in that field.

Mr. Purnell estimated for *Business Insurance* that roughly 30% of J&H's employes are concentrated in the various service specialties of the firm.

The firm's best growth last year came in casualty and product liability insurance lines and in employe benefits with other lines of insurance holding steady in their growth, he said.

Although Mr. Purnell said he couldn't quickly calculate a breakdown of J&H's business by lines of insurance, he estimated that bene-

Continued on page 30

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fits and group insurance now account for about 20% of J&H's total revenues. In 1976, he noted, benefits accounted for 25% of the New York office's revenues, while another office reported 11% of business in benefits, another had 15% and another a whopping 45% of revenues in benefits.

Mr. Purnell said J&H's major offices, in no particular order of importance, are Boston, Richmond, Atlanta, Philadelphia, Pittsburgh, Cleveland, Detroit, Chicago, Seattle, San Francisco, Los Angeles, New York, New Orleans, and Houston.

The firm's Minneapolis office "is now doing quite well, too," said Mr. Purnell, lamenting the difficulty J&H has had there becoming entrenched. "It's been difficult competitively speaking," he added, although the recent acquisition of the Wesley J. Kelley Agency in Minneapolis has put J&H on the right track with "a real shot in the arm."

J&H also recently acquired a small family owned agency in Boise, Idaho, pulling the Simplot account into the J&H fold. J&H doesn't have an office in Boise, however, because the agency's business was absorbed as pass-through volume, said Mr. Purnell.

Mr. Purnell responded to reports of possible J&H expansion plans for the Middle East and Southeast Asia by citing uncertainty in both areas as stumbling blocks. J&H has looked at both areas, but hasn't decided whether to proceed, he said. "We went overseas mostly to handle U.S. multinational companies. Right now there's not a lot of U.S. multinational money going overseas. It's been curtailed somewhat," and this is holding J&H back from doing much foreign expansion.

"The interesting thing is that in Italy, we're now doing a lot of business for Italian nationals," he commented, "despite the fact that we went in there mainly to do business with U.S. firms. Our biggest competition over there is Italian brokerages."

J&H has well over 600 of its employes in international offices, Mr. Purnell disclosed.

In addition to Mr. Purnell, top executives of J&H include Robert V. Hatcher, president and Richard T. Henshaw, executive vp. J&H has over 30 other key executives, as well as a board of directors composed of 30 people. Three new directors were named in 1976 and 1977, including Robert Cameron, of the Boston office, Palmer D. Sparkman of the Houston office and George D. Benjamin of the New York office.

ALEXANDER & ALEXANDER SERVICES INC.

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

	1976	1975
Premium vol...	NA	NA
Gross rev.	$159,016,000	$131,335,000*
Employes	4,250	3,700

* adjusted to include pooled companies as if they had operated as part of the consolidated group.

Alexander & Alexander Inc., whose parent company, Alexander & Alexander Services Inc., reported gross revenues of $159 million last year retains its position as the nation's third largest insurance broker. For years, A&A has enjoyed a reputation for unusual stability. While other brokerage firms went through changes in top management, at A&A, Kenneth W.S. Soubry has served either as chief operating officer or chief executive officer of the parent firm for 14 years.

This changed in 1976, as Mr. Soubry stepped aside to let William L. Carter Jr. take over as chairman and chief executive officer, while Mr. Soubry took the new title of chairman of the executive committee. John A. Bogardus Jr. assumed Mr. Carter's title as president and chief operating officer.

In interviews with *Business Insurance*, Mr. Carter and Mr. Bogardus said the company's healthy growth rate last year exceeded A&A's expectations and was even in excess of the pace set over the last five years. The jump in the parent company's gross revenues from $131.3 million in 1975 to $159 million last year was a 21.1% increase.

A&A continued to be actively involved in a program of mergers and acquisitions last year and early this year, and thinks it may be the "most successful" of the brokerage firms in this area. In 1976, it

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completed nine mergers, highlighted by the takeovers of two big firms—Bleichroeder, Bing & Co., a leading New York insurance brokerage house with approximately $3 million in revenues, and the Wachovia Insurance Agency Inc. in Winston Salem, N.C., with revenues of about $2.5 million.

To date, there have been seven mergers so far in 1977, highlighted by A&A's first entry into Puerto Rico, when it acquired Barros & Carrion Inc., San Juan, with revenues of $1.5 million, and by its acquisition of RISCOM Organization Ltd., a $2 million Long Island agency that does a combination of property/casualty business and consulting for clients with self-insured plans.

Subsidiaries of Alexander & Alexander Services Inc. include the brokerage operation, Alexander & Alexander Inc.; captive management firm, Alexander International Ltd., Hamilton, Bermuda; Alexander & Alexander Securities Corp.; Benefacts Inc., Baltimore; Bufco Inc., Baltimore; S. Hammond Story Agency Inc., Atlanta and Columbia, S.C.; McKee, Geny & Thornton Inc., Nashville; Midyette-Moor Insurance Agency Inc., Tallahassee; Paul Burke and Associates Inc., Minneapolis, and Shand, Morahan & Co., Inc., Evanston, Ill. A former subsidiary known as the Tower Treaty Corp., New York, was discontinued and had its reinsurance operations assumed by Bufco Inc., which does premium financing.

In addition to its management reorganization and continued commitment to acquisitions, A&A noted these developments during the year:

• Anistics, the analytical statistics division of A&A Inc., opened a consulting office in Stanford, Calif. to research and develop a new management science known as "systems safety" which would integrate many of the functions of loss prevention which are now fragmented in many corporations. A&A expects the system to have major impact on risk management services in about five years and to set the standard for what large insurance brokers must offer to their clients as a base level of service.

• Greater emphasis on A&A's international business. A&A is making a concentrated effort, largely through a London-based control office, to provide local service overseas on the same full service basis and with the same risk management philosophy as it provides for clients in the United States.

• Development and expansion of Human Resource Management (HRM) operations, which includes life insurance and employe benefits. Joseph Stahl was named deputy director of Human Resource Management, and as part of that group's efforts to keep up with developments surrounding the enactment of ERISA, A&A is increasing its in-house actuarial staff.

• Concentration on Houston, Los Angeles, New York, San Francisco, Seattle and Chicago as the major cities which have the most desirable markets and where A&A hopes to expand its share of business.

• Continued involvement of Kenneth Soubry in the operations of the parent company, not in day-to-day operations, but in terms of long-range planning, through formal monthly meetings between Mr. Soubry, Mr. Carter and Mr. Bogardus and more frequent informal meetings.

A&A's Mr. Carter said the firm will also be continuing its effort to produce new business, particularly from firms which were not previously clients.

Mr. Bogardus commented that A&A has been actively pursuing the development of new insurance markets over the last year. Although he characterized the insurance brokerage business as being "healthy" right now, and predicts it will stay healthy into 1978, he said brokers will have to innovatively respond to tight markets.

"One of the greatest problems a commercial insurance buyer has is to find insurance companies that will write special coverages," the A&A president said.

"It's partially the brokers' responsibility on a worldwide basis to find insurance companies to participate" where the need is, he explained, and said this is what A&A is trying to accomplish.

More than 90% of A&A's gross revenues for the year came from commercial accounts. Property/

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business accounts for 79% of total revenues, versus 16% derived from group insurance and employe benefits, which come under A&A's Human Resource Management operations.

Principal officers are: William L. Carter Jr., chairman and chief executive officer; John A. Bogardus Jr., president and chief operating officer; Kenneth W.S. Soubry, chairman of the executive committee; Tinsley H. Irvin, Charles E. Bailey, Henry Bartholomay III, George B. Clark, Robert A. Gielow, Paul Gregory, John G. Harrison, Douglas W. Kincaid, John C. Sienkiewicz, Joseph J. Stahl II, and Hugo J. Standing, all senior vps; Jerome H. Carp, vp-finance; Ronald J. Roessler, vp and general counsel; Frank R. Wieczynski, vp and secretary; and John F. Koehnlein, treasurer.

FRANK B. HALL & CO. INC.

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

	1976	1975
Premium vol. ..	NA	NA
Gross rev.	$123,533,000	$104,146,000*
Employes	2,800	2,550

* restated.

Frank B. Hall & Co., which ranks 4th in *Business Insurance's* sixth annual survey of agents and brokers, reported an increase of 18.6% in its gross revenues last year to $123.5 million from $104.1 million the previous year. This exceeded Hall's expectations for the year, since its stated growth goals are approximately 15% per year.

Property/casualty business accounted for 59% of the gross revenues for the year, while marine lines brought in 9%, emloye benefits and life 9%, and aviation lines 7%. Reinsurance commissions, fees for management of self-insurance programs and other sources accounted for 16% of the business.

Hall has more than 190,000 clients, predominantly commercial. During 1976, its areas of fastest growth were casualty lines, and service business, such as management of captives and self-insurance programs.

It has 62 offices in more than 50 cities in the U.S. Internationally, Hall has offices in 14 foreign countries and correspondent offices in 39 other locations.

Hall acquired four firms during 1976 and two so far in 1977. The 1976 acquisitions were The Hale & Hale Co. Inc. of Cleveland, a general insurance brokerage firm; the Risk Management companies, which consist of Risk Management Services Inc. and Risk Management Insurance Agency Inc., both of Orlando, Fla., and Risk Management Services of Alabama Inc., of Birmingham. Hall also acquired Unicover Inc., a Washington, D.C., specialist in insurance for household goods transported internationally, and John W. Maxwell Co. Inc., a small agency in Los Angeles.

During 1977, Hall acquired Flagler Insurance Co., a group agency in Orlando, Fla., and established a joint venture in France with Malatier & Cie by putting together a company called Malatier & Frank B. Hall to handle general commercial property/casualty lines.

In last year's *BI* survey, Hall reported that it would limit new acquisitions mostly to geographic areas where it had no existing offices. But more recently, chairman and chief executive officer Albert J. Tahmoush told stockholders at the firm's annual meeting that Hall's management believes the acquisition of carefully selected firms "is the best way to expand operations" and that the firm intends to pursue this philosophy "on both the domestic and international market scene."

Mr. Tahmoush, who last year was president and chief operating officer, also became chairman and chief executive officer when that post was given up by Richard A. Archer on March 8. Mr. Archer resigned for personal reasons. In another management change since last year, executive vp and director William A. Baxter resigned one week after Mr. Archer did after an audit disclosed that he ran up $58,831 in disallowed expenses, which he subsequently repaid.

In addition to Mr. Tahmoush, other principal officers are William C. Bartholomay, vice chairman; Melvin A. Holmes, vice chairman; James Stewart, chairman of the executive committee; Henry E. Froebel, executive vp, and Colby Hewitt Jr., executive vp.

Peter Ripp, vp and spokesman for Frank B. Hall, said the firm expects trends that existed in 1976, such as tightness in the insurance markets and increases in insurance premium rates, to continue into 1977 and the first half of 1978. But they will become increasingly more moderate, he added. Mr. Ripp said some of the highlights for Hall's operating activities during the last year included:

- Completion of Hall's national network of services for clients. In early 1976, Hall consolidated its national and international services division into a single operating unit known as Hall Services. The centralization is intended, among other things, to make the international operations of the company more effective by applying the same account executive approach to them that has worked successfully for Hall's former national services division.
- Greater emphasis on employe benefits.
- Continued growth of overseas facilities.
- Expanded development in the reinsurance area.
- Development of an extensive computerized Risk Management Information System (RMIS), which is presently being used on accounts of Hall's largest clients as a part of the broker's regular service.

FRED S. JAMES & CO. INC.

230 West Monroe St., Chicago, Ill. 60606; 312-726-4080

	1976	1975
Premium vol. ..	NA	$720,000,000
Gross rev.	$88,684,316	$ 71,974,000
Employes	2,252	2,071

Fred S. James reported a 23.4% increase in gross revenues in 1976 and followed that with a 30% increase in revenues for the first three months of 1977 over the first three months of last year.

Officials of the company were unavailable for comment when *Business Insurance* compiled this profile. The figures and information are drawn from the company's annual report. Fred S. James is the 5th largest insurance brokerage firm in *Business Insurance's* sixth annual survey.

The company now serves over 250,000 clients in the U.S. from 64 offices. The company also maintains offices in Puerto Rico, Bermuda and Canada through Fred S. James Insurance Ltd. Minet, James International Ltd.—a joint venture with Minet Holdings Ltd. of London, England—employs over 500 people with 44 offices in 20 countries.

Revenues during 1976 increased in all major areas except marine, according to the company's annual report, where underwriting competition has been "intense."

At the Fred S. James annual meeting, president William Burch predicted record sales and earnings for all of 1977. Casualty insurance revenues are particularly strong, he said, while other areas, including property insurance, have increased at a slower pace.

In May, Fred S. James announced an agreement to purchase John Rathmell Cos. of Houston for more than $5.3 million. Rathmell group had gross revenues in excess of $1.5 million in 1976.

The company made five acquisitions during 1976: Foster-Barker Co. in Omaha, Neb.; Stephen F. Beard Inc. in Puerto Rico; Eggert-Carroll-Scroder Agency in St. Louis; Kinney-Jones Insurance Agency Inc. in Houston, and Don Stathos Insuror Inc. in Medford, Ore.

Principal officers are James H. Vaughn, chairman of the board; William E. Burch, president and chief executive officer; Charles A. O'Malley, chairman of the executive committee; Leo C. Harvey, vice chairman; William E. Weatherford, executive vp; Reynolds Blossom, vp; Robert H. Hilb, vp; Charles E. Keller, vp; John C. Crane, senior vp; C. J. Christie, vp and treasurer; Carl L. Dellenberger, vp-marine; Raymond F. Dunne, vp-systems and data processing; Thomas A. Harman, vp.

CORROON & BLACK CORP.

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

	1976	1975
Premium vol. ..	$797,000,000	$609,000,000
Gross rev.	$ 62,931,000	$ 51,660,000*
Employes	1,500	1,400

*restated

Corroon & Black, the nation's 6th largest insurance broker, according to *Business Insurance's* sixth annual survey, acquired Synercon Corp. during 1976, in what it says is the largest merger in the history of the U.S. insurance brokerage industry.

Despite what the company called "the most restrictive underwriting market ever encountered during our corporate history," last year Corroon & Black reported gross revenues of $62.9 million, compared with $51.7 million, restated for 1975, for a 22% increase.

Property/casualty lines accounted for 64% of revenues, while employe benefits/life brought in 16%; fidelity/surety, 5%; marine, 5%; and reinsurance, 10%. The firm reported its premium billings for the first time last year, both for 1975 and 1976, to give its stockholders an added perspective of the size and scope of its operations. It does not expect to see the "very substantial rate increases on renewal premiums" that prevailed during 1976 to continue.

Corroon & Black said its num-

Continued on page 38

EXcess & Surplus Lines

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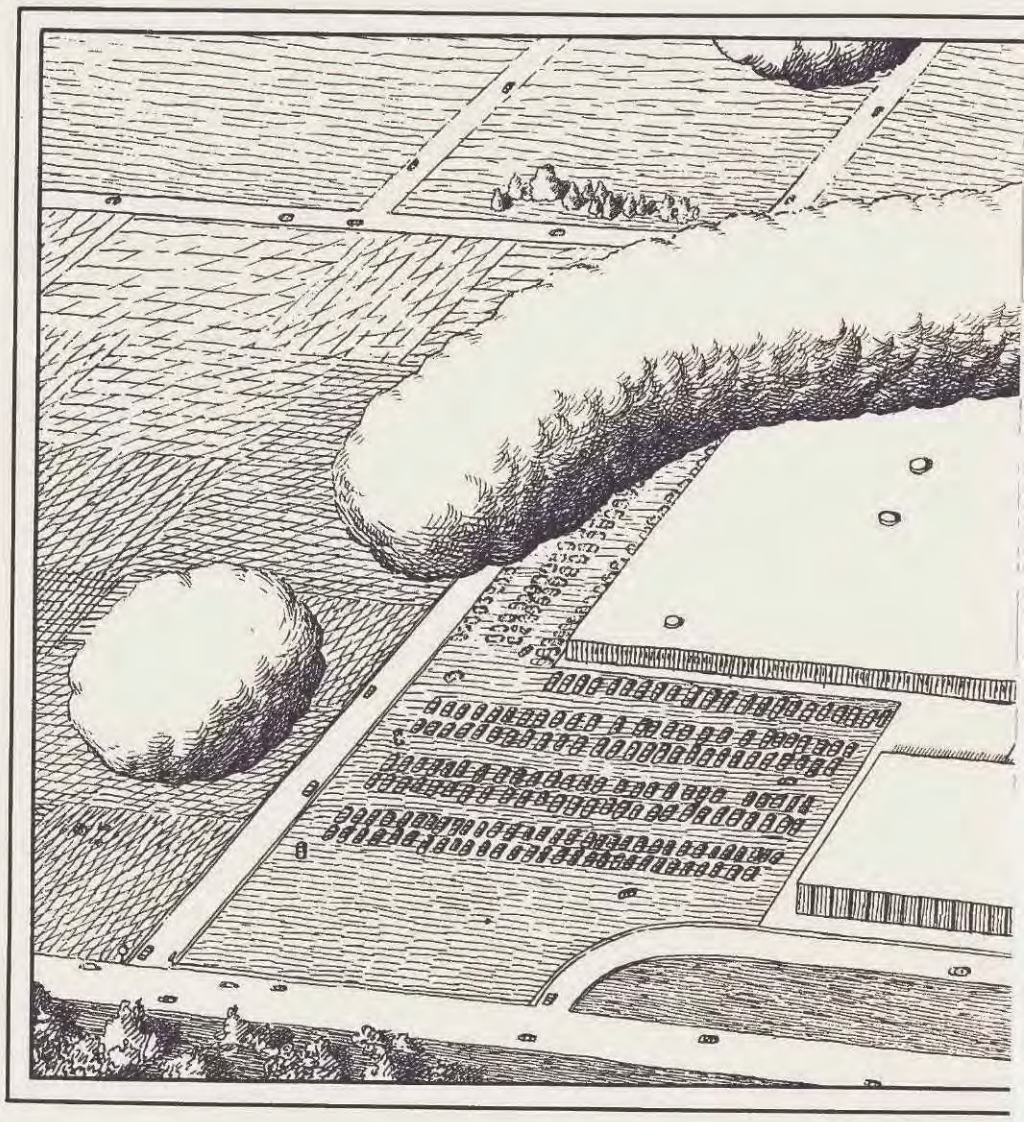
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Insuring Co

Confronted with increasingly complicated risks and exposures, together with a rise in insurance costs, business organizations today are seeking new approaches to insuring their assets.

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



By any standard, today's business organizations are more complex and have more difficult-to-meet insurance needs than at any time in the past.

Typically, a modern company offers a variety of products and services, with a number of offices, factories and warehouses at widely separated locations. Its markets are international and its distribution patterns complex. Its exposures to risk of loss are correspondingly widespread.

For some firms, the dollar magnitude of potential losses can have a significant impact on corporate profitability, and the mounting cost and complexity of insurance coverage has reached the point where it can add substantially to the cost of doing business.

Under these circumstances, corporate risk managers and financial executives are seeking new alternatives in structuring programs to protect their companies' assets.

The importance of risk retention

In today's markets, insurance coverage often hinges upon the retention by the insured of some part of the risks involved—whether through high deductibles or outright self-insurance. Many companies find that the higher cost of insurance in itself justifies increased risk retention. Determining what part of what risks might be self-insured is one of the most important single moves a company can make toward efficient overall protection.

Those risks with high loss frequency but low severity are good candidates for partial or complete retention. The company's capacity to finance risk retention must be considered in every case, with large exposures above certain limits often placed with an insurance carrier.

Any program of risk retention should also make provision for the services usually furnished with insurance coverage. They include loss control, claims handling, record keeping, rehabilitation, salvage and subrogation (the right of the company to succeed to a claimant's rights after satisfying the

mplex Risks



claims). Such services, which may be financed through funds saved on premium payments, can be furnished internally or provided by an outside supplier.

If a corporation is able to handle sizable risks, it might also consider the formation of a company-owned "captive" insurance or reinsurance company, with services provided in part from the outside.

A comprehensive approach

The range of corporate insurance needs frequently includes both standard risks, for which insurance usually can be readily obtained, and high risks, which can be more difficult to place. Generally speaking, a company with a wide range of risks might find it advantageous to treat all of its exposures together. Working through an insurance broker or agent, the company can then approach insurance carriers with a comprehensive picture of its overall needs and invite them to propose solutions that best fit the firm's requirements.

This could result in all coverages being placed with the insurer that offers the best proposal.

Alternatively, the difficult-to-place risks may have to be handled by "layering"—placing coverages in layers with different carriers. In unusual high-risk situations, all or part of the coverages may have to be placed with surplus lines or excess lines carriers.

Many firms face complex alternatives in meeting their insurance needs. Comprehensive analysis of all available options by risk managers and financial executives, working closely with agents and brokers and the insurance companies they represent, can generate the most cost-effective solutions.

As an objective discussion of the insurance needs of business today, INA has prepared a booklet entitled, "Insuring Complex Risks: Some Professional Considerations." Copies may be requested by writing INA Corporation, 1600 Arch Street, Philadelphia, Pa. 19101.

* * *

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

INA insurance products and services are made available through selected independent agents and brokers—professionals with a comprehensive knowledge of insurance needs and solutions.

INA

Insurance Professionals

agent/broker profiles

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ber one priority last year was to insure the success of its merger with Synercon, which took place on April 30. As part of this effort, it strengthened its management structure by sending senior management teams to visit every subsidiary company in the U.S. and by spreading management responsibility more widely.

Robert F. Corroon was appointed chairman and chief executive officer, Frank M. Hagan was made president and chairman of the executive committee and Richard M. Miller became executive vp and chief operating officer.

The firm will continue to place emphasis on growth through acquisition. Last year, it created an acquisition committee chaired by Webb Follin, vice chairman of the board. During 1976 and early 1977, besides Synercon, it picked up four new businesses in the U.S.: Norsworthy-Mohle, Houston, which has been integrated with Corroon & Black of Texas Inc.; The Evans Agency, which has been merged into the firm's Milwaukee, Wis. subsidiary; Business Underwriters Inc., Chicago, which has been merged into Corroon & Black of Illinois; and Atkinson-Dauksch Agencies Inc., headquartered in Columbus, Ohio. The firm says this acquisition is significant, since it is its first office in Ohio and Atkinson-Dauksch was one of the largest independent agencies in that state.

By late June, Corroon & Black made an agreement in principle to acquire Dawson & Co., an insurance brokerage firm headquartered in Seattle, Wash., with three offices in Alaska.

On the international scene, Corroon & Black reported that it is strengthening its position in the offshore captive insurance company business by organizing Corroon & Black-Cockburn Ltd., a joint venture in Bermuda with Alex Cockburn Ltd.

The firm serves its other international clients principally through its 35%-owned affiliate, Glanvill Enthoven & Co. Ltd., which is headquartered in London and has offices in 31 foreign cities, and through correspondent relations with other independent brokers in key areas around the world.

The firm has about 50 branch offices in 39 U.S. cities.

In its annual report to shareholders, Corroon & Black said during the past five years its compounded annual growth in revenues has been 17% and that its rates for 1976 far exceeded this average and resulted primarily from new business efforts.

Corroon & Black says its acquisition of Synercon gave it an immediate and significant position in the Southeast, where Synercon is well known and has a strong position in employe benefits.

As part of its growth pattern, Corroon & Black has developed some specialized services for clients, including things such as searches for environmental hazards as part of loss control inspections for new buildings; counseling corporations on how to fulfill requirements of the Occupational Safety and Health Act and Consumer Products Safety Act; handling insurance and surety for major public and private construction projects; handling loss control and insurance for the maritime and aviation industries, and arranging mass marketing programs to offer employes broad personal lines coverage through payroll deduction plans.

The firm created a Pacific Southwest division to focus service on existing clients in the area and to serve as a base for further expansion.

ROLLINS BURDICK HUNTER

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

	1976	1975
Premium vol. ..	NA	NA
Gross rev.	$36,683,212	$30,881,194*
Employes	861	687

*Restated to reflect acquisitions

The 19% increase in gross revenues for 1976 at Rollins Burdick Hunter, the 7th largest insurance brokerage firm in the *Business Insurance* survey, is part of a consistent upward graph over the last few years, according to executive vp George S. Burrows.

Rollins Burdick Hunter also reported a 19% gain in 1975, after gains of 29%, 27%, 45% and 33% over the past several years.

Mr. Burrows sees no reason why the trend should not continue. "We're an organization able to bat in all the areas with our top specialists in all fields. We think we're ahead of the other guy. Whether it's captives or self-insurance really shouldn't matter (to our growth)."

In 1976, the firm acquired Tittle & Jones of Palo Alto, Calif., Charles Ryan & Rivers of Los Angeles and The Dowler Agency of Long Island. The acquisitions created Rollins Burdick Hunter of Northern California (including their Stockton office), Rollins Burdick Hunter of Southern California and an expansion of Rollins Burdick Hunter of New York.

There have been no acquisitions so far this year, although the firm remains interested, said Mr. Burrows.

The firm now has 19 domestic and 16 international offices, an increase of four domestic and three international offices.

The tight insurance markets is the biggest problem facing all brokers, Mr. Burrows said. "It's a cyclical business and things will swing back. But surely the finding of capacity at a reasonable price is the toughest problem."

Principal offers are Adrian B. Palmer, chairman and chief executive officer; Charles H. Mather, president and chief operating officer; A. Norman Freeman, vice chairman; George S. Burrows, executive vp; Karl R. Palmer, executive vp; Paul L. Kohn, senior vp; William C. Snyder Jr., senior vp; Donald A. Wilson, senior vp; Michael J. Starshak, vp-finance and administration; Raymond J. Kenny, secretary/treasurer; Norman J. Pater, controller; Richard M. Cole, chairman, Cole, Clark & Cunningham Inc., a subsidiary; Cornelius J. Reid, Jr., chairman, Rollins Burdick Hunter of New York, a subsidiary; John M. Reid, president, Rollins Burdick Hunter of New York; Norman E. Roop, chairman, Booth, Potter, Seal & Co. Inc., a subsidiary; George S. Suddock, chairman, Rollins Burdick Hunter of Alaska Inc., a subsidiary.

BAYLY, MARTIN & FAY INC.

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

	1976	1975
Premium vol. ..	$306,000,000	$248,000,000
Gross rev.	$ 25,600,000	$ 20,700,000
Employes	750	687

For Bayly, Martin & Fay Inc., a unit of The Sperry & Hutchinson Co., and the 8th largest insurance broker in the United States, commercial business comprised a whopping 97% of business last year, the same percentage it garnered in 1975.

The year 1976 more than fulfilled the expectations held by the brokerage firm, according to

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Samuel Alcorn, senior vp, who explained that the firm had anticipated receiving a "shot in the arm from increased rate levels." However, he pointed out that positive growth also flowed from new business, particularly from a spurt in medium-sized accounts.

BM&F has agreed in principle to purchase Harlan Inc., with the merger scheduled for completion in September. Harlan is the nation's 14th largest broker according to this year's survey.

Most of the new business in medium-sized accounts represented a move away from the smaller brokerage houses. "There were many times that we could find a market and a small fellow couldn't," he said.

Bayly, Martin & Fay, which has 23 branch offices, opened new facilities in Stamford, Conn., and in Oslo, Norway, during 1976. Abroad, due to the expansion of its offices in London and Paris last year, the firm changed the name of its staff in those offices to Bayly, Martin & Fay International.

This year, the firm anticipates building up its ties with Japan.

In the United States, the firm enjoyed strong growth last year in its Dallas and its Chicago offices. Alaska and the Los Angeles offices were also good performers.

By line of coverage, the firm displayed growth in product liability insurance and in its employe benefit operations. The broker also expanded its consulting and arranging services in the self-insured end of employe benefits.

Although retaining its emphasis on the large- and medium-sized accounts, Bayly, Martin & Fay is continuing to build its capacity in the area of multinational accounts, Mr. Alcorn said.

BM&F's most significant new venture undertaken last year was the move to acquire Harlan Inc., based in Houston. The acquisition adds 16 new offices and boosts BM&F's size by 50%, said the executive.

As for reorganization of personnel, he noted that the Detroit division established a full employe benefit department, naming Al McLeod senior vp, to direct the employe benefit staff. In addition, Harry Potash was elected president of the Florida corporation and his son, Andrew, was named executive vp and manager of the New York division.

Mr. Alcorn says the insurance brokerage business is continuing in a state of uncertainty due to the persistent problems of insurance underwriters. The capacity problem will remain unresolved, he maintained, until carriers achieve profitability. The first quarter figures for 1977 reveal a $500 million underwriting loss, he went on. Although the loss was offset by a gain in investment income, the rate of recovery remains inadequate for the generation of the surpluses needed to create new capacity.

Nevertheless, the outlook for 1978 is for a return to a degree of competition, he agreed.

"I am optimistic that the marketplace will be more responsive next year," he said, "but I don't look for it in the product liability field and I don't look for it in troubled states that have not returned to rate adequacy.

"And I don't look for it unless the yearend figures, appraised about the end of the first quarter of next year, justify it."

R. B. JONES CORP.

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

	1976	1975
Premium vol. . .	NA	$350,000,000
Gross rev.	$21,890,000*	$ 18,000,000
Employes	695	675

*Fiscal year ended October 31.

Last year was "an outstanding year, a record year" for R. B. Jones, with revenues up 21.7% for the ninth largest broker in the U.S., said John W. Tucker, president and chief executive officer. He noted that not only did the year measure up to all expectations, but the growth rate exceeded that established over the last five years. Between 1972 and 1976, R. B. Jones' revenues have jumped 70% to almost $22 million from only $13.5 million.

R. B. Jones managed to generate this growth despite problems in several offices which prompted the firm to sell its operation in Tampa, Fla., and Joplin, Mo., while choosing to close its offices in Amarillo, Tex., and San Diego, Calif. Several other offices are also in the process of being sold, so that the firm will have 19 offices in 18 cities, versus 25 offices in 22 cities a year ago.

Mr. Tucker noted that the operations being disposed of would constitute perhaps 3% of gross revenues for this year, so they will have only a minimal impact on business.

Property and casualty business represents about 90% of Jones's gross revenues, with benefits generating the remaining 10% of business. The company has long since completed the purchase of some of its shares in the general market, said Mr. Tucker, who noted that Jones remains a public firm with shares in the hands of several hundred persons. Although the firm is now largely internally owned by employes since establishing an ESOP, it still falls under the securities laws because of shares held by the public.

R. B. Jones has approximately 20,000 commercial clients, up from a year ago. This number is significantly changed from the estimated 10,000 commercial clients noted a year ago, because the company now has a better handle on its client rosters.

Fastest growth last year came in heavy commercial business, said Mr. Tucker. By line, commercial casualty and the excess and surplus lines division contributed significantly to the overall increase. Geographically, Jones' Midwest offices did very well, along with New York and Texas.

Although Jones has not embarked on any new ventures, the company presently is in the midst of a feasibility study preparatory to beefing up its reinsurance business, captive management services and self-insurance services.

"We're in some of those areas to a limited degree already, in some cases with a high degree of talent and expertise but not many people, and we're looking at becoming more involved," said Mr. Tucker.

Business right now is very good, he said, echoing many other brokerage executives who are optimistic in predicting another very fine year. He tempered his forecast, however, with an acknowledgment that there is likely to be a leveling off in premium increases as underwriters return to at least some degree of profitability this year. "But this recovery by the industry will be shortlived unless we move to do something about the infationary pressures which could bring the red ink again. There will continue to be capacity problems and surplus problems. We're not out of the woods yet."

Key officers of R. B. Jones are James P. Metzler, chairman; John W. Less, vice chairman; H. Gerald Bishop, executive vp; Joseph M. Crahan, executive vp; Louis

Continued on page 40

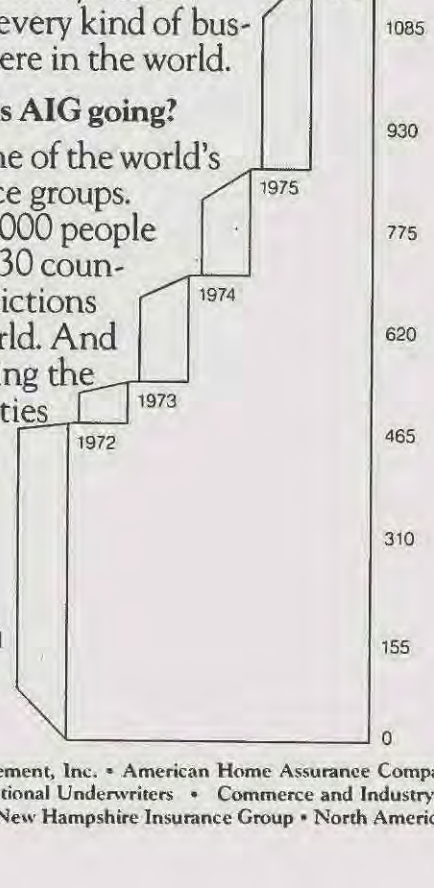
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agent/broker profiles

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Lange Jr., senior vp; Robert H. Lange, senior vp; J. Philip Starr, senior vp; Kenneth E. Hawkins, vp; Charles R. Morrell, vp; Duane A. Norby, treasurer; Steve C. Johns, secretary.

PENN GENERAL AGENCIES

11620 Wilshire Blvd., West Los Angeles, Calif. 90025; 213-820-7070

	1976	1975
Premium vol. ..	NA	NA
Gross rev.	$17,382,754	$16,732,537
Employes	476	500

Penn General, 10th largest insurance broker in the country, derives about 76% of its total gross revenues from the property/casualty business, according to Gerry R. Ginsberg, treasurer/controller. He said that group life/accident is about 16% of total gross revenues while individual life/health is about 4%.

Last year was a good one for Penn General. It reported a net income of $491,525 or 3.6 cents per share on revenues of $17,382,754 for the year ending Dec. 31, 1976. By comparison, the firm suffered a net loss of $760,129 or minus 5.8 cents per share on revenues of $16,732,537 in 1975.

The current year will outshine 1976, however. Mr. Ginsberg noted that net income doubled during the first quarter of 1977 compared with the same period last year and gross revenues shot up about 20% during the first three months of this year.

Penn General used 1976 to consolidate its number of domestic branches to 18. The brokerage firm, for instance, merged four offices in New York City to a single office named Penn General Agencies of New York and took a similar action in the state of Florida.

The firm's only overseas effort is represented by a 20% interest in a Lloyd's broker in London.

Penn General, which is maintaining its emphasis on small-to-medium sized clients, found its fastest growth in the Detroit area and in Florida and Southern California.

The firm is very optimistic about the current state of the insurance brokerage business as well as about the outlook for the first half of next year.

NORDSTROM LARPENTEUR AGENCY INC.

1300 Northwestern Financial Center, 7900 Xerxes Ave., S. Minneapolis, Minn. 55431; 612-830-3000

	1976	1975
Premium vol.	NA	NA
Gross rev. ...	$14,000,000	$12-$13,000,000
Employes	392	323

Nordstrom Larpenteur is pleased with its moderate growth for last year since the broker was involved in switching many of its three-year prepaid policies to annual contracts, said president John Nordstrom. The broker ranks 11th on the *Business Insurance* top 20.

But "we're looking forward to a tremendous year" for 1977, he continued. "Our client base is continuing to grow and we won't have to contend with the swing from three-year to annual contracts."

That tremendous year should result in gross revenues of $17.5 million, Mr. Nordstrom "conservatively" predicts, with sales of greater than $100 million.

The company has 33 offices, the same number as last year, and plans to keep that number in the coming year. Ninety-five percent of its business is in commercial business.

Nordstrom Larpenteur has always emphasized internal growth. The company is presently considering one acquisition but intends to stick with its philosophy of internal growth, the president said.

The broker does a considerable amount of business with construction firms and has benefited from the recent increase in construction activity. But growth has generally advanced across the board, Mr. Nordstrom said.

"Top executives are paying more attention to insurance with the premium increases, and we like that," Mr. Nordstrom added.

The biggest problem facing many insurance brokers is that the large brokerage firms have an increasing advantage over smaller companies in competing for lucrative commercial accounts, he said.

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In addition to Mr. Nordstrom, principal officers include Steve Nordstrom, executive vp; Roger Walsh senior vp and Louis Golinvaux, senior vp.

E. H. CRUMP COS. INC.

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

	1976	1975
Premium vol. ..	$110,000,000	$82,000,000
Gross rev.	$ 13,500,000	$11,000,000
Employes	481	412

Sparked by strong internal growth, E.H. Crump Cos. Inc. scored a 22% increase in 1976 in gross revenues. Premium volume also moved ahead a solid 34%. With a major expansion of their excess/surplus lines now taking place, revenues will continue to rise this year, said Crump president Sidney Stewart Jr.

Crump is the 12th largest brokerage firm in the U.S. in the sixth annual *Business Insurance* survey.

Although Crump traditionally has been known as one of the major brokers of the South and Southeast, with affiliates in Tennessee, Arkansas, North Carolina, Kentucky, Georgia and Louisiana, the firm considerably broadened its base by establishing three joint wholesale ventures north of the Mason-Dixon line: Crump-Kientz Co. in Columbus, Ohio; Crump-Babcock Underwriters Inc. in Omaha, Neb., and Crump International Inc. in San Francisco. Crump also moved into the heart of Dixie, Mississippi, by opening up the Crump, Spencer-Murphree agency in Jackson.

Elsewhere, the firm closed E.H. Crump of Virginia in Annandale and acquired the Empex Agency in Orlando, Fla., and purchased the Pryor, Love & Lewis agency in Chattanooga which is now known as Crump-Chattanooga. In addition, Crump Reinsurance Intermediaries Inc. in Memphis was formed this year to handle treaty reinsurance around the world as well as domestic reinsurance.

Principal officers include: E.H. Crump Jr., chairman of the board; Sidney A. Stewart Jr., president; Frank C. Pidgeon Jr., executive vp; James M. Power, executive vp; Edward B. Morrow, Jr., senior vp; Robert Smithwick Jr., senior vp; John W. Starks, senior vp; Leonard S. Bullock, vp; W.B. Mallory III, vp and general counsel; C.H. Beaumont, vp; Stephan McLaughlin, vp; Horace W. Nelson, vp; Donald A. Thomas, vp; C.E. Muller, secretary and H. Franklin Greer, treasurer.

Crump offers a full-range of services with special emphasis on construction, aviation, special risk and large lines, commercial group and employe benefit programs. Crump officials are especially satisfied with the progress of their excess/surplus lines and believe there is a "great future" in that area.

The firm concentrates on medium and large commercial accounts. Property/casualty revenues comprise 72% of total revenues. Eighty-two percent of its business comes from commercial accounts.

Senior corporate officers point out that the Southeast took longer to recover from 1974-75 economic recession than other areas of the country. The recovery in the construction industry, for example, didn't begin to rebound strongly until the beginning of this year.

Crump moved into the captive insurance market this year, establishing Crump Bermuda Ltd. The Bermuda domicile puts the firm in the position of "being able to form and manage captive operations for our clients," said James M. Power, executive vp.

COOK-TREADWELL & HARRY INC.

855 Ridge Lake Blvd., Memphis, Tenn. 38117; 901-767-8950

	1976	1975
Premium vol. ..	$75,000,000	$50,000,000
Gross rev.	$13,300,000	$10,300,000
Employes	305	312

Cook-Treadwell & Harry's gross revenues surged ahead a comfortable 29% in 1976 due to strong internal growth in its local and general agencies. The firm ranks 13th on the *Business Insurance* top 20.

During the year, the firm opened two new offices, CTH of Texas in Houston and CTH Aviation in Dallas. Cook, however, closed Centralia of Georgia Inc. in Atlanta due to uneconomical operations.

Cook continues to place its major emphasis on medium-sized accounts, those that generate between $50,000 and $100,000 in

Continued on page 42



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agent/broker profiles

Continued from page 41

premiums. Right now, about 90% of its business comes from property/casualty revenues. Commercial accounts generate 90% of gross revenues.

Cook-Treadwell is concentrated in the South and Southwest with 12 subsidiaries in Kentucky, Tennessee, Alabama, Mississippi, Maryland, Oklahoma and Texas. A full range of services are offered with a special emphasis on aviation, coal, marine, oil, manufacturing and cotton commercial insurance.

Corporate officers said the firm plans to expand its marketing of existing services. Special emphasis will be given to its life and employe benefits division as fringe benefits assume a greater importance due to recently passed legislation.

A company official said revenues should improve as the economy in the South continues to expand. He pointed out that an increasing number of large businesses are being attracted to such cities as Birmingham, Mobile and Memphis due to an attractive supply of low-cost labor.

Cook's expansion plans will be limited to the South and Southwest through the acquisition of local and general agencies.

Corporate officers said brokers will have to place much more emphasis on risk management services such as self-insurance and captive insurance in order to achieve continual growth.

Major officers are: George H. Treadwell Sr., chairman; Clark W. Rabb, vice chairman; Timmons L. Treadwell III, president and chief executive officer; John S. Drew, executive vp and chief operating officer; Louis Furbringer, senior vp; James R. Barnwell III, vp and director of life and employe benefits; Herscell Dillon, vp, general agencies; Charles H. Gray III, vp, finance.

HARLAN INC.

601 Jefferson, Suite 2330, Houston, Tex. 77002; 713-659-8711

	1976	1975
Premium vol. ..	$117,731,179	$ 82,638,216
Gross rev.	$ 12,248,865	$ 10,503,937
Employes	385	381

Harlan Inc., the 14th largest brokerage firm in the U.S., recorded a 16.6% gain in gross revenues last year. Harlan is likely to merge with Bayly, Martin & Fay sometime in the fall of this year, having signed a letter of intent to be acquired by BM&F. The two companies presently are working on an agreement in principle for a cash transaction under which Harlan would retain its name and would operate autonomously for the immediate future.

Gross revenues were about on target with what had been budgeted for the year, said Joseph N. Tate, president and chief executive, although profits for the firm exceeded budget figures by 15% to 20%, he noted.

Harlan added an Atlantic City, N.J., branch during 1976, increasing its roster to 19 branch offices. The firm also acquired the Tredinick Agency in Jacksonville, Fla., last year, adding premium volume of $1.5 million.

The Atlantic City branch was added because Harlan believes that city will be the headquarters for service facilities for the offshore oil industry in the Northeast. Harlan does much of its business with the Texas oil industry. Furthermore, legalized gambling in Atlantic City "will serve to improve the economy there in general," said Mr. Tate.

Also during 1976, Harlan eliminated its data processing unit, along with two smaller agencies in Grand Junction and Glenwood Springs, Colo., representing about $300,000 to $400,000 in commissions. Harlan pulled out of the surplus lines business, too, said Mr. Tate, noting that this line of business was only a minor contributor to overall company revenues.

Business for Harlan was generally good last year all across the country, he said, with noteworthy performances being turned in by the firm's Houston headquarters office and by the Alexandria, Va. (Washington, D.C.) branch.

The best growth came in oil and oil-related business, followed up by a strong growth in aviation business.

"Our outlook for the entire industry looks very good for 1977 and 1978," said Mr. Tate. "I think the business is becoming more sophisticated, and more expertise is being demanded of the brokers. in our specialty areas, I think we are as good as there is available," he said confidently.

Mr. Tate said the proposed acquisition of Harlan by Bayly, Martin & Fay would be a "fair deal, financially" for Harlan. The two firms fit together exceptionally well in terms of geographic locations, people, expertise and in every other way," he said. He expects that Harlan would be allowed to operate autonomously for up to three years, but doesn't know how the management of Harlan would be handled beyond that.

Key officers of the firm, in addition to Mr. Tate, are Jerome S. Fletcher, vp and chairman; Larmon R. Salmon, senior vp; William A. Mizell, vp-administration; Robert W. Reynolds, vp/secretary and treasurer.

Compensation basis is commissions and fees.

JAMES S. KEMPER & CO.

20 N. Wacker Drive, Chicago, Ill. 60606; 312-321-3500

	1976	1975
Premium vol. ..	$114,000,000	$91,000,000
Gross rev.	$ 12,081,000	$10,367,000
Employes	383	403

James S. Kemper & Co., number 15th on the *Business Insurance* top 20 list of agents and brokers, boosted its total premium volume 25% and its gross revenues 16.5% in 1976 over 1975.

President Richard S. Winzer said the company had all the qualities for a "really great year," putting growth above the budgeted 12% increase. He attributed the growth to "hard work, steadily upgrading our staff, doing a very professional job and becoming more efficient." Mr. Winzer expects to report better than budgeted growth again next year.

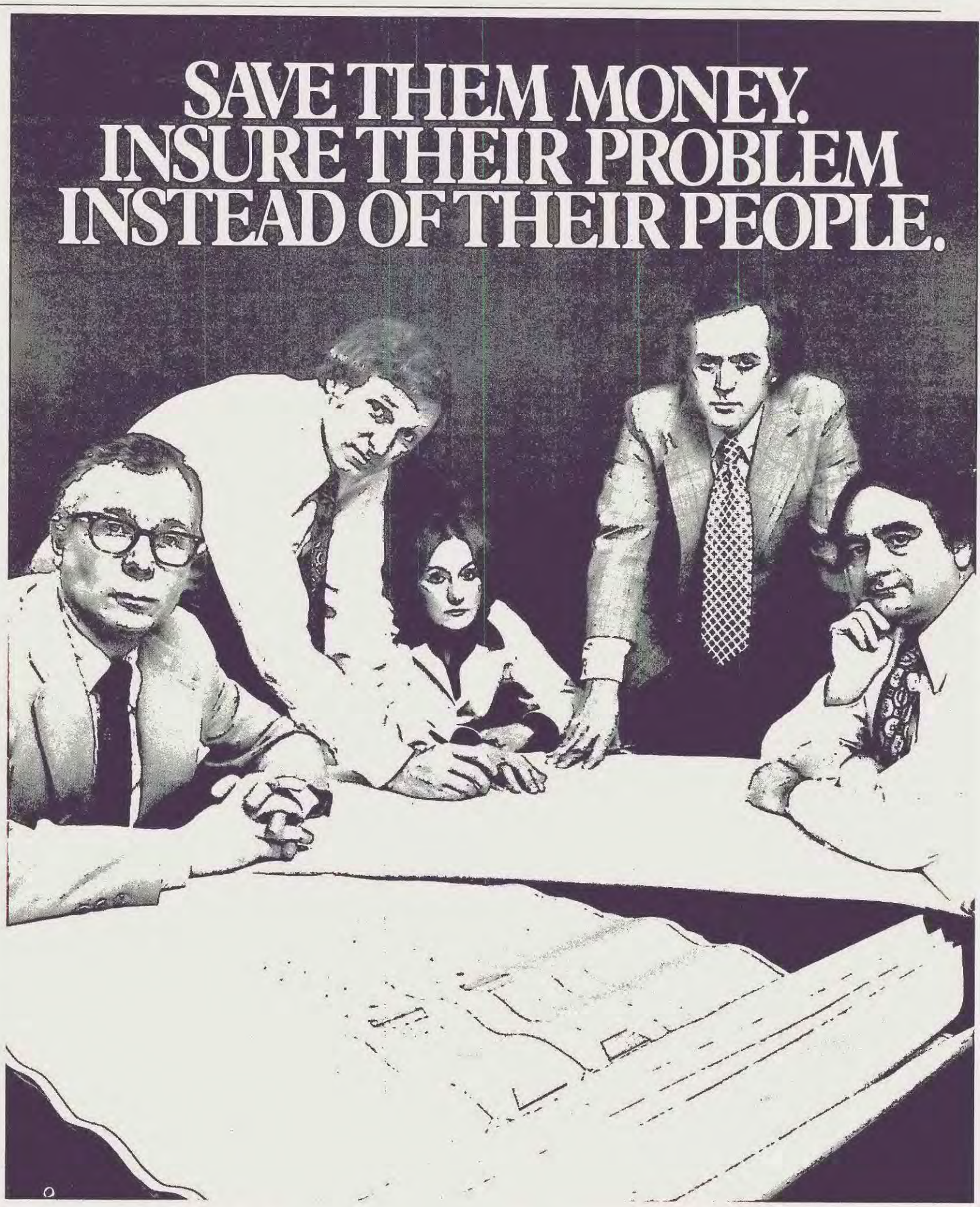
Of Kemper's 30 domestic locations, the Southwest and Midwest offices experienced the most growth, Mr. Winzer said. Kemper has one foreign office in Toronto.

Kemper did not acquire any agencies in 1976, but Mr. Winzer said, "We're still interested in acquisitions. We just wanted to digest what we had."

The Chicago-based brokerage firm is continuing its emphasis on the medium-sized commercial/industrial account. Commercial accounts represented 85% of Kemper's business in 1976, up from 83% in 1975. "Our commercial business is steadily increasing," Mr. Winzer said.

Of its commercial accounts, less than 10% generate employe benefits or group insurance sales, the president estimated. Property insurance is increasing compared to casualty insurance, he observed.

Last year Kemper eliminated the policy writing it had been



doing, cutting 20 employes from the company's staff. "They were strictly clerical," Mr. Winzer said, emphasizing the company has continually been upgrading its professional staff.

Since late 1975 the company has been marketing Telecredit Inc.'s insured check service throughout the United States, excluding Florida and California. A separate sales staff has landed over 18,000 customers, including auto dealers and big chain merchants, for the service that insures them against bad checks and provides a check verification system.

For Kemper, the profit doesn't stop with securing a Telecredit client. Those 18,000 clients become prospective Kemper clients for other lines of insurance.

In the services area, Mr. Winzer said the company has increased the emphasis on loss control engineering.

Kemper is also "getting closer to captive management," the president said, estimating it could be into the business by the end of this year or else in early 1978.

Mr. Winzer views the insurance brokerage business as good, but "very, very difficult." A broker has to work 10 times harder today to properly place commercial/industrial insurance programs than was necessary five to seven years ago, he said.

The increased price of insurance, though difficult for clients to swallow, has contributed to the profitability of the insurance brokerage business, Mr. Winzer said. A continuing project at Kemper is trying to educate clients about the insurance industry and increased prices—particularly that the industry cannot continue to lose money.

Explaining to clients that higher premiums reflect the current sellers' market makes it easier to later present a client with a premium increase, he suggested.

James S. Kemper & Co. subsidiaries include Associated Mutuals Inc., Dominion Mutual Insurance Agency Ltd., Excess Underwriters Inc., James S. Kemper Agency Inc., James S. Kemper & Co. Inc., James S. Kemper & Co. (International) Ltd, James S. Kemper & Co. of Arizona Inc., James S. Kemper & Co. of California Inc., James S. Kemper & Co. of Texas Inc. and Risk Management & Insurance Inc.

Principal officers are James S. Kemper, founder-chairman; Richard S. Winzer, president; John W. Roblee, vp and controller; Bernard J. Sullivan, vp; Peter Van Cleave, secretary and Maurice F. Thunack, treasurer.

ARTHUR J. GALLAGHER & CO.

Gould Center, Golf Road, Rolling Meadows, Ill. 60008; 312-640-8500

	1976	1975
Premium vol. ..	NA	NA
Gross rev.	$12,074,833	$ 8,869,951
Employes	324	264

Arthur J. Gallagher ranks 16th among the nation's insurance brokers in its second year in the *Business Insurance* top 20. The company's 36% increase in gross revenues was in line with the firm's targets for 1976, according to president Robert E. Gallagher. Gallagher's gross revenues are up substantially for 1977, he said, and the firm hopes to top the $17 million mark this year.

After failing to make any acquisitions in 1976, Gallagher this year acquired Ruel Insurance Corp. and Employers Insurance Management Corp., which became Arthur J. Gallagher & Co. (Florida). But the emphasis remains on internal growth. "We will be selective in acquisitions because our internal growth rate is greater than our peers," Mr. Gallagher said.

The firm's basic commercial-industrial business provided the greatest area of growth, Mr. Gallagher said. The self-insurance division, Gallagher Bassett Insurance Service, provided 38.4% of the firm's revenues, down slightly from last year's contribution of 43%.

Gallagher Basset administers self-insurance programs for over 100 clients, a substantial increase over 1975's client total of 75.

"Risk management services are the key to our growth," Mr. Gallagher said.

The outlook for insurance brokers is very bright, Mr. Gallagher predicted. The toughest problem facing brokers, as well as all others in the insurance industry, is the need for large surpluses to increase capacity. The coming capacity crunch will affect everyone and "make our jobs pretty tough," he added.

In addition to Gallagher Basset, other subsidiaries are Enrollment Services Center, Mochel Insurance Agency, The Wrightman Agency Inc., J. Frank Holt & Co. Inc., Arthur J. Gallagher Management Ltd., Arthur J. Gallagher & Co. (Florida) and Gallagher, Hinton & Vereker Ltd.

Gallagher has offices in 42 cities. In addition it maintains two international branches in London and Hamilton, Bermuda.

Principal officers include Robert E. Gallagher, president; John P. Gallagher, executive vp; Arthur J. Gallagher, chairman; A. James Gallagher, vice chairman; Daniel P. Wachs, vp; Sterling L. Bassett, vp; Warren G. Van der Voot, vp; Louis E. Metzger Jr., unit vp; John C. Danloe, unit vp; Bill G. Jensen, unit vp; Norman S. Anderson, treasurer; Gilbert C. Mochel Jr., president, Mochel Insurance Agency; Jerry Wrightman, president, The Wrightman Agency Inc.; J. Frank Holt, president, J. Frank Holt & Co. Inc.; Gary M. Van der Voort, president, Arthur J. Gallagher & Co. (Florida).

INSURANCE MANAGEMENT CORP.

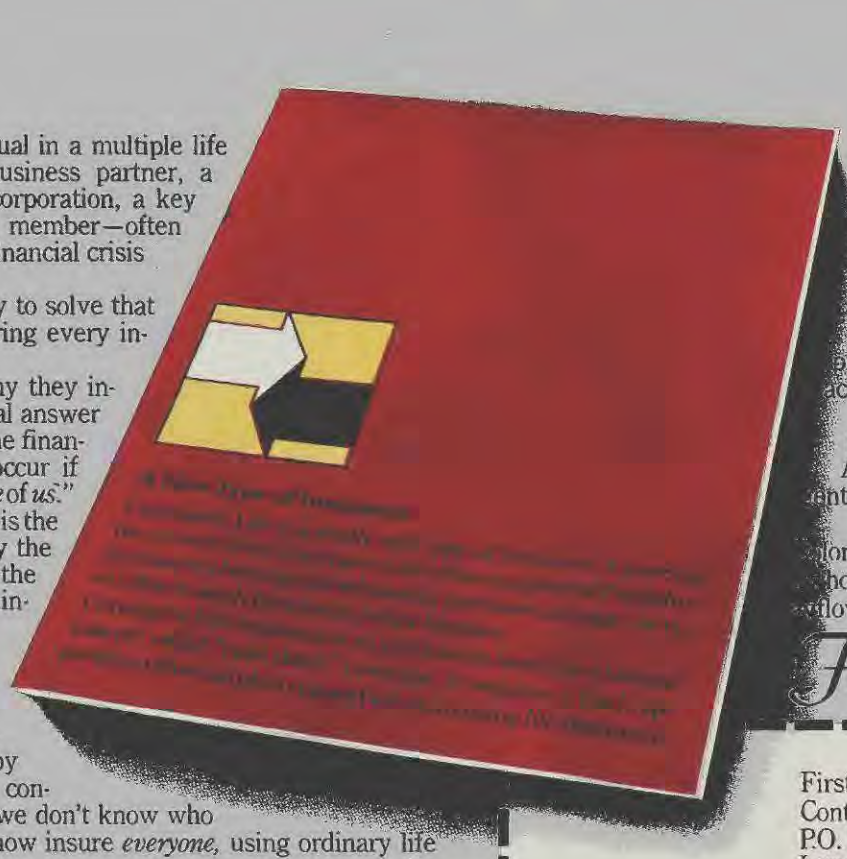
6600 W. Broad St., PO Box 27424, Richmond, Va. 23261; 804-281-6336

	1976	1975
Premium vol. ..	NA	NA
Gross rev.	$12,043,904	$10,013,295
Employes	346	344

Insurance Management Corp. of Richmond, Va., chalked up a 20% increase in gross revenues in 1976. IMC president and chief executive officer William B. Graham said the firm's performance "substantially exceeded" expec-

Continued on page 44

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agent/broker profiles

Continued from page 43

tations. He attributed the hefty revenue gain to rate increases and to an expansion of affiliates.

IMC acquired the Columbus Interstate Agency in Columbus, Ga., in 1976 and recently added Interstate Insurers Inc. of Atlanta to its growing list of affiliates. The firm remains concentrated in the South and Southeast but plans to expand to certain areas in the Midwest.

IMC's emphasis is on small- and medium-sized accounts rather than large commercial accounts. It specializes in meeting the needs of local businesses through its decentralized branch offices.

Aside from Mr. Graham, senior corporate officers include Marvin Blum, vp, and Frank G. Gillingham, Florida division manager. Thomas M. Gillingham was elected president of IMC of Tampa and Thomas E. Lee was named president of IMC of Tidewater in Norfolk.

In the last year, IMC's fastest growth has been in Alabama and Pennsylvania, states where the firm has a substantial concentration of heavy, industrial commercial risks.

In Florida, where the company maintains offices in Orlando, Tampa, Fort Myers and Lehigh Acres, the Baldwin Insurance Agency in Temple Terrace was merged with Insurance Management Corp. of Tampa in September 1976.

Growth in IMC's Tampa branch has leveled off due to the depressed state economy. If contractors don't have payrolls, a broker cannot garner workers' compensation premiums, Mr. Graham said. Elsewhere in the state, Mr. Graham sees some "faint signs" of economic recovery, but a complete recovery from the stubborn recession is a long way off.

IMC plans to expand its activities in excess and surplus lines. Right now, about 85% of its gross revenues come from property/casualty revenues. Commearcial accounts generate about 60% of gross revenues.

Aside from the Florida operations, IMC maintains branches in Goldsboro and Fayetteville, N.C.; Birmingham; Charlottesville and Norfolk, Va.; Atlanta; Richmond; Pittsburgh; Dayton, Ohio; Manchester, Conn.; and Houston, Tex.

Major problems in the brokerage business include a shortage of capital among insurers and further restriction of markets in a number of areas, Mr. Graham said.

EMETT & CHANDLER

1800 Ave. of the Stars, Suite 400, Los Angeles, Calif. 90067; 213-553-2711

	1976	1975
Premium vol. ..	NA	NA
Gross rev.	$ 9,240,000*	$ 6,350,000
Employes	301	249

*includes R. L. Kautz & Co., PRI (reinsurance), and Risk Management Inc. (captive management division).

Emett & Chandler Inc., the 18th largest insurance broker in the U.S., registered a 45.5% gain in its gross revenues during 1976. The firm is part of Pinehurst Corp. and derives all but about 1% of its business from commercial accounts. Last year's growth exceeded the five-year growth rate established by Emett & Chandler.

Two-thirds of Emett & Chandler's revenues were in property and casualty areas, while the remaining one-third was generated by services and fees related to self-insurance programs, employe benefits and captive management, said Richard M. Page, president.

Last year measured up very well to expectations, said Mr. Page, particularly because the number of corporate accounts grew about 15% to 750. Business also grew because of "the opportunities provided by unsettled market conditions," he said.

Emett & Chandler has branch offices in San Francisco, New York, Bermuda and New Jersey. Southern California, however, clearly has been the area of best growth for the brokerage and administrative services firm.

Emett & Chandler concentrates of medium to large commercial clients.

The firm is presently debating an entry into the surplus lines insurance business and will make a final decision on whether to make the move this fall, said Mr. Page.

Emett & Chandler expanded its self-insurance services last year, particularly, in the liability and workers' compensation area. The firm added new clients in the service area and became more involved with services for high-retention programs, said Mr. Page.

In early 1976, the firm acquired certain assets and certain accounts of New York-based J.S. Frelinghuysen, a brokerage firm founded in 1800 and owned by Fidelity Corp., a financial holding company. Emett & Chandler revamped the organization after integrating it with the Emett & Chandler New York office.

Emett & Chandler didn't purchase the livestock agency belonging to the Frelinghuysen organization, nor did it purchase the New Jersey agency business or the Hudson treaty business. But the brokerage firm did purchase accounts generating annual revenues of about $900,000 a year, said Mr. Page.

Emett & Chandler pared down the staff of the Frelinghuysen operation in New York to 35 people from the 55 who were there when E&C moved in. As part of the streamlining, many Frelinghuysen support people were eliminated, including the entire computer section. Only three of the original 10 account executives are still with the firm, although Emett & Chandler says it has been re-staffing in New York, hiring about 10 new people including several new account executives.

Charles Magnant is now president of the New York operation, reporting to Mr. Page.

In addition to Mr. Page and Mr. Magnant, other key officers of Emett & Chandler are Leonard P. Lawrence, president of the Los Angeles division; Eugene Connell, president of PRI Inc.; Oren Lane, chairman of the Los Angeles division, and Clifton Klenzing, treasurer/chief financial officer.

JOHN L. WORTHAM & SONS AGENCY

2727 Allen Parkway, PO Box 1388, Houston, Tex. 77001; 713-526-3366

	1976	1975
Premium vol. ..	$75,819,000*	$55,494,000*
Gross rev.	$ 9,050,361**	$ 7,143,000
Employes	164	153

* includes property/casualty volume only.

** includes commissions and fees from property, casualty, group, life, employe benefits.

Wortham is participating in the *Business Insurance* survey of agents and brokers for the first time this year, ranking 19th on the list of largest brokerage firms in the country. With only two offices—a headquarters office in Houston and one branch in Dallas —and 164 people, Wortham chalked up a 26.6% gain in gross revenues in 1976. The firm derives 93% of its revenues from commercial business.

The year, said Buddy Carruth, managing partner, was "just splendid," living up to Wortham officials' expectations "and then some."

Fastest growth has come in commercial lines business, generally, and in the Houston area.

Property and casualty business accounts for 77.6% of Wortham's total revenues, while personal lines business accounts for 9.4% and life/employe benefits business accounts for 13% of the total.

Wortham has a roster of about 2,500 corporate accounts, up about 10% during 1976, Mr. Carruth said. The firm's emphasis is on medium to large accounts, a philosophy which Mr. Carruth doesn't think will change.

Wortham collects both commissions and fees from its clients. The firm has a safety services division to advise clients on safety programs.

"We try to be well-rounded, with trained experts in all major fields," said Mr. Carruth, including bond, casualty, marine, benefits and commercial fire lines.

He describes the current state of the business for Wortham as "good, strong," and is confident the firm's business "should con-

Continued on page 50

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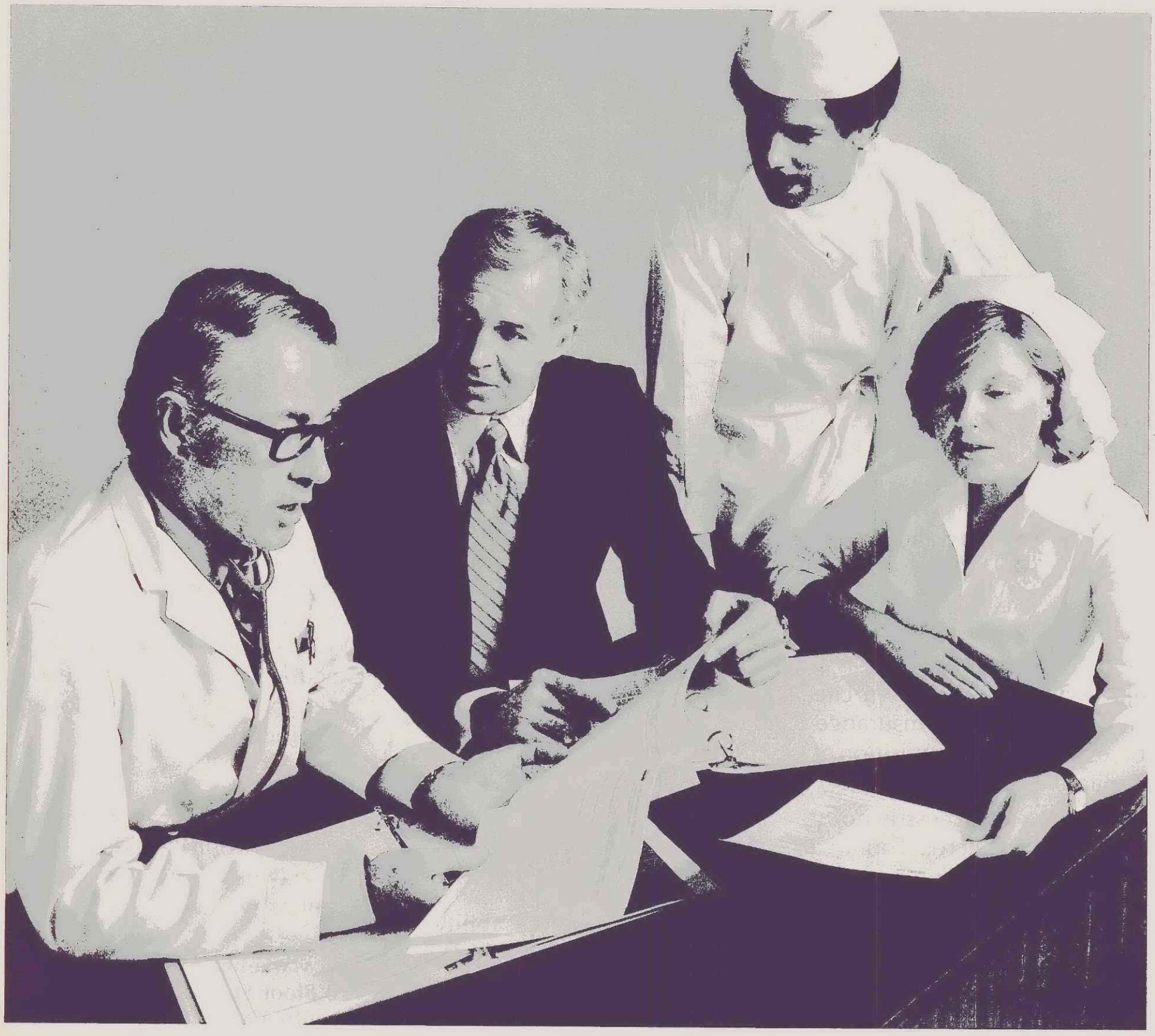
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ESIS, INC.
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PERSPECTIVE

Insuring Pegasus: a unique cargo problem

By Jack Moran
Account Representative
New York Marine Division
Marsh & McLennan Inc.

DURING THE 100-PLUS YEARS that Marsh & McLennan Inc. has arranged cargo coverages, the company has helped protect numerous works of art as well as cargos of enormous size and weight. The shipment of Pegasus, a 23-ton, bronze statue, from Italy to New York, however, presented a unique cargo insurance situation in which size, weight and value were important factors. And certainly, few cargos have had a more exciting and eventful passage from origin to destination.

It all began last December with a request by Columbia University officials for a quotation on a statue to be shipped by sea from Livorno, Italy. The statue, Bellerophon Taming Pegasus, was a gift from Columbia alumni and was to be installed over the entrance to the newly constructed, glass and stone School of Law building.

The final work of the late Jacques Lipchitz, the statue interprets the Greek mythological struggle between Bellerophon, a mortal ordered to perform near-impossible tasks in order to win the hand of Zeus' daughter, and Pegasus, the legendary winged horse.



Pegasus was created by Jacques and Ulla Lipchitz.

Begun in 1964 by Mr. Lipchitz and finished by his widow, Ulla, also a sculptor, the statue was cast in 118 separate pieces. Upon completion it was 30 feet wide and when mounted on its pedestal stood five stories high.

In the past Marsh & McLennan had covered larger items, such as 40-ton turbines and generators shipped for installation in turbine/generator islands in Saudi Arabia and South America. And the marine division has had experience with unusual cargo such as 40 head of steer shipped by air freight from Miami to a ranch in Brazil.

But the size of the statue presented difficulties with insurance markets. No other 23-ton sculpture had been insured in recent memory. There was further difficulty in calculating a fair replacement value. How, they asked, could 12 years of an artist's life be replaced? Even granting that this unique piece of art was not priceless, the cost of recasting it would be significantly more than the original cost due to inflation.

So, in the end, it was decided by Marsh & McLennan and the underwriter, the Atlantic Cos., that the statue would be evaluated in terms of raw basics—size, weight and material. A value was agreed upon and coverage was arranged for all risks of physical loss or damage from any external cause. Corrosion was excluded, however, because the statue was designed for outdoor display and there would be no loss of value if the bronze weathered.

The policy incepted at the artist's foundry at Pietrasanta, Italy and terminated upon installation at Columbia, at which time another property coverage would take effect.

The four-month journey of Pegasus then began. In order to remove the finished work from the foundry, a wall was torn down. Then it was discovered that the statue was too big to get through the narrow back roads to the autostrada on the way to the port of Livorno. So, the statue's head and legs were cut off and welded back on at dockside. Even with these removed, some electric lines still had to be cut down to allow the structure to move through.



Photos by Steve Gribbin/Marsh & McLennan

140-foot crane begins to maneuver Pegasus into position at Columbia University.

Though originally scheduled to set sail in December, the departure date and carrying vessel were continually changed. There were accidents at the dock but, fortunately, none involved the statue. Finally, in the beginning of April Pegasus began its journey across the Atlantic on the Pia Costa. Interestingly, it was the Costa line which transported Michelangelo's Pieta to the New York World's Fair in 1964.

Since the statue was too large to fit through the hatchway of the vessel, it

Continued on following page

SPEAKING OUT

Why can't insurers find and keep top personnel?

By Peter Downes
Manager of insurance
American Trading & Production Corp.,
Baltimore

A BUSINESS INSURANCE headline called me peripatetic. What did they mean by that? As everybody knows, "peripeteia" was the Greek word for falling around. Were they commenting on my drinking habits? Probably not as they do not know me that well. Hermippus said that Peripatetics were Aristotelian philosophers who used to teach while walking up and down. He got it all wrong, of course.

Originally, a peripatos was a covered walkway and the house where Aristotle had his school contained such a walkway in which he sometimes held his classes. If the headline likened me to an Aristotelian philosopher then this was a pretty turned compliment, even if I do rather fancy myself as a Platonist.

I was musing along these lines one day when a news item caught my eye. It was reported that J. R. Cox, president of the Insurance Company of North America, complained that the insurance industry does not have the human or financial resources it needs to meet the challenges of today, let alone those of tomorrow. He pointed out that insurance companies have neglected to attract their full share of the graduates coming into the job market each year and have failed to pay adequately those they did get.

Some of us have been saying this for many years in one way or another. The way I always put it is that you get what you pay for and if you do not pay enough, all you will get will be dunderheads. Moreover, the companies who follow this pattern may be sowing the seeds of their own destruction. Companies staffed with mediocrities might find it hard to hire anybody brighter and more intelligent than the staffs they already have.

I discussed the subject with a colleague over lunch and he thought that insurance companies will have an uphill battle since they are in competition with too many other industries. Nonsense, I retorted, the woods are full of people who would be only too glad of a job with an insurance company, if they could ever get past the personnel department.

All right, he said, you being so clever and all, let us assume the unlikely event that you will preside over an insurance company. Just what would you like to see in an applicant's record? Very simple, I replied, my ideal applicant would have a liberal arts degree.

After all, people with science degrees will be looking for a science type job, mathematicians will want to specialize in computers or be actuaries or something, phys. ed. majors will want to do their own thing and so on. What insurance companies need are generalists, capable of logical thought and the ability to express it.

Therefore, my ideal candidate will have done a semester or so in chemistry and biology, necessary fields of knowledge for any insurance man. He or she should have mathematics through calculus together with a semester introducing him or her to mathematical statistics.

The candidate likewise should have read through a dozen or so useful introductory courses, such as history, psychology, philosophy, logic, politics, anthropology, sociology, art, music, literature and so on. After this I would prefer that the candidate should have majored in English or history and preferably both. Majors in the social sciences or philosophy would also be acceptable provided they were literate.

But, said my friend, what about graduates from business schools? Well, I said, I would not turn them away provided that they could demonstrate their ability to read and write. But as you say there would be far too much competition from industry as a whole to worry about them particularly. IBM and the rest can have them.

So far as I am concerned, I would then stipulate as a condition of employment that a candidate learn the mechanics of the trade by getting a recognized diploma, such as CPCU, and at the same time undergo the best training of all—on the job. If after that an employe wishes to proceed to an MBA or a CPA, I would not discourage him.

Do you think that this kind of graduate would survive in a corporate environment? my friend continued. I think there would be the same degree of attrition as with any other type of graduate, I replied.

Undoubtedly, there would be additional frustration from the dodo-like attitudes of current insurance management, but those that stick it out would form the next generation of managers.

If insurance companies themselves are capable of surviving that long, there will then be a cure for that long term management problem Mr. Cox frets about, and doubtless the new generation of managers would have the skills to cure the financial problems of the industry.

That will be the day, said my friend. Yeah, I sighed and even as I said it I wondered if Theophrastus would have approved. ■

PERSPECTIVE

Insured multiple employer trusts deliver the benefits they promise

By Harry G. Bubb
President
Pacific Mutual Life Insurance Co.
Newport Beach, California

MULTIPLE EMPLOYER trusts are an excellent vehicle for providing first-class coverage to employes of smaller businesses. But when self-insured trusts go broke, they leave the consumer holding the bag.

It's estimated that in California alone, self-insured multiple employer trusts now add up to some $250 million. The Golden State also is where we've recently seen National Multiple Employers Trust and Hospital Welfare Assn. Trust both go under. It's my opinion that we'll be seeing more self-funded trusts declare bankruptcy and leave behind thousands of unpaid consumer claims.

The consumer has a right to expect his or her claims will be paid in keeping with the contract he or she has purchased. That's basic to the insurance business and once the consumers' confidence is shaken, then the entire insurance industry system is threatened.

Since the Employe Retirement Income Security Act (ERISA) was signed into law, there's been confusion over whose job it is to regulate self-funded multiple employer trusts. Many state insurance departments, including California, feel strongly that ERISA shouldn't preempt the traditional authority of the state to regulate the solicitation and sale of insurance. Insurance industry groups are pushing for ERISA clarification by the Department of Labor, or by Congress or by the courts. The result is that at the moment there are no established guidelines to help consumers when their self-insured multiple employer trust goes broke.

More than 25 years ago, Pacific Mutual broke into the group life and health business by underwriting industry trusts through trade associations. In those days, the plans were administered by the trade associations themselves, as sponsors. Participating employers were solicited and enrolled by Pacific Mutual salaried group representatives, the salaried staff of the trade association or by the broker of record with assistance from other agents who were paid a minimal fee for each enrollment. After the sale, service was provided by the association staff or representatives of the insurance company.

Not until 1970 did Pacific Mutual extend its marketing and underwriting programs to include multiple employer trusts as we know them today. These plans of today differ from the earlier trade association versions in that third-party administrators are usually utilized and there is no single broker of record. If an employer prospect is in any one of the eligible industries, the unit is solicited and enrolled by local life or casualty agents on commission. Service is provided by these local agents and by these third-party administrators.

Harry G. Bubb, 52, joined Pacific Mutual Life Insurance Co. in 1949 and spent his early career with the company in Texas. Called to the home office in Los Angeles in 1955 as assistant secretary, he was named senior vp in 1972 and was elected president in 1975. He received his B.A. degree in economics from Stanford University in 1946 and his M.B.A. in 1949. He also received a certificate from the advanced management program at Harvard University in 1973.



For Pacific Mutual this multiple employer trust business is becoming increasingly important and growing. Presently, it accounts for premium income of more than $50 million and we expect it to increase substantially for the next several years.

Our company is the West's oldest and largest mutual life insurance company. Our business is built on the belief that our policyowners have the absolute right to expect that legitimate claims will be paid promptly, fairly and in full. It's vital that they are confident that their trust, their insurance program, is financially sound.

At the same time, the selling agent must be confident that his or her client will receive exactly what they've been told that they will receive. The professional agent can't afford to have his reputation in his community threatened. Nor can he afford to have his rapport with his client tarnished by even a suspicion of financial problems with the trust. Together, the agent and the policyholder must have confidence in the trust, its administration and the substance of the program's benefits provisions.

That all-important confidence by the selling agents and their clients has been damaged or destroyed by the financial failures of some of these self-funded multiple employer trusts. Adding a sobering financial dimension to this loss of confidence is the evidence of some recent indications of civil damage suits filed against individuals as well as to the legal entity of the bankrupt trust.

If we do see a flurry of failures by multiple employer trusts, then I believe that everyone associated with the multiple employer trust market will suffer. Until the state insurance departments and the Department of Labor in Washington, D.C., decide which will fill the regulatory vacuum, I believe that we'll see more problems with the abuses of the consumer by self-insured multiple employer trusts. The absence of meaningful regulations and enforcement is an open invitation.

One solution to this growing problem is to have multiple employer trusts insured so that policyowners are certain that they will be protected and not left holding the bag if the trust goes under.

An insured plan with a sound insurance company means that there will be no loss of confidence by the insured employe, his or her employer or the selling agent.

The financially sound insurance company has the advantage of surplus and contingency funds, which can be used to meet legal obligations to the consumer. Certainly, the insurance company itself would suffer financially by insuring an inadequately rated or otherwise underfunded trust; but the insurance company would be the loser, not the consumer.

Secondly, an insured trust is protected by the state insurance departments. They enforce rules of conduct for the insurance company, the fund administrator, the selling agent, the buyer and the recipient of the benefits.

While state insurance departments and their insurance regulations aren't the perfect solution to protecting the consumer from self-insured multiple employer trusts, they are better than the complete lack of regulation in force today. The vacuum that exists today in control and jurisdiction of self-funded multiple employer trusts is intolerable.

The consumer has no one to turn to with a legitimate grievance. The Department of Labor and the various states' insurance departments must determine the proper and most effective regulator. Until that happens, we can't expect the consumers to have any confidence in these trusts.

Earlier this year, as the insurer on a multiple employer trust, we paid out more than $200,000—our largest single health insurance claim. A set of premature quadruplets was born in Southern California. They required prolonged stays in the hospital's intensive care units at rates varying from $180 to $385 per day for each of the four babies.

As our country's hospital costs continue to escalate at double digit rates annually, it becomes more and more difficult for self-insured multiple employer trusts to be able to survive. Not many could weather a claim for $200,000 and live to tell the tale. Insurance rates also are on the rise, but there are workable techniques to keep the cost problem within reach. Programs can be redesigned to include larger front-end deductibles and internal controls like room and board limits can be implemented.

Pacific Mutual will continue to move forward in the multiple employer trust field. I believe that our goal of an increase of several times over in this area over the next five years may stimulate others in the insurance industry to move back more aggressively into this area.

Consumer acceptance and confidence is the basis of our business. This confidence can be guaranteed only through insured multiple employer trusts. It's absolutely essential that America's small employers and their employes and dependents be assured that they can count on the delivery as promised of health care by the trustees, plan administers, soliciting agents and others in the trust.

No one can do a better job of delivering what the multiple employer trust promises than a reputable insurance company. Just ask the parents of those four babies who received $200,000 on their medical claim. ■

Risk Management Notes

What a claims adjuster should do

By WARREN, McVEIGH GRIFFIN & HUNTINGTON
Risk Management Consultants
San Francisco—Newport Beach

FOR LARGER ORGANIZATIONS, auditing the risk management function is not sufficient to give management a complete picture of all risk functions. Claims adjusting is a specialized field, calling for evaluation by persons skilled in the field of workers' compensation.

Many methods can be used to select a claims adjusting firm. Once a firm is selected, however, the question arises as to whether the work is the best possible. The growing importance of this field is indicated by the increasing number of individuals and companies now being established as independent claims consultants unaffiliated with any other adjusting, brokerage, or insurance firm. These individuals often perform a valuable service. Such audits often include a random sampling of about 10% of the claims filed to check the following:

- Employers' reports. Determine whether injuries are reported promptly and accurately.
- Incident verification. Review selected files to determine whether incidents are properly verified to assure that off-the-job injuries are not being accepted.
- Doctors' reports. Determine whether doctors' reports are being completed and filed within a reasonable time.
- Reserves. Review reserving practices for accuracy and for promptness of alteration as conditions change.
- Temporary disability rating. Evaluate the rate calculations for accuracy.
- First payments of disability. See that procedures ensure timely first payment.
- Permanent disability payments. Determine that procedures are timely and calculations accurate. Determine whether advance payments can be made when accurate readings can be determined from medical reports.
- Disposition of non-litigated claims. Determine whether adjusters are efficient in avoiding litigation and how well they communicate with physicians.
- Litigated claims. Evaluate timeliness of assigning claims to attorneys, assistance given and the degree of control exercised over the attorney's activities.
- Subrogation. Determine whether full advantage is being taken of subrogation possibilities, particularly for product and automobile claims.

An audit work sheet should be used for each claim evaluated so that a solid basis may be formed for a summary report. ■

Pegasus . . .

Continued from preceding page
traveled on deck where it acquired a 10-year patina from the salt air during the two-week voyage.

On April 14 the statue was unloaded at Brooklyn's Pier 9B and placed on a barge that took it up the East River to the rigger's yard in the Bronx.

Pegasus was also too large to clear the Willis Avenue Bridge on the East River so the barge had to wait for low tides so the bridge could be opened during non-rush hours.

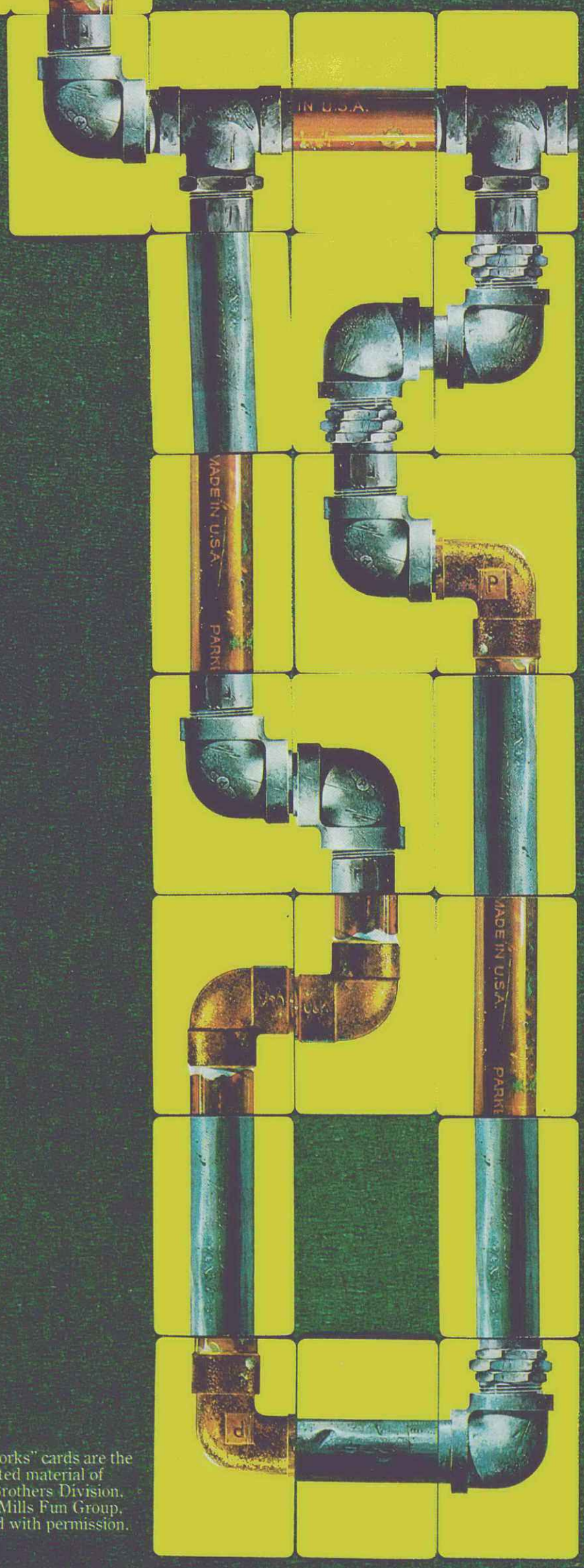
At 3 a.m. on April 19th the sculpture was carried by flat bed truck into Manhattan. Later that morning riggers assembled a 140-foot crane and cables were attached to a lift-hook built into the top of the statue. While a group of on-lookers watched, the 200-ton crane lifted Pegasus into the air. While several riggers waited on a temporary platform above the law school building entrance, the crane guided the statue into its permanent home.

Pegasus had arrived safely. ■

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We'll also assist in setting up a 501(c)(9) Trust to gain the maximum tax advantage.

In short, with NWNL you get all the pluses and none of the hassles of 'do-it-yourself' insurance.

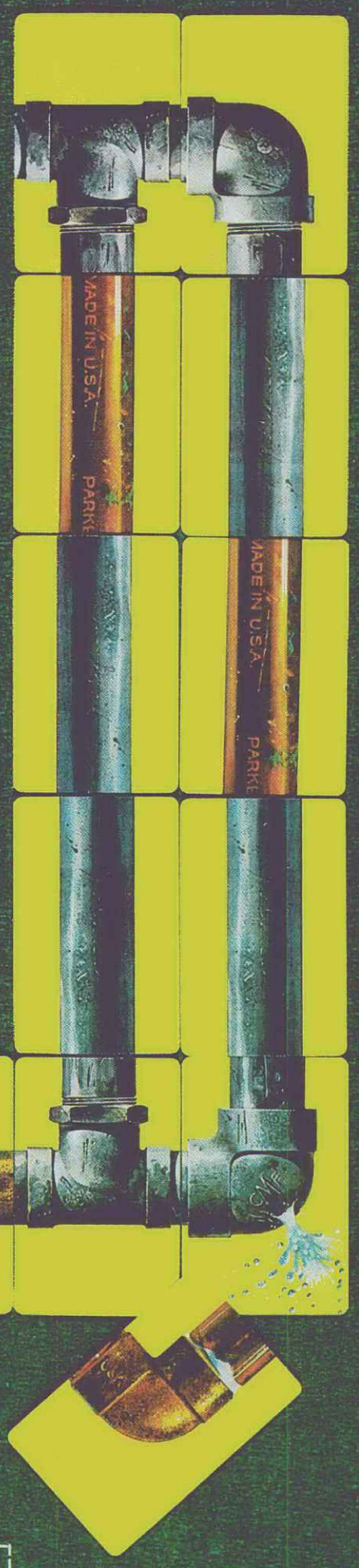
For most companies, a good insurance policy is still the best policy.

But that doesn't mean good LTD coverage has to be expensive.

We've got the expertise to provide insured LTD benefits for companies both large and small. Our rates are competitive and our contract guarantees are as good as any you'll find.

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Find out how you can get our LTD benefits flowing.

For more information and a copy of our "501(c)(9) Trust Primer," just clip and attach your business card or letterhead. Or call Al Benson, Northwestern National Life, Box 20, Minneapolis, MN 55440, (612) 372-5350.

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NORTHWESTERN NATIONAL LIFE INSURANCE COMPANY
HOME OFFICE · MINNEAPOLIS, MINNESOTA

agent/broker profiles

Continued from page 44
tinue strong through 1978." He hopes, however, "that the markets will be a little less tight" in coming months.

The firm has two subsidiaries; John L. Wortham & Sons Inc. (a general agency) and John L. Wortham & Sons Investments.

Principals of the firm include L. W. Link Jr., chairman of the executive committee; Allen H. Carruth, managing partner; T. E. Crum, Herman Kuhlmann, Fred E. Wallace, partners.

SCHIFF TERHUNE INTERNATIONAL INC.

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

	1976	1975
Premium vol. ..	NA	NA
Gross rev.	$ 8,675,000	$ 7,125,000
Employes	260	225

Schiff Terhune International Inc., which is privately owned, ranks as the nation's 20th largest insurance brokerage firm in *Business Insurance's* sixth annual survey. During 1976, its reported gross revenues of nearly $8.7 million represented a strong 21.7% gain over the previous year.

The firm eliminated a lot of its very small accounts—between $2,000 and $5,000 in annual premiums—during the year because "we can't give them the same kind of service" as larger commercial accounts, according to executive vp and secretary Bert Linder. Mr. Linder said Schiff Terhune's metropolitan department still handles accounts with annual premiums of $50,000 or less, but added that it would not take on any new business with very small accounts. "The market is so crazy you can't afford to keep shopping" for coverages for such small accounts, he explained.

Mr. Linder said the number of Schiff Terhune's commercial clients during 1976 was "definitely up" and that the year's growth results were ahead of Schiff Terhune's own expectations, partly because of the large increases in liability insurance premiums during the year. In terms of income, life insurance consulting work was also a fast-growing area for the firm.

He said property/casualty lines, including marine hull, accounted for 77% of the firm's gross revenues last year, while wet marine accounted for 8%, life/employe benefits for 9%, and other lines, 6%.

Last year, Schiff Terhune did not emphasize acquisitions because it expected an increase in premium volume due to higher insurance premiums. That did come to pass, and now Mr. Linder said Schiff Terhune will be altering that strategy for 1977 and early 1978, expanding Schiff Terhune's offices through acquisition, particularly in the South.

Schiff Terhune conceives of having between 12 and 15 new offices within the next three years and would like to do it primarily through acquisitions, Mr. Linder said. But even if the firm isn't able to acquire existing businesses to meet its expansion goals, it will go ahead with its plan by starting new offices.

The executive vp said that one of the advantages Schiff Terhune enjoys as a privately owned firm is that it can spend the time and the money it needs to in order to carry out an expansion program without having to answer to shareholders, who might object to the expenses invovled in opening new offices.

Schiff Terhune believes the insurance brokerage industry right now is enjoying a very productive period that is nevertheless fraught with a great deal of difficulty in the markets. It feels that the opportunity is good right now for the expansion of brokerage operations into allied services such as self-insurance, captives and claims handling.

The outlook for the rest of 1977 and 1978 is "excellent—particularly for a firm our size," according to Mr. Linder.

He said Schiff Terhune feels it has a certain advantage in being smaller than some of the brokerage giants like Marsh & McLennan, Johnson & Higgins, Alexander & Alexander, because just as it has to remarket so much of its own business now because of tight insurance markets, so do the larger firms. And as the larger firms are shopping around, he predicted, many of their clients will start to explore alternative brokerage firms, particularly quality firms that are somewhat smaller than the buyers may have dealt with in the past.

"We are getting a significant opportunity to work on new clients" as a result of this type of situation, Mr. Linder explained.

Two new ventures that Schiff Terhune reported during the last year are its joint activity with the school of continuing education at New York University in running business seminars, such as a recent one on aspects of financing for the closely held corporation and its work with professional and trade associations to develop seminars for their members. The firm is working on one at the international level on financing and risk protection, Mr. Linder said.

Schiff Terhune has branch offices in Boston, Los Angeles, Philadelphia, Verona, N.J., Hamilton, Bermuda and Tel Aviv. Last year it added one in Milwaukee.

Principal officers are Frank Schiff, chairman and chief executive officer; Hilliard Feldman, president; Bert Linder, executive vp and secretary; and James Christie, H. Curtiss Dietrich, Richard Friese, Edward C. Healy, Albert Jacob, Joseph Lombardo, Joseph Lorenzo, Andrew H. Marks, Lawrence P. McGartland and Herbert Segall, all vps.

Canadian top three

REED SHAW OSLER LTD.

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

	1976	1975
Premium vol. ..	$879,519,000	$777,000,000
Gross rev.	$105,313,000	$ 92,768,000
Employes	4,300	4,000

Reed Shaw Osler Ltd., the largest Canadian brokerage firm in *Business Insurance's* sixth annual survey, reported office expansion and fast growth in the development of its reinsurance brokerage facilities during 1976. The firm also experienced 13% increases in both net revenues and premium volumes during 1976.

"Although the reinsurance brokerage part of the firm is not a significant part of the total agency, it is the fastest growing area for the company," said Dan Sydor, assistant secretary. Geographically, he added, New Zealand and Australia are the fastest growing areas.

During 1976, the firm acquired Underwriters' Service Inc., a medium-sized insurance brokerage firm located in California. This acquisition has increased U.S. revenues by 35% and added facilities in both New York and California, Mr. Sydor said.

Worldwide expansion has also

MEMO FROM MARSH & McLENNAN

Product Liability at the crossroads. It's time for cool heads, not heated arguments.

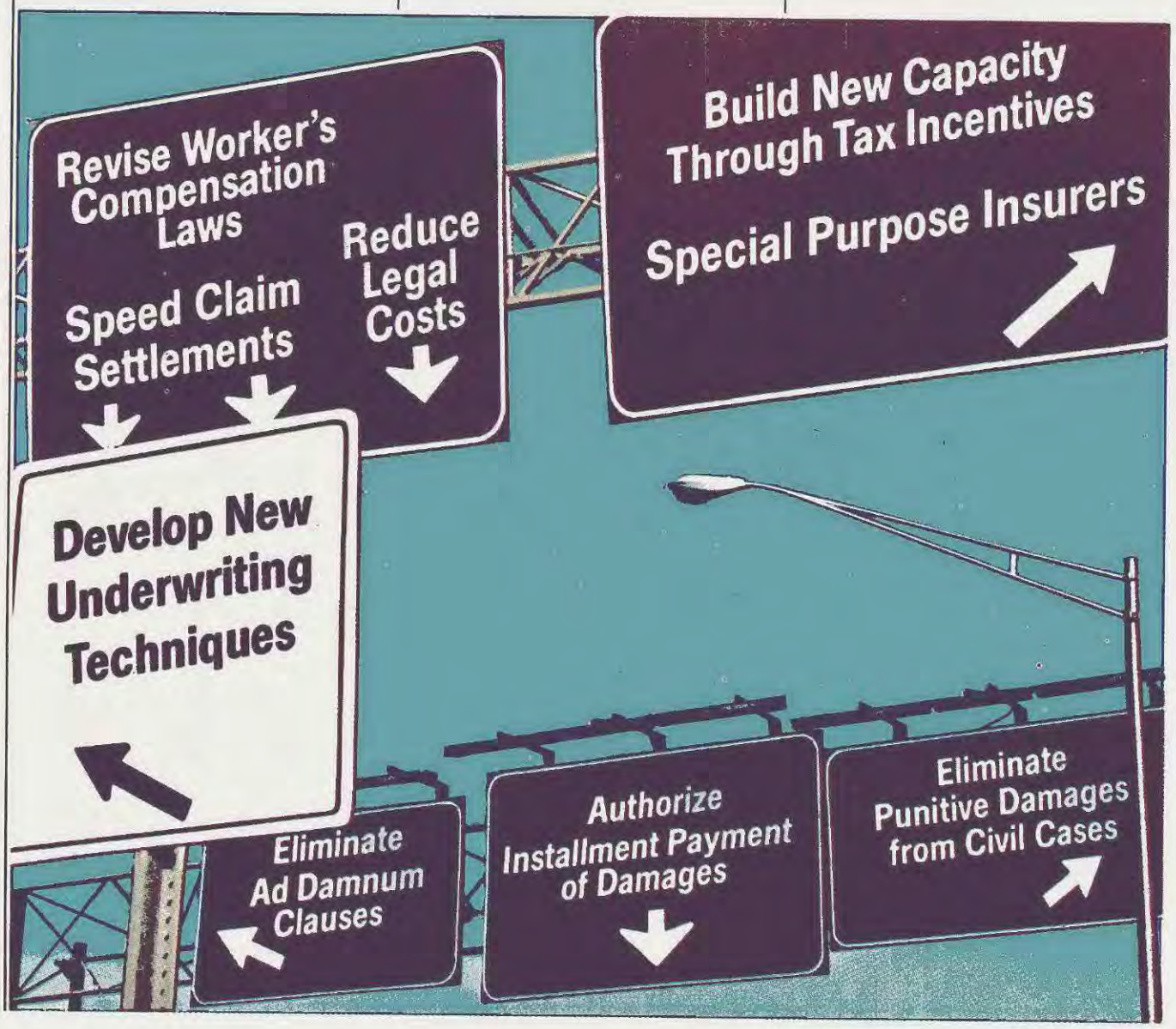
As everyone who reads the newspapers knows, the insurance market for product liability coverage is in bad shape. In many cases, a business cannot obtain enough coverage; for some classes of risks, coverage is almost totally unavailable. And in a classic example of supply-and-demand economics, premiums are soaring. Sadly, this is as much a reflection of the capacity shortage as of any technically sound assessment of loss potential.

The problem is widespread, affecting industry, the legal profession, insurers, legislators—and ultimately, the public. All have different, often conflicting, viewpoints which have been stated repeatedly, frequently with great passion and dire predictions.

However, we feel that the time has come for more than talk.

Too much heat, not enough light.

Our feeling is that a central forum is needed where opinions



occurred but Mr. Sydor explained that the "emphasis is on the U.S." A. R. Stenhouse Reed Shaw & Partners Lltd., consolidated under the parent company, Reed Shaw Osler Ltd., opened offices in Mexico City and United Arab Emirates and a subsidiary in Fiji." More than 90 offices in 26 countries report to A. R. Stenhouse Reed Shaw & Partners Ltd., a principal subsidiary in Glasgow. They are located in the United Kingdom, the Republic of Ireland, France, Belgium, Sweden, Switzerland, Bermuda, Australia, New Zealand, New Guinea, South Africa, Rhodesia, Hong Kong, Philippines, Thailand, Singapore, Malaysia, Mexico City, Fiji and United Arab Emirates.

In the U.S., 21 offices in 19 cities, including an Hawaii office, are consolidated under the name Reed Shaw Stenhouse Inc. Twenty offices in Canada belong to the Reed Shaw Stenhouse Ltd. group.

The company reports that 90% of its gross revenues come from commercial accounts. "The number of commercial accounts has grown considerably since two years ago when the company had 85,000 clients," Mr. Sydor said, adding that the firm emphasizes commercial accounts with industrial corporations, municipalities and institutions. "We are trying to cover a broad spectrum," he said.

According to Mr. Sydor, the company has grown because it is marketing coverage to clients' needs, insuring adequate coverage for increased values, and developing services concurrent to risk exposure. Rate increases are also related to the increases.

Reed Shaw's expertise, Mr. Sydor said, is in computer-assisted financial risk analysis. The company sees its brokerage role becoming more inportant as markets shrink and underwriters become more selective, he added.

During the past year, Jack M. Moon, former president of Reed Shaw Stenhouse Partners Ltd., became executive vice president of Reed Shaw Osler Ltd. and will handle Western Hemisphere operations. John S. Young has moved from A. R. Stenhouse & Partners Ltd., where he was responsible for operations outside the Western Hemisphere, to executive vice president of Reed Shaw Osler Ltd. Harry J. Harvey has also been promoted to executive vice president of Reed Shaw Stenhouse & Partners Ltd., a principal subsidiary.

Other officers are: James W. Whittall, president and chief executive officer of Reed Shaw Osler Ltd.; G. E. Gyles, president of Reed Shaw Stenhouse Ltd., the Canadian operating company; and Anthony F. Salavatore, president, Reed Shaw Stenhouse Inc., the U.S. operating company.

TOMENSON SAUNDERS WHITEHEAD LTD.

PO Box 439 Toronto-Dominion Centre, Toronto, Ont. M5KIM3; 416-361-6700

	1976	1975
Premium vol. ..	$117,000,000*	$97,000,000*
Gross rev.	$ 20,000,000	$18,000,000
Employes	747	657

* general insurance only

Tomenson Saunders Whitehead Ltd., the 2nd largest Canadian broker in *Business Insurance's* sixth annual survey, reported an 11% increase in gross revenues and a 21% jump in premium volume.

Although the Canadian-based broker experienced larger increases in 1975, F. Rogers Tomenson, vp and director, said the company is "right on target" for 1976. In 1975, we surpassed our expectations."

According to Mr. Tomenson, Canadian business development and continuing acquisitions accounted for the firm's steady growth. During 1976, Tomenson Saunders Whitehead merged with Westminister Insurance Agency, a medium-sized agency located in Winnipeg, Manitoba. The firm plans to acquire several medium-sized companies in 1977, Mr. Tomenson said.

"A highly motivated and expert sales staff also contributes to the growth," Mr. Tomenson said, adding that enthusiastic employes are attracted because the company offers shares of stock to employes on the basis of their performance in the privately held firm.

Although the company has the "largest personal lines department of any broker in Canada," Mr. Tomenson said, "the firm is concentrating on gaining commercial accounts." Commercial accounts comprise 90% of total gross revenues.

Tomenson Saunders Whitehead focuses on providing "general overall coverage" to small, medium and large accounts. Mr. Tomenson explained, "We don't want to zero in on one specialty because we think that's too narrow. When a new specialty comes along, we try to bring it into our company."

Property/casualty revenues account for 90% of gross revenues and employe benefit or group insurance sales contribute 10% for Tomenson Saunders Whitehead, whose parent company is Tosa Ltd. The firm uses an account executive approach and deals with the mining, steel, oil and construction industries.

A new branch office in Winnipeg has increased the firm's total offices to 15, including offices in Bermuda and London. Four subsidiaries, Macauley Nicolls Maitland Insurance, Tomenson-Alexander Ltd., Benefacts Ltd., and Tomenson Saunders International Ltd., are owned by the firm.

Walter S. Tomenson, chairman of the board, died February 1, 1977, and has not been replaced.

Principal officers include: William E. Toyne, president; Kenneth M. Elliot, vp, central region; Douglas M. Lindsay, vp, eastern region; and Robert A. MacFarlane, vp, western region.

DALE & CO. LTD.

PO Box 18, Toronto-Dominion Centre, Toronto, Ontario M5K1B2; 416-366-4645

	1976	1975
Premium vol. ..	$87,950,000	$70,852,000
Gross rev.	$13,600,000	$11,303,000
Employes	530	524
Commercial bus.	92.39%	91.25%

Dale & Co. Ltd., the 3rd largest Canadian brokerage firm in the sixth annual *Business Insurance* survey, reported steady growth in 1976, with gross revenues up

Continued on page 52

can be heard, ideas collected and opposing viewpoints reconciled.

Because we judge the need so urgent, we have formed the Marsh & McLennan Product Liability Council. This group is composed of senior Marsh & McLennan professionals selected on the basis of broad insurance experience, extensive client contact and a reputation for open-mindedness.

There will be no easy solutions. Product liability is largely a social issue. Its roots are in our tort system of justice—which in this case is intolerably slow, capricious and cost-inefficient. Tort reform is essential but it is a long way off, dependent as it is on legislative action and public acceptance.

Meanwhile, what can be done?

A great deal.

- Means can be sought to attract new capital into the insurance underwriting markets which would do much to ease the upward pressure on premium rates. (One unexpected source might be the extra capacity made available by more careful scrutiny of tax laws and regulatory provisions that seemingly encourage purchase of insurance solely for accounting and administrative considerations.)
- Greater stress should be placed on loss prevention, leading to fewer claims, with good effect on future rates. Specifically: tighter controls over all aspects of product design, manufacturing, marketing and distribution to insure compliance with warranties, given or implied.
- Much remains to be done in the effort to improve the essential structure of liability insurance programs. Policy language, methods of rating and exposure data information—each of these areas often fail to respond satisfactorily to the needs of both insurer and insured.

All the while, of course, the Council will bear in mind that long-term legislative and public education goals are absolutely essential if the current crisis is to be resolved and repetition avoided.

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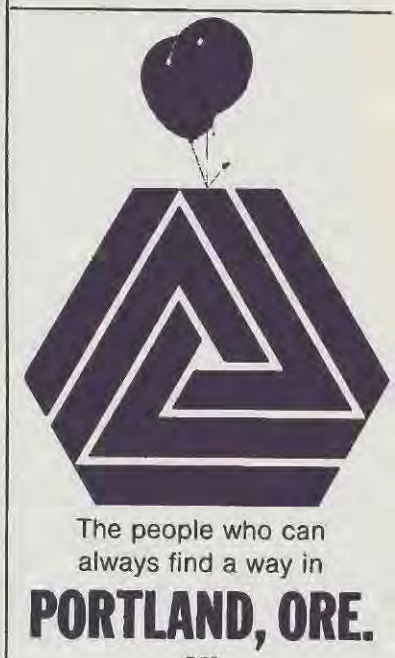
If you'd like to know more—or have suggestions to offer—write to the Product Liability Council, Dept. 200-BI, Marsh & McLennan, Incorporated, 1221 Avenue of the Americas, New York, N.Y. 10020. We'll send you reprints of several articles on the subject.

Members of the Product Liability Council, San Francisco, February, 1977.



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agent/broker profiles

Continued from page 51

20% and total premium volume up 25%. The firm expects similar growth rates for 1977.

Two portfolio acquisitions and business development in Canada account for the firm's growth, according to J. M. Lewis, vp and treasurer. The broker acquired portfolios from John J. London Insurance Agency Ltd. in Ottawa and John Medland Insurance Agency in Toronto, small agencies focusing on commercial lines. Preliminary steps for possible expansion in the U.S. are also being considered, said Mr. Lewis.

For the future, Mr. Lewis said, Dale & Co. wants to seek more commercial business, renewing personal lines but not actively seeking them. Although commercial accounts currently comprise 85% of gross revenues, Mr. Lewis said further expansion of commercial accounts "has no limits."

The firm's emphasis on commercial business growth is geared toward "covering the whole spectrum of medium to large companies rather than toward any particular line," Mr. Lewis explained. Owned by Dale-Ross Holdings Ltd., the bulk of the firm's business comes from medium-sized accounts, which Mr. Lewis said Dale & Co. can service best. It also handles about 50 jumbo accounts.

During the last year, property insurance has been the fastest growing area for the firm, said Mr. Lewis, with property/casualty revenues accounting for 70% of total gross revenues.

According to Mr. Lewis, the company's growth has exceeded initial projections for 1976. "Our initial estimates weren't conservative and we have surpassed them," he said. During 1976, the number of employes has increased from 524 to 530.

Principal officers include Kenneth M. Gilbert, president and chief executive officer of Dale & Co. Ltd.; I. A. Ballantyne, secretary; J. M. Lewis, treasurer; J. F. Wight, F. J. Flanagan, and W. J. Brant, senior vps.

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

350 more profiles begin on Page 56

Information in the profiles was furnished by the brokers themselves. Special care has been taken in presenting the figures and names, but we'd like to know if an error has occurred so we can correct it. If something went wrong, drop a note to Greg David, Managing Editor, *Business Insurance*, 740 N. Rush St., Chicago, Ill. 60611 or call 312-649-5279.

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Charlottesville, Virginia

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SINCE 1967

agent/broker profiles

The following 350 brokers are listed in alphabetical order. The brokers themselves provided the information for the profiles.

JAY ADAMS & ASSOCIATES INC.

121 North Ridgewood Ave., Daytona Beach, Fla. 32015; 904-252-3701

	1976	1975
Premium vol. ..	$ 3,600,000	$ 2,800,000
Gross rev.	$ 561,000	$ 466,000
Employes	20	18
Commercial bus.	65%	70%

Principal officers: Jay Adams, president; Charles Bultman, vp; Jerry White, treasurer; Lois Kimball, corporation secretary.

Compensation: commissions and fees.

ADAMS, SCOTT & CONWAY INC.

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

	1976	1975
Premium vol. ..	NA	NA
Gross rev.	$ 1,300,000	$ 1,600,000
Employes	40	50
Commercial bus.	95%	80%

Principal officers: Asher Schapiro, president; Peter R. Hjelm, executive vp; John Hettrick, vp; James F. Coonan, vp; Roy E. Hjelm, vp; Menasce E. Levi, vp.

Compensation: commissions and fees.

Branch offices: Philadelphia, Chicago, Miami, Los Angeles.

Subsidiaries: Group VII Services, Professional Insurance Administrators.

ADMIRAL INSURANCE AGENCY INC.

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

	1976	1975
Premium vol. ..	$ 1,519,869	$ 1,115,000
Gross rev.	$ 237,333	$ 171,824
Employes	7	6
Commercial bus.	70%	70%

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

Compensation: commissions.

Acquisitions in the past year: Sisson Insurance Agency, Lynn, Mass. (April 1977).

AGAR-FORD-JARMON & MULDROW INSURANCE AGENCY

PO Box 790, Norman, Okla. 73070; 405-321-2700

	1976	1975
Premium vol. ..	$ 1,675,000	$ 1,569,000
Gross rev.	$ 301,500	$ 282,500
Employes	15	14
Commercial bus.	58%	55%

Principal officers: James R. Agar, president; John H. Ford, vp; Gary M. Jarmon, vp and secretary.

Compensation: commissions.

AGINS AGENCY INC.

24361 Greenfield Road, Southfield, Mich. 48075; 313-557-8822

	1976	1975
Premium vol. ..	$ 3,800,000	$ 3,400,000
Gross rev.	$ 610,000	$ 540,000
Employes	16	14
Commercial bus.	85%	85%

Principal officers: Eugene N. Agins, president; Jack B. Sirotkin, vp; Rose S. Agins, secretary/treasurer.

Compensation: commissions.

AKIN-AKIN INC.

2418 E. Grand River, Howell, Mich. 48843; 517-546-4810

	1976	1975
Premium vol. ..	$ 1,505,000	$ 1,130,781
Gross rev.	$ 199,191	$ 176,600
Employes	7	6
Commercial bus.	70%	70%

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

Compensation: commissions.

ALLMAN & CO. INC.

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

Continued on page 58

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HG INTEGRITY STABILITY RELIABILITY

agent/broker profiles

Continued from page 56

	1976	1975
Premium vol. ..	$ 7,000,000	$ 6,000,000
Gross rev.	$ 685,000	$ 625,000
Employes	31	25
Commercial bus.	80%	80%

Principal officers: Richard Allman, president; Richard P. Allman, vp; John Fiorillo, vp; Garth Miller, vp; William Kahle, vp; Robert J. Allman, secretary/treasurer.

Compensation: commissions and fees.

Acquisitions in the past year: one firm (Feb. 1977).

Subsidiaries: Yorktown Financial Services, Colonial General Insurance Co.

THE ALPER AGENCY INC.

1 N. Wacker Drive, Chicago, Ill. 60606; 312-236-9600

	1976	1975
Premium vol. ..	$ 3,300,000	$ 2,200,000
Gross rev.	$ 650,000	$ 465,000
Employes	15	13
Commercial bus.	95%	95%

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

Subsidiaries: Audit Rate Inc., Insurance Cost Reduction Consultants.

ALPHA I INSURANCE BROKERS INC.

564 S. Murphy Ave., Sunnyvale, Calif. 94086; 408-739-4011/415-328-8352

	1976	1975
Premium vol. ..	$ 1,634,981	$ 1,183,476
Gross rev.	$ 230,000	$ 211,000
Employes	10	8
Commercial bus.	64%	61%

Principal officers: W.J. Connor, president.

Compensation: commission.

AMALGAMATED PROGRAMS CORP./LOWELL SAFETY MANAGEMENT CO. INC.

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

	1976	1975
Premium vol. ..	$15,550,000	$14,000,000
Gross rev.	$ 1,550,000	$ 1,400,000
Employes	41	43
Commercial bus.	95%	95%

Principal officers: Alexander E. Fisher, Stephen J. Lowell, Jay Levy, Bert Kramer, all directors.

Compensation: fees and commissions.

AMERICAN COVERAGE CORP.

185 Great Neck Road, Great Neck, N.Y. 11022; 516-487-3800

	1976	1975
Premium vol. ..	$ 9,000,000	$ 7,950,000
Gross rev.	$ 1,224,000	$ 905,000
Employes	31	30
Commercial bus.	93%	90%

Principal officers: Robert J. Dubofsky, president; William B. Krug, executive vp; Herman Rich, vp; Hyman Henner, vp; Frank A. Marino, vp-claims; Joseph Pollack, controller; Sharon Colon, secretary; Jesse Gottlieb, CLU, president of American Coverage Life Planners Inc.

Compensation: commissions and fees.

Subsidiaries: American Coverage Life Planners Inc., J.M. Marshall Co. Inc., Wolkenberg & Warshaw Inc., Nat Dubofsky Co. Inc.

ANCO/THE ANDERSON CO.

6300 Westpark, Houston, Tex. 77057; 713-781-8800

	1976	1975
Premium vol. ..	$16,000,000	$12,000,000
Gross rev.	$ 2,464,000	$ 2,201,000
Employes	80	79
Commercial bus.	90%	90%

Principal officers: Joe E. Vincent, CPCU, chairman; M.L. Cashion, CPCU, vice chairman; Dick B. Haddox, CPCU, president; John Van Osdall, CPCU, senior vp; Jack Gardner, CLU, senior vp; J.O. Alexander, CLU, senior vp; J. Van Ballard, senior vp; Jack Spence, vp; Michael V. Townsend, vp; Ronald Balcar, vp; Phillip E. Jacobs Jr., vp.

Compensation: commissions and fees.

Branch offices: Bryan and Dallas, Tex.

Parent company: ANCO Corp.

ANDERSON & ANDERSON INC.

333 Bayside Drive, Newport Beach, Calif. 92660; 714-675-9900

	1976	1975
Premium vol. ..	$ 5,900,000	$ 2,900,000
Gross rev.	$ 850,000	$ 350,000
Employes	26	11
Commercial bus.	95%	90%

Principal officers: Robert M. Anderson, president; Donald D. Anderson, chairman.

Compensation: commissions and fees.

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

	1976	1975
Premium vol. ..	$ 1,400,000	$ 956,000
Gross rev.	$ 262,000	$ 235,000
Employes	10	9
Commercial bus.	65%	65%

Principal officers: Thomas H. Borges, vp and manager.

Compensation: commissions and fees.

ARCHER & GRANT AGENCY INC.

10323 Paramount Blvd., Downey, Calif. 90241; 213-923-0325

	1976	1975
Premium vol. ..	$ 3,153,000	$ 2,766,000
Gross rev.	$ 307,100	$ 259,600
Employes	7	7
Commercial bus.	70%	70%

Principal officers: Jack A. Archer, president; Ivor M. Grant, vp.

Compensation: commissions and fees.

PAUL ARNOLD ASSOCIATE INC.

19 Microlab Road, Livingston, N.J. 07039; 201-992-5500

	1976	1975
Premium vol. ..	$ 6,250,000	$ 4,750,000
Gross rev.	$ 700,000	$ 450,000
Employes	20	16
Commercial bus.	98%	98%

Principal officers: Paul A. Goldman, president; James R. Masker, vp; Jeremy D. Cooke, vp.

Compensation: commissions and fees.

Subsidiaries: Major Surplus Ltd.

THE ASSOCIATED AGENCIES INC.

223 West Jackson Blvd., Chicago, Ill. 60606; 312-322-4800

	1976	1975
Premium vol. ..	$15,000,000	$13,500,000
Gross rev.	$ 2,200,000	$ 1,800,000
Employes	69	66
Commercial bus.	87%	84%

Principal officers: Robert L. Alder, president; A.A. Freeman, senior vp; Theodore R. Loeb, senior vp; Harry T. Helton, executive vp; Max Robert Schrayer, chairman; Peter M. Wolff, senior vp.

Compensation: commissions and fees.

ASSOCIATED INSURANCE MANAGERS INC.

1709 Nichol Ave., Anderson, Ind. 46015; 317-644-3331

	1976	1975
Premium vol. ..	$ 2,710,995	$ 2,573,196
Gross rev.	$ 472,781	$ 446,439
Employes	24	26
Commercial bus.	46%	46%

Principal officers: William Garrity, president; Ralph Lecky, senior vp; Nick Johantgen, treasurer/comptroller; Jan Zimmerman, vp-administration.

Compensation: commissions and fees.

Branch offices: Muncie, Dunkirk, New Castle, Hagerstown, Fortville, Richmond, all in Indiana.

Subsidiaries: Agency Premium Finance Inc., Lifeway Inc.

Parent company: Management Advisors Inc.

ASSOCIATED PROGRAM MANAGERS INC.

6610 N. Shadeland Ave., Park Avalon #2, Suite 210, Indianapolis, Ind.; 317-842-1402

	1976	1975
Premium vol. ..	$ 2,580,000	$ 1,953,000
Gross rev.	$ 301,000	$ 275,000
Employes	11	11
Commercial bus.	99%	99%

Principal officers: William Garrity, president; Mel Mathews, CPCU, executive vp; Annabelle Robbins, vp; Nick Johantgen, treasurer/comptroller.

Compensation: commissions and fees.

Branch offices: Evansville, Syracuse, Ind.

Parent company: Management Advisors Inc.

ASSOCIATED RISK MANAGERS INC.

6415 Castleway Drive, Suite 106, Indianapolis, Ind. 46250; 317-849-2060

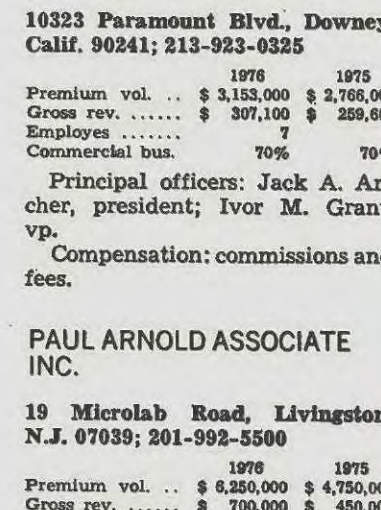
	1976	1975
Premium vol. ..	$45,161,531	$31,500,000
Gross rev.	$ 7,650,000	$ 6,400,000
Employes	255	NA
Commercial bus.	66%	NA

Principal officers: Thomas B. Barnes, president; Donald W. Scott, secretary/treasurer; John MacLennan, vp.

Compensation: commissions and fees.

Branch offices: Wabash, Evansville, Merrillville, Marion, Bedford, Kokomo, Richmond, Terre Haute, Ft. Wayne, New Albany, Scottsburg, Michigan City, Indi-

Continued on Page 60



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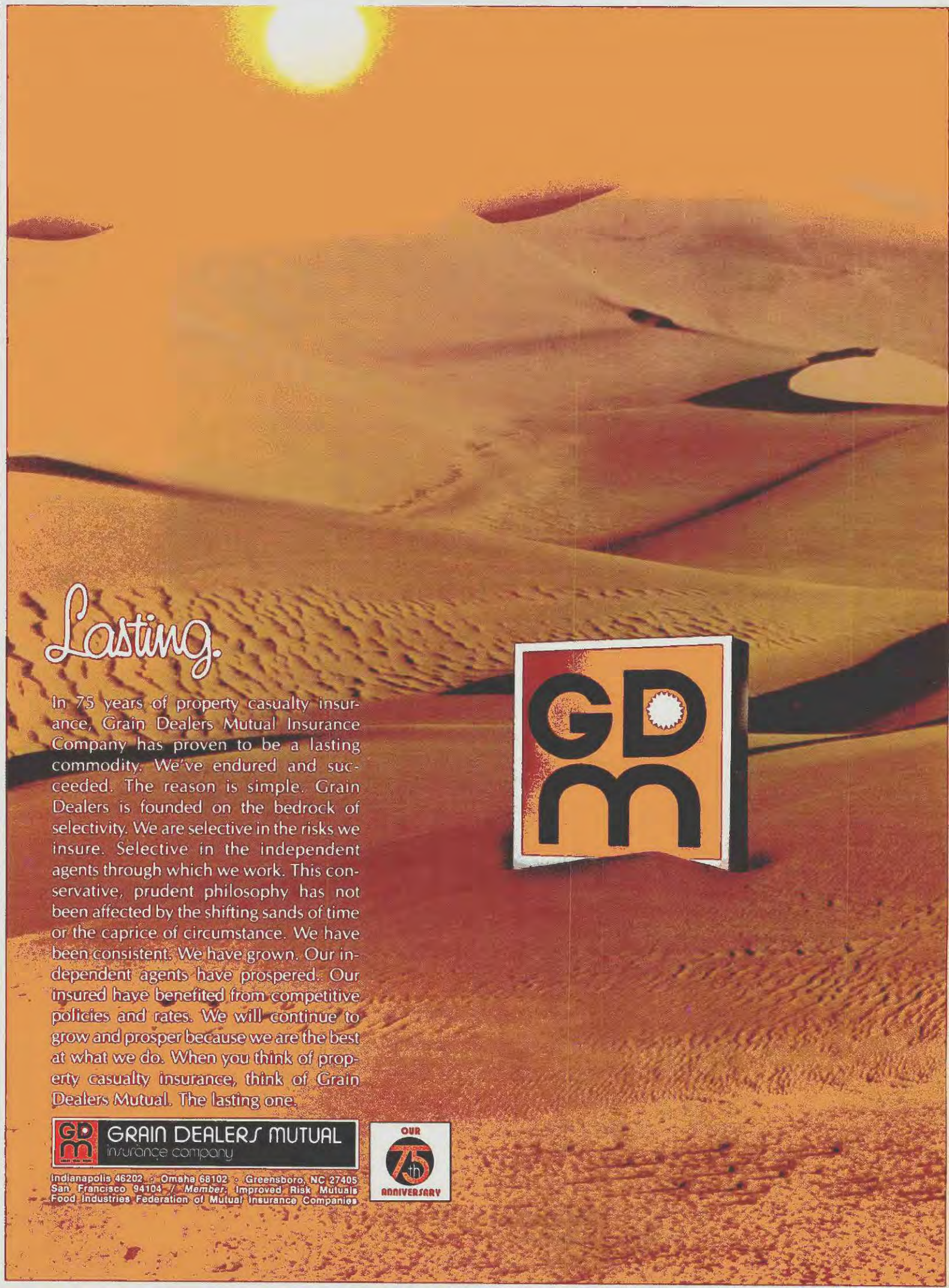
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SEE OUR AD ON PAGE 4



agent/broker profiles

Continued from page 59

anapolis, Lafayette, Muncie, Elkhart, South Bend, Madison, Tell City, all Indiana.

ATHENS INSURANCE CO.

PO Box 809, Athens, Tenn. 37303; 615-745-3062

	1976	1975
Premium vol. ..	$ 5,400,146	$ 4,373,893
Gross rev.	$ 900,929	$ 752,721
Employes	29	26
Commercial bus.	75%	75%

Principal officers: Sam L. Feezell, president.

Compensation: commissions and fees.

Subsidiaries: Feezel & Associates, Feezel & Millsaps.

AUSTIN & CO. INC.

102 State St., Albany, N.Y. 12201; 518-465-3591

	1976	1975
Premium vol. ..	$ 2,100,000	$ 1,800,000
Gross rev.	$ 385,254	$ 334,683
Employes	11	12
Commercial bus.	80%	80%

Principal officers: Charles M. Liddle III, president; James P. Faughnan Jr., executive vp; Herbert L. Trance, vp.

Compensation: commissions and fees.

Affiliated with ARM of New York, Insgroup.

B. R. I. COVERAGE CORP.

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

	1976	1975
Premium vol. ...	$40,000,000	$38,000,000
Gross rev.	$ 4,500,000	$ 4,400,000
Employes	70	72
Commercial bus.	90%	90%

Principal officers: Donald Ferrarini, president; Howard Miller, vp-director of sales; Arthur Ostrow, vp; Bruno Rumignani, vp; Allen Birnbaum, vp; Fred Ghawi, vp; James Sweitzer, vp; James O'Donnell, vp; Herbert Kramer, vp.

Compensation: Commissions and fees.

Formerly Brokerage Resources Inc.

BAILEY, ENGELHARDT & VEGA INSURANCE AGENCY INC.

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

	1976	1975
Premium vol. ...	$ 3,950,000	$ 3,300,000
Gross rev.	$ 594,495	$ 532,000
Employes	18	17
Commercial bus.	77%	78%

Principal officers: August C. Engelhardt, president; Curtis H. Bailey, vp; Delery P. Vega, secretary/treasurer.

Compensation: Commissions and fees.

BALDWIN, SIMONS & CAMPBELL INC.

Valley Bank Tower, Suite 1900, Springfield, Mass. 01115; 413-785-1575

	1976	1975
Premium vol. ...	$ 4,500,000	$ 4,000,000
Gross rev.	$ 700,000	$ 600,000
Employes	20	20
Commercial bus.	65%	65%

Principal officers: Edmund R. Jenks, president; H. T. Jensen Jr., vp.

Compensation: commissions.

Subsidiaries: BS&C Financial Services Inc.

THE BARGER AGENCY INC.

81 Queenwood, Suite 81A, Morton, Ill. 61550; 309-264-7411

	1976	1975
Premium vol. ...	$ 3,300,000	$ 1,269,000
Gross rev.	$ 305,000	$ 146,000
Employes	7	4
Commercial bus.	94%	92%

Principal officers: Glenn W. Barger Jr., president; Terry J. Petersen, executive vp.

Compensation: commissions.

BARNES INSURANCE AGENCY INC.

129 N.W. 6th St., Oklahoma City, Okla. 73102; 405-232-4191

	1976	1975
Premium vol. ..	$ 4,500,000	$ 4,000,000
Gross rev.	$ 175,000	$ 225,000
Employes	8	6
Commercial bus.	70%	60%

Principal officers: Glenn L. Barnes, president.

Compensation: Commissions and fees.

*Formerly Barnes-Frankfurt & Co.; dissolution removed associates' volume.

BEAL & ASSOCIATES INSURANCE COUNSELORS INC.

4350 East Camelback Road, Suite 205A, Phoenix, Ariz. 85018; 602-957-1111

	1976	1975
Premium vol. ...	$ 2,300,000	$ 2,100,000
Gross rev.	$ 394,000	$ 378,000
Employes	17	16
Commercial bus.	90%	90%

Principal officers: William A. Beal, president.

Compensation: Commissions and fees.

Name changed to Beal & Associates Insurance Counselors Inc. from Beal & Bradley Insurance Counselors.

Subsidiaries: Dealer Services.

BECHER CURRY CO.

2522 13th St., Columbus, Neb. 68601; 402-564-2771

	1976	1975
Premium vol. ...	$ 2,850,000	$ 1,893,000
Gross rev.	$ 400,542	$ 323,774
Employes	9	8
Commercial bus.	75%	70%

Principal officers: W.A. Curry, president; William J. Schneider, vp; William L. Redrow, vp; W.A. Curry III, treasurer.

Compensation: commissions.

Parent company: Community Housing Inc.

ALBERT M. BENDER CO. INC.

50 Francisco St., San Francisco, Calif. 94133; 415-391-2600

	1976	1975
Premium vol. ...	$45,000,000	$35,000,000
Gross rev.	$ 5,200,000	$ 4,300,000
Employes	185	140
Commercial bus.	85%	85%

Principal officers: Lewis Levin, chairman; Bernard H. Mizel, president and C.E.O.; Richard P. Metcalfe, executive vp; Robert L. Rossi, senior vp-branch operations; John Kabaker, vp-sales; Bruce Ricci, vp-underwriting; Henri Monjauze, vp-administration; Paul Hansen, vp-finance; Edward Greenberg, president-NLA subsidiary; Robert Clark, president-IMA subsidiary; Earnie Gray, president-WS&G subsidiary.

Compensation: Commissions and fees.

Acquisitions in the past year: Walter J. Warren Insurance Agency, Arcata, Calif.; Swett Insurance Service, Vallejo, Calif.

Branch offices: Arcata, Los Angeles, Marin County, Petaluma, Sacramento, Santa Rosa, Vallejo, all Calif.

Subsidiaries: Insurance Marketing Associates; Norman Lawrence & Associates; Swett Insurance Service; Warren, Starkey & Gray.

BENNETT WALLACE WELCH & GREEN INSURANCE INC.

641 1st Street South, St. Petersburg, Fla. 33701; 813-822-4616

	1976	1975
Premium vol. ...	$ 3,500,000	$ 3,000,000
Gross rev.	$ 590,872	$ 555,482
Employes	23	24
Commercial bus.	60%	60%

Principal officers: William P. Wallace, president; John I. Welch,



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vp and treasurer; Stanley C. Shaver Jr., vp and secretary; J. Hayden Knowlton, vp.

Compensation: commissions.

BERGERON, BARIBAULT & BERGERON INC.

1500, 18eme Rue, Quebec, Que. G1J 1Z6; 418-525-4634

	1976	1975
Premium vol. ...	$ 1,667,000	$ 1,226,000
Gross rev.	$ 299,000	$ 200,000
Employes	9	7
Commercial bus.	85%	85%

Principal officers: Leonard Bergeron, president; Harold Bergeron, secretary; W.E. Baribault, vp.

Compensation: Commissions and fees.

BERTSCHMANN & MALOY INC.

55 John St., New York, N.Y. 10038; 212-233-6560

	1976	1975
Premium vol. ...	$ 4,975,000	$ 4,850,000
Gross rev.	$ 595,600	$ 588,250
Employes	33	34
Commercial bus.	70%	70%

Principal officers: Edward J. Maloy Jr., president; John F. Maloy, treasurer; Robert H. Maloy, secretary; William J. Maloy Jr., vp; James Dunlop, vp.

Compensation: Commissions and fees.

Branch offices: Maloy Agency, Staten Island.

Subsidiaries: Ocean Air Cargo Claims Inc., B&M Loss Prevention Inc.

ROBERT E. BILL ASSOCIATES INC.

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

	1976	1975
Premium vol. ...	$ 3,100,000	$ 2,250,000
Gross rev.	$ 400,000	$ 330,000
Employes	15	15
Commercial bus.	88%	92%

Principal officers: Robert E. Bill, president; George E. Farnworth, executive vp; George J. Daube, vp.

Compensation: Commissions and fees.

BOOCKFORD & CO.

2021 Spring Road, Oak Brook, Ill. 60521; 312-654-8282

	1976	1975
Premium vol. ...	$ 7,411,000	$ 2,476,000
Gross rev.	$ 712,000	$ 371,000
Employes	12	10
Commercial bus.	96%	92%

Principal officers: William D. Bookford, president; Louis F. Chiodo, vp.

Compensation: Commissions and fees.

BOSWORTH-WEST & CO.

1818 West S/W Loop 323, Tyler, Tex. 75711; 214-561-2621

	1976	1975
Premium vol. ...	$ 3,685,948	$ 2,836,073
Gross rev.	$ 328,368	$ 373,507
Employes	9	9
Commercial bus.	65%	65%

Principal officers: Fred E. Bosworth, senior partner; Jerry R. Shelton, partner; L. Glenn Taylor, partner.

Compensation: Commissions and fees.

BOTTARI, HOLLAND & ZARLEY

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

	1976	1975
Premium vol. ...	$ 1,550,000	$ 1,350,000
Gross rev.	$ 255,000	$ 220,000
Employes	9	8
Commercial bus.	70%	70%

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

Compensation: Commissions and fees.

BOWERS, SCHUMANN & WELCH

21 W. Washington Ave., Washington, N.J. 07882; 201-689-1092

	1976	1975
Premium vol. ...	$ 3,400,000	$ 2,850,000
Gross rev.	$ 639,361	$ 498,462
Employes	25	23
Commercial bus.	45%	40%

Principal officers: Leonard R. Schumann, president; Ralph S. Bowers, vp; Scott F. Welch, secretary/treasurer.

Compensation: commissions.

Acquisitions in the past year: John Abbott Agency, Budd Lake, N.J. (1976); W. Russell Hamlen Agency, Phillipsburg, N.J. (1977); Gerstner Insurance Agency, Washington, N.J. (1977).

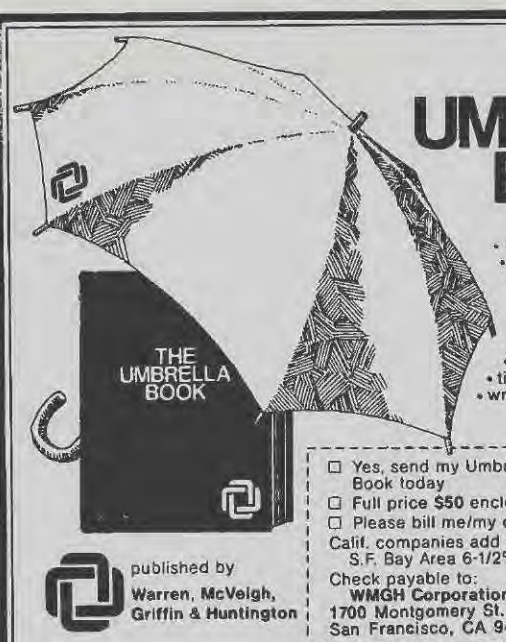
Branch offices: Hackettstown, Blairstown, Phillipsburg, all N.J.

BRACKEN AGENCY INC.

111 E. Township Line Road, Upper Darby, Pa. 19082; 215-789-3575 or 76

	1976	1975
Premium vol. ...	$ 1,310,000	$ 1,100,000
Gross rev.	$ 166,000	$ 155,000
Employes	7	7

Continued on page 62



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agent/broker profiles

Continued from page 61

Commercial bus.	100%	100%

Principal officers: G.L. Bracken, president; John J. Bracken III, secretary/treasurer; F. Brennan, vp.

Compensation: Commissions and fees.

BRADENTON INSURANCE INC.

1400 8th Ave. Drive W., Bradenton, Fla. 33506; 813-748-0511

	1976	1975
Premium vol.	$ 1,700,000	$ 1,525,000
Gross rev.	$ 310,000	$ 290,000
Employes	15	15
Commercial bus.	65%	60%

Principal officers: John A. Weichel, president; W. Bert Varnadore, vp; Evalyn H. Weichel, secretary/treasurer.

BRAUN & BRAUN INC.

700 Sill Building, Flint, Mich. 48502; 313-767-6180

	1976	1975
Premium vol.	$ 5,122,341	$ 4,503,102
Gross rev.	$ 742,916	$ 661,329
Employes	19	18
Commercial bus.	82%	81%

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

Compensation: Commissions and fees.

Subsidiaries: Braun & Braun Risk Managers Inc.

BREITBART-GELLER INC.

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

	1976	1975
Premium vol.	$ 2,000,000*	$ 2,750,000
Gross rev.	$ 310,000	$ 345,000
Employes	9	9
Commercial bus.	75%	80%

Principal officers: Andrew A. Geller, CLU, CPCU, president; Bernard Breitbart, vp.

Compensation: Commissions and fees.

Acquisitions in the past year: M&M Winston Insurance Agency (1977).

*Self-insurance fund for medical malpractice took business out of agency.

BRENDLER INSURANCE AGENCY INC.

8401 Connecticut Ave., Penthouse 5, Chevy Chase, Md. 20015; 301-986-0777

	1976	1975
Premium vol.	$ 2,000,000	$ 1,300,000
Gross rev.	$ 200,000	$ 163,000
Employes	3	3
Commercial bus.	90%	90%

Principal officers: Ivan Brendler, president; Robert Brendler, vp; Dossie Brendler, secretary/treasurer.

Compensation: commissions.

BROWN & HOLLOWAY INC.

Box 708, Commerce Court, Madisonville, Ky. 42431; 502-821-3033

	1976	1975
Premium vol.	$ 1,700,000	$ 1,250,000
Gross rev.	$ 276,583	$ 227,258
Employes	5	4
Commercial bus.	85%	80%

Principal officers: E. Sterling Holloway, president; Stephen E. Palmer, vp; William E. Rudd, secretary/treasurer.

Compensation: commissions.

BRUENING & BOND INSURANCE AGENCY INC.

3171 W. Broward Blvd., Ft. Lauderdale, Fla. 33312; 305-583-7450

	1976	1975
Premium vol.	$ 2,111,440	$ 1,830,273
Gross rev.	$ 323,000	$ 300,000
Employes	15	16
Commercial bus.	68%	65%

Principal officers: Robert G. Bruening, president; Roger G. Bond, vp, secretary/treasurer.

Compensation: commissions.

Acquisitions in the past year: Merger with Insurance Placement Inc. (1977).

BRUNER CASSADY NEESER AGENCY, THE HOUSE OF INSURANCE INC.

1002 E. Jefferson Blvd., South Bend, Ind. 46624; 219-233-9443

	1976	1975
Premium vol.	$ 2,290,760	$ 1,924,359
Gross rev.	$ 447,910	$ 374,844
Employes	14	13
Commercial bus.	68%	68%

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

Compensation: Commissions and fees.

BUFFALO FIRE OFFICE INC.

1300 Chamber of Commerce Building, Buffalo, N.Y. 14202; 716-856-3450

	1976	1975
Premium vol.	$ 4,747,000	$ 4,121,000
Gross rev.	$ 956,457	$ 870,156
Employes	30	30
Commercial bus.	50%	50%

Principal officers: Robert P. Lentz Jr., CPCU, chairman; Dana F. Rice, president and treasurer; Fred D. Dentinger, executive vp; Charles F. Geyer, vp; Robert F. Hughes Jr., vp; John C. Travers Jr., secretary.

Compensation: commissions.

Branch offices: Lockport, Pendleton, both N.Y.

Subsidiaries: Moss Agency Inc.

BURCH-HODGES-STONE INC.

26 Broad St., Martinsville, Va. 24112; 703-632-2161

	1976	1975
Premium vol.	$ 1,300,000	$ 1,000,000
Gross rev.	$ 210,848	NA
Employes	13	11
Commercial bus.	63%	60%

Principal officers: J. Shelton Scales, president; Rieves S. Hodnett, chairman of the board; Robert E. Saville, executive vp; Samuel M. Tornian III, secretary/treasurer.

BUSINESS COVERAGE CORP.

Highway 35 at Laurel Ave., Holmdel, N.J. 07733; 201-671-5111

	1976	1975
Premium vol.	$ 1,800,000	$ 1,500,000
Gross rev.	$ 220,000	$ 180,000
Employes	12	11
Commercial bus.	85%	90%

Principal officers: Alan N. Curry, president; John F. Baldwin, vp; Margaret F. Curry, vp.

Compensation: Commissions and fees.

Subsidiaries: Business Coverage Life Associates.

BYERLY & CO. INC.

1300 Logan St., Suite 200, Denver, Colo. 80203; 303-831-0070

	1976	1975
Premium vol.	$58,000,000	$40,000,000
Gross rev.	$ 399,160	$ 299,936
Employes	17	15
Commercial bus.	100%	100%

Principal officers: Robert Byerly, president; Richard F. Helm, vp; Robert N. Morehead, vp; Warren J. Tasset, Wyoming president.

Compensation: Commissions and fees.

Affiliated office: Byerly & Co. of Wyoming Inc., Cheyenne.

DAVID BYNUM INSURANCE INC.

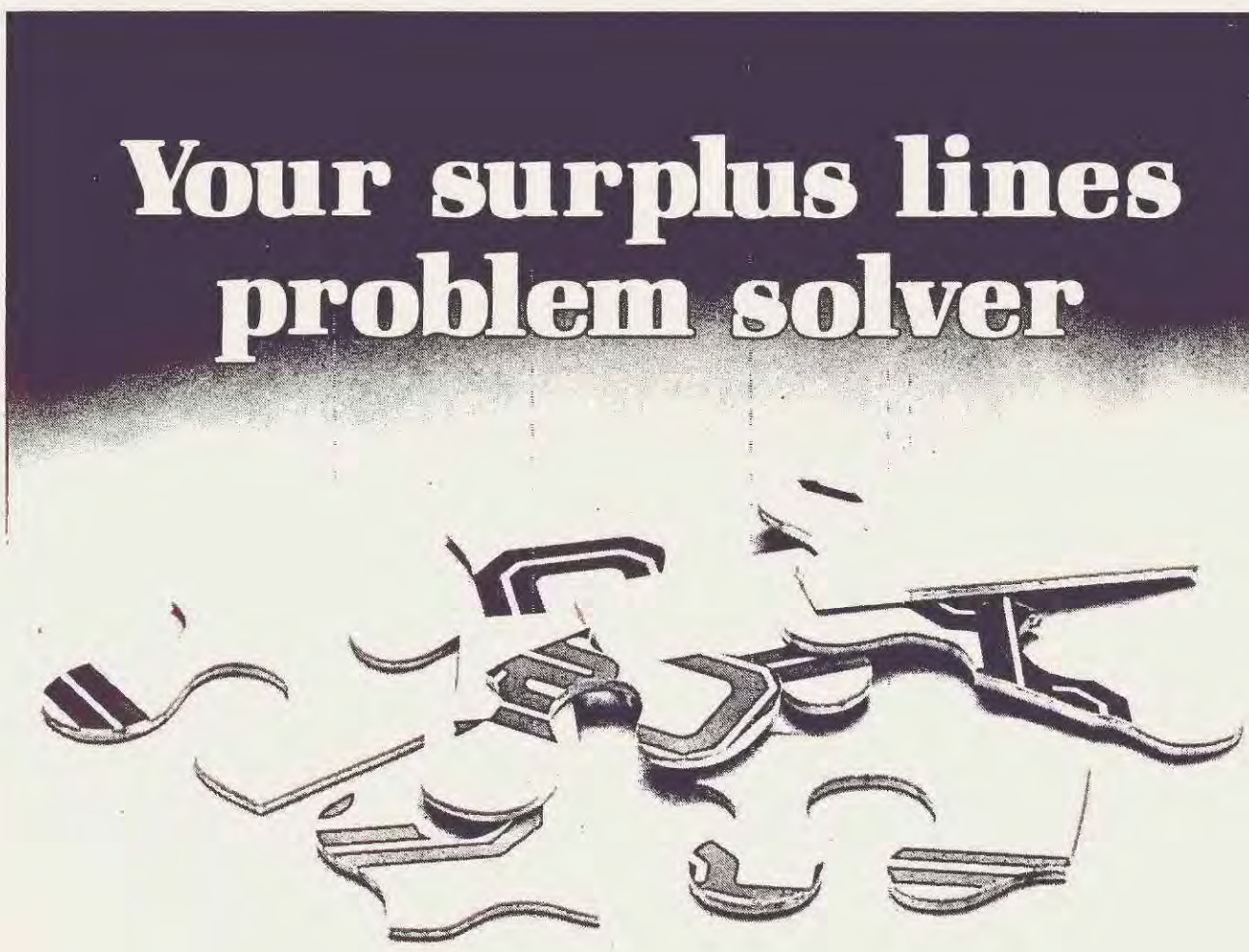
1798 Transco Tower, 2700 S. Post Oak, Houston, Tex. 77056; 713-627-3230

	1976	1975
Premium vol.	$ 4,393,000	$ 2,855,000
Gross rev.	$ 487,921	$ 355,092
Employes	10	6
Commercial bus.	90%	90%

Principal officers: David D. Bynum, president; Hilda Hines, secretary.

Compensation: Commissions and fees.

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BYRNE, BYRNE & CO.

20 N. Wacker Drive, Chicago, Ill. 60606; 312-346-2150

	1976	1975
Premium vol. ...	$ 7,500,000	$ 6,000,000
Gross rev.	$ 600,000	$ 525,000
Employes	15	14
Commercial bus.	90%	90%

Principal officers: Richard D. Byrne and Thomas J. Byrne, partners.

Compensation: Commissions and fees.

CAL-SURANCE ASSOCIATES

3475 Torrance Blvd., Torrance, Calif. 90503; 213-542-7301

	1976	1975
Premium vol. ...	$17,000,000	$15,000,000
Gross rev.	$ 2,947,875	$ 2,613,054
Employes	91	83
Commercial bus.	99%	99%

Principal officers: Donald E. Martin, president; Warren J. Kwedar, executive vp; Myron Bogen, vp; David Warren, vp; William Peters, vp; Donald H. Mehlig, president Benefit Plans and Chartered Financial Services.

Compensation: commissions and fees.

Branch offices: Fresno, San Jose, both in Calif.

Subsidiaries: Cal-Surance Benefit Plans, MGA Insurance Marketing.

Parent company: Chartered Financial Services Corp.

CAMERON & ROBERTS INSURANCE AGENCY

6970 Main St., Lithonia, Ga., 30058; 404-482-8841

	1976	1975
Premium vol. ...	$ 1,500,000	$ 1,250,000
Gross rev.	$ 260,000	$ 240,000
Employes	11	10
Commercial bus.	62%	60%

Principal officers: Claud E. Robinson Jr., Michael M. Cavin.

Compensation: commissions and fees.

JOHN CAMPBELL INSURANCE AGENCY INC.

309 North Walnut, Harrison, Ark; 501-741-5423

	1976	1975
Premium vol. ..	$ 1,032,356	$ 822,078
Gross rev.	$ 164,797	$ 138,598
Employes	8	7
Commercial bus.	51%	49%

Principal officers: John O. Campbell, president; John Roy Campbell, vp; D.J. Campbell, secretary/treasurer.

Compensation: commissions.

CANTOR INSURANCE AGENCY INC.

174 Central St., Lowell, Mass. 01852; 617-458-3381.

	1976	1975
Premium vol. ...	$ 4,500,000	$ 3,000,000
Gross rev.	$ 650,000	$ 450,000
Employes	15	13
Commercial bus.	85%	85%

Principal officers: James Cantor, chairman; Harold Swartz president; Neil M. Blume, treasurer.

Compensation: commissions.

Branch offices: Boston.

Subsidiaries: Cantor & Co. Inc.

Parent company: Cantor & Co. Inc.

CARLIN INSURANCE

209 West Central St., Natick, Mass. 01760; 617-655-0522

	1976	1975
Premium vol. ...	$ 2,600,000	$ 2,200,000
Gross rev.	$ 405,000	$ 375,000
Employes	20	19
Commercial bus.	67%	63%

Principal officers: James A. Cotter, CPCU, president.

Compensation: commissions and fees.

Branch offices: Sarasota, Fla.

Subsidiaries: Consolidated Finance Corp.

Continued on page 64

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agent/broker profiles

Continued from page 63

Parent company: Consolidated Resources Corp.

CARPEZZI AGENCY INC.

120 N. Main St., New City, N. Y. 10956; 914-634-8716

	1976	1975
Premium vol.	$ 1,475,000	$ 1,370,000
Gross rev.	$ 210,000	$ 180,000
Employes	7	7
Commercial bus.	75%	70%

Principal officers: Leonard J. Carpezzi, president.

Compensation: commissions.

CHAMBERLIN & CLARKE INC.

Bank Towers, Scranton, Pa. 18503; 717-346-5751

	1976	1975
Premium vol.	$ 2,050,000	$ 1,900,000
Gross rev.	$ 240,000	$ 200,000
Employes	13	13
Commercial bus.	80%	80%

Principal officers: W. Lawson Chamberlin, president; William L. Chamberlin, vp; William A. Burnell, vp.

Compensation: commissions.

CHARBONNEAU, LEDGERWOOD, LEIPSIC, RYAN, SIMPSON & ASSOCIATES LTD.

4115 Sherbrooke St. West, Westmount, Que. H3Z 2W8; 514-934-0851

	1976	1975
Premium vol.	$29,410,000	$20,520,000
Gross rev.	$ 5,705,000	$ 3,878,000
Employes	164	129
Commercial bus.	90%	85%

Principal officers: Guy Charbonneau, president; Donald Ledgerwood, vp; Michael Leipsic, vp; Dennis O. Ryan, vp: J. G. Simpson, vp; Mrs. J. Cussion, treasurer; L. Leroux, secretary.

Compensation: commissions and fees.

Branch offices: Vancouver, Calgary, Winnipeg, Toronto, North Bay, Montreal, Halifax, St. Johns.

CLAIR INSURANCE AGENCY INC.

717 Bethlehem Pike, Erdenheim, Pa. 19118; 215-CH2-5555

	1976	1975
Premium vol.	$ 5,627,271	$ 4,160,000
Gross rev.	$ 827,381	$ 669,238
Employes	35	34
Commercial bus.	78%	75%

Principal officers: Robert A. Clair, president and treasurer; Herbert D. Clair, executive vp; William F. Mohr, first vp; Milton B. Kohn, vp and secretary; David A. Collins, vp.

Compensation: commissions and fees.

Subsidiaries: Morgan Insurance Agency.

E.T. CLAUSS & CO. INC.

735 Delaware Ave., Buffalo, N.Y. 14209; 716-886-6600

	1976	1975
Premium vol.	$ 5,600,000	$ 4,500,000
Gross rev.	$ 1,200,000	$ 1,000,000
Employes	40	40
Commercial bus.	60%	60%

Principal officers: James T. Clauss, president; Charles J. Clauss, executive vp; David F. Clauss, vp; Robert L. Pauly, vp; Philip W. Cowan, secretary/treasurer; Robert S. Dimatteo, vp.

Compensation: commissions.

Branch offices: Syracuse, N.Y.

Parent company: Affiliate of Associated Risk Managers of New York Inc.

COLUMBIA INSURANCE AGENCY INC.

45 Sutton St., Lynn, Mass. 01901; 617-598-5000

	1976	1975
Premium vol.	$ 2,600,000	$ 2,100,000
Gross rev.	$ 445,000	$ 383,000
Employes	12	12
Commercial bus.	50%	40%

Principal officers: Normand A. Dion, CPCU, president; Paul F. Duffy, vp.

Compensation: commissions.

Branch offices: Boston.

COLWELL, JAMES & HART INC.

120 Professional Building, Erie, Pa. 16501; 814-455-0987

	1976	1975
Premium vol.	$ 1,500,000	$ 1,300,000
Gross rev.	$ 202,000	$ 185,000
Employes	6	6
Commercial bus.	70%	70%

Principal officers: H.L. James Jr., president; Donald J. Hart, vp and treasurer.

Compensation: commissions.

COMISKEY INSURANCE AGENCY INC.

PO. Box 22751, Houston, Tex. 77027; 713-627-7810

	1976	1975
Premium vol.	$ 5,500,000	$ 5,000,000
Gross rev.	$ 550,000	$ 500,000
Employes	18	22
Commercial bus.	65%	65%

Principal officers: Frank H. Comiskey, CPCU, president; Charles E. Comiskey, executive vp.

Compensation: commissions.

CONSOLIDATED INSURANCE CENTER INC.

6707 Whitestone Road, Baltimore, Md. 21207; 301-944-9550

	1976	1975
Premium vol.	$ 3,000,000	$ 2,455,000
Gross rev.	$ 576,098	$ 460,115
Employes	19	17
Commercial bus.	65%	60%

Principal officers: Charles P. Bundy, chairman; John F. Doetzer, president; Thomas F. Campion, vp-treasurer; Robert G. Urch, vp-secretary; William R. Galloway, vp. (All have CPCU degrees.)

Compensation: commissions.

Subsidiaries: Consolidated Insurance Consultants Inc.

CONTINENTAL ASSOCIATES INC.

310 Terrance Ave., Cincinnati, Ohio 45220; 513-221-1140

	1976	1975
Premium vol.	$ 7,000,000	$ 6,500,000
Gross rev.	$ 903,748	$ 798,000
Employes	30	35
Commercial bus.	74%	75%

Principal officers: Carl R. Schlotman, president/treasurer; Ruth Schmidt, vp/secretary; Carl R. Schlotman Jr., vp; Jerome Marsa, vp; David Schlotman, vp.

Compensation: Commissions and fees.

Subsidiaries: Actuarial Services Inc.

COR-BEN CONSULTANTS INC.

3363 Tremont Road, Columbus, Ohio 43221; 614-457-1301

	1976	1975
Premium vol.	$ 1,750,000	$ 1,000,000
Gross rev.	$ 210,000	$ 90,000
Employes	12	4
Commercial bus.	90%	90%

Principal officers: Stephen T. Smith, president; James Duncan; Timothy P. Murnane.

Compensation: Commissions and fees.

Branch offices: West Palm Beach, Miami, Fla.

CORPORATE INSURANCE CONSULTANTS LTD.

Valley Forge Office, Plaza, King of Prussia, Pa. 19406; 215-265-9003

	1976	1975
Premium vol.	$ 1,200,000*	$ 220,000
Gross rev.	$ 285,000	$ 86,000
Employes	14	6
Commercial bus.	90%	50%

Principal officers: Richard King Brown, president; Howard J. Levin, vp; Richard F. Hamilton, vp-casualty.

Compensation: Commissions

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and fees.

Subsidiaries: Casualty Insurance Consultants, Compensation Insurance Consultants.

Parent company: CIC Cos.

*Increase resulted from specialization with closely held family-owned corporations.

COUGHLIN-LANCHMONT AGENCY INC.

1415 Boston Post Road, Lanchmont, N.Y. 10538; 914-834-1234

	1976	1975
Premium vol. ...	$ 1,510,373	$ 1,348,000
Gross rev.	$ 284,000	$ 243,000
Employes	9	9
Commercial bus.	45%	40%

Principal officers: John M. Coughlin, president; Eugene N. Fulton, vp; Robert K. Engel, vp.

Compensation: commissions.

COULTER & GRONER INC.

125 Parkway Road, Bronxville, N.Y. 10708; 914-337-9200

	1976	1975
Premium vol. ...	$ 3,500,000	$ 3,000,000
Gross rev.	$ 350,000	$ 300,000
Employes	8	7
Commercial bus.	75%	75%

Principal officers: Elliott H. Coulter, president; Edward H. Groner, vp.

Compensation: commissions.

Subsidiaries: Life Agencies of America Inc.

COUPER-ACKERMAN-SAMPSON INC.

2 Court St., Binghamton, N.Y. 13902; 607-772-1444

	1976	1975
Premium vol. ...	$ 3,200,000	$ 3,000,000
Gross rev.	$ 602,000	$ 565,000
Employes	23	24
Commercial bus.	67%	67%

Principal officers: John F. Russell, president; James A. Foley, vp; William J. McPhail, secretary; Robert H. White, treasurer.

Compensation: commissions.

COX & MURPHEE INC.

1223 S. Brundige St., Troy, Ala.; 205-566-1477

	1976	1975
Premium vol. ...	$ 2,297,351	$ 1,837,192
Gross rev.	$ 391,000	$ 337,095
Employes	14	12
Commercial bus.	95%	95%

Principal officers: Ken Cox, president.

Compensation: Commissions and fees.

Branch offices: Auburn, Ala.; Pensacola, Fla.

Subsidiaries: Monkwright Agency.

CRESTWOOD/L.N.N. INSURANCE ASSOCIATES

13107 Ventura Blvd., Studio City, Calif. 91604; 213-783-7111 or 783-5821

	1976	1975
Premium vol. ...	$ 2,700,000	$ 1,800,000
Gross rev.	$ 420,000	$ 315,000
Employes	18	12
Commercial bus.	66%	60%

Principal officers: Max Klein, president; Carl Nash, vp.

Compensation: commissions.

Activated risk management and life and employe benefits departments.

FRANK CRYSTAL & CO. INC.

61 Broadway, New York, N.Y. 10006; 212-344-2444

	1976	1975
Premium vol. ...	NA	NA
Gross rev.	$ 1,100,000	$ 825,000
Employes	15	14
Commercial bus.	86%	84%

Principal officers: James W. Crystal, president and CEO; I. Frank Crystal, chairman.

Compensation: Commissions and fees.

Subsidiaries: Frank Crystal Associates Inc.

FRED DANIEL & SONS

605 National Bank of Tulsa Building, Tulsa, Okla. 74103; 918-582-8206

	1976	1975
Premium vol. ...	$ 1,825,932	$ 1,374,000
Gross rev.	$ 306,265	$ 234,186
Employes	4	4
Commercial bus.	75%	70%

Principal officers: Fred Daniel Jr. and William Daniel, partners.

Compensation: commissions.

EDWIN R. DANIELS, CLU

411 N. Akard, Dallas, Tex. 75201; 214-748-3395

	1976	1975
Premium vol. ...	NA	NA
Gross rev.	$ 185,000	$ 150,000
Employes	3	3
Commerciaal bus.	60%	50%

Principal: Edwin R. Daniels, CLU.

Compensation: commissions.

DAVIS-GROSSE INC.

209 N. York, Elmhurst, Ill. 60126; 312-834-0056

	1976	1975
Premium vol. ...	$ 2,225,000	$ 1,300,000
Gross rev.	$ 425,000	$ 300,000
Employes	12	10
Commercial bus.	90%	85%

Principal officers: Edward L. Grosse, president; A. Drury Davis, vp and treasurer; Alfred E. Barr, secretary.

Compensation: Commissions and fees.

Branch offices: Winnetka, Ill.

DAY, WEBB & TAYLOR INC.

1017 S. Gaylord St., Denver, Colo. 80209; 303-778-0100

	1976	1975
Premium vol. ...	$ 5,870,000	$ 4,600,000
Gross rev.	$ 1,115,000	$ 872,000
Employes	29	27
Commercial bus.	65%	60%

Principal officers: Robert W. Webb, CPCU, president; H. Howell Taylor, CPCU, CLU, CIC, vp; J. Emmett Taylor, secretary/treasurer.

Compensation: commissions.

Branch offices: Seattle, Los Angeles.

Parent company: D.W.T. Inc.

DAYTON, COREY & DUBBEN INC.

349 Manville Road, Pleasantville, N.Y. 10570; 914-769-0013

	1976	1975
Premium vol. ...	$ 1,500,000	$ 1,300,000
Gross rev.	$ 260,000	$ 220,000
Employes	8	7
Commercial bus.	63%	60%

Principal officers: Marshall T. Corey, CPCU, CLU, president; Andrew T. Robinson, CPCU, sales manager.

Compensation: commissions.

DeGRASSI-BATES CO.

1008 W. 10th St., Amarillo, Tex. 79105; 806-372-6767

	1976	1975
Premium vol. ...	$ 1,644,000	$ 1,406,000
Gross rev.	$ 241,000	$ 220,000
Employes	7	7
Commerciala bus.	70%	70%

Continued on page 66



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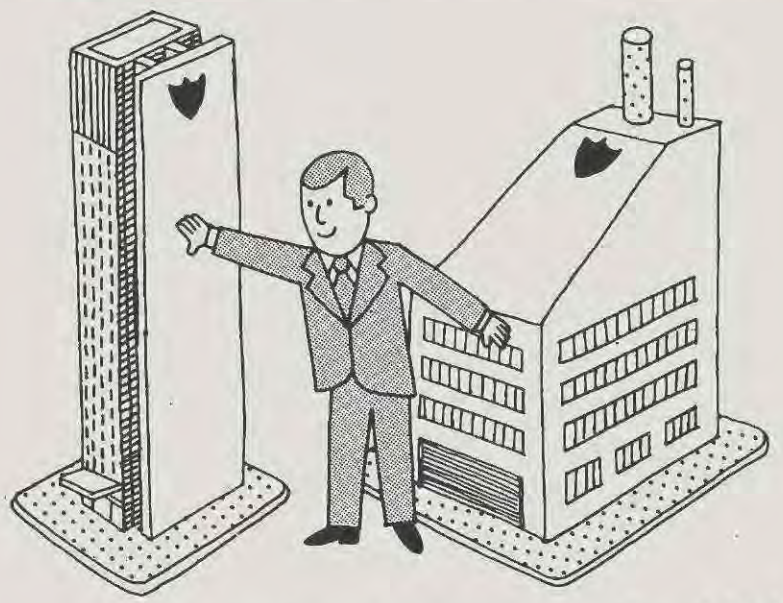
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agent/broker profiles

Continued from page 65

Principal officers: Hollis B. DeGrassi Jr. and George H. Bates, partners.

Compensation: commissions.

DELIMA & COMPANIA

Apartado Aereo 165, Cali, Columbia Edelima; 93-894111

	1976	1975
Premium vol. ...	$15,060,000	$12,943,000
Gross rev.	$ 3,030,000	$ 2,744,000
Employes	240	220
Commercial bus.	95%	94%

Principal officers: Ernesto de Lima, president; Jorge A. Uribe, Pedro Piedrahita, Alvaro H. Mejia, Federico Restrepo, Carlos Benedetti, Elkin Drews, Gabriel Escobar, all general managers.

Compensation: commissions and fees.

Acquisitions in the past year: Minor participation in Cosesa of Honduras.

Branch offices: Medellin, Bogota, Barranquilla, Cartagena, Pereira, Manizales.

Partnerships: Tecnicos en Seguros, Guatemala; Cosesa, Honduras; Servicios y Asesorias, El Salvador; Tecniseguros, Ecuador.

Subsidiaries: Consultores de Proteccion Ltda., Bogota.

JOHN DE VRIES AGENCY INC.

414 State St., St. Joseph, Mich. 49085; 616-983-0581

	1976	1975
Premium vol. ...	$ 2,611,000	$ 2,380,000
Gross rev.	$ 457,359	$ 384,031
Employes	10	13
Commercial bus.	75%	70%

Principal officers: James B. DeVries, president; Betty M. Wisneski, administrative vp; Dennis A. Stowers, vp.

Compensation: commissions and fees.

Parent company: AARCO American Agency Inc.

THOMAS J. DIETZ INC.

318 Bedford Road, Bedford Hills, N.Y. 10507; 914-241-2200

	1976	1975
Premium vol. ...	$ 1,500,000	$ 1,250,000
Gross rev.	$ 250,000	$ 229,000
Employes	12	11
Commercial bus.	75%	70%

Principal officers: Thomas J. Dietz, president; M. Andrew Dell'olio, vp and secretary.

Compensation: commissions.

Subsidiaries: Tri State Risk Management Corp.

DIXON INSURANCE INC.

1304 13 Ave. S., Fargo, N.D. 58102; 701-237-6651

	1976	1975
Premium vol. ...	$ 1,312,000	$ 831,473
Gross rev.	$ 190,876	$ 128,442
Employes	5	4
Commercial bus.	76%	68%

Principal officers: James E. Dixon, CPCU, president; Darrell J. Buethner, vp.

Compensation: commissions.

DOHRMANN-KING CO.

1045 N. El Dorado St., Stockton, Calif. 95202; 209-465-5752.

	1976	1975
Premium vol. ...	$ 2,400,000	$ 2,100,000
Gross rev.	$ 308,104	$ 269,320
Employes	8	8
Commercial bus.	85%	85%

Principal officers: Harold C. King, CPCU, president; Lewis D. Skyhawk, senior vp; Robert E. Lee, vp; Dorothy A. King, secretary; Dorothy H. Thomas, treasurer.

Compensation: commissions and fees.

Members: Risk Management Group.

WALTER P. DOLLE INC.

424 Dixie Terminal Building, Cincinnati, Ohio 45202; 513-421-6515

	1976	1975
Premium vol. ...	$17,130,000	$14,100,000
Gross rev.	$ 1,976,000	$ 1,934,000
Employes	46	48
Commercial bus.	90%	89%

Principal officers: Jack R. Trainer, president; H. Russell Reigart, vp; Charles W. Dehne, vp.

Compensation: commissions and fees.

DOWIS AGENCY INC.

214 S. 3rd St., Sterling, Colo. 80751; 303-522-6260

	1976	1975
Premium vol. ...	$ 3,188,056	$ 2,124,493
Gross rev.	$ 655,110	$ 463,211
Employes	20	20
Commercial bus.	80%	80%

Principal officers: Richard W. Dowis, president; Hiram M. Dickson, vp; Lyle D. Graham, secretary/treasurer.

Compensation: commissions.

Subsidiaries: Dowis Management Corp., Dowis Systems Inc.

ROBERT F. DRIVER CO. INC.

400 Cedar St., San Diego, Calif. 92112; 714-238-1828

	1976	1975
Premium vol. ...	NA	NA
Gross rev.	$ 1,782,300	$ 1,358,000
Employes	62	51
Commercial bus.	80%	80%

Principal officers: Robert Farr Driver, president; Richard M. Bowen, senior vp; Irwin B. Sklar, senior vp; Robert H. Herring, secretary.

Compensation: commissions.

Branch offices: La Jolla, Newport Beach, both Calif.

EASTER-HOLT & ASSOCIATES INC.

445 East Moulton St., Decatur, Ala. 35601; 205-353-8004

	1976	1975
Premium vol. ...	$ 3,303,730	$ 2,873,042
Gross rev.	$ 493,171	$ 430,950
Employes	10	10
Commercial bus.	73%	71%

Principal officers: Daren H. Easter, president; Larry F. Holt, vp.

Compensation: commissions.

EASTMAN & CO.

4444 Riverside Drive, Burbank, Calif. 91505; 213-849-2406

	1976	1975
Premium vol. ...	$ 1,800,000	$1,600,000
Gross rev.	$ 188,075	$ 156,300
Employes	6	5
Commercial bus.	99%	99%

Principal officers: Robert A. Eastman, president; Linda Davidson, secretary/treasurer.

Compensation: commissions.

Branch office: Honolulu, Hawaii.

EDWARDS & LONGWELLO INSURANCE BROKERS

871 Coleman Ave., San Jose, Calif. 95110; 408-288-8000

	1976	1975
Premium vol. ...	$ 4,775,000	$ 2,900,000
Gross rev.	$ 633,300	$ 423,600
Employes	20	16
Commercial bus.	82%	70%

Principal officers: Robert E. Edwards, president; Charles J. Longwello, executive vp; Doris M. Wayrynen, secretary/treasurer.

Compensation: commissions and fees.

Acquisitions in the past year: Mike Hammer Agency, San Jose (1976).

EISNER-MURPHY INC.

811 W. Springfield Ave., Champaign, Ill. 61820; 217-359-1621

	1976	1975
Premium vol. ...	$ 3,025,000	$ 2,600,000
Gross rev.	$ 450,201	$ 401,142
Employes	16	17
Commercial bus.	65%	60%

Principal officers: Robert Eisner Jr., president; F. Dwyer Murphy Jr., executive vp; David B. Piper, vp and general manager.

Compensation: commissions.

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JACOB EMMANUEL INC.

303 West Main St., Freehold, N.J. 07728; 201-780-2324

	1976	1975
Premium vol. ..	$ 1,597,000	$ 1,417,000
Gross rev.	$ 251,890	$ 220,678
Employes	11	10
Commercial bus.	67%	63%

Principal officers: Manuel J. Emmanuel, president; William Adams, vp.

Compensation: commissions and fees.

EUCLID SERVICES INC.

630 Third Ave., New York, N.Y. 10017; 212-661-6200

	1976	1975
Premium vol. ...	$ 8,600,000	$ 7,200,000
Gross rev.	$ 1,037,000	$ 790,000
Employes	18	17
Commercial bus.	85%	85%

Principal officers: Frank Peri, president; Martin Beitler, secretary/treasurer; Alvin Block, vp.

Compensation: commissions and fees.

Parent company: Euclid Services Corp.

FAIRLANE ASSOCIATES INC.

15350 Commerce Drive No., Dearborn, Mich. 48120; 313-271-8200

	1976	1975
Premium vol. ...	$ 5,147,501	$ 3,716,631
Gross rev.	$ 844,756	$ 661,417
Employes	27	25
Commercial bus.	46%	44%

Principal officers: Robert G. Maldegen, president; Michael J. Maldegen, vp and secretary; Bruce J. Auten, vp.

Compensation: commissions and fees.

Acquisitions: Earl J. Christy Agency, Taylor Mich., property/casualty accounts only (1976).

Branch offices: Plymouth, Mich.

FALCONE & LUTTRELL CO. INC.

2711 James St., Syracuse, N.Y. 13206; 315-463-9158

	1976	1975
Premium vol. ...	$ 1,700,000	NA
Gross rev.	$ 205,000*	$ 245,000
Employes	8	9
Commercial bus.	55%	50%

Principal officers: Robert G. Falcone, president and treasurer.

Compensation: commissions.

Branch offices: Rome, N.Y.

*Decrease due to elimination of sub-producers.

FANWICK & RUBIN

393 7th Ave., New York, N.Y. 10001; 212-244-3330

	1976	1975
Premium vol. ...	$ 5,071,000	$ 2,235,000
Gross rev.	$ 663,000	$ 328,000
Employes	6	5
Commercial bus.	95%	95%

Principal officers: Jacob Fanwick, Aaron Rubin, partners.

Compensation: commissions and fees.

FENDERSON AGENCY INC.

90 Main St., Calais, Maine 04619; 207-454-2556

	1976	1975
Premium vol. ...	$ 2,000,000	$ 1,450,000
Gross rev.	$ 360,000	$ 290,000
Employes	19	19
Commercial bus.	60%	60%

Principal officers: David M. Fenderson, CPCU, president; Robert Norman, vp.

Compensation: commissions.

Acquisitions in the past year: Bucksport Agency (1976).

Branch offices: Eastport, Bucksport, Windsor, Jackman, all Me.

FINANCIAL GUARDIAN INSURANCE GROUP

3100 Broadway, Penntower Office Center, Kansas City, Mo. 64111; 816-561-8630

	1976	1975
Premium vol. ..	$60,000,000	$45,000,000
Gross rev.	$ 8,182,864	$ 6,449,000
Employes	265	232
Commercial bus.	72%	71%

Principal officers: Lee Beets, chairman and chief executive officer; Jack Muma, president & chief executive officer; Donald R. Weber, executive vp.

Compensation: commissions and fees.

Acquisitions: Bennett Graham, Green & Peacock Inc.

Branch offices: Phoenix, San Francisco, Los Angeles, Denver, Ft. Lauderdale, Chicago, Des Moines, Atchinson, Kansas City, Wichita, New Orleans, Detroit, St. Louis, Omaha, St. Joseph, Houston, Greenwich.

Parent company: Financial Guardian Group Inc.

FIRST AMERICAN SYSTEMS INC.

PO Box 3130, Rapid City, S.D. 57709; 605-343-2489

	1976	1975
Premium vol. ...	$ 5,100,000	$ 3,300,000
Gross rev.	$ 712,000	$ 535,100
Employes	38	31
Commercial bus.	70%	65%

Principal officers: Thomas E. Lane, chairman; Howard C. Kluthe, vice chairman; Ralph Rosene, president; Gregory A. Cummings, secretary; Ronald L. Johnson, treasurer; Henry Gurley, controller..

Compensation: commissions.

Acquisitions in the past year: McCafferty-Schumacher subsidiary purchased Yeoman Insurance, Great Falls, Mont. (March 1977).

Branch offices: Rapid City, Aberdeen, Lead, all S.D.; Baker, Billings, Great Falls, all Mont.; Denver.

Subsidiaries: Rushmore Aviation Services, Baker Agency, D&P Insurance, McCafferty-Schumacher Agency, Thedford-Twedt Agency, Insurance Counselors of Aberdeen, Northern Hills Agency.

FIRST ASSOCIATED INSURANCE AGENCIES INC.

12465 Burleigh Road, Brookfield, Wis. 53005; 414-786-2540

	1976	1975
Premium vol. ...	$ 4,300,000	$ 4,000,000
Gross rev.	$ 685,000	$ 610,000
Employes	29	28
Commercial bus.	75%	60%

Principal officers: Howard M. McKee, chairman; Theodore E. Schmidt, president; Charles K. Werling, executive vp.

Compensation: commissions.

Acquisitions in the past year: Marquette General Agency, Milwaukee (1976).

FIRST CAPE CORP.

400 Broadway H-H Bldg., Cape Girardeau, Mo. 63701; 314-334-2838

	1976	1975
Premium vol. ...	$ 1,225,000	$ 1,097,000
Gross rev.	$ 153,003	$ 137,000
Employes	6	6
Commercial bus.	80%	80%

Principal officers: William A. Kiehne, president; Wendell P. Black, vp; Leon A. Shell, secretary/treasurer.

Compensation: commissions.

FIRST INSURANCE AGENCY CORP.

371 West First St., Dayton, Ohio 45402; 513-224-0891

	1976	1975
Premium vol. ...	$ 4,500,000	$ 3,700,000
Gross rev.	$ 750,000	$ 600,000
Employes	21	16
Commercial bus.	80%	75%

Principal officers: Richard G. Shaman, president; Manny Tabackman, vp; Joseph M. Callahan, CPCU, vp; Julius Kottler, treasurer; Robert Droz, CLU, secretary.

Compensation: commissions.

Branch offices: Dayton.

Subsidiaries: Lange Insurance Agency, Independence National Casualty Agency.

E.H. FISHMAN INC.

313 Williamson Bldg., Cleveland, Ohio 44114; 216-621-6700

	1976	1975
Premium vol. ...	$ 1,750,000	$ 1,500,000

Continued on page 68

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Stability

The strength and ability to endure the ebb and flow of economic and social pressures. *Our statutory assets at year end 1976 were $11,185,661 –an increase of 59.1% over last year. Gross writings improved 186% over 1975.*

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The adherence to a system of positive business practices. *Our ratio of net writings to capital and surplus is held to a conservative 1.6 to 1.*



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President

Roger Bohning
Director of Underwriting

Michael Randall
Director of Marketing

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agent/broker profiles

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Gross rev.	$ 400,000	$ 350,000
Employes	16	13
Commercial bus.	75%	60%

Principal officers: Joe Nemeth, president; Rog Lockhart, executive vp; Andy Varga, vp; Jim Moran, secretary.

Compensation: commissions.

FITZGERALD, CLAYTON, NOYES & KASTEN INC.

757 North Broadway, Milwaukee, Wis. 53202; 414-271-3717

	1976	1975
Premium vol. ...	$ 3,400,000	$ 3,000,000
Gross rev.	$ 554,612	$ 430,115
Employes	17	17
Commercial bus.	70%	65%

Principal officers: Robert T. Clayton, president; William D. Hoppenjan, vp and secretary; Frederick C. Kasten, vp and treasurer.

Compensation: commissions and fees.

Acquisitions: Harry G. Packee Agency, Milwaukee (1977).

FLENNIKEN FINANCIAL SERVICES INC.

515 Market St., Knoxville, Tenn. 37901; 615-524-9811

	1976	1975
Premium vol. ...	$ 4,362,000	$ 3,331,000
Gross rev.	$ 728,623	$ 599,044
Employes	24	22
Commerciaal bus.	58%	55%

Principal officers: Jerry D. Clements, CPCU, president; R.L. Oakes, CPCU, executive vp; Joe Ben Turner, senior vp; Charles F. Sterchi Jr., vp; Jerry S. Pressly, CPCU, treasurer; William E. Glenn, secretary.

Compensation: commissions.

Acquisitions: Charles F. Sterci Jr. Agency (April 1976).

FLYNN INSURANCE AGENCY

318 First Ave. N., Great Falls, Mont. 59401; 406-453-1464

	1976	1975
Premium vol. ...	$ 4,300,000	$ 3,330,000
Gross rev.	$ 680,000	$ 570,000
Employes	18	17
Commercial bus.	75%	75%

Principal officers: Frank Flynn, president; Leo P. McMeel, vp.

Compensation: commissions.

FOA & SON CORP.

One World Trade Center, New York, N.Y. 10048; 212-432-1234

	1976	1975
Premium vol. ...	$15,000,000	$14,000,000
Gross rev.	$ 800,000	$ 750,000
Employes	26	24
Commercial bus.	99%	99%

Principal officers: Conrad Foa, president; Dick Impastato, vp; V. Di Mauro, vp-reinsurance.

Compensation: fees and commissions.

FREESE & CO. INC.

2121 South Columbia, Tulsa, Okla. 74120; 918-747-8651

	1976	1975
Premium vol. ...	$ 2,000,000	$ 1,500,000
Gross rev.	$ 300,000	$ 250,000
Employes	10	7
Commercial bus.	90%'	90%

Principal officers: James K. Freese, president; Ronald E. Davis, vp; Glenn M. Solomon, CPA, executive vp; Bailey Word, CLU, vp.

Compensation: commissions.

FRENKEL & CO. INC.

156 William St., New York, N.Y. 10038; 212-267-2200

	1976	1975
Premium vol. ...	NA	NA
Gross rev.	$ 3,848,000	$ 3,524,000
Employes	137	128
Commercial bus.	80%	75%

Principal officers: Leo S. Frenkel, chairman; George P. Frenkel, vice chairman and treasurer; Charles W. Pachner, president; James J. Costa, executive vp; Alan Samuels, senior vp; Robert Shunk, senior vp.

Compensation: commissions and fees.

Acquisitions in the past year: Chester & Teller Inc.

Branch offices: Los Angeles.

SIDNEY I. FRIEDLANDER INC.

325 Genesee St., Utica, N.Y. 13501; 315-724-3173

	1976	1975
Premium vol. ...	$ 1,727,000	$ 1,695,000
Gross rev.	$ 277,650	$ 263,420
Employes	10	10
Commercial bus.	89%	87%

Principal officers: Sidney I. Friedlander, president; Barbara A. Montero, vp.

Compensation: commissions and fees.

ALAN D. FULTON INSURANCE INC.

350 Sevilla Ave., Suite 205, Coral Gables, Fla. 33134; 305-445-2627

	1976	1975
Premium vol. ...	$ 5,400,000	$ 4,600,000
Gross rev.	$ 607,231	$ 517,699
Employes	14	13
Commercial bus.	95%	95%

Principal officers: Alan D. Fulton, president; J.D. Engstrom, vp; Kaaren L. Pilkington, secretary.

Compensation: commissions.

GALLAGHER-COLE ASSOCIATES

4700 Biscayne Blvd., Miami, Fla. 33137; 305-576-4100

	1976	1975
Premium vol. ...	$ 2,237,000	$ 1,660,000
Gross rev.	$ 313,000	$ 278,000
Employes	11	11
Commercial bus.	85%	85%

Principal officers: Phil C. Gallagher and Samuel T. Cole, partners.

Compensation: commissions and fees.

GALYARDT & HARVEY AGENCY INC.

Home Federal Savings Building, Oak at Howes, Ft. Collins, Colo. 80522; 303-482-7747

	1976	1975
Premium vol. ...	$ 2,000,000	$ 1,800,000
Goss rev.	$ 375,000	$ 350,000
Employes	15	14
Commercial bus.	70%	70%

Principal officers: Jack A. Harvey, president, Kenneth D. Borrett Jr., vp; David L. Parker, vp; Wilmer Lapp, secretary/treasurer.

Compensation: commissions.

Acquisitions: William D. Bartran Agency (1976).

GANS & SMITH INSURANCE AGENCY INC.

1109 Judson Road, Longview, Tex. 75601; 214-757-4601

Premium vol. ...	$ 1,750,000	$ 1,450,000
Gross rev.	$ 350,000	$ 315,000
Employes	15	14
Commercial bus.	45%	45%

Principal officers: R.H. Smith, president; Lester N. Pruett, secretary/treasurer; Hermes E. Payne Jr., vp; J. Clint Pruett, vp.

Compensation: commissions.

THE GARRETT AGENCY INC.

124 Portage St., Kalamazoo, Mich. 49005; 616-349-7763

	1976	1975
Premium vol. ...	$ 2,500,000	$ 2,100,000
Gross rev.	$ 340,000	$ 290,000
Employes	12	15
Commercial bus.	75%	75%

Principal officers: Charles E. Garrett Jr., president; R. Baker Alexander, executive vp and secretary; C. Stephen Garrett, vp and treasurer; James Holdread, vp-marketing.

Compensation: commissions and fees.

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64199; 816-221-5540**

	1976	1975
Premium vol. ...	$ 4,000,000	$ 3,300,000
Gross rev.	$ 536,001	$ 435,034
Employes	19	16
Commercial bus.	70%	70%

Principal officers: Edward G. Gilbert, president. Laurus W. Magill, vp; A.F. Stratemeier Jr., secretary.

Compensation: commissions.

THE GLEASON AGENCY INC.

200 Fisher Building, Johnstown, Pa. 15901; 814-535-1586

	1976	1975
Premium vol. ...	$ 1,902,000	$ 1,228,000
Gross rev.	$ 282,000	$ 219,000
Employes	9	8
Commercial bus.	90%	90%

Principal officers: Robert A. Gleason, president; Christopher K. Gleason, vp; Robert A. Gleason Jr., secretary.

Compensation: commissions and fees.

RICHARD N. GOLDMAN & CO.

Alcoa Building, One Maritime Plaza, San Francisco, Calif. 94111; 415-981-1141

	1976	1975
Premium vol. ...	$27,000,000	$27,000,000
Gross rev.	$ 1,300,000	$ 1,200,000
Employes	34	31
Commercial bus.	90%	90%

Principal officers: Richard N. Goldman, president and chairman; Stuart W. Seiler, executive vp and treasurer; Helen A. Castro, vp and assistant treasurer; Gerald J. Fitzgerald, vp and secretary.

Compensation: commissions.

GOLLUSCH, KLOTSCHE & HILLER

912 E. Wells St., Milwaukee, Wis. 53202; 414-276-1142

	1976	1975
Premium vol. ...	$ 3,500,000	$ 3,000,000
Gross rev.	$ 431,271	NA
Employes	17	15
Commercial bus.	50%	50%

Principal officers: Allan J. Klotsche, president.

Compensation: commissions.

Acquisitions in the past year: John Frank Agency.

Subsidiaries: Henry Gollusch & Son Inc., Allan Klotsche & Associates, Hiller Agency Inc.

Parent company: Central Wisconsin Agencies Inc.

GOMEZ & CIA INC.

Condominio Profesional, 6th Floor, Mendez Vigo 70, W., Mayaguez, P.R. 00708; 809-832-1020

	1976	1975
Premium vol. ...	$14,000,000	$12,000,000
Gross rev.	$ 2,500,000	$ 2,000,000
Employes	219	207
Commercial bus.	91%	90%

Principal officers: Luis A. Gomez, chairman; Luis A. Gomez Jr., president; Dennis Hanftwurzel, executive vp.

Compensation: commissions and fees.

Branch offices: San Juan.

Subsidiaries: Aseguradora Patria, Intercontinental Life Insurance Co.

GOODE & WEBSTER INC.

206 E. Seneca St., Manlius, N.Y. 13104; 315-682-9141

	1976	1975
Premium vol. ...	$ 2,070,000	$ 1,750,000
Gross rev.	$ 371,000	$ 271,000
Employes	16	14
Commercial bus.	40%	40%

Principal officers: Donald W. Goode, president; Maxwell L. Griffith Jr., vp; Robert C. Webster, treasurer.

Compensation: commissions.

Branch offices: Morrisville and Waterville, both N.Y.

GOTTSACKER INSURANCE AGENCY INC.

607 N. 8th St., Sheboygan, Wis. 53081; 414-457-7781

	1976	1975
Premium vol. ...	$ 3,872,159	$ 2,746,817
Gross rev.	$ 556,493	$ 419,623
Employes	30	23
Commercial bus.	75%	73%

Principal officers: William A. Gottsacker, chairman; Donald E. Huber, CLU, president.

Compensation: commissions.

Acquisitions: Bernie McCabe, Sheboygan Falls, Wis.

Branch offices: Blanke-Gottsacker Insurance Agency, Plymouth, Wis.; Gottsacker-McCabe Insurance Agency, Sheboygan Falls, Wis.

JOSEPH G. GRAY & CO. INC.

111 John St., New York, N.Y. 10038; 212-349-3280

	1976	1975
Premium vol. ...	$ 4,000,000	$ 2,000,000
Gross rev.	$ 400,000	$ 200,000
Employes	12	8
Commercial bus.	80%	75%

Principal officers: Jules I. Epstein, president; Edward T. Kennedy, executive vp; Diane Vignola, secretary.

Compensation: commissions and fees.

S. GREEN & CO. INC.

320 Walnut St., Philadelphia, Pa. 19106; 215-WA 5-3700

	1976	1975
Premuim vol. ...	$ 3,900,000	$ 2,900,000
Gross rev.	$ 630,000	$ 470,000
Employes	21	20
Commercial bus.	85%	85%

Principal officers: Harold L. Landesberg, president and treasurer; Max Lipschutz, vp and secretary.

Compensation: commissions and fees.

GRINNAN, HARRIS, TABB & CO.

1211 Roseneath Road, Richmond, Va. 23230; 804-355-7401

	1976	1975
Premium vol. ...	$ 2,774,000	$ 2,410,000
Gross rev.	$ 390,234	$ 351,396
Employes	15	15
Commercial bus.	NA	59%

Principal officers: St. George Grinnan, president, William L. Harris, vp; Maria G. Tabb, vp and secretary; Ann E. Dukes, treasurer.

Compensation: commissions.

GROUP SERVICES ADMINISTRATORS INC.

42 Broadway, New York, N.Y. 10004; 212-425-1744

	1976	1975
Premium vol. ...	$ 5,500,000	$ 5,000,000
Gross rev.	$ 493,722	$ 466,161
Employes	15	13
Commercial bus.	100%	100%

Principal officers: Frank Comerford, president; Robert Gerald, vp.

Compensation: commissions and fees.

GULF COAST INSURANCE AGENCY

2050 N. 11th St., Beaumont, Tex. 77704; 413-898-2332

	1976	1975
Premium vol. ...	$ 2,088,790	$ 1,194,790
Gross rev.	$ 367,413	$ 155,422
Employes	6	3
Commercial bus.	60%	32%

Principal officers: Larry W. Smith and W.M. Callaway Jr., partners.

Compensation: commissions.

GUY, MURRAY & SMITH INC.

3709 Jetton Ave., Tampa, Fla. 33609; 813-253-2761

	1976	1975
Premium vol. ...	$18,200,000	$12,700,000
Gross rev.	$ 4,185,785	$ 2,826,863
Employes	114	84
Commercial bus.	100%	100%

Principal officers: C.H. Guy Jr., chairman; J.K. Murray Jr., president; T.G. Smith, executive vp; F.M. Taylor Jr., vp and treasurer; T.G. Stephens, vp-marketing.

Compensation: commissions and fees.

Branch offices: Ft. Lauderdale, Miami.

Subsidiaries: Plan Services Inc., Plan Services Marketing Inc., Hearex, Keystone Data, National Consumers Life Insurance Co.

HAAS & WILKERSON INC.

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agent/broker profiles

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3101 Broadway, Kansas City, Mo. 64111; 816-756-1600

	1976	1975
Premium vol. ...	$17,516,253	$13,634,733
Gross rev.	$ 2,790,929	$ 2,420,000
Employes	66	59
Commercial bus.	80%	80%

Principal officers: Albert E. Haas, chairman; W. Ralph Wilkerson Jr., president; Neil R. Pouppirt, executive vp; C.J. Jordan, vp and treasurer; Howard F. Walter, secretary.

Compensation: commissions and fees.

Branch offices: St. Louis, Mo.; St. Petersburg, Fla.; Chicago.

Subsidiaries: Haas Wilkerson Wohlberg Inc.; Landspeed Insurors Inc.; Taxi Agency Inc.; H&W Underwriters Agency Inc.; Americana Services Inc.

HACKETT, VALINE & MACDONALD INC.

198 College St., Burlington, Vt. 05402; 802-658-1100

	1976	1975
Premium vol. ...	$ 4,150,502	$ 3,700,000
Gross rev.	$ 674,976	$ 588,637
Employes	18	18
Commercial bus.	75%	75%

Principal officers: Luther F. Hackett, president; Duane A. Valine, vp; Donald R. MacDonald, vp.

Compensation: commissions.

Subsidiaries: Hackett & Co.

Parent company: HVM Corp.

HAINES-CRAFT AGENCY INC.

160 W. 144th St., Riverdale, Ill. 60627; 312-841-7000

	1976	1975
Premium vol. ...	$ 1,500,000	$ 1,250,000
Gross rev.	$ 300,000	$ 250,000
Employes	10	10
Commercial bus.	45%	45%

Principal officers: Clyde Wells, president.

Compensation: commissions.

HARDING-CONLEY-DRAWERT-TINCH INSURANCE AGENCY

4606 Centerview #201, San Antonio, Tex. 78228; 512-732-9601

	1976	1975
Premium vol. ...	$ 1,168,000	$ 1,022,000
Gross rev.	$ 198,000	$ 146,000
Employes	5	4
Commercial bus.	90%	90%

Principal officers: R.B. Harding, H.M. Conley, T.A. Drawert, A.C. Tinch Jr., partners.

Compensation: commissions.

Acquisitions: San Antonio office of Borden Insurance (1977).

HARVEL AGENCY

182-04 Horace Harding Expressway, Flushing, N.Y. 11365; 212-463-3611

	1976	1975
Premium vol. ...	NA	NA
Gross rev.	$ 650,000	$ 625,000
Employes	5	5
Commercial bus.	33%	30%

Principal: Doris Shaw.

Compensation: commissions.

JACOB HAUCK & SON INC.

141 Buffalo St., Hamburg, N.Y. 14075; 716-649-4174

	1976	1975
Premium vol. ...	$ 6,000,000	$ 5,528,756
Gross rev.	$ 981,400	$ 938,262
Employes	59	55
Commercial bus.	65%	65%

Principal officers: Richard W. Michaels, president; Paul H. Peterson, secretary.

Compensation: commissions.

Branch offices: Orchard Park, N.Y.

Subsidiaries: R.W. Michaels Agency Inc., Michaels & Reed Inc.

Parent company: Foreguard Agencies.

AL HAYS & ASSOCIATES

685 Carondelet St., Los Angeles, Calif. 90057; 213-487-1880

	1976	1975
Premium vol. ...	$ 2,500,000	$ 2,000,000
Gross rev.	$ 280,000	$ 250,000
Employes	4	5
Commercial bus.	99%	99%

Principal officers: Al Hayes, president; Pauline Kuwahara, secretary.

Compensation: commissions.

HEFFERNAN, KEILER & DOBLE INC.

One Embarcadero Center, San Francisco, Calif. 94111; 415-781-5990

	1976	1975
Premium vol. ...	$ 8,000,000	$ 7,000,000
Gross rev.	$ 899,000	$ 638,000
Employes	32	25
Commercial bus.	55%	55%

Principal officers; Frank M. Heffernan Jr., president; T.R. Keiler, executive vp; Diane Birchell, secretary.

Compensation: commissions and fees.

Branch officers: Los Angeles.

JOSEPH HELD CO. INC.

116 John St., Suite 1600, New York, N.Y. 10038; 212-962-3122

	1976	1975
Premium vol. ...	$ 1,250,000	$ 1,200,000
Gross rev.	$ 185,000	$ 180,000
Employes	8	8
Commercial bus.	80%	80%

Principal officers; Kenneth S. Held, C.E.O.

Compensation: commissions and fees.

Branch officers: Long Island, N.Y.

HELLELOID & ASSOCIATES INC.

1423 N. Main, Mitchell, S.D. 57301; 605-996-7711

	1976	1975
Premium vol. ...	$ 1,411,079	$ 903,296
Gross rev.	$ 221,653	$ 176,281
Employes	8	7
Commercial bus.	80%	80%

Principal officers: Thomas V. Helleloid, president; Howard Kluthe, vp; Thomas Lane, secretary/treasurer.

Compensation: commissions.

Affiliations: First American Systems Inc., Rapid City, S.D.

HERITAGE INSURANCE SERVICE INC.

1400 N. Harbor Blvd., Fullerton, Calif. 92635; 714-879-5760

	1976	1975
Premium vol. ...	$ 4,336,600	$ 3,676,600
Gross rev.	$ 659,600	$ 564,000
Employes	14	12
Commercial bus.	96%	95%

Principal officers: John D. Cwieka, president; Donald E. Kueny, vp; Margaret M. Gleason, treasurer; Jacqueline Jernigan, secretary.

Compensation: commissions and fees.

Parent company: Richmond Corp.

HERNDON, ILES & SCOTT INC.

400 E. Church St., Orlando, Fla. 32802; 305-841-2250

	1976	1975
Premium vol. ...	$ 4,235,538	$ 3,662,605
Gross rev.	$ 751,000	$ 714,000
Employes	21	21
Commercial bus.	65%	65%

Principal officers: A.B. Herndon Jr., president; William A. Illes, executive vp; William Schaffner, vp and treasurer.

Compensation: commissions and fees.

Affiliate of Insurance Management Corp.

PAUL HERTEL & CO. INC.

3rd and Chestnut Sts., Philadelphia, Pa. 19106; 215-925-7656

	1976	1975
Premium vol. ...	$ 6,000,000	$ 5,200,000
Gross rev.	$ 700,000	$ 640,000
Employes	37	34
Commercial bus.	70%	70%

Principal officers: Paul R. Hertel Jr., president; Robert T. Antosh, executive vp; James J. Mc-



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Laughlin, vp.

Compensation: commissions and fees.

Acquisitions in the past year: D. I. Payne, F. J. Tyson, Suburban Insurance Agency (all in 1976) and John K. Maus (1977).

Branch offices: Media, Ft. Washington, Roxborough, all Pa.

Subsidiaries: J. Howard Brown Inc., Crawford, Lukens & Lord Inc., Heermann Agency, Gilvear Agency, Simpson Inc., Darlington-Hertel Associates, John K. Maus, Suburban Insurance Agency.

HESS MORRIS LEBENSON INC.

1615 Northern Blvd., Manhasset, N. Y. 11030; 212-631-2112

	1976	1975
Premium vol.	$ 3,800,000	$ 3,100,000
Gross rev.	$ 744,000	$ 710,000
Employes	13	14
Commercial bus.	83%	85%

Principal officers: Jeffrey K. Hess, president; George Wagner, vp; Jay Lebenson, secretary/treasurer.

Compensation: commissions and fees.

Subsidiaries: Henry A. Sahm Associates, Baum Brokerage Corp.

HEWITT, COLEMAN & ASSOCIATES INC.

PO Box 3665, Greenville, S. C. 29608; 803-242-4350

	1976	1975
Premium vol.	$23,650,000	$17,500,000
Gross rev.	$ 2,100,000	$ 1,550,000
Employes	70	61
Commercial bus.	99%	99%

Principal officers: R. P. Hewitt, chairman and president; James G. Lane, executive vp; James. W. Duff, president of Michigan Corp.; Richard L. Martinez, executive vp, Michigan Corp.; W. T. Whitley, vp, Miss. Corp.; James G. Willox, president of Florida Corp.; Harry W. Dahl, president of Iowa Corp.

Branch offices: Des Moines; Orlando; Sarasota; Atlanta; Flat Rock, N.C.; Hendersonville, N.C.; Detroit; Newberry, Mich.; Jackson, Miss.; Indianapolis.

Subsidiaries: R.P. Hewitt & Associates of Florida Inc., Universal Health Care Inc.

HOLLAND INSURANCE AGENCY INC.

19 W. 8th St., Holland, Mich. 49423; 616-396-4611

	1976	1975
Premium vol.	$ 3,165,536	$ 2,522,720
Gross rev.	$ 496,166	$ 418,661
Employes	16	14
Commercial bus.	67%	63%

Principal officers: Dale E. VanLente, president; John A. Heyboer, vp; Dale R. VanDort, secretary; David L. Lake, treasurer.

Compensation: commissions.

HOUSTON MUTUAL AGENCY INC.

4242 Southwest Freeway #224, Houston, Tex. 77027; 713-626-8550

	1976	1975
Premium vol.	$ 1,782,000	$ 1,263,000
Gross rev.	$ 266,660	$ 198,101
Employes	11	10
Commercial bus.	60%	55%

Principal officers: Jack J. Thurmon, CPCU, president; Jerry E. Harvey, vp; William H. Brune, vp.

Compensation: commissions.

HOUSTON UNDERWRITERS ASSOCIATES INC.

3910 Kirby, Suite 210, Houston, Tex. 77098; 713-526-1662

	1976	1975
Premium vol.	$1,531,356	$ 1,295,065
Gross rev.	$ 218,362	$ 214,040
Employes	6	6
Commercial bus.	66%	60%

Principal officers: A.W. Larkin, president; A.W. Larkin Jr., secretary.

Compensation: commissions.

HOWALT-McDOWELL INSURANCE INC.

630 S. Minnesota Ave., Sioux Falls, S.D. 57101; 605-339-3874

	1976	1975
Premium vol.	$ 3,000,000	$ 2,000,000
Gross rev.	$ 430,000	$ 300,000
Employes	9	8
Commercial bus.	80%	75%

Principal officers: L.W. Scherschligt, CPCU, president and treasurer; G.R. Farmer, CPCU, vp; J.E. Juncks, secretary.

Compensation: commissions.

HUSSEY INSURANCE AGENCY

1212 Merchants National Bank Building, Topeka, Kan. 66612; 913-235-0011

	1976	1975
Premium vol.	$ 6,818,848	$ 7,175,000
Gross rev.	$ 977,061	$ 956,000
Employes	35	35
Commercial bus.	80%	80%

Principal officers: Paul H. Heinz, president; Harry A. Dembicki, executive vp; William E. Scott, treasurer; B.M. Hargis, secretary.

Compensation: commissions.

Branch officers: Oklahoma City, Okla.

Subsidiaries: Store Guardian Agency of Oklahoma Inc.

IFM INSURANCE INC.

600 Main Bldg., Tupelo, Miss. 38801; 601-842-1321

	1976	1975
Premium vol.	$ 2,400,000	$ 1,800,000
Gross rev.	$ 700,000	$ 425,000
Employes	20	18
Commercial bus.	57%	50%

Principal officers: Jim High, president; Oneil Tate, vp; David Megginson, secretary/treasurer.

Compensation: commissions and fees.

Subsidiaries: IFM Properties Inc., IFM Advisory Services Inc., IFM Financial Services Inc., IFM Development Inc.

INDEPENDENT INSURANCE SERVICE CORP.

100 Cleve-Tusc Bldg., Canton, Ohio 44702; 216-453-7721

	1976	1975
Premium vol.	$ 6,000,000	$ 4,900,000
Gross rev.	$ 903,000	$ 822,000
Employes	42	40
Commercial bus.	NA	80%

Principal officers: Thomas A. Schauer, CPCU, CLU, president; John M. Gabl, CPCU, CLU, vp; George B. Crawford, CPCU, CLU, vp; David Pierce CPCU, vp; Art Schneller, CPCU, vp.

Compensation: commissions and fees.

Branch offices: Akron.

Subsidiaries: Kitzmiller, Tudor & Schauer; Schauer & Reed; Webb-Broda & Co., Foglesong.

INDUSTRIAL INSURANCE AGENCY INC.

600 Woodfield Drive, Schaumburg, Ill. 60195; 312-884-6100

	1976	1975
Premium vol.	$ 4,560,000	$ 3,245,000
Gross rev.	$ 712,000	$ 486,619
Employes	9	10
Commercial bus.	89%	85%

Continued on page 72



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agent/broker profiles

Continued from page 71

Principal officers: Melvin E. Rodney Sr., president; Melvin E. Rodney Jr., secretary; Richard A. Rodney, treasurer.

Compensation: commissions and fees.

Branch offices: Milwaukee.

INLAND UNDERWRITERS INSURANCE AGENCY INC.

53 Commercial Wharf, Boston, Mass. 02110; 617-723-9250

	1976	1975
Premium vol. ...	$ 3,600,000	$ 3,300,000
Gross rev.	$ 425,889	$ 393,693
Employes	10	9
Commercial bus.	85%	85%

Principal officers: Leon M. Cangiano Jr., president; Leon Cangiano, treasurer; David E. Sargent, executive vp-marine; William H. Miller Jr., vp.

Compensation: commissions and fees.

Branch offices: Concord, N.H.

Affiliates: Atlanta, Leon Cangiano Insurance Agency Inc., East Coast Maritime Services Inc.

INSURANCE AGENTS INC.

360 Midlands Mall, 35 North Main, Council Bluffs, Iowa 51501; 712-325-1010

	1976	1975
Premium vol. ...	$ 6,323,455	$ 4,355,000
Gross rev.	$ 922,850	$ 653,000
Employes	29	25
Commercial bus.	80%	80%

Principal officers: H.H. Nelson, chairman; John P. Nelson, president; W.H. Boehner, vp-casualty; G.A. Bartel, vp-benefits; Henry Lane, vp-engineering; Steve Nelson, secretary.

Compensation: commissions.

Branch offices: Sioux City, Iowa; Omaha, Bellevue, Neb.

INSURANCE CENTER OF OWENSBORO INC.

111 Frederica St., Owensboro, Ky. 42301; 502-926-1030

	1976	1975
Premium vol. ...	NA	$ 1,185,000
Gross rev.	$ 227,046	$ 175,154
Employes	7	9
Commercial bus.	75%	71%

Principal officers: Sherman A. Wilson, president; Robert E. Neely, vp; O. Jean Edge, secretary.

Compensation: commissions.

Acquisitions in the past year: Insurance Center of Ohio County (1976).

INSURANCE CENTER OF SOUTHERN CONNECTICUT INC.

2307 Main St., Bridgeport, Conn. 06606; 203-333-6555

	1976	1975
Premium vol. ...	$ 1,676,444	$ 1,370,694
Gross rev.	$ 288,826	$ 265,446
Employes	9	10
Commercial bus.	50%	46%

Principal officers: Arnold Kaplan, CLU, CPCU, president; James D'Agostino, vp; Burton Bauchner, vp.

Compensation: commissions.

Acquisitions in the past year: Singer Nobel Agency; Ellis, Edwards & Greene (1977).

INSURANCE MANAGEMENT ASSOCIATES INC.

714 Union Center, Wichita, Kan. 67202; 316-267-9221

	1976	1975
Premium vol. ...	$11,200,000	$ 8,500,000
Gross rev.	$ 1,450,000	$ 1,250,000
Employes	41	32
Commercial bus.	89%	83%

Principal officers: P.C. Yankey, president; W.C. Cohen Jr., vp; Joe Moddrell Jr., vp; R.B. Matassarin, vp; D.E. Nyberg, vp; J.C. Lukens II, vp: P.G. Starr, secretary/treasurer.

Compensation: commissions and fees.

INSURANCE MANAGEMENT SERVICES INC.

1510 Euclid Ave., Cleveland, Ohio 44115; 216-241-4344

	1976	1975
Premium vol. ...	NA*	NA
Gross rev.	$ 1,500,000	$ 1,200,000
Employes	43	40
Commercial bus.	80%	NA

Principal officers: W.D. Gorton, chairman; Edwin J. Sealy, president.

Compensation: commissions and fees.

*The firm was formed from the January 1977 merger of three agencies: Davis & Dissette Inc., Lenihan, Gorton & Co., and Yost Insurance Agency.

INSURANCE MARKETING AGENCIES INC.

1200 Mechanics Tower, Worcester, Mass. 01608; 617-753-7233

	1976	1975
Premium vol. ...	$ 4,500,000	$ 3,500,000
Gross rev.	$ 600,000	$ 490,000
Employes	22	18
Commercial bus.	80%	80%

Principal officers: Sumner W. Herman, president; Stanley M. Friedman, vp and treasurer; Arnold J. Horowitz, vp and clerk; John J. Kelly, vp.

Compensation: commissions and fees.

Acquisitions in the past year: Harry Corbin Insurance Agency (1976).

Subsidiaries: Harold Fielding Insurance Agency; Harry Corbin Insurance Agency, C. Nelson Mintz, Louis G. Payne, Chase-Worcester Insurance Agency.

INSURANCE PLANNING CONSULTANTS INC.

3301 Douglas Ave., Racine, Wis. 53401; 414-639-5400

	1976	1975
Premium vol. ...	$ 5,771,612	$ 4,774,100
Gross rev.	$ 1,213,585	$ 1,015,619
Employes	35	30
Commercial bus.	98%	98%

Principal officers: L.A. Groulik, president; F.W. Reich, senior vp; R.E. Schwartz, senior vp; H.H. Albrecht, vp; D.N. Brissman, vp; R.W. Lentz, vp; R.A. Sindorf, vp; G.D. Simanek, secretary/treasurer.

Compensation: commissions.

Branch offices: Detroit, Indianapolis, Des Moines, Milwaukee, Chicago, Springfield, Ill.

INSURANCE PROFESSIONALS INC.

93 N. Fairview Ave., Paramus, N.J. 07652; 201-265-7110

	1976	1975
Premium vol. ...	$ 2,800,000	$ 2,368,000
Gross rev.	$ 421,000	$ 361,000
Employes	9	10
Commercial bus.	75%	80%

Principal officers: James L. Irwin, president; John A. Jones, vp; Margaret Westhelle, secretary.

Compensation: commissions and fees.

Acquisitions in the past year: one acquisition (1977).

Subsidiaries: S. & I. Life Associates, J.I. Realty.

Formerly Snyder-Irwin Agency.

INSURANCE & RISK MANAGEMENT

915 S. Clinton St., Fort Wayne, Ind. 46801; 219-743-4771

	1976	1975
Premium vol. ...	$ 8,729,937	$ 7,038,883
Gross rev.	$ 1,875,396	$ 1,636,162
Employes	70	68
Commercial bus.	23%	24%

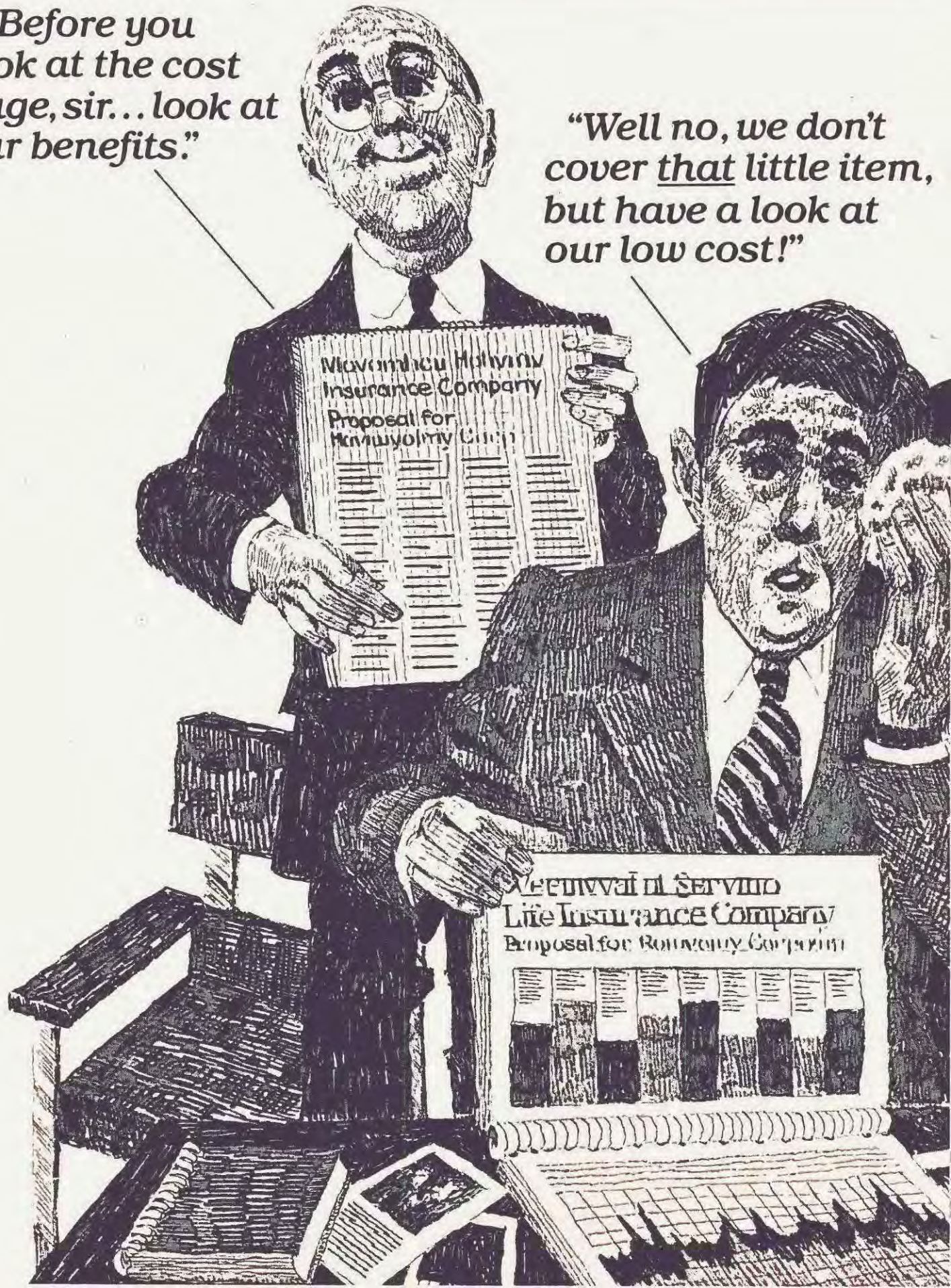
Principal officers: Julian M. Bowers, Harry A. Crawford, G. Parker Gee, Roland E. Weber, all partners.

Compensation: commissions and fees.

Branch offices: Muncie, Churubusce, Ind.

Subsidiaries: Kirkpatrick-Sursa; Isay-McGuire Insurance Claims Services Inc.

INSURORS AND INVESTORS INC.



217 S. Santa Fe, Salina, Kan. 67401; 913-825-0286

	1976	1975
Premium vol. ...	$ 1,800,000	$ 1,500,000
Gross rev.	$ 315,000	$ 278,000
Employes	6	6
Commercial bus.	87%	85%

Principal officers: John H. King, CPCU, president; Jack E. Ludwig, vp; Dean Groves, secretary/treasurer.

Compensation: commissions.

INTERNATIONAL RISKS INC.

1701 Pennsylvania Ave., N.W., Washington, D.C. 20006; 202-452-6660

	1976	1975
Premium vol. ...	$ 8,000,000	$ 7,600,000
Gross rev.	$ 794,355	$ 715,004
Employes	31	32
Commercial bus.	95%	95%

Principal officers: Thomas C. Breen Jr., president; William A. Harvell, senior vp; Robert E. Swain, vp; Benjamin F. Conrad, vp; Earl T. Morris, resident vp.

Compensation: commissions and fees.

Branch offices: Upland, Ind., McLean, Va.

Subsidiaries: Industrial Broker Inc., Industrial Agency Inc.

Parent company: National Industrial Credit Corp.

HERBERT L. JAMISON & CO.

90 Park Ave., New York, N.Y. 10016; 212-490-7600

	1976	1975
Premium vol. ...	$30,000,000	$28,000,000
Gross rev.	$ 3,000,000	$ 2,800,000
Employes	78	79
Commercial bus.	95%	94%

Principal officers: Herbert L. Jamison Jr., managing partner; Elwin B. Schoen, William A. McManus III, Charles G. Weaver, Richard G. Jamison, W. Gerould Clark III, CPCU, all partners; Partington, Kobbe' Co. Inc., partner (James H.M. Partington, president).

Compensation: commissions and fees.

JAY & RENFRO

333 N. Newport Blvd., Newport Beach, Calif. 92663; 714-645-9000 or 546-9000

	1976	1975
Premium vol. ...	NA	$ 7,100,000
Gross rev.	$ 930,346	$ 700,000
Employes	31	28
Commercial bus. .	75%	72%

Principal officers: Mac R. Renfro, president; Dee Renfro, treasurer.

Compensation: commissions.

Acquisitions in the past year: Trans-Republic Agency and Pete Praeger Agency.

Subsidiaries: Producers Insurance Services Inc.

JOHANNESEN-FARRAR INC.

110 S. 3rd St., Delavan, Wis. 53115; 414-728-2631

	1976	1975
Premium vol. ...	$ 2,164,307	$ 1,751,522
Gross rev.	$ 439,334	$ 342,691
Employes	15	13
Commercial bus.	60%	60%

Principal officers: Joseph J. Walters, president; Eugene F. Groth, vp; John M. Rielly, treasurer; Robert C. Platt Jr., secretary; James Manderfeld, assistant vp.

Compensation: commissions and fees.

Acquisitions in the past year: Henderson-Hays Agency, Whitewater, Wis. (1977).

Branch offices: East Troy and Whitewater, Wis.

JOHNSON, KENDALL & JOHNSON INC.

Penns Trail & Route 332, Newtown, Pa. 18940; 215-968-4741

	1976	1975
Premium vol. ...	$ 2,600,000	$ 2,400,000
Gross rev.	$ 406,000	$ 380,000
Employes	17	15
Commercial bus.	65%	65%

Principal officers: Edwin T. Johnson, president; David R. Johnson, secretary; Ted. S. Kendall, executive vp and treasurer; Richard B. Willis Jr., vp; William J. Alder, vp.

Compensation: commissions and fees.

JOINER ASSOCIATES INC.

1212 Park, Orange, Tex. 77630; 713-883-9381

	1976	1975
Premium vol. ...	$ 5,000,000	$ 3,466,000
Gross rev.	$ 966,000	$ 663,000
Employes	33	36
Commercial bus.	51%	52%

Principal officers: J.D. Joiner, chairman; W.S. Joiner, president.

Compensation: commissions and fees.

Branch offices: Beaumont, Nederland, Port Arthur, all Tex.

Subsidiaries: Insurance Budget Co.

SAM JONES AGENCY INC.

119 W. 6th St., Pueblo, Colo. 81003; 303-542-6252

	1976	1975
Premium vol. ...	$ 3,000,000	$ 2,750,000
Gross rev.	$ 544,789	$ 467,520
Employes	20	20
Commercial bus.	60%	60%

Principal officers: Samuel T. Jones, chairman; James M. Martin, vice chairman and treasurer; Newell Hall, president and secretary; James Orazem, vp and assistant secretary; Daniel Scavarda, vp.

GARY L. KARLIN & ASSOCIATES

One Crossroads of Commerce; Rolling Meadows, Ill. 60008; 312-398-7500

	1976	1975
Premium vol. ...	$ 2,500,000	$ 2,400,000
Gross rev.	$ 215,000	$ 205,000
Employes	4	4
Commercial bus.	85%	90%

Principal officers: Gary L. Karlin, president and treasurer; Edna S. Nutter, secretary.

Compensation: commissions and fees.

Subsidiaries: Gar-Lin Associates; Executive Motivation Inc.

WALTER KAYE ASSOCIATES INC.

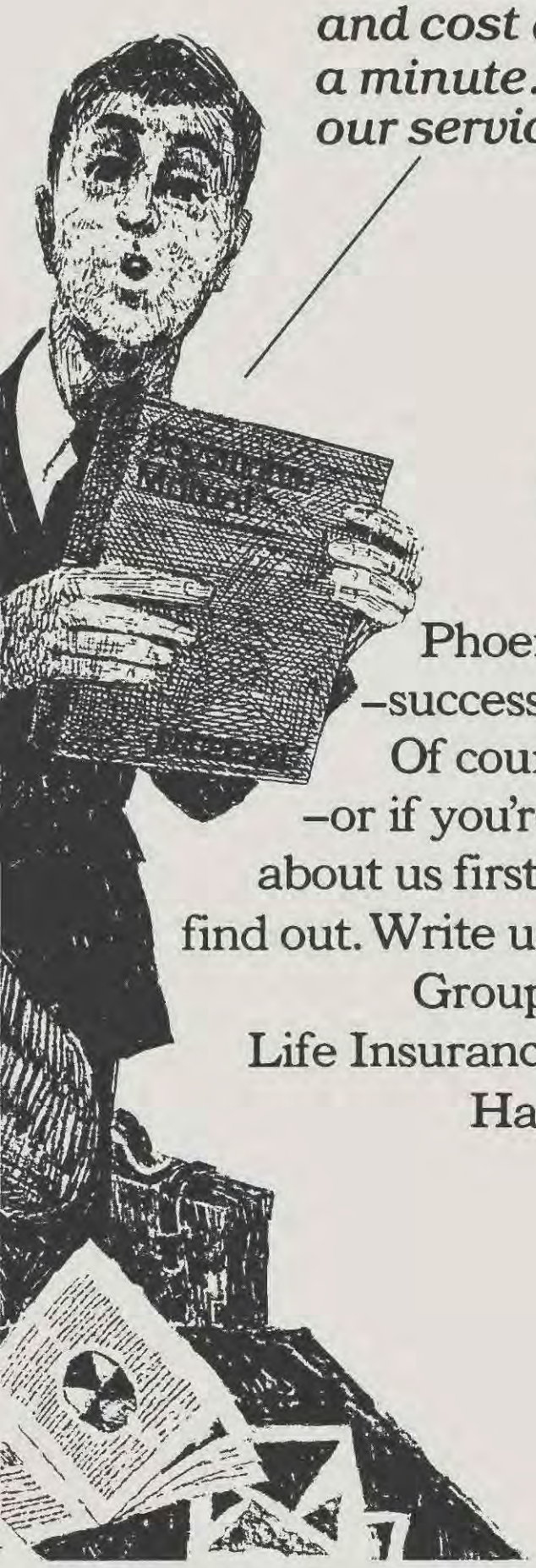
555 5th Ave., New York, N.Y. 10017; 212-867-0012

	1976	1975
Premium vol. ...	$47,500,000	$40,000,000
Gross rev.	$ 4,600,000	$ 3,800,000
Employes	98	80
Commercial bus.	95%	95%

Principal officers: Walter Kaye, president; Lawrence Greenfield, executive vp; Howard A. Kaye, senior vp.

Compensation: commissions and fees.

Continued on page 74



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agent/broker profiles

Continued from page 73

Branch offices: Beverly Hills, Chicago.

Subsidiaries: Walter Kaye Corp. of California; American Administrators Inc.

Parent company: The Kaye Group Inc.

KEENAN & ASSOCIATES

1230 Crenshaw Blvd., Torrence, Calif. 90510; 213-320-6451

	1976	1975
Premium vol. ...	NA	NA
Gross rev.	$ 850,000	$ 600,000
Employes	31	21
Commercial bus.	90%	90%

Principal officers: John R. Keenan, president; Ronald T. Littlefair, vp; Beverly Baskin, vp and secretary/treasurer; Glen Miller, vp.

Compensation: commissions and fees.

Branch offices: San Rafael, Thousand Oaks, Fresno, Irvine, all Calif.

KEHE, FOY & SNELTEN INSURANCE AGENCY INC.

302 W. Campbell St., Arlington Heights, Ill. 60005; 312-392-8550

	1976	1975
Premium vol. ..	$ 2,486,074	$ 1,912,542
Gross rev.	$ 378,292	$ 248,582
Employes	15	14
Commercial bus.	55%	55%

Principal officers: George B. Snelten, president; Leonard N. Foy, vp; Eugene D. Darcy, secretary; Harry T. Drayson, treasurer.

Compensation: commissions.

Branch offices: Schaumberg, Ill.

Subsidiaries: Griffith Insurance Agency, Dexter Insurance Agency.

KEHOE-KAVANAUGH AGENCY INC.

2019 Rambling Road, Kalamazoo, Mich. 49008; 616-343-1671

	1976	1975
Premium vol. ...	$ 2,140,174	$ 1,928,782
Gross rev.	$ 231,195	$ 245,026
Employes	10	10
Commercial bus.	75%	75%

Principal officers: Jack Kehoe, CPCU, president; Ed Lisak, vp; Margaret Kehoe, vp; Melody Nedrud, treasurer.

Compensation: commissions and fees.

KENDALL INSURANCE INC.

95 S. Main St., Rochester, N.H. 03867; 603-332-5800

	1976	1975
Premium vol. ...	$12,000,000	$ 8,900,000
Gross rev.	$ 1,840,000	$ 1,320,000
Employes	63	55
Commercial bus.	35%	85%

Principal officers: Kenneth R. Kendall Jr., president; Robert N. Kendall, vp; Richard L. Williams, vp; Rufus Barringer, vp.

Compensation: commissions and fees.

Branch offices: Manchester, Somersworth, Rollinsford, Alton, Wolfeboro, all N.H.; West Hartford, Conn.

Subsidiaries: Barringer & Williams.

KEOUGH-KIRBY ASSOCIATES INC.

1625 Diamond Hill Road, Woonsocket, R.I. 02895; 401-769-8100

	1976	1975
Premium vol. ...	$ 4,250,000	$ 3,750,000
Gross rev.	$ 700,000	$ 625,000
Employes	25	22
Commercial bus.	78%	70%

Principal officers: John E. Kirby, president; Walter C. Ahern Jr., vp; Kevin K. Coleman, vp; Paul C. Fay, vp; Joseph H. O'Donnell Jr., treasurer.

Compensation: commissions.

KING & NEEL INC.

735 Bishop St., Suite 327, Honolulu, Hawaii 96813; 808-521-8311

	1976	1975
Premium vol. ...	$ 3,312,100	$ 2,716,800
Gross rev.	$ 495,725	$ 507,400
Employes	12	10
Commercial bus.	94%	93%

Principal officers: Harvey C. King, president; David T. Neel, executive vp; Lucins M. Neves, secretary/treasurer.

KINNEY, PIKE, BELL & CONNER INC.

98 Merchants Row, Rutland, Vt. 05701; 802-775-2311

	1976	1975
Premium vol. ...	$ 6,450,000	$ 5,500,000
Gross rev.	$ 910,000	$ 835,000
Employes	30	32
Commercial bus.	70%	70%

Principal officers: Robert C. Kinney, president; Edward C. Pike, executive vp; Warren Eastwick, vp; Robert K. Coyle, assistant vp; Roger M. Pike, treasurer.

Compensation: commissions and fees.

Branch offices: Brattleboro, Hartford (White River Junction), Vt.

Subsidiaries: Kinney, Pike, Bell & Conner of Brattleboro Inc.; Taylor Insurance Agency; Kinney Pike of White River Junction, Vt.; Hartford Insurance Agency; KPB&C Life Corp.

KLUTHE & LANE & ASSOCIATES

619 Mt. Rushmore Road, Rapid City, S.D. 57701; 605-343-2323

	1976	1975
Premium vol. ...	$ 6,700,000	$ 4,900,000
Gross rev.	$ 1,200,000	$ 940,000
Employes	33	36
Commercial bus.	73%	72%

Principal officers: Howard Kluthe, chairman; Tom Lane, vice chairman; Ralph Rosene, president; Jack Lang, executive vp.

Compensation: commissions.

H.C. KNIGHT & CO.

320 Walnut St., Philadelphia, Pa. 19106; 215-923-5440

	1976	1975
Premium vol. ...	$ 7,800,000	$ 6,500,000
Gross rev.	$ 684,000	$ 606,000
Employes	21	20
Commercial bus.	65%	57%

Principal officers; Richard N. Knight Jr., John A. Philbrick III, Charles B. Achuff, partners.

Compensation: commissions and fees.

ROBERT L. KNOX DIVISION-FRITZ INTERNATIONAL INSURANCE BROKERS

350 Sansome St., San Francisco, Calif. 94104; 415-981-3434

	1976	1975
Premium vol. ...	$ 8,700,000	$ 7,500,000
Gross rev.	$ 920,000	$ 760,000
Employes	40	35
Commercial bus.	85%	80%

Principal officers: Arthur J. Fritz Jr., president; Lynn C. Fritz, vp; Robert L. Knox, president, Knox Division.

Compensation: commissions.

Acquisitions in the past year: Robert L. Knox & Co.-Fritz International Insurance Agency (1976), Pacific Coast Holdings Insurance Associated (1977).

Parent company: Fritz Companies Inc.

KNUTSON INSURANCE AGENCY

17 Washington Ave. N., Minneapolis, Minn. 55401; 612-371-3500

	1976	1975
Premium vol. ...	$ 3,500,000	$ 3,300,000
Gross rev.	$ 347,619	$ 327,332
Employes	13	15
Commercial bus.	55%	52%

Principal officers: Quentin G. Brinkworth, president; Gordon D. Olsen, marketing manager.

Parent company: Knutson Cos. Inc.

HARRY A. KOCH CO.

2121 S. 44th St., Omaha, Neb. 68105; 402-558-7000

	1976	1975
Premium vol. ...	$ 9,076,886	$ 6,511,570
Gross rev.	$ 1,085,950	$ 970,325
Employes	28	30
Commercial bus.	80%	80%

Principal officers: Harry A. Koch Jr., president and treasurer; Jan D. Desmet, executive vp; Larry A. Franzen, vp and secretary.

Compensation: commissions and fees.

KOHLER-MACBEAN AGENCY

126 South Ave. E., Cranford, N.J. 07016; 201-276-3000

	1976	1975
Premium vol. ...	$ 2,702,205	$ 2,361,470
Gross rev.	$ 471,487	$ 388,950
Employes	10	11
Commercial bus.	81%	80%

Principal officers: Roy H. MacBean, chairman; Winfield J. Kohler, president and treasurer.

Compensation: commissions.

LACHANCE, BERTRAND, BENOIT & LAVIGNE LTD.

7000 Park Ave., Suite 303, Montreal, Quebec H3N 1X3; 514-279-7281

	1976	1975
Premium vol. ...	$ 4,100,000	$ 3,200,000
Gross rev.	$ 850,000	$ 675,000
Employes	29	27
Commercial bus.	50%	45%

Principal officers: Robert Lachance, president; Andre Bertrand, vp; J.L. Benoit, secretary; M.R. Lachance, treasurer.

Compensation: commissions and fees.

STANLEY LACHMAN CO. INC.

1214 First Tennessee Bank Building, Chattanooga, Tenn. 37401; 615-266-6191

	1976	1975
Premium vol. ..	$ 1,980,000	$ 1,750,000
Gross rev.	$ 277,000	$ 245,000
Employes	12	12
Commercial bus.	77%	77%

Principal officers: Lawrence D. Levine, president; John M. Love, CPCU, secretary.

Compensation: commissions.

Branch offices: Dalton, Ga.

LAC INDUSTRIES LTD.

54 Station Plaza, Hempstead, N.Y. 11550; 516-485-1600

	1976	1975
Premium vol. ...	$ 8,000,000*	$ 5,000,000
Gross rev.	$ 1,174,678	$ 724,958
Employes	45	35
Commercial bus.	85%	85%

Principal officers: Alvin Adler, president; Edward Levy, chairman and treasurer; Morris L. Cohen, executive vp.

Compensation: commissions.

Acquisitions in the past year: Compar Enterprises Inc. (1976).

Branch offices: Pompano Beach, Fla.

Subsidiaries: LAC International Ltd.; LAC International of Forida Inc.; Commercial Insurance Agency; Intercounty Credit Corp.; Intercounty Credit Corp. Inc. (Florida); Public Affiliates Corp. & Contact Lens Wearers Assn. of America Inc.

*Entered the South Florida market.

LAFRANCE INSURANCE AGENCY INC.

500 W. Eleven Mile Road, Royal Oak, Mich. 48067; 313-399-8300

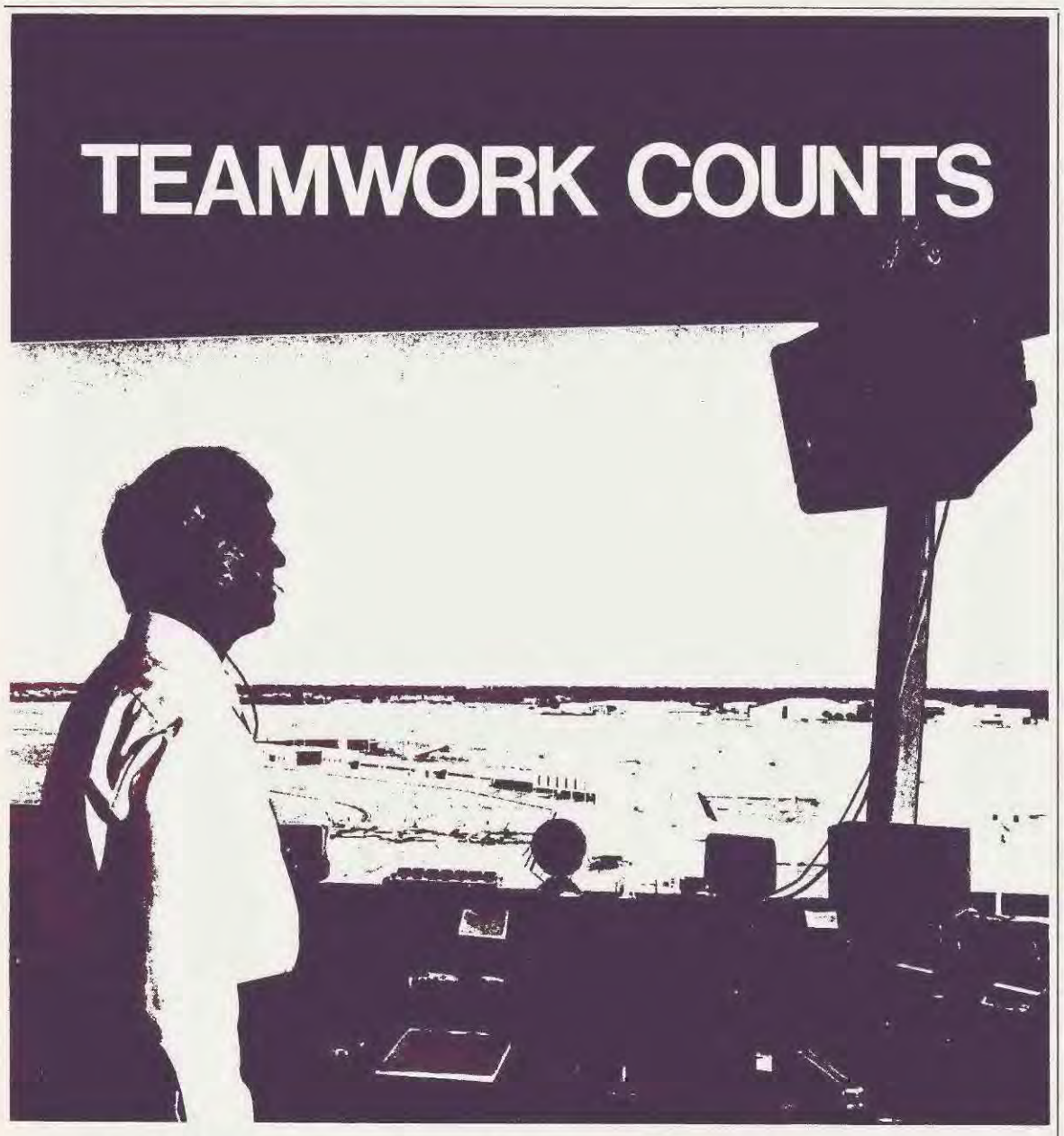
	1976	1975
Premium vol. ...	$ 2,300,000	$ 1,850,000
Gross rev.	$ 376,000	$ 330,000
Employes	13	11
Commercial bus.	50%	40%

Principal officers: Marvin E. Howell, president; James P. Zickel, executive vp and treasurer; Gary L. Kristan, vp and secretary; Lawrence R. Green, vp.

Compensation: commissions.

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	1976	1975
Premium vol. ...	$ 1,201,276	$ 1,019,701
Gross rev.	$ 160,863	$ 123,014
Employes	3	3
Commercial bus.	85%	85%

Principal: Frank W. Lamb.

LAMB, LITTLE & CO.

20 N. Wacker Drive, Chicago, Ill. 60606; 312-332-5541

	1976	1975
Premium vol. ...	$ 8,000,000	$ 6,100,000
Gross rev.	$ 1,500,000	$ 1,200,000
Employes	29	26
Commercial bus.	85%	85%

Principal officers: Raymond J. Clancy, president; David B. Peck III, vp and treasurer; Frank L. Hoffeller, vp and secretary; Robert Dale Somers, vp; Roy H. Holle, vp.

Compensation: commissions and fees.

LAMSE AGENCY INC.

149 E. Main, Zeeland, Mich. 49464; 616-772-4671

	1976	1975
Premium vol. ...	$ 1,700,000	$ 1,500,000
Gross rev.	$ 225,000	$ 200,000
Employes	7	6
Commercial bus.	70%	60%

Principal officers: Edward C. Lamse, president; Noel D. Bisel, CPCU, commercial manager; Richard Eming, commercial accounts representative.

Compensation: commissions.

LANGAN, HAEGER, VINCENT & BORN INC.

211 E. Illinois St., Wheaton, Ill. 60187; 312-668-6644

	1976	1975
Premium vol. ...	$ 3,800,000	$ 2,900,000
Gross rev.	$ 597,660	$ 492,000
Employes	15	14
Commercial bus.	66%	64%

Principal officers: Robert E. Anderson, president and treasurer; James R. Gates, vp and secretary; Kenneth W. Born, vp.

Compensation: commissions.

LARRY LARSON & ASSOCIATES

Box 4386, Missoula, Mont. 59801; 406-721-1000

	1976	1975
Premium vol. ...	$ 9,250,000	$ 8,000,000
Gross rev.	$ 1,500,000	$ 1,300,000
Employes	53	49
Commercial bus.	65%	60%

Principal officers: Roy Conger, CPCU, president and C.E.O.; John Dove, executive vp; Virginia Sonntag, secretary/treasurer; John F. Gibson, chairman.

Compensation: commissions and fees.

Acquisitions in the past year: one personal lines agency, Spokane, Wash.; one combination personal and commercial agency, Missoula, Mont.

Branch offices: Missoula, Helena, Deer Lodge, Kalispell, all Mont.; Pocatello, Boise, Coeur d'Alene, all Idaho; Spokane, Wash.

Subsidiaries: Bryan & Co.

LASHER-COWIE AGENCY INC.

1807 N. Central, Phoenix, Ariz. 85004; 602-258-3421

	1976	1975
Premium vol. ...	$ 6,000,000	$ 5,000,000
Gross rev.	$ 850,000	$ 750,000
Employes	43	35
Commercial bus.	77%	75%

Principal officers: Robert P. Cowie, president; Donald Lasher secretary/treasurer.

Compensation: commissions.

HENRY A. LATIMER & SON

6400 Goldsboro Road, Bethesda, Md. 20034; 301-229-1500

	1976	1975
Premium vol. ...	$ 1,300,000	$ 1,050,000
Gross rev.	$ 217,062	$ 177,205
Employes	6	6
Commercial bus.	40%	35%

Principal officers: Henry A. Latimer, Richard L. Latimer, partners.

Compensation: commissions.

LAUGHLIN BROKERAGE

56 N. Salt Creek Road, Roselle, Ill. 60172; 312-893-3257 or 529-7571

	1976	1975
Premium vol. ...	$ 1,950,000	$ 1,700,000
Gross rev.	$ 210,000	$ 180,000
Employes	27	19
Commercial bus.	41%	40%

Principal officers: T.X. Laughlin, president.

Compensation: commissions and fees.

Branch offices: Dublin, Ireland; Nashville.

Subsidiaries: Laughlin Agency; Laughlin Insurance Consultants.

Parent company: Laughlin Enterprises Inc.

LAWRENCE-VAN VOAST INC.

108 Union St., Schenectady, N.Y. 12305; 518-370-1720

	1976	1975
Premium vol. ...	$12,150,000	$ 8,710,000
Gross rev.	$ 1,208,665	$ 889,294
Employes	51	39
Commercial bus.	60%	60%

Principal officers: Albert W. Lawrence, president and treasurer; William Davenport, Warren Evans, Paul Kelly, William Mather, Horace Van Voast III, Gary Keehfus, all vps; Barbara C. Lawrence, secretary; John C. Fitts, president, F.L.&B.; Harry Bickford, president, Lawrence Management.

Compensation: commissions and fees.

Branch offices: Albany, Buffalo, Forest Hills, Syracuse, Troy, Waterford, all N.Y.; Louisville, Ky.; Connersville, Ind.; Warren, Ohio.

Subsidiaries: Fitts, Lawrence & Barton Inc.; Lawrence Management Co. Inc.

LAWTON-BYRNE-BRUNER INSURANCE AGENCY INC.

10 Broadway, St. Louis, Mo. 63102; 314-621-5540

	1976	1975
Premium vol. ...	$74,105,000	$67,348,000
Employes	209	208
Gross rev.	$ 7,443,000	$ 6,664,000
Commercial bus.	92%	91%

Principal officers: W. W. Fetner, chairman; H. R. Larkin, president; C. P. Skwiot, executive vp; M. J. Todorovich, senior vp and secretary; J.O. Felker, senior vp and treasurer.

Compensation: commissions and fees.

Affiliates: Parcel Insurance Plan Inc.; John O. Felker Administrators.

THOMAS E. LEEDS CO. INC.

680 5th Ave., New York, N.Y. 10019; 212-975-1960

	1976	1975
Premium vol. ...	NA	NA
Gross rev.	$ 950,000	$ 800,000
Employes	18	15
Commercial bus.	95%	95%

Principal officers: Thomas E. Leeds, president; Walter Schimenty, executive vp; Thomas V. Leeds, senior vp.

Compensation: commissions.

LEVINSON BROS. INC.

235 Montgomery St., San Francisco, Calif. 94104; 415-434-3200

	1976	1975
Premium vol. ...	$10,042,752	$ 9,640,000
Gross rev.	$ 1,094,726	$ 878,000
Employes	37	37
Commercial bus.	91%	90%

Principal officers: Fred Levinson, president; Morton I. Levinson, vp; Bernard S. Greendorfer, vp; David J. Levinson, vp and secretary.

Compensation: commissions.

DON LIEBERT INC.

172 S. Middletown Road, Nanuet, N.Y. 10954; 914-623-3434

	1976	1975
Premium vol. ...	$ 4,200,000	$ 3,300,000
Gross rev.	$ 693,532	$ 617,706
Employes	20	17
Commercial bus.	57%	55%

Principal officers: Donald F. Liebert, CPCU, CLU, president; Richard Hiller, CPCU, vp; Richard Phelan, assistant vp.

Compensation: commissions.

LIMRIC BROTHERS INSURANCE AGENCY

869 Worcester Road, Wellesley, Mass. 02181; 617-237-6000

	1976	1975
Premium vol. ...	$ 1,450,000	$ 1,300,000
Gross rev.	$ 289,066	$ 246,823
Employes	11	11
Commercial bus.	60%	55%

Principal officers: David L. Limric, CPCU, Paul G. McDonald, partners.

Compensation: commissions.

Branch offices: Foxboro, Mass.

Subsidiaries: J.F. McDonald Insurance Agency Inc.

LITCHFIELD COUNTY AGENCY INC.

175 Prospect St., Torrington, Conn. 06790; 203-482-6566

	1976	1975
Premium vol. ...	$ 2,849,000	$ 2,469,000
Gross rev.	$ 520,000	$ 467,000
Employes	21	19
Commercial bus.	36%	34%

Principal officers: Robert Venn Carr Jr., president and treasurer; Daniel H. Kraut, vp; John L. Donovan, secretary.

Compensation: commissions.

Acquisitions in the past year: Paul Richmond Agency, New Milford, Conn.

Branch offices: Litchfield, New Milford, Tomaston, Barkhamsted, Conn.

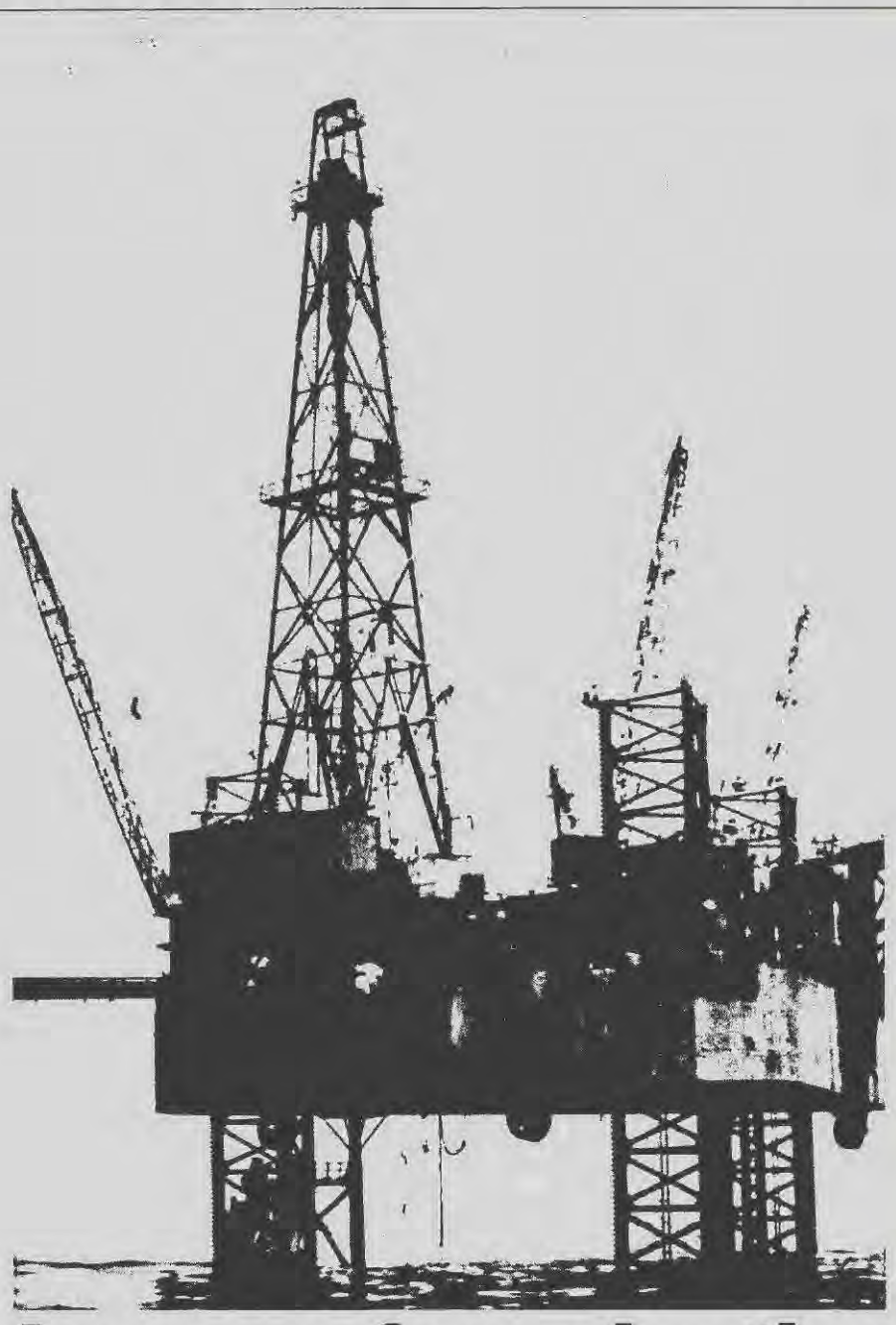
Subsidiaries: Agents Budget Co.; Travel House, two offices.

C. LOFBERG INC.

363 Cedar Lane, Teaneck, N.J. 07666; 201-836-2100

	1976	1975
Premium vol. ..	$ 3,300,000	$ 2,600,000
Gross rev.	$ 654,012	$ 552,889
Employes	24	21

Continued on page 78



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agent/broker profiles

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Commercial bus.	60%	60%

Principal officers: Richard C. Lofberg, CPCU, chairman and CEO; Paul W. Lofberg, CPCU president; Franklin D. Lutz, executive vp; John H. Letz, senior vp; F.X. McGrath, CPCU, vp; Ronald Snider, vp; Selwyn Jacobs, vp.

Subsidiaries: VIP Agency Inc.; Letz-Lofberg Associates; Van Houten-Lofberg Agency.

Compensation: commissions and fees.

L.G. LOOMIS & CO. INC.

311 Alexander St., Rochester, N.Y. 14604; 716-546-1700*

	1976	1975
Premium vol. ...	$ 4,766,210	$ 3,819,797
Gross rev.	$ 837,493	$ 721,661
Employes	36	33
Commercial bus.	85%	95%

Principal officers: Leslie G. Loomis, president and treasurer; Willard C. Parker and Barbara B. Walker, secretary.

Compensation: commissions and fees.

Acquisitions in the past year: E.R. Church Agency, Canandaigua, N.Y. (1976); Frederick J. Retallick Agency, Rochester, N.Y.

Subsidiaries: E.C. Cooper Inc.

*After Aug. 1, the address will be Tobey Village Office Park, Jefferson Road at Clover St., Pittsford, N.Y. 14534.

JOHN L. MACBETH CO.

2160 Winters Bank Tower, Dayton, Ohio 45429; 513-461-4745

	1976	1975
Premium vol. ..	$ 3,400,000	$ 2,800,000
Gross rev.	$ 590,800	$ 475,269
Employes	25	18
Commercial bus.	65%	60%

Principal officers: G. Philip Klum, president; James E. Paxson, executive vp; Richard Muckenheiter, treasurer; Stephen E. Lannon, vp-general manager.

Compensation: commissions and fees.

MACINTYRE, FAY & THAYER INSURANCE AGENCY INC.

1 Wells Ave., Newton, Mass. 02159; 617-3342-5100

	1976	1975
Premium vol. ..	$12,993,000	$10,610,000
Gross rev.	$ 1,812,000	$ 1,523,000
Employes	58	55
Commercial bus.	79%	75%

Principal officers: Joseph J. Foy, chairman; Richard E. Eagan, president; James M. Althy, vp-commercial dept. manager.

Compensation: commissions and fees.

RAYMOND G. MCCARTHY & CO. INC.

502 Bloomfield Ave., Verona, N.J. 07044; 201-239-9404

	1976	1975
Premium vol. ..	$ 1,670,000	$ 1,420,000
Gross rev.	$ 290,000	$ 260,000
Employes	9	9
Commercial bus.	65%	60%

Principal officers: Raymond G. McCarthy, president; John E. Popowich, vp; Thomas J. Stokes, vp; William D. Rogers, vp.

Compensation: commissions and fees.

MCCUNE-DICKINSON INC.

310 Howard St., Petoskey, Mich. 49770; 616-347-4166

	1976	1975
Premium vol. ..	$ 1,220,000	$ 1,050,000
Gross rev.	$ 250,000	$ 225,000
Employes	8	8
Commercial bus.	85%	80%

Principal officers: Stanley R. Dickinson, CPCU, president; William C. Sutton, vp.

Compensation: commissions and fees.

MCDOWELL INSURANCE INC.

338 Lincoln Way East, Chambersburg, Pa. 17201; 717-263-8401

	1976	1975
Premium vol. ..	$ 2,680,484	$ 1,949,680
Gross rev.	$ 559,449	$ 452,803
Employes	21	16
Commercial bus.	70%	65%

Principal officers: E.C. Zimmerman, president; K.A. Shreiner, executive vp; C.D. Baughman, senior vp.

Compensation: commissions.

Branch offices: Waynesboro, Greencastle, Mercersburg, Pa.

MCGOWAN & CO. INC.

21010 Center Ridge Road, Rocky River, Ohio 44116; 216-333-6300

	1976	1975
Premium vol. ..	$ 4,132,641	$ 3,516,720
Gross rev.	$ 415,632	$ 384,126
Employes	12	12
Commercial bus.	69%	65%

Principal officers: Thomas B. McGowan, president; Thomas B. McGowan III, vp; Ruth B. McGowan, secretary.

Compensation: commissions and fees.

MCGRIFF & SEIBELS INC.

2217 7th Ave. S., Birmingham, Ala. 35233; 205-252-9871

	1976	1975
Premium vol. ..	$11,200,000	$ 9,600,000
Gross rev.	$ 1,733,000	$ 1,390,000
Employes	70	68
Commercial bus.	85%	70%

Principal officers: Lee McGriff, chairman; H.G. Seibels Jr., vice chairman; Richard Ubmack, president; Malcolm Miller Jr., senior vp; Ellis Wanninger, vp and treasurer.

Compensation: commissions and fees.

Subsidiaries: Insurers Services Inc., Associated Insurance Brokers, General Aviation Underwriters.

McMANUS & PELLOUCHOUD INC.

141 W. Jackson Blvd., Chicago, Ill. 60604; 313-427-1961

	1976	1975
Premium vol. ..	$21,500,000	$15,000,000
Gross rev.	$ 1,900,000	$ 1,500,000
Employes	32	27
Commercial bus.	90%	90%

Principal officers; Robert B. McManus, president; Vernon J. Pellouchoud, vp.

Compensation: commissions.

MACK & PARKER

209 S. LaSalle St., Chicago, Ill. 60604; 312-346-1221

	1976	1975
Premium vol. ..	NA	NA
Gross rev.	$ 1,470,313	$ 1,113,465
Employes	38	35
Commercial bus.	93%	92%

Principal officers: Edward E. Mack Jr., CPCU, CLU, chairman and president; Edward E. Mack III, executive vp; Charles S. Mack, CPCU, CLU, vp and secretary; John P. Mack, CPCU, CLU, vp and treasurer; Kenneth T. Krispin, vp and assistant treasurer; Lance R. Sanberg, vp; William J. O'Keefe, vp.

Compensation: commissions and fees.

GUY A. MAIN & CO.

2041 Rosecrans Ave., El Segundo, Calif. 90245; 213-640-2121

	1976	1975
Premium vol. ..	$ 3,030,000	$ 2,800,000
Gross rev.	$ 304,000	$ 257,000
Employes	7	6
Commercial bus.	99%	99%

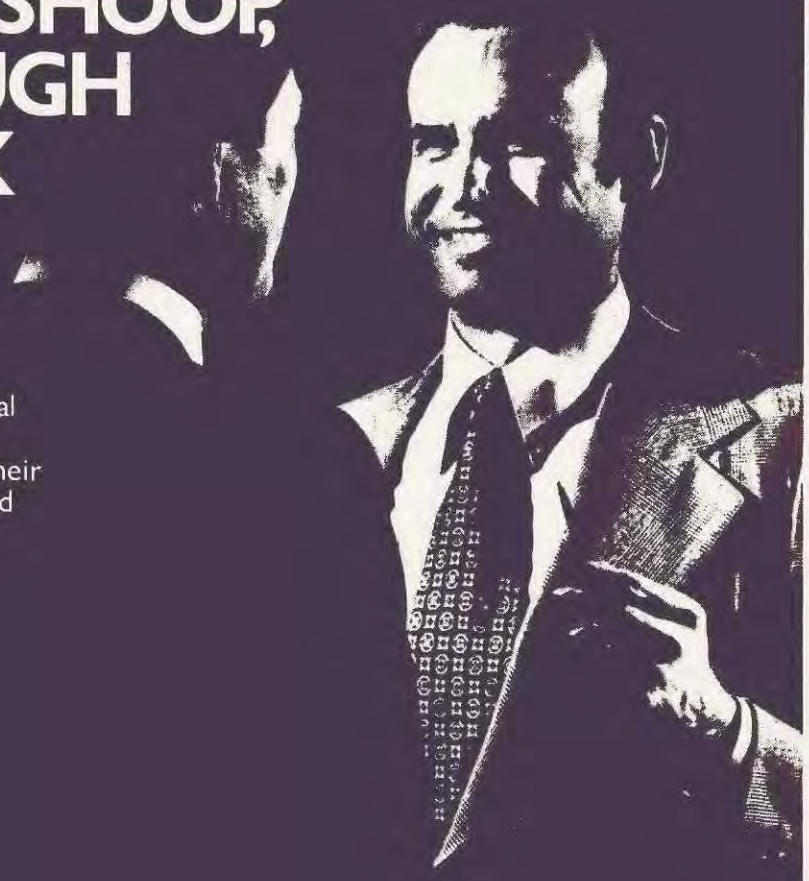
Principal officers; Guy A. Main, president; Les H. Amoy, senior vp; Mel D. Vinyard, vp.

Compensation: commissions and fees.

Branch offices: Marrero, La.

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PHILLIP MARGOLIS & CO.

26311 Woodward, Huntington Woods, Mich. 48070; 313-398-1700

	1976	1975
Premium Vol. ..	$ 1,700,000	$ 1,600,000
Gross rev.	$ 203,718	$ 215,000
Employes	10	10
Commercial bus.	86%	85%

Principal officers: Phillip Margolis, CPCU, president; Jill A. Farquharson, vp; Estelle B. Smith, secretary; Catherine Koday, treasurer.

Compensation: commissions.

Acquisitions in the past year: Assumed accounts of R&D Agency Inc.

Subsidiaries: North Central Underwriters.

Parent company: Central Agency Corp.

MARKETING MANAGEMENT INC.

2052 Oak Mountain Drive, Pelham, Ala. 35124; 205-663-4000

	1976	1975
Premium vol. ..	$22,500,000	NA
Gross rev.	$ 1,200,000	$ 500,833
Employes	35	26
Commercial bus.	96%	95%

Principal officers: Ken Williams, president; Joe Gosa, senior vp; Lomax Johnson, secretary.

Compensation: commissions and fees.

Branch offices: San Francisco, Toronto.

Subsidiaries: M.M. Administrators Inc., Management Safety Inc.

MAURY, DONNELLEY & PARR INC.

Commerce & Waters Sts., Baltimore, Md. 21202; 301-685-4625

	1976	1975
Premium vol. ..	NA	NA
Gross rev.	$ 572,000	$ 506,000
Employes	25	23
Commercial bus.	83%	78%

Principal officers: Henry A. Parr IV, president; Thomas D. R. Parr, CPCU, executive vp; David W.B. Willse, vp.

Compensation: commissions and fees.

MAY-DAVIS INC.

Box 11558, Spokane, Wash. 99211; 509-535-8783

	1976	1975
Premium vol. ..	$ 1,400,000	$ 1,000,000
Gross rev.	$ 200,000	$ 125,000
Employes	5	3
Commercial bus.	99%	99%

Principal officers: Laurel E. May, president; William H. Davis, executive vp; Patrick J. Lynch, vp.

Compensation: commissions.

MEADOWBROOK INC.

24370 Northwestern Hwy., Southfield, Mich. 48037; 313-358-1100

	1976	1975
Premium vol. ..	$20,000,000	$20,000,000
Gross rev.	$ 2,800,000	$ 2,800,000
Employes	95	119
Commercial bus.	92%	92%

Principal officers: Merton J. Segal, president; Joy A. Maurer, vp and secretary; Lee F. Kelly, vp and treasurer; Robert A. Engle, vp.

Compensation: commissions and fees.

Branch offices: Boston; Chicago; Tampa; New York; Birmingham, Livonia, Dearborn, all in Mich.

THE MERKIN CO.

1030 Fifteenth St., N.W., Washington, D.C. 20005; 202-296-0240

	1976	1975
Premium vol. ..	$ 1,883,426	$ 1,355,182
Gross rev.	$ 260,100	$ 245,490
Employes	12	11
Commercial bus.	75%	80%

Continued on page 80



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agent/broker profiles

Continued from page 79

Principal officers: Maury Merkin, president.

Compensation: commissions.

MERRIAM, ELLIS & BENTON

1300 North 78th St., Kansas City, Kan. 66112; 913-334-2100

	1976	1975
Premium vol. ..	$ 850,000	$ 775,000
Gross rev.	$ 186,400	$ 179,600
Employes	11	13
Commercial bus.	60%	55%

Principal: Don A. Ellis, CPCU, owner.

Compensation: commissions.

MERRITT & McKENZIE AGENCY

1128 Life of Georgia Tower, Atlanta, Ga. 30308; 404-881-0538

	1976	1975
Premium vol. ..	$ 3,200,000	$ 2,800,000
Gross rev.	$ 594,067	$ 504,922
Employes	17	14
Commercial bus.	75%	70%

Principals: James W. McKenzie; Edward F. Merritt Jr.; Ralph A. McKnight; Harold R. Turner, CPCU; James P. Warren Jr., CLU; all partners.

Compensation: commissions.

MIDDLETON & CO.

120 Route 206 North, Newton, N.J. 07860; 201-383-5525

	1976	1975
Premium vol. ..	$ 1,100,000	$ 1,050,000
Gross rev.	$ 161,900	$ 150,171
Employes	8	8
Commercial bus.	80%	80%

Principal officers: Eli A. Gaynor, president.

Compensation: commissions.

THE MILLS CO.

700 First International Bldg., Dallas, Tex. 75270; 214-651-1100

	1976	1975
Premium vol. ..	$ 4,200,000	$ 3,900,000
Gross rev.	$ 432,000	$ 410,000
Employes	13	11
Commercial bus.	95%	93%

Principal officers: Rudulph Mills Jr., president; J. Carlton Sims, vp-general manager; Curtis B. Roberts, senior vp.

Compensation: commissions and fees.

MONTGOMERY GENERAL AGENCY INC.

300 E. Lancaster Ave., Wynnewood, Pa. 19096; 215-649-3625

	1976	1975
Premium vol. ..	$ 7,500,000	$ 4,450,000
Gross rev.	$ 725,000	$ 425,000
Employes	20	16
Commercial bus.	100%	100%

Principal officers: Thomas Sullivan, president; Daniel Divis, vp; Harry Waber, chairman.

Compensation: commissions.

Branch offices: Haddenfield, N.J.

Subsidiaries: Montgomery General Agency of N.J. Inc.

MONTGOMERY & MONTGOMERY INC.

111 Fulton St., New York, N.Y. 10038; 212-285-0600

	1976	1975
Premium vol ..	NA	NA
Gross rev.	$ 1,199,599	$ 976,472
Employes	26	26
Commercial bus.	80%	75%

Principal officers: David B. Montgomery, president; Lawrence E. Brown, vp; Robert A. Nolan, vp; Howard E. Smith, vp.

Compensation: commissions and fees.

Branch offices: Los Angeles.

MORRIS & MACKENZIE LTD.

4141 Sherbrooke St. W., Suite 400, Montreal, Que. H3Z 1C1; 514-937-5755

	1976	1975
Premium vol. ..	$25,000,000	$19,000,000
Gross rev.	$ 4,553,000	$ 3,650,000
Employes	165	153
Commercial bus.	81%	80%

Principal officers: J.L. Wallace, chairman; A.W. Robinson, vice chairman; A.L. Gordon, president and CEO; F. Dougan, vp and secretary; A.L. Drumm, vp; R.J. Paterson, vp; W.M. Malcolm, vp.

Compensation: commissions and fees.

Branch offices: Toronto, Vancouver.

MOSS & SULLIVAN INC.

1 W. Genesse St., Suite 909, Buffalo, N.Y. 14202; 716-853-5450

	1976	1975
Premium vol. ..	$ 3,000,000	$ 2,500,000
Gross rev.	$ 376,000	$ 350,000
Employes	12	13
Commercial bus.	85%	80%

Principal officers: D.S. Moss, president and treasurer; J.E. Escott, vp; J.F. Haas, vp; E.K. Landefeld, CPCU, vp.

Compensation: commissions.

THE MUTUAL INSURANCE AGENCY INC.

5010 Wisconsin Ave., N.W., Washington, D.C. 20016; 202-362-9840

	1976	1975
Premium vol. ..	$ 4,600,000	$ 3,800,000
Gross rev.	$ 718,000	$ 664,000
Employes	25	24
Commercial bus.	70%	65%

Principal officers: Henry A. Kroll, president; Morris W. Wells, executive vp.

Compensation: commissions.

NAHM, TURNER, VAUGHAN & LANDRUM INC.

29th Floor, First National Tower, Louisville, Ky. 40202; 502-589-6070

	1976	1975
Premium vol. ..	$ 3,500,000	$ 3,200,000
Gross rev.	$ 2,800,000	$ 2,204,444
Employes	82	77
Commercial bus.	88%	82%

Principal officers: Baylor Landrum Jr., Charles S. Nahm, George L. Turner, executive committee members; John A. Stough, Robert W. Vaughan, Marshall M. Royce, Thomas W. Gaines, Jack L. Shapero, senior vps.

Compensation: commissions.

NATIONAL AGRA UNDERWRITERS INC.

1104 Fernwood Ave., Camp Hill, Pa. 17011; 717-761-7377

	1976	1975
Premium vol. ..	$ 2,000,000	$ 1,500,000
Gross rev.	$ 300,000	$ 200,000
Employes	8	7
Commercial bus.	100%	100%

Principal officers: A.S. Townsend, president; C.M. Berry, vp; H.A. John, vp.

Compensation: commissions and fees.

NATIONAL INSURANCE ASSOCIATES

66 Route 17, Paramus, N.J. 07652; 201-845-6600

	1976	1975
Premium vol. ..	$ 7,400,000	$ 5,600,000
Gross rev.	$ 960,000	$ 750,000
Employes	51	37
Commercial bus.	71%	69%

Principal officers: Paul L. Gross, president; William F. Meade, vp; Jerry G. Katzman, vp.

Compensation: commissions and fees.

Acquisitions in the past year: Robert Spencer & Associates, Fred D. Spreen, Allaire-Farrow Agency, Joseph Rotolo, Richard B. Marshall.

Branch offices: Long Valley and Red Bank, N.J.; Pearl River, N.Y.

Subsidiaries: North American Investment Advisors, Fred D. Spreen, Robert Spencer & Associates.

NATIONAL PREFERRED RISKS INC.

45 North Station Plaza, Great Neck, N.Y. 11022; 516-482-6215

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	1976	1975
Premium vol. ..	$10,891,465	$ 9,427,305
Gross rev.	$ 1,499,000	$ 1,252,000
Employes	38	38
Commercial bus.	95%	94%

Principal officers: Arnold M. Cohn, president; Ronald F. Friedenthal, executive vp and treasurer; William Spaar Jr., senior vp-surety; Leonard R. Cohn, vp.

Compensation: commissions.

Branch offices: New York and New Rochelle; Lincoln Park, N.J.

Subsidiaries: International Risk Managers Ltd., Newtown Programing Corp., Raymond Schlessel Associates Inc.

Parent company: Cohn Enterprises Inc.

NEILSON UNDERWRITERS INC.

PO Box 4408, Alexandria, La. 71301; 318-445-4141

	1976	1975
Premium vol. ..	$ 2,400,000	$ 1,570,000
Gross rev.	$ 330,000	$ 262,000
Employes	10	10
Commercial bus.	70%	60%

Principal officers: James D. Neilson Jr., president and treasurer; Thomas D. Gunnin, vp and secretary.

Compensation: commissions.

NEW ENGLAND SECURITY INSURANCE AGENCY INC.

100 N. Main St., Mansfield, Mass. 02048; 617-339-8991

	1976	1975
Premium vol. ..	$ 1,900,000	$ 1,500,000
Gross rev.	$ 360,000	$ 320,000
Employes	15	14
Commercial bus.	65%	65%

Principal officers: Ralph H. Seifert, president; Charles A. Wheeler, treasurer; Fred E. Wills, senior vp; James A. Wills, vp and clerk; Kevin J. Murphy, vp.

Compensation: commissions.

Branch offices: Hyannis, Mass.

NORTH AMERICAN INSURANCE AGENCY INC.

2000 Classen Center 914-E, Oklahoma City, Okla. 73125; 405-523-2100

	1976	1975
Premium vol. ..	$10,800,000	$ 8,400,000
Gross rev.	$ 1,725,000	$ 1,335,000
Employes	63	52
Commercial bus.	80%	80%

Principal officers: C.B. Cameron, chairman; Gene McCrory, president; Donald Glaspey, senior vp; Richard L. Gale, vp-sales; John Mackey, vp.

Compensation: commissions and fees.

Acquisitions in the past year: Les Brown Insurance Agency (1976).

Branch offices: Edmond, Oklahoma City, Tulsa, all in Okla.; Wichita, Kan.; Denver; Dallas; New Orleans.

NORTHEAST COVERAGE CORP.

91-31 Queens Blvd., Elmhurst, N.Y. 11557; 212-779-6200

	1976	1975
Premium vol. ..	$ 4,300,000	$ 2,250,000
Gross rev.	$ 450,000	$ 230,000
Employes	14	11
Commercial bus.	80%	60%

Principal officers: Robert Theodore, CEO; Calvin Siegel, president; Sam Newman, vp.

Compensation: commissions and fees.

Acquisition in the past year: William Bloom (1976).

Subsidiaries: Premier Brokerage Corp., Robert Theodore Associates Inc., V.I.P. Ltd., William Bloom, Cotton Lillien Ltd.

NORTHRIDGE INSURANCE AGENCY INC.

8521 Reseda Blvd., Northridge, Calif. 91328; 213-349-5200

	1976	1975
Premium vol. ..	$ 1,225,000	$ 900,000
Gross rev.	$ 196,523	$ 142,009
Employes	9	7
Commercial bus.	56%	48%

Principal officers: Jack W. John, president; Jack H. Curtis, vp and treasurer; Helen E. Bragar, secretary.

Compensation: commissions.

Acquisitions in the past year: E. Mollet Insurance Agency (1976).

OLLIVER/PILCHER & ASSOCIATES

3033 N. Central Ave., S213 E-M, Phoenix, Ariz. 85012; 602-277-5703

	1976	1975
Premium vol. ..	$18,000,000	$12,467,000
Gross rev.	$ 2,500,000	$ 1,515,680
Employes	91	87
Commercial bus.	61%	55%

Principal officers: W.W. Pilcher, CPCU, president; Donald L. Risk, CPCU, vp; F. Rockne Arnett, secretary; Dick L. Jones, CPCU, treasurer.

Compensation: commissions and fees.

Continued on page 82

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Prudential

agent/broker profiles

Continued from page 81

Branch offices: Aspen, Colo.: Cottonwood, Glendale, Globe, Prescott, Scottsdale, ShoLow, all in Ariz.

ORDWAY-SAUNDERS CO.

701 Amarillo Building, Amarillo, Tex. 79105; 806-376-4761

	1976	1975
Premium vol. ..	$ 6,950,228	$ 5,485,025
Gross rev.	$ 1,102,000	$ 984,000
Employes	30	28
Commercial bus.	83%	83%

Principal officers: Guyon H. Saunders, Ed A. Fancher, Dan B. Flemming, S.L. Napier Jr., William L. Hamilton Jr., John W. Massey, John W. Murray, all partners.

Compensation: commissions.

OSBORN & LANGE LTD.

759 Victoria Square, Montreal, Quebec H2Y 2K5; 514-849-4161

	1976	1975
Premium vol. ..	$14,000,000	$12,000,000
Gross rev.	$ 1,300,000	$ 1,100,000
Employes	41	39
Commercial bus.	90%	90%

Principal officers: A.N. Francis, chairman; H. Bennett, president; J.A. Cantello, vp; M. Soos-Farnady, secretary/treasurer.

Compensation: commissions and fees.

Branch offices: Toronto, Winnipeg, Edmonton, New York, Chicago.

Subsidiaries: Osborn & Lange Inc.

OSTERLOH & DURHAM INSURANCE BROKERS OF NORTH AMERICA INC.

6930 Valjean Ave., Van Nuys, Calif. 91409; 213-988-6520

	1976	1975
Premium vol. ..	$ 3,500,000	$ 2,970,000
Gross rev.	$ 528,577	$ 488,967
Employes	9	22
Commercial bus.	99%	98%

Principal officers: A.F. Osterloh III, president; T.W. Mitchell, vp.

Compensation: commissions and fees.

OVERLAND III INSURANCE SERVICES

17418 S. Studebaker Road, Cerritos, Calif. 90701; 213-924-8353

	1976	1975
Premium vol. ..	$ 4,000,000	$ 2,300,000
Gross rev.	$ 500,000	$ 200,000
Employes	15	14
Commercial bus.	95%	95%

Principal officers: Donald L. Jenkins, president; Pat W. Mazzotta, vp; Henry H. Escalante, vp.

Compensation: commissions and fees.

Parent company: Overland Financial Services Inc.

ARTHUR L. OWEN CO. INC.

1710 Mercantile Commerce Bldg., Dallas, Tex. 75201; 214-741-5921

	1976	1975
Premium vol. ..	$ 8,100,000	$ 7,000,000
Gross rev.	$ 1,179,000	$ 970,000
Employes	26	23
Commercial bus.	94%	94%

Principal officers: Arthur L. Owen, president; Henry Bell, vp; Mike Cook, vp.

Compensation: commissions and fees.

Branch offices: Calgary, Alberta.

PANHANDLE INSURANCE AGENCY

1201 West 8th Ave., Amarillo, Tex. 79105; 806-374-4621

	1976	1975
Premium vol. ..	$11,638,112	$ 9,245,373
Gross rev.	$ 1,914,035	$ 1,527,542
Employes	57	58
Commercial bus.	82%	88%

Principal officers: S. Wayne O'Keefe, Jack E. Bryant, Robert N. Burks, Don J. Crumbley, Hugh Maxey Dodson, Leslie H. Hart, Kay Fancher, Henry Gruben, C.C. Bogan Jr., Billy Dale Brown and L. Dean Tucker, all partners.

Compensation: commissions and fees.

Branch offices: Pampa, Borger, both in Tex.

PARIS-O'DAY & REED INC.

1040 Lake, Oak Park, Ill. 60301; 312-379-7676

	1976	1975
Premium vol. ..	$12,000,000	$ 8,000,000
Gross rev.	$ 978,000	$ 534,000
Employes	21	15
Commercial bus.	98%	98%

Principal officers: Fredrick L. Reed, president; Frank M. Paris, secretary/treasurer.

Compensation: commissions and fees.

Acquisitions in the past year: H. Dalmar & Co. (1976).

Branch offices: Chicago.

Subsidiaries: H. Dalmar & Co.

PERRY & SWARTWOOD INC.

350 W. Church St., Elmira, N.Y. 14902; 607-734-4291

	1976	1975
Premium vol. ..	$ 3,000,000	$ 2,600,000
Gross rev.	$ 620,000	$ 508,000
Employes	14	14
Commercial bus.	80%	75%

Principal officers: George Murphy, president; Harry Buehler, vp; William Tryon, vp; J. Peter Fennell, vp; Matthew Perry, secretary/treasurer.

Compensation: commissions and fees.

Acquisitions in the past year: Sindlinger & Burt Inc. (1976).

THE PETTINER AGENCY INC.

Camden State Bank Bldg., Camden, Ind. 46917; 219-686-2613

	1976	1975
Premium vol. ..	$ 1,661,421	$ 1,350,624
Gross rev.	$ 344,069	$ 268,604
Employes	12	11
Commercial bus.	57%	49%

Principal officers: Robert L. Pettiner, president; W.O. Pettiner, executive vp; Edward E. Canaday, vp; D. Dale Pettiner, treasurer.

Compensation: commissions.

Branch offices: Converse, Delphi, Salem, all in Ind.

Subsidiaries: Pettiner Sullivan Life Corp.

JAMES T. PHELPS & CO. INC.

40 Broad St., Boston, Mass. 02109; 617-482-9700

	1976	1975
Premium vol. ..	$ 7,400,000	$ 6,100,000
Gross rev.	$ 1,205,000	$ 1,010,000
Employes	27	25
Commercial bus.	72%	72%

Principal officers: H. Phelps Edwards Jr., president and treasurer; Leo T. Goodrich, executive vp; Richard B. Learnard, senior vp.

Compensation: commissions and fees.

Branch offices: Milton, Mass.

PINSON-CALHOUN INSURANCE AGENCY INC.

520 Spring St., Shreveport, La. 71101; 318-221-7881

	1976	1975
Premium vol. ..	$ 1,641,932	$ 1,372,438
Gross rev.	$ 250,712	$ 223,648
Employes	10	10
Commercial bus.	77%	73%

Principal officers: F.H. Pinson, president; Fielder Calhoun, vp.

Compensation: commissions.

POE & ASSOCIATES INC.

102 West Whiting St., Tampa, Fla. 33601; 813-228-7361

	1976	1975
Premium vol. ..	$50,000,000	$40,000,000
Gross rev.	$ 6,033,000	$ 3,867,000
Employes	210	186
Commercial bus.	95%	93%

Principal officers: Joseph E. Brown, CPCU, president and CEO; Grady Cooksey, vp; Leslie R. Willette, secretary; Bruce G. Geer, treasurer.

Compensation: commissions and

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Acquisitions in the past year: M&M (Vaughn) Agency; Howden Reinsurance Corp.; R.B. Jones of Florida (1977).

Branch offices: Fort Lauderdale, Jacksonville, Lakeland, Miami, Orlando, Venice, and North Port, all in Fla.

Subsidiaries: W.F. Poe Associates Inc.; Whiting National Services Inc.; Whiting National Management Corp.; Howden Reinsurance Corp.

POMERLEAU AGENCY INC.

184 South Winooski Ave., Burlington, Vt. 05401; 802-863-2841

	1976	1975
Premium vol. ..	$ 2,600,000	$ 2,100,000
Gross rev.	$ 475,000	$ 425,000
Employes	18	18
Commercial bus.	83%	81%

Principal officers: Antonio B. Pomerleau, president; Charles S. Lord, vp.

Compensation: commissions and fees.

POPKIN LEBSON BERGSTEIN INC.

155 N. Dean St., Englewood, N.J. 07631; 201-569-8090

	1976	1975
Premium vol. ..	$ 3,000,000	$ 2,500,000
Gross rev.	$ 557,000	$ 438,000
Employes	20	17
Commercial bus.	65%	65%

Principal officers: Leo J. Popkin, president; Michael Bergstein, CLU, vp; Martin A. Lebson, vp and treasurer; Bruce A. Bergstein, vp and secretary.

Compensation: commissions and fees.

Subsidiaries: P.L.B. Life Agency Inc.

THE PORTER ALLEN CO.

513 Southard St., Key West, Fla. 33040; 305-294-2542

	1976	1975
Premium vol. ..	$ 2,200,000	$ 2,000,000
Gross rev.	$ 350,000	$ 320,000
Employes	17	15
Commercial bus.	40%	40%

Principal officers: William A. Freeman Jr., president; David W. Freeman, CPCU, secretary/treasurer and general manager.

Compensation: commissions.

Branch offices: Marathon, Fla.

PORTER-SPAULDING INC.

1831 Tongass Ave., Ketchikan, Alaska 99901; 907-225-3164

	1976	1975
Premium vol. ..	$ 1,900,000*	$ 1,400,000*
Gross rev.	$ 300,000*	$ 240,000*
Employes	7	6
Commercial bus.	50%	50%

Principal officers: Carl H. Porter, president; Dale Simpson, secretary, Arne Iversen, treasurer.

Compensation: commissions.

*Does not include life, A&H or any income other than general insurance commissions.

PRITCHARD & JERDEN INC.

Suite 224, 2250 N. Druid Hills Road, Atlanta, Ga. 30329; 404-321-5632

	1976	1975
Premium vol. ..	$ 6,000,000	$ 4,500,000
Gross rev.	$ 1,000,000	$ 700,000
Employes	25	22
Commercial bus.	90%	90%

Principal officers: William G. Pritchard Jr., CPCU, chairman; J.L. Jerden, CPCU, president; William T. Huntley III, CPCU, vp; Roger S. Schultz, CLU, vp; John R. Miller, CPCU, vp.

Compensation: commissions and fees.

Subsidiaries: Risk & Insurance Management Services Inc.

RBS INSURANCE

1510 W. Second St., Roswell, N.M. 88201; 505-623-1510

	1976	1975
Premium vol. ..	$ 1,327,000	$ 1,295,000
Gross rev.	$ 227,458	$ 221,101
Employes	8	7
Commercial bus.	66%	64%

Principal officers: Brad Pretti, president; King Redd, vp; Alan Berryman, secretary.

Compensation: commissions.

Branch offices: Dexter, N.M.

RL&G AGENCY INC.

88 Palmer St., Norwich, Conn. 06360; 203-889-2686

	1976	1975
Premium vol. ..	$ 1,700,000	$ 1,500,000
Gross rev.	$ 180,000	$ 155,000
Employes	9	10
Commercial bus.	48%	43%

Principal officers: Leslie H. Young, president; Ernest E. Pooce, vp.

Compensation: commissions and fees.

Subsidiaries: Forest Products Agency Co. (ForPac).

RALEIGH, MANN & POWELL, SCHWARZ, SHERA & ASSOCIATES INC.

Puget Sound National Bank Building, Tacoma, Wash. 98401; 206-572-8222 or 6010

	1976	1975
Premium vol. ..	$25,185,678	$20,115,572
Gross rev.	$ 2,450,038	$ 2,094,267
Employes	64	60
Commercial bus.	93%	90%

Principal officers: J.D. Powell, chairman; V.A. Schwarz, CLU, president; R.S. DeVine, vp; E.C. Shera, CLU, vp; R.A. DeLorenzo, vp; R.E. Still, CLU, vp; A.P. Coburn, CPCU, vp; D.E. Connor, CLU, vp.

Compensation: commissions and fees.

Branch office: Seattle.

Subsidiaries: Trusteed Plans Service Corp.

RAMEY-MANNAN & CO. INC.

9102 N. Meridian St., Suite 500, Indianapolis, Ind. 46260; 317-844-7981

	1976	1975
Premium vol. ..	$ 3,420,000	$ 3,100,000
Gross rev.	$ 615,000	$ 598,000
Employes	19	18
Commercial bus.	85%	90%

Principal officers: William S. Ramey, president; John E. Dinnsen, vp; Sariann Gressel, secretary; Louise T. Ramey, treasurer.

Compensation: commissions.

ALLEN M. REAGER CO.

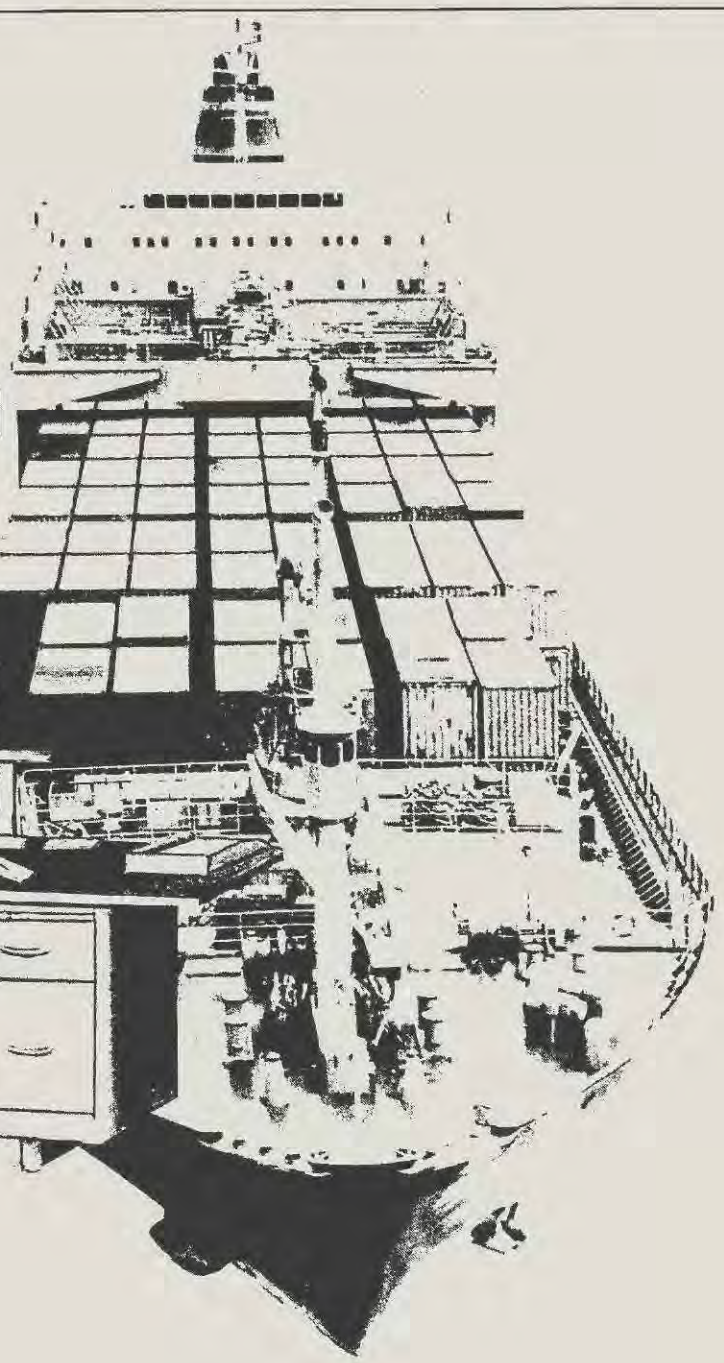
310 W. Liberty, Louisville, Ky. 40202; 502-584-4241

	1976	1975
Premium vol. ..	$ 4,200,000	$ 3,500,000
Gross rev.	$ 600,000	$ 530,000
Employes	17	17
Commercial bus.	70%	70%

Principal officers: John L. Shea, CPCU, president; Richard L. Margin, executive vp.

Compensation: commissions.

Continued on page 84



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agent/broker profiles

Continued from page 83

REBSAMEN INSURANCE

Tower Bldg., Little Rock, Ark. 72201; 501-372-7281

	1976	1975
Premium vol. ..	$31,446,369	$23,259,775
Gross rev.	$ 3,223,025	$ 2,547,868
Employes	93	73
Commercial bus.	87%	93%

Principal officers: Charles H. Harper, president; Charles C. Campbell, executive vp.

Compensation: commissions.

Acquisitions: Gardner Insurance Agency (1976).

Branch offices: Fordyce, Springdale, both Ark.

Subsidiaries: Insurisk, Lawrence Banks Insurance, Gardner Insurance Agency, The Insurance Store.

Parent company: Rebsamen Cos. Inc.

THE REDWOOD AGENCY INC.

449 S. Oyster Bay Rd., Plainview, N.Y. 11803; 516-938-1800

	1976	1975
Premium vol. ..	$ 1,320,000	$ 1,110,000
Gross rev.	$ 210,000	$ 170,000
Employes	4	4
Commercial bus.	93%	90%

Principal officers: Julian Liebman, president.

Compensation: commissions and fees.

Subsidiaries: Island Life Associates Inc.

REISS-PLEASANT INSURANCE AGENCY INC.

2425 Norfolk, Houston, Tex. 77098; 713-526-1723

	1976	1975
Premium vol. ..	$ 2,500,000	$ 2,000,000
Gross rev.	$ 385,948	$ 297,354
Employes	11	10
Commercial bus.	65%	60%

Principal officers: Neal E. Pleasant, president; Joe J. Reiss, secretary/treasurer; Elaine A. Kelly, vp.

Compensation: commissions.

REPUBLIC INSURANCE BROKERS INC.

1971 E. Fourth St., Santa Anna, Calif. 92711; 714-558-1821

	1976	1975
Premium vol. ..	$12,500,000	$10,500,000
Gross rev.	$ 1,711,800	$ 1,467,000
Employes	45	60
Commercial bus.	93%	92%

Principal officers: A.L. Leatherby, chairman and president; R.A. Rieden, executive vp; Kent Briggs, senior vp; Edward J. Kenz, vp.

Compensation: commissions and fees.

Branch offices: San Diego.

RHODES-GALLAGHER-SCHOCK INC.

1 S. Hancock St., Madison, Wis., 53703; 608-257-0636

	1976	1975
Premium vol. ..	$ 2,000,000	$ 2,000,000
Gross rev.	$ 298,683	$ 300,213
Employes	12	11
Commercial bus.	70%	76%

Principal officers: Floyd E. Schock, president; J.W. Sidney Gallagher, vp.

Compensation: commissions.

RHULEN AGENCY INC.

217 Broadway, Monticello, N.Y. 12701; 914-794-8000

	1976	1975
Premium vol. ..	$17,000,000	$11,000,000
Gross rev.	$ 3,477,204	$ 2,460,344
Employes	80	65
Commercial bus.	95%	95%

Principal officers: Max H. Rhulen, chairman; Walter A. Rhulen, president; Meyer M. Duchin, senior vp and treasurer; Jesse M. Farrow, executive vp; Peter L. Rhulen, vp and secretary; Kenneth H. Garn, vp; Richard P. Van Etten, vp; Murray Markman, vp.

Compensation: commissions and fees.

Branch offices: Portland, Ore.; Phoenix, Ariz.; Dallas, Tex.

Subsidiaries: Rhulen Life & Pensions Inc.

RICHARD-THOMAS AGENCY

1 Linden Place, Great Neck, N.Y. 11021; 516-487-6584

	1976	1975
Premium vol. ..	$ 3,500,000*	$ 6,000,000
Gross rev.	$ 275,000	$ 500,000
Employes	4	6
Commercial bus.	90%	90%

*Subsidiary, Genatt Associates, formed own company in 1976.

Principals: Richard T. Sklover, Edmund F. Dailey.

Compensation: commissions and fees.

Subsidiaries: Maramax Agency.

RICHARDSON HAGERMAN AGENCY INC.

22 E. Main St., Clifton Springs, N.Y. 14432; 315-462-7474

	1976	1975
Premium vol. ..	$ 1,910,000	$ 1,550,000
Gross rev.	$ 295,000	$ 265,000
Employes	14	13
Commercial bus.	50%	50%

Principal officers: John S. Richardson, president; Alan L. Hagerman, CPCU, vp.

Compensation: commissions.

Branch offices: Phelps, Manchester, East Rochester, all in N.Y.

JOHN M. RIEHLE & CO. INC.

757 Third Ave., New York, N.Y. 10017; 212-754-4400

	1976	1975
Premium vol. ..	$20,000,000	$13,000,000
Gross rev.	$ 2,400,000	$ 1,600,000
Employes	60	40
Commercial bus.	90%	90%

Principal officers: J.D. Tooker Jr., president; Gasper J. Morell, executive vp.

Compensation: commissions and fees.

Branch offices: Bedford, White Plains, Westbury, all in N.Y.; New Canaan, Conn.

Parent company: Harcourt Brace Jovanovich Inc.

ROBERTSON-RYAN & ASSOCIATES INC.

660 E. Mason St., Milwaukee, Wis. 53202; 414-2671-3575

	1976	1975
Premium vol. ..	$ 7,000,000	$ 5,800,000
Gross rev.	$ 890,000	$ 775,000
Employes	20	21
Commercial bus.	75%	75%

Principal officers: J.T. Ryan, chairman; A.D. Robertson, president; W. Walker, vp; E.E. Juckem, executive vp, general manager; John Kuhnmuench, vp; Allan Robertson, secretary; Lloyd Schutte, treasurer.

Compensation: commissions.

Branch offices: Port Washington, Sheboygan, Wis.

ROBINSON-ADAMS COS.

2130 Highland Ave., Birmingham, Ala. 35205; 205-933-1104

	1976	1975
Premium vol. ..	$ 6,000,000	$ 5,500,000
Gross rev.	$ 900,000	$ 800,000
Employes	21	20
Commercial bus.	82%	80%

Principal officers: Tom Adams, president; Hugh Alford, vp; Richard Adams, vp.

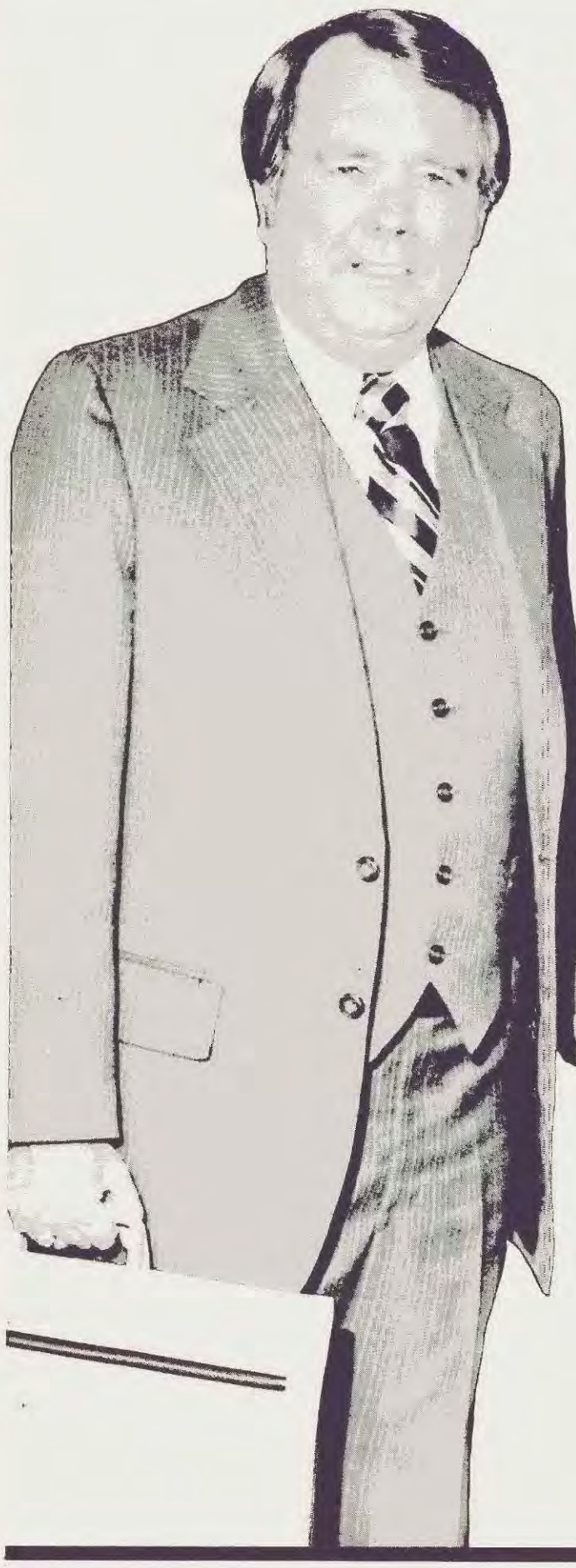
Compensation: commissions and fees.

Subsidiaries: Auction Insurance Agency.

ROBSON, CAVIGNAC & FLETCHER

110 W. "A" St., Suite 1050, San Diego, Calif. 92101; 714-235-6301

	1976	1975
Premium vol. ..	$ 5,000,000	$ 4,000,000
Gross rev.	$ 750,000	$ 650,000
Employes	18	17
Commercial bus.	92%	92%



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GROUP DEPARTMENT

Washington National
INSURANCE COMPANY
EVANSTON, ILLINOIS 60201

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Denver, CO
Detroit, MI
East Orange, NJ
Eau Claire, WI
Houston, TX
Indianapolis, IN
Kansas City, KS
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Los Angeles, CA
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Milwaukee, WI
Minnneapolis, MI
New Haven, CT
New Orleans, LA
Omaha, NE
Philadelphia, PA
Phoenix, AZ
Pittsburgh, PA
Portland, OR
Rockford, IL
San Francisco, CA
Seattle, WA
Shreveport, LA
Spokane, WA
St. Louis, MO
Tampa, FL
Washington, DC

Principal officers: John R. Robson, president; Frank G. Cavignac, vp; Ken Bohlander, vp.
Compensation: commissions.
Subsidiaries: RCS Life Agency Corp.

RODGERS & CUMMINGS INC.

PO Box 6600, Clearwater, Fla. 33518; 813-442-4111

	1976	1975
Premium vol. ..	$ 6,500,000	$ 5,254,746
Gross rev.	$ 1,015,858	$ 818,997
Employes	NA	NA
Commercial bus.	60%	60%

Principal officers: W. Rodgers, president; J. Harper, vp; R. Copes, vp and secretary; John Meinberg, vp-finance.
Compensation: commissions.
Branch offices: Safety Harbor, New Port Richey, Fla.

ROOT & BOYD INC.

Colonial Plaza, Waterbury, Conn. 06720; 203-756-7251

	1976	1975
Premium vol. ..	$ 7,200,000	$ 5,500,000
Gross rev.	$ 1,100,000	$ 725,000
Employes	64	48
Commercial bus.	59%	55%

Principal officers: William R. Moody, president; Dominic Minicucci, Roger K. Tillson, Peter C. Moody, Roger Quint, Guy Russo, all vps; Robert D. Summit, treasurer.
Compensation: commissions and fees.
Acquisitions in the past year: F. Mackowitz (acquisition), Renzoni-Russo (merger) (1977).
Branch offices: Watertown, Naugatuck, Cheshire, Middlebury, Woodbury, Southbury, Thomaston, Wolcott, Wallinford, Beacon Falls, all in Conn.
Subsidiaries: The Dodd Agency, Renzoni-Russo Agency, Pomperaug Valley Associates, W. J. Burton Agency; F. Mackowitz Agency, Root & Boyd Inc. Real Estate.

ALBERT G. RUBEN & CO. INC.

9601 Wilshire Blvd., Beverly Hills, Calif., 90210; 213-273-1101

	1976	1975
Premium vol. ..	$33,078,320	$24,302,262
Gross rev.	$ 4,070,658	$ 3,082,420
Employes	94	78
Commercial bus.	93%	90%

Principal officers: Robert H. Williams, president and treasurer; C. Scott Milne Jr., vp and secretary.
Compensation: commissions and fees.
Branch offices: New York City; Santa Ana, Calif.
Subsidiaries: Transpacific Insurance Sales Inc.

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DETROIT
are
GENERAL UNDERWRITERS, INC.
730 Buhl Building
963-5240
SEE OUR AD ON PAGE 4

DWIGHT RUDD & CO. INC.

176 Milk St., Boston, Mass., 02109; 617-542-1915

	1976	1975
Premium vol. ..	$ 1,700,000	$ 1,450,000
Gross rev.	$ 291,100	$ 250,125
Employes	10	10
Commercial bus.	50%	50%

Principal officers: Leonard H. Dowse, president; John D. MacLeod, treasurer; C. Haven Ladd, vp and assistant treasurer.
Compensation: commissions.

RUPERT-HAGER-CROWELL AGENCY INC.

1544 Winchester Ave., Suite 420, Ashland, Ky. 41101; 606-324-1151

	1976	1975
Premium vol. ..	$ 2,728,000	$ 2,400,000
Gross rev.	$ 536,000	$ 484,000
Employes	19	17
Commercial bus.	70%	65%

Principal officers: Joe F. Rupert, chairman; George G. Rupert, president; Tom Rupert, executive vp; Joel Watson, vp.
Compensation: commissions.
Subsidiaries: Insurors Inc., Greenco Inc., RHC Plans Inc.

RUST INSURANCE AGENCY INC.

115 Roberts St., Fargo, N.D. 58102; 701-293-9540

	1976	1975
Premium vol. ..	$ 1,200,000	$ 985,000
Gross rev.	$ 189,000	$ 161,000
Employes	7	5
Commercial bus.	70%	60%

Principal officers: Robert C. Rust, president; Chris Lander, vp; Betty R. Rust, secretary/treasurer.
Compensation: commissions.
Subsidiaries: Minn-Dak Grain Underwriters Inc.

SJV INSURANCE INC.

Franklin at Second St., Elkhart, Ind. 46514; 219-293-4565

	1976	1975
Premium vol. ..	$10,311,000	$ 7,260,000
Gross rev.	$ 1,412,000	$ 1,205,000
Employes	28	27
Commercial bus.	81%	81%

Principal officers: Ward J. Merchant, president; William J. Milliner, executive vp.
Compensation: commissions.
Branch offices: Goshen, Ind.
Parent company: SJV Corp.

SACRAMENTO VALLEY INSURANCE

455 Capitol Mall, Suite 125, Sacramento, Calif. 95814; 916-444-5400

	1976	1975
Premium vol. ..	$ 4,800,000	$ 3,300,000
Gross rev.	$ 807,000	$ 592,000
Employes	26	22
Commercial bus.	80%	75%

Principal officers: H.H. Hendren, chairman; James C. Chenu, president; Thomas W. Hobday, vp; John Kemmler, vp; Thomas D. Hobday, vp; Charles J. Sigerseth, vp; J. Gary Kerns, secretary; David Zancanaro, treasurer.
Compensation: commissions and fees.

THE SADLER INSURANCE AGENCY INC.

24 Railroad Square, Nashua, N.H. 03060; 603-883-0511

	1976	1975
Premium vol. ..	$ 2,700,000	$ 2,400,000
Gross rev.	$ 368,000	$ 321,000
Employes	18	20
Commercial bus.	65%	60%

Principal officers: George J.T. Sadler, president; Richard A. Carr, vp; John F. Dudziak, vp; Bertrand Lanciault, vp.
Compensation: commissions.
Subsidiaries: Moller Insurance Agency Inc.

SAGINAW UNDERWRITERS INC.

1213 S. Washington, Saginaw, Mich. 48601; 517-752-8600

	1976	1975
Premium vol. ..	$ 4,348,000	$ 3,591,000
Gross rev.	$ 814,000	$ 725,000

Continued on page 86

Short on promises

Long on performance

ROLLINS BURDICK HUNTER

Multinational Insurance Brokers
World Headquarters
10 South Riverside Plaza
Chicago, Illinois 60606

agent/broker profiles

Continued from page 85

Employes	14	15
Commercial bus.	82%	80%

Principal officers: Alfred J. Marxhausen, chairman; Kurt Ewend, vp; Frank M. Johnson, president and treasurer; Louis E. Hanisko Jr., vp/secretary; James H. McLennan, vp; Spencer L. Waters, vp.

Compensation: commissions and fees.

SALDANA & ASSOCIATES INC.

PO Box 3549, San Juan, Puerto Rico 00904; 809-724-5621

	1976	1975
Premium vol. ..	$11,000,000	$10,000,000
Gross rev.	$ 1,200,000	$ 1,050,000
Employes	36	32
Commercial bus.	92%	92%

Principal officers: Jorge Saldana, president; Antonio Blanes, Ralph Christiansen, W. Lopez Sanabria, all vp.

Compensation: commissions.

SAVILL-SCHNIEDERS-KUCHR

3370 Founders Rd., Indianapolis, Ind. 46268; 317-297-3510

	1976	1975
Premium vol. ..	$ 3,700,000	$ 3,100,000
Gross rev.	$ 416,000	$ 321,000
Employes	25	22
Commercial bus.	70%	65%

Principal officers: Albert A. Savill, George Schneiders, Milton Savill, Donald Kuchr, all partners.

Compensation: commissions.

Acquisitions in the past year: McClune-Leane Agency, Atwell Insurance Agency (1977).

SCARBOROUGH & CO.

222 N. Dearborn St., Chicago, Ill. 60601; 312-346-6060

	1976	1975
Premium vol. ..	$25,000,000	$20,000,000
Gross rev.	$ 2,500,000	$ 2,000,000
Employes	63	60
Commercial bus.	100%	100%

Principal officers: Edward N. Murray, president; J.R. Morran, R.W. Marshman, W.T. Geary, R. Stearns, all vp.

Compensation: commissions and fees.

Subsidiaries: Scarborough Financial Inc., Execudec Inc.

Parent company: GSI Inc.

C.A. SCHUTZE AGENCY

1101 S. Congress, Austin, Tex. 78764; 512-447-5507

	1976	1975
Premium vol. ..	$ 1,500,000	$ 1,350,000
Gross rev.	$ 270,000	$ 250,000
Employes	5	6
Commercial bus.	85%	85%

Principal officers: C.A. Schutze Jr., CPCU, managing partner; Sam Lucchese, associate; Steve Schutze, associate.

Compensation: commissions.

SCHWARTZ, HIRTENSTEIN & CO. INC.

310 Madison Ave., New York, N.Y. 10017; 212-697-2615

	1976	1975
Premium vol. ..	$ 2,000,000	$ 1,900,000
Gross rev.	$ 335,000	$ 275,000
Employes	9	11
Commercial bus.	80%	80%

Principal officers: Daniel Hirtenstein, president; Arthur A. Schwartz, secretary/treasurer.

Compensation: commissions.

SECURANCE SERVICE INC.

120 W. Steveson, Gibsonburg, Ohio 43431; 419-637-2196

	1976	1975
Premium vol. ..	$ 1,300,000	$ 1,100,000
Gross rev.	$ 205,000	$ 175,000
Employes	15	13
Commercial bus.	55%	52%

Principal officers: Jonathan S. Younker, president; Timothy M. Younker, secretary.

Compensation: commissions.

Branch offices: Oak Harbor and Woodville, Ohio.

HOLLIS D. SEGUR INC.

111 W. Main St., Waterbury, Conn. 06720; 203-756-7933

	1976	1975
Premium vol. ..	$ 2,700,000	$ 1,900,000
Gross rev.	$ 465,000	$ 380,000
Employes	15	14
Commercial bus.	78%	75%

Principal officers: John F. Burbank, president; James B. Mullen Jr., vp; Joseph H. Cunningham, vp-life, health, financial services.

Compensation: commissions.

SEITLIN & CO.

990 S.W. First St., Miami, Fla. 33130; 305-545-8311

	1976	1975
Premium vol. ..	$ 8,600,000	$ 6,900,000
Gross rev.	$ 1,300,000	$ 1,100,000
Employes	45	38
Commercial bus.	85%	85%

Principal officers: Sam Seitlin, president; R. Louis Seitlin, vp; M. Stephen Jackman, vp.

Compensation: commissions.

Subsidiaries: Bond Market Corp.

SEYMOUR INSURANCE AGENCY INC.

1609 Stubbs Ave., Monroe, La. 71201; 318-388-2400

	1976	1975
Premium vol. ..	$ 2,900,000	$ 2,200,000
Gross rev.	$ 435,000	$ 325,000
Employes	14	15
Commercial bus.	80%	80%

Principal officers: Edward J. Seymour Jr., president.

Compensation: commissions.

Acquisitions in the past year: BIT Agency Inc.

Affiliates: Northwest Louisiana Insurance Agency Inc., Shreveport, La.

DONALD SHAFFER ASSOCIATES INC.

11 Grace Ave., Great Neck, N.Y. 11021; 516-466-4642 and 212-895-7005

	1976	1975
Premium vol. ..	$ 1,500,000	$ 1,250,000
Gross rev.	$ 250,000	$ 200,000
Employes	8	7
Commercial bus.	75%	70%

Principal officers: Donald Shaffer, president.

Compensation: commissions and fees.

Branch offices: New York City.

SHELTON & BOWLES INC.

8333 Douglas Ave., Suite 500, Dallas, Tex. 75225; 214-363-1600

	1976	1975
Premium vol. ..	$ 5,400,000	$ 4,800,000
Gross rev.	$ 800,000	$ 700,000
Employes	27	26
Commercial bus.	46%	43%

Principal officers: Donald E. Bowles Sr., CPCU, principal.

Compensation: commissions.

SHELTON-NATIONAL INSURANCE AGENCY

1227 Third St., Corpus Christi, Tex. 78404; 512-882-5586

	1976	1975
Premium vol. ..	$ 2,757,250	$ 2,561,730
Gross rev.	$ 470,855	$ 409,876
Employes	11	10
Commercial bus.	75%	75%

Principal officers: W.J. Shelton, Robert E. Harris, Louis E. Wells, Dick Milnar, partners.

Compensation: commissions.

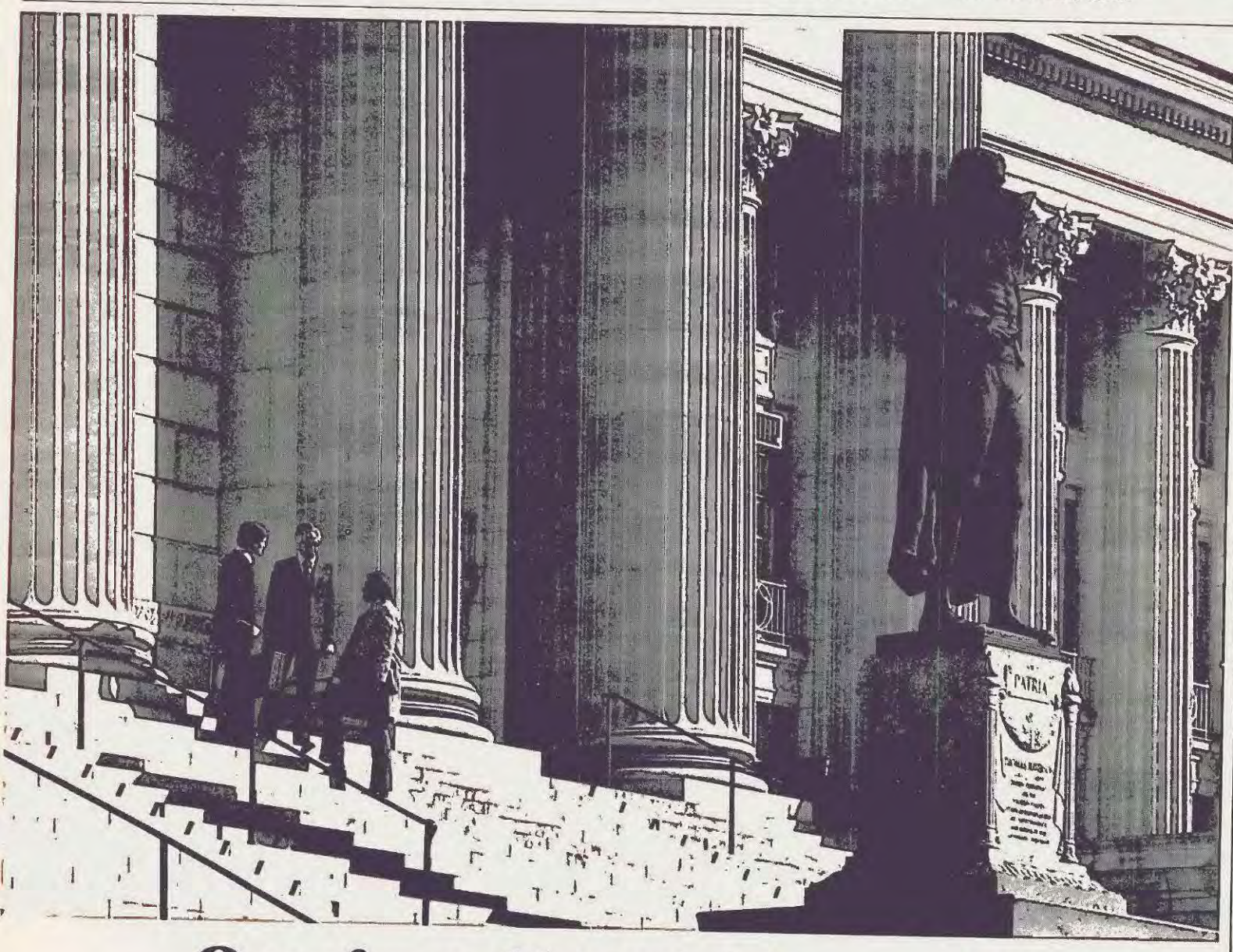
SHOMO & LINEWEAVER INSURANCE AGENCY INC.

328 S. Main St., Harrisonburg, Va. 22801; 703-434-1301

	1976	1975
Premium vol. ..	$ 4,300,000	$ 3,960,000
Gross rev.	$ 900,000	$ 800,000
Employes	26	24
Commercial bus.	60%	60%

Principal officers: Robert W. Drecshler, president; Harold E. Shomo, sr. vp; Joe B. Morton Jr., secretary/treasurer.

Compensation: commissions



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J.H. SILVERSMITH INC.

831-14th St., Suite 200, Denver, Colo. 80202; 303-893-2222

	1976	1975
Premium vol. ..	$ 4,100,000	$ 3,050,000
Gross rev.	$ 710,000	$ 543,204
Employes	30	29
Commercial bus.	81%	82%

Principal officers: J.H. Silversmith Jr., president; John K. Munn, vp; J. Darrell White, vp; Irene G. Falbo, secretary; Joyce L. Goodfellow, treasurer.

Compensation: commissions and fees.

Subsidiaries: Aviation Insurance Management Co.

PALLEY SIMON ASSOCIATES

Noble Plaza, Suite 319, Jenkintown, Pa. 19046; 215-276-8700

	1976	1975
Premium vol. ..	$ 2,000,000	$ 1,700,000
Gross rev.	$ 325,000	$ 280,000
Employes	9	7
Commercial bus.	80%	75%

Principal officers: Mahlon B. Simon Jr., president; Samuel M. Palley, vp.

Compensation: commissions and fees.

SINDELL & O'KEEFE INC.

66 Court St., Brooklyn, N.Y. 11201; 212-237-0960

	1976	1975
Premium vol. ..	$ 1,400,000	$ 1,000,000
Gross rev.	$ 288,286	$ 175,845
Employes	8	7
Commercial bus.	65%	55%

Principal officers: Myron Sindell, president; Harold M. O'Keefe, vp.

Compensation: commissions.

SLAWSBY INSURANCE

90 Main St., Nashua, N.H. 03060; 603-883-1776

	1976	1975
Premium vol. ..	$ 6,803,000	$ 5,814,000
Gross rev.	$ 1,113,733	$ 970,938
Employes	41	40
Commercial bus.	65%	63%

Principal officers: Archie Slawsby, chairman; Walter C. Cogswell, president.

Compensation: commissions.

Subsidiaries: Surplus Line Managers Inc.

J.D. SMITH & ASSOCIATES

211 N. Wisconsin, Hobart, Ind. 46342; 219-942-1334

	1976	1975
Premium vol. ..	$ 1,795,000	$ 1,610,000
Gross rev.	$ 151,000	$ 134,500
Employes	6	5
Commercial bus.	95%	95%

Principal officers: M. Behnke, president; J. Smith, vp.

Compensation: commissions.

Agents: Fort Wayne, Indianapolis.

The people who can always find a way in

CHICAGO

are

MACK & PARKER, INC.

209 South LaSalle Street

346-1221

SEE OUR AD ON PAGE 4

SMITH BELL & THOMPSON INC. & SUBSIDIARIES

102 S. Winooski Ave., Burlington, Vt. 05401; 802-658-4600

	1976	1975
Premium vol. ..	$ 3,500,000	$ 2,256,000
Gross rev.	$ 653,000	$ 455,000
Employes	26	19
Commercial bus.	65%	60%

Principal officers: Warren L. Thompson, president; W. Ray Cooper, vp and general manager.

Compensation: commissions.

Acquisitions in the past year: Burgess-Carbine-Appell.

Branch offices: Rutland, Vt.

Subsidiaries: Burgess, Carbine, Appell.

SMITH WATSON PARKER INC.

3500 Hollywood Blvd., Hollywood, Fla. 33021; 305-962-2990

	1976	1975
Premium vol. ..	$ 5,500,000	$ 4,000,000
Gross rev.	$ 825,000	$ 550,000
Employes	18	18
Commercial bus.	70%	55%

Principal officers: Charles W. Watson, president; B.W. Parker, vp and secretary; F. Malcolm Smith, vp and treasurer.

Compensation: commissions and fees.

SODERMAN & SODERMAN AB

Baldersgaten 1, S-114 27, Stockholm, Sweden; 08-249100

	1976	1975
Premium vol. ..	$ 1,750,000	$ 1,000,000
Gross rev.	$ 375,000	$ 250,000
Employes	9	7
Commercial bus.	95%	90%

Principal officers: Bo Soderman, managing director.

Compensation: commissions and fees.

Branch offices: Stockholm.

Subsidiaries: Risk Management Consultants AB

SOUTHWEST INSURANCE ASSN. OF AUSTIN INC.

101 Timberline Office Park, 2525 Wallingwood Drive, Austin, Tex. 78746; 512-327-3400

	1976	1975
Premium vol. ..	$ 1,400,000	$ 1,200,000
Gross rev.	$ 200,000	$ 175,000
Employes	7	6
Commercial bus.	70%	65%

Principal officers: Jack W. Hoffman, FMS, president; Ross Blumentritt, CPCU, CLU, executive vp; Larry Peel, CPCU, director.

Compensation: commissions.

STEPHENS RYDER WENGER

211 W. Third St., Grand Island, Neb. 68801; 308-382-2330

	1976	1975
Premium vol. ..	$ 2,100,000	$ 1,800,000
Gross rev.	$ 367,500	$ 315,000
Employes	10	8
Commercial bus.	68%	63%

Principal officers: Del W. Ryder, secretary/treasurer.

Compensation: commissions and fees.

STERLING & STERLING INC.

161 Great Neck Road, Great Neck, N.Y. 11021; 516-487-0300

	1976	1975
Premium vol. ..	NA	NA
Gross rev.	$ 2,200,000	$ 1,800,000
Employes	54	54
Commercial bus.	90%	90%

Principal officers: Daniel S. Sterling, president; Joel J. Sterling, executive vp and secretary; Roger Berlin, treasurer; David Epstein, vp.

Compensation: commissions and fees.

Branch offices: New York City, Miami.

EDMUND D. STEVENS INC.

1503 Genessee Building, Buffalo, N.Y. 14202; 716-856-3387

	1976	1975
Premium vol. ..	$ 1,750,000	$ 1,500,000
Gross rev.	$ 232,000	$ 222,000
Employes	10	9
Commercial bus.	60%	60%

Principal officers: Edmund D. Stevens, chairman; Edmund D.

Continued on page 88

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Honeywell

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agent/broker profiles

Continued from page 87

Stevens Jr., president and treasurer; Peter V.R. Lapey, vp; Thomas C. Luescher, secretary.

Compensation: commissions.

STONE & MICHAUD INC.

44 Bridge St., Manchester, N.H. 03105; 603-668-5500

	1976	1975
Premium vol. ..	$ 2,600,000	$ 2,000,000
Gross rev.	$ 450,000	$ 370,000
Employes	14	14
Commercial bus.	80%	75%

Principal officers: William P. Stone, CPCU, president; David M. Stone, vp; Paul L. Michaud, CPCU, vp.

Compensation: commissions and fees.

Acquisitions in the past year: S.J. Nicholson Agency (1977).

Subsidiaries: Stone & Landregan Inc.

STORER DAMON & LUND

148 State St., Boston, Mass. 02109; 617-523-2350

	1976	1975
Premium vol. ..	$ 5,000,000	$ 4,400,400
Gross rev.	$ 844,000	$ 800,000
Employes	24	24
Commercial bus.	65%	65%

Principal officers: ten partners.

Compensation: commissions.

Branch offices: Cambridge, Mass.

STRASCO INSURANCE AGENCY INC.

527 St. Paul St., Baltimore, Md. 21202; 301-539-2020

	1976	1975
Premium vol. ..	$ 1,247,000	$ 1,173,000
Gross rev.	$ 188,978	$ 181,557
Employes	7	7
Commercial bus.	67%	65%

Principal officers: Jerome B. Rosenberg, president; Leonard H. Rosenberg, sr. vp; Stephen F. Rosenberg, CLU, CPCU, vp.

Compensation: commissions.

STURM-ROSEBERRY & ASSOCIATES INC.

1301 Division St., Billings, Mont. 59104; 406-252-8491

	1976	1975
Premium vol. ..	$ 2,745,019	$ 2,238,474
Gross rev.	$ 437,144	$ 384,851
Employes	11	10
Commercial bus.	70%	70%

Principal officers: Carlyle F. Sturm, president.

Compensation: commissions.

SWIMMER-WOLF CO.

Wolf Building, Chester, Pa. 19013; 215-874-6321

	1976	1975
Premium vol. ..	$ 1,850,000	$ 1,600,000
Gross rev.	$ 300,000	$ 260,000
Employes	10	10
Commercial bus.	85%	85%

Principal officers: William J. Wolf, chairman and secretary; Alan N. Swimmer, president and treasurer.

Compensation: commissions and fees.

TER BUSH & POWELL INC.

148 Clinton St., Schenectady, N.Y. 12301; 518-370-8600

	1976	1975
Premium vol. ..	$61,000,000	$52,000,000
Gross rev.	$ 6,800,000	$ 6,000,000
Employes	187	187
Commercial bus.	75%	72%

Principal officers: J. William Campo, chairman; Richard J. O'Rourke, president; William P. Conboy, executive vp; Terence E. Devine, executive vp; John F. McGrane, senior vp; William Keller Jr., senior vp.

Compensation: commissions and fees.

Branch offices; New York City, Syracuse, Hoosick Falls, N.Y.; Boston, Mass.

Subsidiaries: Campo-Roberts-Ter Bush & Powell; Ter Bush & Putnam Inc.

THOITS INSURANCE SERVICE INC.

140 University Ave., Palo Alto, Calif. 94302; 415-324-0606

	1976	1975
Premium vol. ..	NA	$ 1,250,000
Gross rev.	$ 225,000	$ 178,000
Employes	9	9
Commercial bus.	45%	40%

Principal officers: Donald A. Way, CPCU, president; Robert A. Manger, vp.

Compensation: commissions and fees.

TISHMAN & TISNOWER INC.

400 N. Dixie, West Palm Beach, Fla. 33402; 305-655-3693

	1976	1975
Premium vol. ..	$ 1,300,000	$ 1,400,000
Gross rev.	$ 242,000	$ 238,000
Employes	9	9
Commercial bus.	68%	70%

Principal officers: Jerome H. Tishman, CPCU, president; Edward Tisnower, vp.

Compensation: commissions and fees.

TITAN AGENCIES INC.

E. 81 State Highway No. 4, Paramus, N.J. 07652; 201-843-0040

	1976	1975
Premium vol. ..	NA	NA
Gross rev.	$ 1,000,000	$ 1,000,000
Employes	37	35
Commercial bus.	86%	87%

Principal officers: Paul L. Gross, president; Earl B. Gross, divisional president.

Compensation: commissions and fees.

Branch offices: Los Angeles.

Parent company: Titan Group Inc.

ALVIN S. TRENK ASSOCIATES

26 Columbia Turnpike, Florham Park, N.J. 07932; 201-377-4600

	1976	1975
Premium vol. ..	$ 2,200,000	$ 2,100,000
Gross rev.	$ 275,000	$ 250,000
Employes	12	10
Commercial bus.	80%	80%

Principal officer: Alvin S. Trenk, president; Thomas J. Lundon, executive vp.

Compensation: commissions and fees.

TRIANGLE INSURANCE INC.

14011 Ventura Blvd., Sherman Oaks, Calif. 91403; 213-872-2400

	1976	1975
Premium vol. ..	$ 4,100,000	$ 3,477,000
Gross rev.	$ 639,000	$ 557,000
Employes	19	18
Commercial bus.	74%	72%

Principal officers: Sy Maxwell, president; Maurice Jones, secretary/treasurer.

Compensation: commissions.

TRIMBLE-BATJER-COBB INSURANCE

519 W. Beauregard, San Angelo, Tex. 76902; 915-655-5651

	1976	1975
Premium vol. ..	$ 2,421,893	$ 1,640,674
Gross rev.	$ 322,868	$ 237,811
Employes	12	11
Commercial bus.	60%	55%

Principal officers: Henry H. Batjer Jr., Bernard Trimble, James H. Cobb, partners.

Compensation: commissions.

ULRICH, VOORHEES, WARNER ASSOCIATES

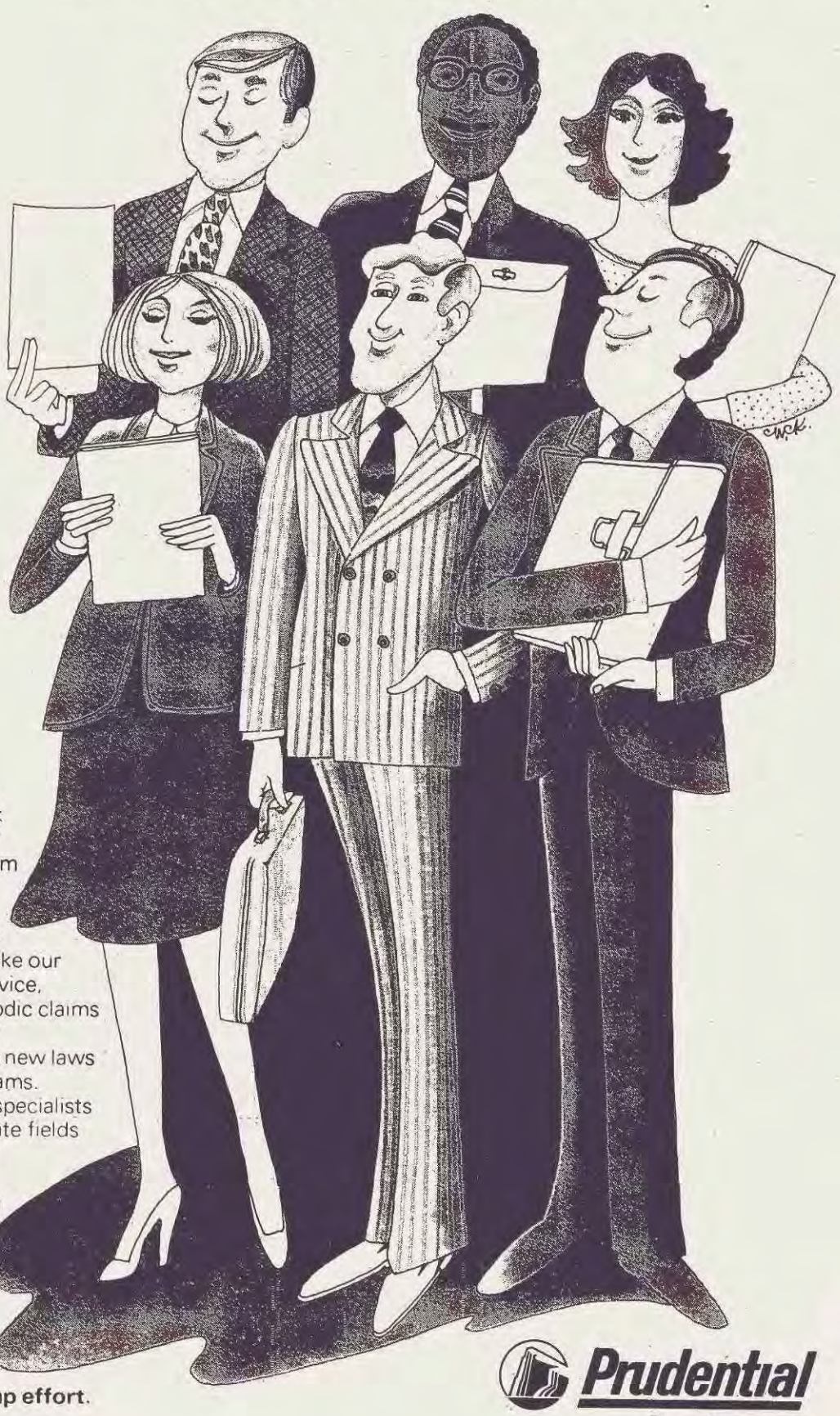
255 Old New Brunswick Road, Piscataway, N.J. 08854; 201-752-1000

	1976	1975
Premium vol. ..	$ 4,800,000	$ 3,900,000
Gross rev.	$ 810,000	$ 685,000
Employes	18	22
Commercial bus.	78%	74%

Principal officers: John N. Voorhees III, CPCU, president; Stephen A. Warner, executive vp.

Compensation: commissions and fees.

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Branch offices: Washington D.C. (not included in business figures).

UNITED COVERAGE CONSULTANTS INC.

124 E. 39th St., New York, N.Y. 10016; 212-725-0505

	1976	1975
Premium vol. ..	$ 4,500,000	$ 3,500,000
Gross rev.	$ 500,000	$ 380,000
Employes	13	12
Commercial bus.	75%	68%

Principal officers: Philip M. Schlussel, CLU, president and chairman of the board; Alan Mack, executive vp.

Compensation: commissions and fees.

Subsidiaries: Robert Mack United Inc.; Physicians Insurance Agency.

Parent company: The United Coverage Group.

VILLAGE INSURANCE AGENCY

Professional Building, Bella Vista, Ark. 72712; 501-855-3076

	1976	1975
Premium vol. ..	$ 1,400,000	$ 1,250,000
Gross rev.	$ 346,500	$ 320,000
Employes	8	7
Commercial bus.	60%	50%

Principal officers: J.L. Estes, director-Bella Vista; Carl W. Grigg, resident agent-Hot Springs; Kenneth Blackwood, resident agent-Cherokee Village, Ark.

Compensation: commissions.

Branch offices: Hot Springs, Cherokee Village, Ark.

WAGNER TAYLOR CO.

Corner Ludlow St. and Copley Rd., Upper Darby, Pa. 19082; 215-528-5360 and 352-4300

	1976	1975
Premium vol. ..	$ 2,287,000	$ 2,038,906
Gross rev.	$ 343,051	$ 305,385
Employes	15	15
Commercial bus.	60%	60%

Principal officers: Eugene L. Fidell, president and treasurer; Harvey K. Partridge Jr., vp; James J. McAleer, vp; Helen DiJulio, secretary.

Compensation: commissions and fees.

FRANCIS M. WALLEY INSURANCE AGENCY INC.

475 High St., Dedham, Mass. 02026; 617-326-8383

	1976	1975
Premium vol. ..	$ 1,189,325	$ 939,849
Gross rev.	$ 237,812	$ 183,513
Employes	10	9
Commercial bus.	50%	30%

Principal officers: Francis M. Walley Jr., president; Roberta Z. Dankowski, Harold L. Baker Jr., vp.

Compensation: commissions.

Branch offices: Falmouth, Mass.

WALMSLEY-DEGGINGER & CO. INC.

1607 Hoge Bldg., Seattle, Wash. 98104; 206-682-6340

	1976	1975
Premium vol. ..	$ 1,200,000	$ 800,000
Gross rev.	$ 197,000	$ 147,000
Employes	5	4
Commercial bus.	75%	75%

Principal officers: George M. Walmsley, president; Arthur J. Degginger, vp.

Compensation: commissions.

WALSH, GRAY, MOORE & ALBERT INC.

410 Guaranty Bank Bldg., Denver, Colo. 80202; 303-623-7245

	1976	1975
Premium vol. ..	$ 5,100,000	$ 4,500,000
Gross rev.	$ 732,125	$ 659,700
Employes	22	21
Commercial bus.	80%	80%

Principal officers: Peter J. Walsh, president; Peter J. Gray, vp and secretary; Donald P. Moore, CPCU, vp and treasurer.

Compensation: commissions.

WARNER-DREW INC.

101 Jefferson Ave., Endicott, N.Y. 13760; 607-754-0424

	1976	1975
Premium vol. ..	$ 3,250,502	$ 2,692,082
Gross rev.	$ 515,565	$ 503,572
Employes	14	14
Commercial bus.	64.7%	64.4%

Principal officers: Ralph J. Warner, president and treasurer; Jack I. Drew, executive vp and secretary; David F. Twomey, assistant treasurer; J. Lynne Simmons, assistant secretary.

Compensation: commissions.

IRVING WEBER ASSOCIATES INC.

373 Park Ave. South, New York, N.Y. 10016; 212-689-9780

	1976	1975
Premium vol. ..	$ 7,000,000	$ 6,500,000
Gross rev.	$ 820,000	$ 759,000
Employes	20	24
Commercial bus.	70%	70%

Principal officers: Irving Weber, president; Martin Carter, treasurer; Philip Barth, secretary; Shaby Shemtob, Dennis Weber, vps.

Compensation: commissions and fees.

Subsidiaries: Webcar Agency Inc.

WEISSMAN & WEISSMAN INC.

55 John St., New York, N.Y. 10038; 212-233-7600

	1976	1975
Premium vol. ..	$ 3,500,000	$ 3,000,000
Gross rev.	$ 570,000	$ 540,000
Employes	11	11
Commercial bus.	80%	80%

Principal officers: Milton L. Weissman, president; Daniel D. Haber, executive vp; Stephen B. Weissman, vp; William Bell, vp.

Compensation: commissions and fees.

WELLINGTON AGENCIES INC.

3460 Wilshire Blvd., Suite 401, Los Angeles, Calif. 90010; 213-380-3050

	1976	1975
Premium vol. ..	$ 5,300,000	$ 4,100,000
Gross rev.	$ 900,000	$ 750,000
Employes	31	25
Commercial bus.	80%	80%

Principal officers: Wilbert W. Stein, president; John N. Antignas, vp and secretary; Jerry Richbook, vp and treasurer.

Compensation: commissions and fees.

WESTERN SERVICE AGENCY INC.

263 Josephine St., Denver, Colo. 80206; 303-388-4271

	1976	1975
Premium vol. ..	$ 4,000,000	$ 3,000,000
Gross rev.	$ 1,100,000	$ 800,000
Employes	40	35
Commercial bus.	50%	40%

Principal officers: Richard E. Thoning, executive vp; Donald Shirk, president; Dan Kincaid,

Continued on page 90

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agent/broker profiles

Continued from page 89

secretary/treasurer.

Compensation: commissions.

Branch offices: Pueblo, Colorado Springs, Fort Collins, La Junta, all in Colo.

WEYMAN WILLINGHAM & CO. INC.

PO Box 13499, St. Petersburg, Fla. 33733; 813-896-1141

	1976	1975
Premium vol. ..	$ 3,233,000	$ 2,177,000
Gross rev.	$ 541,000	$ 403,000
Employes	22	16
Commercial bus.	40%	40%

Principal officers: Weyman Willingham Jr., president; Frank Vera Jr., vp; John R. Funk III, secretary/treasurer.

Compensation: commissions.

Acquisitions in the past year: E.E. Arnold Insurance Agency; Walter C. Collins Insurance Agency (1976).

WHARTON/LYON & LYON

101 S. Livingston Ave., Livingston, N.J. 07039; 201-992-5775

	1976	1975
Premium vol. ..	$ 7,000,000	$ 3,656,000
Gross rev.	$ 1,050,000	$ 510,975
Employes	38	22
Commercial bus.	75%	75%

Principal officers: Albert L. Klein, CLU, president; Tom Rowe, senior vp; Andrew Emory Jr., vp-marketing.

Compensation: commissions and fees.

Acquisitions in the past year: Lyon & Lyon Inc. (1976).

Branch offices: Newark and second location in Livingston.

C.D. WHITNEY AGENCY INC.

112 Elm St., Millbury, Mass. 01527; 617-865-4433

	1976	1975
Premium vol. ..	$ 1,577,000	$ 1,235,000
Gross rev.	$ 241,090	$ 202,800
Employes	9	7
Commercial bus.	56%	55%

Principal officers: Karl L. Briel, president; Stephen V. Walinsky Jr., executive vp; Richard Taft, vp-sales.

Compensation: commissions.

WHITSITT RALSTON & STIFF AGENCY INC.

801 N. Main, McAllen, Tex. 78501; 512-682-2841

	1976	1975
Premium vol. ..	$ 2,300,000	$ 1,800,000
Gross rev.	$ 391,000	$ 310,000
Employes	18	16
Commercial bus.	68%	65%

Principal officers: W.E. Whitsitt, president; R.E. Stiff, vp; Neal King, secretary.

Compensation: commissions.

WILLIAMS-DWYER CO.

PO Drawer 270, Wichita Falls, Tex. 76307; 817-723-7372

	1976	1975
Premium vol. ..	$ 5,078,000	$ 4,720,000
Gross rev.	$ 827,714	$ 778,800
Employes	32	31
Commercial bus.	63%	61%

Principal officers: DeValse Cox, president; Louis R. Bloodworth Jr., executive vp.

Compensation: commissions and fees.

WILLIAMS INSURANCE AGENCY INC.

116 E. Third St., Crowley, La. 70526; 318-783-6346

	1976	1975
Premium vol. ..	$ 1,355,000	$ 1,213,000
Gross rev.	$ 203,000	$ 164,000
Employes	7	7
Commercial bus.	70%	68%

Principal officers: Sims C. Williams, president; Donnaud B. Williams, secretary/treasurer.

Compensation: commissions and fees.

JOHN J. WILLIAMS INSURANCE AGENCY INC.

141 Milk St., Boston, Mass. 02109; 617-426-4087

	1976	1975
Premium vol. ..	$ 1,500,000	$ 1,110,000
Gross rev.	$ 225,000	$ 166,000
Employes	7	5
Commercial bus.	80%	70%

Principal officers: John J. Williams, president and treasurer.

Compensation: commissions.

Branch offices: Hyannis, Mass.

WINCHESTER INSURANCE AGENCY INC.

3033 Moorpark, San Jose, Calif. 95128, 408-247-8336

	1976	1975
Premium vol. ..	$ 2,100,000	$ 1,450,000
Gross rev.	$ 300,000	$ 269,000
Employes	11	9
Commercial bus.	60%	60%

Principal officers: Terrance Espeland, president; Daniel McDonald, vp.

Compensation: commissions and fees.

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WINN INSURANCE

321 Fifth St., Hollister, Calif. 95023; 408-637-9241

	1976	1975
Premium vol. ..	$ 7,660,000	$ 5,000,000
Gross rev.	$ 920,000	$ 751,815
Employes	36	29
Commercial bus.	80%	80%

Principal officers: John R. Winn, president; Ronald G. Pray, vp; Sandra L. Rose, secretary/treasurer.

Compensation: commissions and fees.

WOODSMALL, FRICK & INNIS INC.

2480 Pershing Road, Kansas City, Mo. 64108; 816-421-7788

	1976	1975
Premium vol. ..	$ 3,800,000	$ 2,850,000
Gross rev.	$ 530,000	$ 425,000
Employes	25	20
Commercial bus.	75%	75%

Principal officers: Warren O. Woodsmall, chairman; Peter L. Woodsmall, president; Thomas E. Klug, vp and treasurer; Ralph B. Innis Jr., William L. Frick, vp; William M. Frick, vice chairman.

Compensation: commissions.

Subsidiaries: Crown Services Inc.

WOODWORTH & CLARK

307 Cumberland Ave., Portland, Maine 04104; 207-774-6257

	1976	1975
Premium vol. ..	$ 2,900,000	$ 2,385,000
Gross rev.	$ 505,000	$ 417,000
Employes	20	20
Commercial bus.	54%	52%

Principal officers: Richard W. Clark, president and treasurer; Philip F. Chadbourne, vp.

Compensation: commissions.

Branch offices: North Windham, Maine.

WORGESS AGENCY INC.

55 N. McCamly, Battle Creek, Mich. 49014; 616-965-3221

	1976	1975
Premium vol. ..	$ 2,535,628	$ 2,028,603
Gross rev.	$ 520,444	$ 450,254
Employes	18	17
Commercial bus.	60%	55%

Principal officers: Russell V. Worgess, president; Donald R. Worgess, vp.

Compensation: commissions.

Acquisitions in the past year: agency in Marshall, Mich.

Branch offices: Marshall, Mich.

YOUNG & PERRY INSURANCE

400 North Bridge St., Bridgewater, N.J. 08807; 201-526-1900

	1976	1975
Premium vol. ..	$ 1,210,000	$ 830,000
Gross rev.	$ 225,000	$ 155,000
Employes	14	11
Commercial bus.	58%	54%

Principal officers: Willard R. Young, president; Lee G. Perry, vp; Willis A. Kennedy, vp; George W. Pohle, vp.

Compensation: commissions.

Branch offices: North Plainfield, Somerville, Flemington, Lebanon, all in N.J.

Subsidiaries: W.R. Young Agency, Perry Agency

ZILLGITT & WRIGHT INSURANCE AGENTS & BROKERS

330 Washington Square; Marina del Rey, Calif. 90291; 213-822-1221

	1976	1975
Premium vol. ..	$ 4,282,000	NA
Gross rev.	$ 642,000	NA
Employes	22	NA
Commercial bus.	65%	NA

Principal officers: Charles M. Wright, CPCU, president; Preston B. Zillgitt, secretary/treasurer; Kenneth D. Smith, vp; Robert Gerughty, CPCU, vp; David L. Harrington, vp.

Compensation: commissions.

Branch offices: Newport Beach, Calif.

*This agency is a merger of Drinkwine, Munson, Robertson, & Zillgit, Inglewood, Calif. and Mayo D. Wright & Associates, Culver City, Calif.

ZIMMERMAN INSURANCE ASSOCIATES INC.

820 N. Parton St.; Santa Ana, Calif. 92701; 714-973-1333 and 213-380-1780

Premium vol. ..	$ 4,000,000	$ 4,000,000
Gross rev.	$ 600,000	$ 600,000
Employes	10	10
Commercial bus.	75%	75%

Principal officers: D.C. Zimmerman Jr., chairman; Jerome J. Sweeney, president.

Compensation: commissions.

Branch offices: Los Angeles.

Insurance counsels

Darrell L. Havener has been elected president of the International Assn. of Insurance Counsel. Mr. Havener is a partner in the Kansas City law firm of Watson, Ess, Marshall and Enggas.

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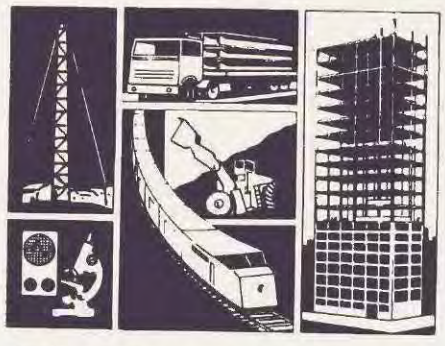
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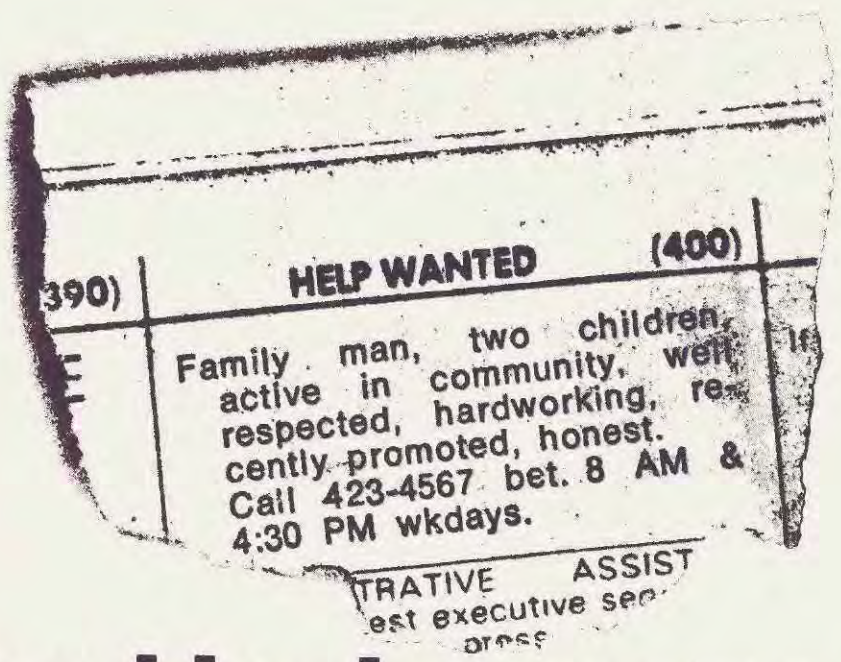


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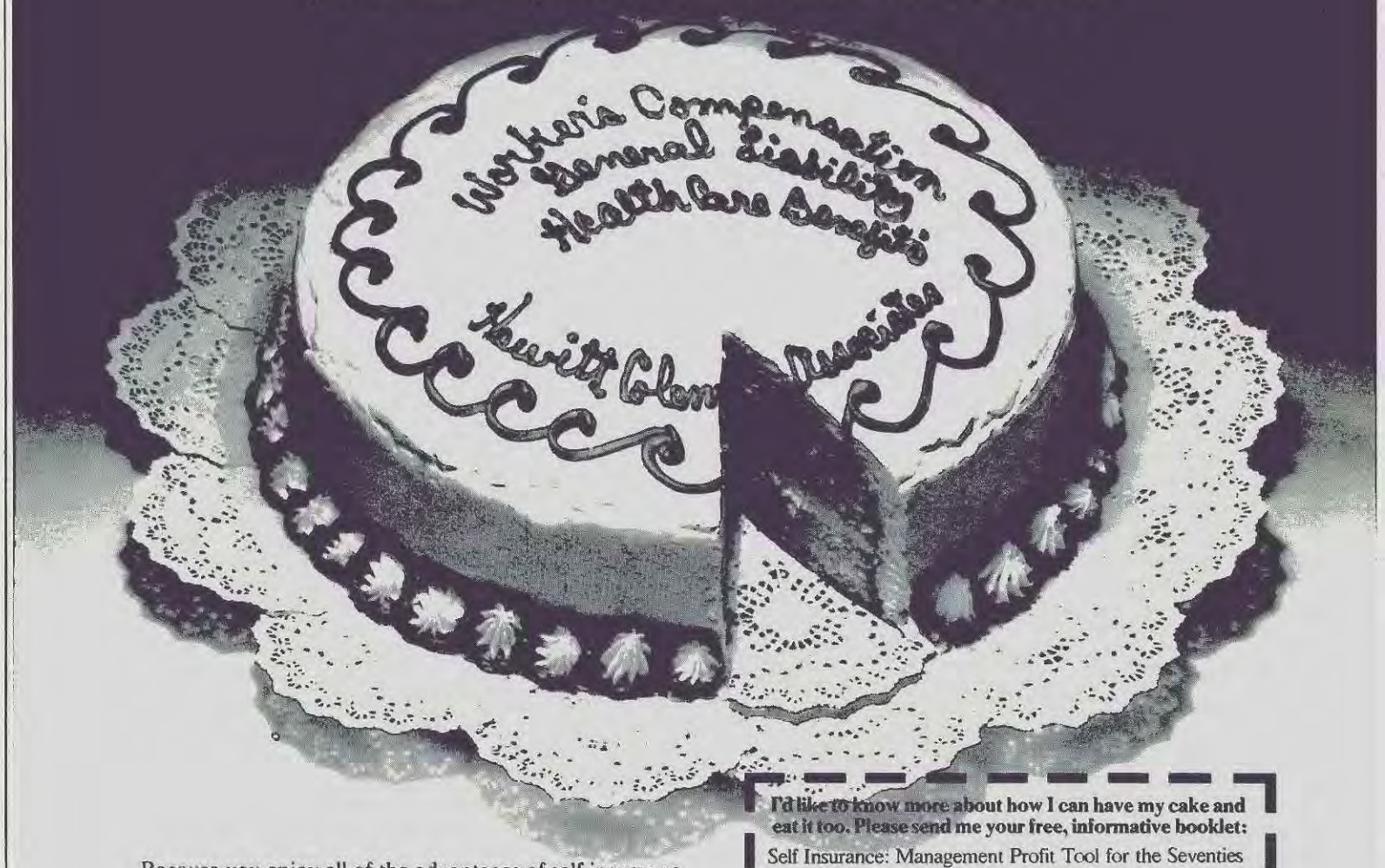
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riskWatch

By MARIE KRAKOWIECKI

The diary of a mad columnist: How to survive the N.Y. blackout

This is July 14. In Paris, it is Bastille Day and they are celebrating. Here in New York it is bedlam, and I am coping. More precisely, it is the morning after the major power blackout that has transformed mid-town Manhattan into a slow-motion madhouse. It has transformed me into a slightly mad columnist, since today is also my deadline for this issue's riskWatch. I wish I were in Paris.

Instead, I have just commuted 60 miles from my New Jersey home to find the office officially closed. I have crawled up five flights of stairs in the dark, led only by the misery-loves-company companionship of two editors from another news-magazine and the faint flicker of the pen-size flashlights they bought especially for the occasion.



Krakowiecki

We are all questioning our sanity just a little, and John has dragged along a picnic cooler to sustain us with food and drinks. I'm glad he did, because we are sweating in the airless, ghostly atmosphere of an empty place with neither air conditioning nor light on a summer day with the temperature already in the 90s. The phones are out and there is no mail, the two services I was depending on to help complete my column on the subject I had chosen earlier—the problems of a loggers' association that had its insurance cancelled. Momma said there'd be days like this, but she didn't say how you write a column when they hit.

■ So today riskWatch is coming to you on the wing and in my longhand scrawl instead of from a structured plot typed neatly on my IBM electric. I am sitting in the *BI* publisher's office since it is one of the few places here with enough natural light to see. As I look at his digital clock, whose numbers froze last night at pecisely 9:34 p.m. when lightning struck the power lines and made this whole romantic interlude possible, I am wondering, really wondering, why I'm doing this.

When and if I finish, I'll have to creep back down the darkened stairway and find a pay phone in the street so I can call this in to our production department in Chicago.

In a funny way though, I think this whole experience is giving me more appreciation for why some risk managers say they like or even love their jobs, as they indicated in the survey published in the last issue of *Business Insurance*.

They can never predict exactly what will happen next. And although they have to be prepared to deal with a wide variety of unusual situations in a business-like way, surprise is always slouching just around the corner.

■ When I first started to write this column back in January, I intended it to be an on-going chronicle of the latest developments in the field of professional risk management, spiced up every now and then with anecdotes and observations about trends in risk management and insurance.

What I didn't have a feeling for at the time was that besides being serious, risk management might be fun.

It took me until this Bastille Day blackout to really begin to see how risk managers might thrive on their brushes with the unexpected. It can really turn a routine job into an adventure.

■ Unfortunately, I won't be able to translate this new perspective in these pages much longer because I'll be leaving *Business Insurance* to work elsewhere and my successor will be taking over riskWatch. It gives me a slight case of premature nostalgia to think about that, since I feel personally close to the column. I do wish it the continued serendipity of the unexpected.

You readers have been great about sending in ideas for riskWatch. I've enjoyed your suggestions, used a great many of them and want to thank you for all of them. More than that, I'd like to ask you to keep those cards and letters coming.

My successor may never be faced with cranking out a column in a blackout, but stranger things have happened. The only blackout that could really slow things down is an information blackout. That's an unexpected event we all could do without.

I'd still rather be in Paris today lurking in the cool shadow of Notre Dame and toasting the Bastille. But roasting in the dark and writing riskWatch in New York has had its moments, too. Vive la difference.

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What's San Francisco Got That Los Angeles Hasn't?

By Dinner Levison

(Asked in the financial district)

Peter B. Hawes, Insurance Broker
220 Bush Street, San Francisco:



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Controlling gout

Gout, the arthritic disease that most often affects the joints of the feet, especially the big toe, can now be effectively controlled by treatment that reduces the uric acid levels in the body.

According to the Health Insurance Institute, a susceptibility to gout is probably inherited, and most of its victims are men. The acute, painful attacks of gout are now being controlled, says the Institute, with drugs such as colchicine, phenylbutazone and indomethacin.

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Continued from page 8

essary to draw conclusions or make assumptions that the company involved is in any manner threatened or severely injured by the loss of one key executive no matter how important this particular person may be.

David R. Markin
President, Checker Motors Corp., Kalamazoo, Mich.

After Checker's net profits dropped in successive years to eight cents per share in 1976 from $1.88 a share in 1973, the firm eliminated its dividends in 1975 and 1976. Gross revenues dropped 7% in 1975 but in 1976 were back up above 1974 levels. However, Checker Motors had only marginal operating earnings from its sales of automotive products in 1976, while reporting an operating loss on vehicular operations of well over $1 million, over four times larger than the 1975 loss from these operations.

Hospital program

To the Editor: I read with interest your May 2 article on "Cherry Ames, R.N. risk manager" about a new and experimental program for New Jersey hospitals.

I read it with interest because we have 16 R.N.'s on our hospital loss prevention staff who work with our insured hospitals across the country to help control malpractice losses.

We were in the developing stage of this program for over a year and we have had our nurses in the field with this program for over 18 months. We are extremely pleased with the reception and cooperation we are getting from our insureds and we are sure the results of our combined efforts will be beneficial to not only hospitals and insurance companies, but to the patient as well in the quality of care he receives.

The New Jersey program is not new or experimental as far as we were concerned.

Ronald A. Nelson
Vp, Loss Prevention, St. Paul Fire and Marine Insurance Co., St. Paul, Minn.

No connection

To the Editor: Your May 30 issue contained an article regarding the WESCAP Insurance Co., which suggested that there was a direct connection between WESCAP Insurance Co. and the National Welding Supply Assn. (NWSA). The purpose of this letter is to make it clear that there is no such connection.

NWSA is an association of welding supply distributors. Until the end of 1976, NWSA's insurance trustees carried on both a life and a casualty program. The casualty program ended on Dec. 31, 1976.

WESCAP was created because of the termination of the NWSA program. However, the committee which helped form WESCAP was not under the aegis of NWSA. The only direct connection between the two groups is that WESCAP Co. requires an applicant for membership to have been a NWSA member for at least a year, for technical reasons under Colorado's insurance laws.

WESCAP fills a real need for the welding supply industry and is probably becoming more important to that industry every day. NWSA certainly approves of any activity such as WESCAP which helps the welding supply distributors. NWSA has and will continue to help WESCAP get its message to those distributors. Nevertheless, WESCAP is not a subsidiary, agent or representative of NWSA, nor is there any direct legal connection between these two entities.

S. Gordon Elkins
Lawyer, Stradley, Ronon, Stevens & Young, Philadelphia, Pa.

Who was first?

To the Editor: Re: the riskWatch column in the May 30 issue. There seems to be a question of who was the first risk manager: The 1781 captain who jettisoned slaves or Noah, who retained residual risk. Actually, I had thought that it was Adam and Eve who donned fig leaves for protection.

Norman Hoffman, CPCU
Corporate insurance manager, Kane Miller Corp., Tarrytown, N.Y.

A testing bureau

To the Editor: Marie Krakowiecki's riskWatch article of June 27 was interesting and informative. I have a client who may be interested in contacting the American Standards Testing Bureau. Can I get an address?

William L. Whalen
Ter Bush & Powell Inc. Insurance

American Testing Standards Bureau Inc. is headquartered at 40 Water St., New York, N.Y. 10004.

Lawyers' fees

To the Editor: In your article on "Settlements not growing like claims" of your 6/13/77 issue, I would like to ask why the percent increase of lawyers fees for defending increased amounts of claims was not included?

It would seem to me this would have shown the most significant increase.

Louis A. Johnson
President, John H. Herche Agency, Jamesburg, N.J.

The Gordon Associates report did not deal with this issue. In an earlier legal study commissioned by the Commerce Department, however, the Interagency Task Force on Product Liability found that "there is no reliable way to estimate the extent to which the contingent fee system increases the aggregate total of claims paid by personal injury defendants."



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info for buyers

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• The fifth edition of the **Dictionary of Insurance** by Lewis E. Davids contains 266 pages of succinct definitions of insurance terms. Addresses of state insurance commissioners and insurance related organizations are included. Cost is $4.50, published by Littlefield, Adams & Co., 81 Adams Drive, Totowa, N.J. 07512.

• **INSURNET**, a division of American Information Development, offers a free promotional brochure describing how its on-line real/time computerized risk management system can produce reports and manage claims payments. For a free copy write INSURNET, American Information Development, 48 Peter Yorke Way, San Francisco, Calif. 94109.

• **Claims Consulting Service** from Risk Analysis & Research Corp. are described in a promotional brochure of that name. RAR is a subsidiary of Design Professionals Financial Corp. For a free copy of the brochure write the company at 50 California St., Union Bank Building, Suite 545, San Francisco, Calif. 94111.

• **Employer HMO Service** is a bimonthly report on the concept and development of health maintenance organizations published by Personnel Research Associates. *Business Insurance* readers are offered a free sample issue and a 10% discount on the annual $16 subscription rate. Write Personnel Research Associates, 49 Oakridge Road, Verona, N.J. 07044.

• **A Bibliography of Insurance History** includes books, pamphlets and articles from North America and Europe on the history of insurance. Books and pamphlets on the economic, social, urban and business environment in which insurance has played a vital role are included. Indexed by type of insurance, listings are alphabetically arranged by author under each subject category. Price is $7. Write: Publishing Services Division, School of Business Administration, Georgia State University, University Plaza, Atlanta, Ga. 30303.

• A Personal Insurance Plan for **International Employes**, a promotional booklet published by Chubb & Son Inc., explains the company's group insurance plan for employes assigned outside the United States. The plan incorporates a personal property floater with optional transit coverage, comprehensive personal liability, personal excess liability and accident coverages. It's available to corporations with 25 or more overseas employes. For a free copy of the booklet write David N. Tucker, Personal Lines Manager, International Division, Chubb & Son Inc., 100 William St., New York, N.Y. 10038.

• The advantages of federal legislation making it possible for the self-employed to accumulate retirement dollars under the **HR-10 Keogh Plan** are described in a brochure from Unionmutual. Tax advantages, retirement benefit options and the effect on HR-10 on employes are covered. For a free copy write Arthur Ross, Director of Life & Retirement Products, Unionmutual, 2211 Congress St., Portland, Maine 04112.

• **Insurance and Reinsurance Lexicon** covers over 5,000 terms, expressions and abbreviations currently in use in the insurance business in France, Britain and the United States. All terms with a professional meaning are followed by examples of typical expressions. Cost is $7.50. Write Editions, Berger-Levrault, Cendex 11, 54017 Nancy Cedex, France.

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• **Special Inspection Service**, a booklet from The Hartford Steam Boiler Inspection and Insurance Co., explains the service for manufacturers, installers and contractors. For a free copy write J.R. Eklund, Director of Marketing, Hartford Steam Boiler Inspection and Insurance Co., 56 Prospect St., Hartford, Conn. 06102.

• An **Investment Policy Guidebook** for benefit plan trustees is available from the International Foundation of Employe Benefit Plans. The 92-page book is a do-it-yourself guide to mapping policies and goals, working with an investment manager and setting up a system to review and revise investment programs. Cost is $5 a copy for foundation members and $8.50 for non-members. Write the foundation at P.O. Box 69, Brookfield, Wis. 53005.

• The **Sale of a Business** and the buyer's assumption of pension plan obligations, known as "contingent employer liability," is discussed in a Kwasha Lipton Inc. newsletter. The buyer's credit for assuming the seller's pension plan and ERISA's effect on this arrangement is explored. For a free copy write Department M, Kwasha Lipton Inc., 429 Sylvan Ave., Englewood Cliffs, N.J. 07632.

• Employers Save Money by **Self-Insurance** is a promotional brochure published by Employe Services Inc., a claims administrator for employes who self-insure group health and accident programs. The brochure briefly describes self-insurance, its application to employe benefit programs and the company's services. For a free copy write P.O. Box 1610, Sioux Falls, S.D. 57101.

• **Pinkerton's Professional Security** outlines the various types of protection services the private security company offers. Described in the folder are their patrols, investigations, testing and insurance claims services. For a free copy write G.R. Vance, Pinkerton's Inc., 100 Church St., New York, N.Y. 10007.

• Annuities are **An Income You Can Count On** according to a booklet from Employers Life Insurance of Wausau. For a free copy write Charles Lindgren, Employers Life Insurance of Wausau, Box 150, Wausau, Wis. 54401.

dates for buyers

Aug. 22-24: Product Liability Prevention Seminar in Hasbrouck Heights, N.J., conducted by the New Jersey Institute of Technology. Lectures and discussions will cover plaintiff and defendant stances in product liability cases, legislative and regulatory developments and making safer products. Twenty-four professional societies and trade associations are sponsoring the non-profit seminar. Cost is $325 for members of sponsoring societies and $350 for non-members if paid before Aug. 12. Contact: Professor Richard M. Jacobs, New Jersey Institute of Technology, 323 High St., Newark, N.J. 07102; phone (201) 645-5350.

Aug. 29-31: A three-day course on the Fundamentals of Risk Management in Atlanta. Developed by the Risk & Insurance Management Society (RIMS), the curriculum emphasizes all the processes involved in controlling risks—identification and analysis of exposures, prediction of loss, loss control, retention and self-insurance and insurance purchasing decisions. The course is designed for both those with a limited background in risk management and for the experienced who want a comprehensive review of the field. Cost is $200 for RIMS members and $300 for non-members. Also offered Sept. 12-14 in San Diego, Sept. 14-16 in San Francisco, and Oct. 3-5 in Kansas City. Contact: Kathy Flandreau, RIMS, 205 E. 42nd St., New York, N.Y. 10017; phone (212) 557-3229.

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Rates are too high

N.Y. FAIR plan isn't fair, critics charge

By REBECCA A. FANNIN

NEW YORK—The New York FAIR plan's rates and operating proposals have recently been labeled anything but fair.

Although the minimum premium for FAIR plan coverage is $25 per policy, overall the rates have become "unaffordable for the very people they are meant to serve," according to Alex Goldberger, executive director of the Council of Insurance Brokers of Greater New York.

The plan was set up to provide property coverage on dwellings and businesses in inner city neighborhoods that cannot obtain insurance in the private market.

A recent rate filing by the FAIR plan with the state insurance department proposes that statewide rates be decreased 1.3%. But Mr. Goldberger said the FAIR plan's rates are still "four times those of the voluntary market." In addition, the plan has proposed that fire rates for New York City dwellings be raised by 2.9%.

Criticism has also been aimed at a FAIR plan proposal to amend its plan of operations. The plan proposes to resume insuring vacant or unoccupied buildings and to substitute a loss payable clause for a mortgage clause in policies.

The FAIR plan stopped insuring vacant buildings during the past year when the state insurance department asked it to contain losses. The plan is proposing to insure buildings that meet Housing and Urban Development (HUD) security standards and install an approved number 3 central station intrusion alarm system.

"The plan should return to writing buildings of superior construction without additional standards," William Mahoney of the Real Estate Board of New York contended. "Let them apply the same standards they did in prior years," he added.

Mr. Mahoney also pointed out that the FAIR plan's proposals to insure vacant or unoccupied buildings did not detail the HUD standards, thus making it impossible to evaluate the proposal's cost.

Noting that buyers of insurance would want to see the specific document detailing the standards, he said "90% of the people at HUD didn't even know about the document" when he attempted to obtain a copy.

Mr. Goldberger said the alarm system's cost would be "horrendous." All windows must be connected to the system which is "totally impracticable and unworkable for school buildings, which have hundreds of windows," he said.

The FAIR plan's proposal to switch to a loss payable clause in policies also came under fire from Mr. Goldberger. This change "presumably would put a mortgagee on the same basis as the insured, making the mortgagee as well as the insured liable for losses," he explained.

The loss payable clause would give lending institutions an excuse for not investing in certain properties, Mr. Goldberger said. He added that "redlining" or withholding of mortgages from homes in high crime areas would be encouraged at a time "when so much is being done to reverse this trend."

Concern about the FAIR plan's rates has prompted action by both U.S. Rep. Fred Richmond, D-N.Y., and Rep. Elizabeth Holtzman, D-N.Y., who have proposed methods of controlling the cost.

At a recent public hearing of the plan's new rate filing, Mr. Richmond called on the federal insurance administrator, and if necessary the Justice Department, to change the plan's self-rating system. New York is the only one of 26 states with FAIR plans whose system is self-rated.

Mr. Richmond proposed that premiums be based "upon the statewide loss and expense experience of similar risks."

To reduce the FAIR plan's rates, Rep. Holtzman has proposed that the plan be forced to write at voluntary market rates, which are four times lower than the FAIR plan's rates. This reduction, according to her proposal, would be accompanied by replacing self-rating with a statewide risk pool, as in the other 25 states with FAIR plans. Rates in these 25 states have been comparable to the voluntary rates.

Her proposal is now being considered by House-Senate conferees as an amendment to the Housing Act. In "extra-ordinary circumstances," her amendment would also permit HUD to allow rates up to 30% higher than voluntary rates.

The Federal Insurance Administration, however, is proposing a compromise that would allow FAIR plans to charge higher premiums for FAIR plans property owners if the surcharges are the same as those for similar conditions in the private market, the rates are based on the same data and the surcharges are applied nondiscriminately. ■

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Work comp refunds to total $25 million

CHICAGO—Illinois businesses will receive more than $25 million in refunds on workers' compensation premiums paid over the past year. But the outcome of a major legislative battle this year left the state with one of the most liberal workers' compensation systems in the country.

State insurance director Richard Mathias, following the recommendations of a hearing officer, ruled that insurance companies have charged too much for administration on workers' compensation premiums. He ordered the expense factor reduced to 6.7% from 11.7%.

The order is effective for all policies written or renewed after Aug. 1, 1976. Robert Gosrow, chief casualty actuary for the department, estimated the refunds at more than $25 million. Previously, Mr. Mathias had suggested the refunds might total $15 million, but Mr. Gosrow said that figure was based on incomplete information.

In addition to the refunds, Illinois businesses will be receive a 7.6% reduction in overall workers' compensation premiums as a result of the ruling.

The order must still be approved by the circuit court judge who originally heard a suit charging that workers' compensation rates in Illinois were too high.

The hearing officer, noted insurance authority Spencer Kimball, ruled that most of the 88% increase in workers' compensation rates that followed passage of the liberalized law in 1975 was justified. But he found that the amount of money allocated to administrative expenses should not have been increased merely because overall premiums were raised.

Meanwhile, business interests lost a heated battle in the state legislature over tightening benefit provisions in the state law. Instead of approving a business-backed measure which its proponents said would cut benefits and abuses to lower costs, the legislature approved a labor-backed bill which made minor changes in the law to stabilize costs.

Under the measure signed into law, death benefits will be limited to $250,000 or 20 years, eliminating an escalator clause in the 1975 law. The new amendment also bases compensation on the average weekly wage rather than the higher average manufacturing wage in the state.

The bill awards a maximum weekly benefit for permanent partial disability of $228, compared to $152 set by the business-backed measure. However, the maximum benefit will be increased this summer to $329 a week under a section of the 1975 law left untouched.

The business-backed measure would have set standards for hearing loss under permanent partial disability, a vexing problem for businesses and insurers.

The Illinois department's Mr. Gosrow said the changes will be a "washout" because the restrictions on benefits will be offset by increases in the maximum benefit for permanent partial disability. At most a 1% reduction in premiums can be expected, he indicated. ■

london line

U.S. attorneys invade North Sea oil fields

By JOHN MILLER

LONDON—U.S. attorneys appear to be invading North Sea oil fields in hopes of winning large personal injury claims by moving cases to U.S. courts.

Leading insurers at Lloyd's of London are worried that this will result in higher premiums that will be difficult for some firms engaged in costly oil rig work off the British coast to pay.

The British government is being asked to prohibit U.S. attorneys from continuing their efforts to get clients in Britain in competition with domestic lawyers who can only offer their services in local courts.

The new move comes because of the interpretation of the Jones Act, which can be used in an effort to get any marine structure anywhere in the world brought under U.S. law if it is owned in whole or part by a U.S. corporation.

So British firms who are offering their services to U.S. contractors are finding themselves suddenly faced with massive lawsuits in the U.S. instead of the normal courts in their own country where damages are much less costly.

This is already leading to some liability coverage being renewed at three or four times the traditional premiums, even where only U.K. protection is normally sought.

Michael Payne, joint chairman of Lloyd's Law Reform Committee, commented, "We feel this is an undesirable extension of U.S. legal practices to matters that should come before the British courts."

Next of kin of divers or other oil rig operatives, even though they are British nationals, are being approached by U.S. attorneys after North Sea mishaps where American-owned structures are concerned.

Some of the victims, who have already filed personal injury claims in England or Scotland, are tempted to transfer their cases to the U.S. by the inducement of larger awards.

Blame for many of these actions is being placed on Benton Musselwhite, a Houston lawyer, who is becoming known as "The Muscleman" at Lloyd's because of his vigorous approaches.

It is entirely legal for him to make such efforts to acquire U.K. cases, of course, if they can be transferred to the jurisdiction of U.S. courts.

But the practice, which grew up after the Turkish DC10 crashed in Paris in 1974 when many next of kin transferred their actions to California, is being watched with anxiety because of the inflationary effect it can have on insurance rates.

Drug awards

Damages running into $100 million have been awarded in Japanese courts against a subsidiary of the Swiss-based Ciba-Geigy chemical group and 19 other defendants in a product liability suit.

It concerned an internationally used drug, sometimes known as enterovioform, which is used to counteract diarrhea, but which was alleged to have caused side effects to thousands of Japanese sufferers who used it.

The drug is still widely used in Europe, though it has been taken out of use in some other countries, according to reports of the damage award reaching London.

Reinsurers

Reinsurers are planning to move into new roles in their conduct of large-scale insurance business. Risks in many fields are becoming so big that they can no longer afford merely to follow the lead of direct insurers.

Reinsurers will make greater use of their own individual assessment of the risks where major industrial plants or other massive developments are at stake.

Technological and financal advances make this new approach essential, says John C. Lepine, chairman of the Reinsurance Offices Association (U.K.) "The balance of reinsurance portfolios is now shifting significantly and has made a reappraisal necessary," he said.

"The reinsurance industry is starting to demonstrate in clear terms its distinction from the insurance industry. Too many difficult exposures are now falling to reinsurers for us to be able to take them for granted. We can't stand aloof from risk characteristics and aggregations of exposures, and merely follow the fortunes of policy line leaders any longer.

"We feel that reinsurers can even assess the ultimate cost of a given plan better at times than the insurer, who is concerned with mass-merchandising, consumer satisfaction and his net account. We've got to stand up and be counted and ensure the correct pricing of those risks and exposures which we are required to absorb."

Mr. Lepine warned that strict limits and conditions might have to be placed on certain large risks before reinsurers could accept them in the modern consumer environment where politicians, governments and supervisory authorities are all getting so closely involved. But reinsurers would work progressively so as to cooperate with the insurance industry, he said. ■

FCIA '76 payments total $9.3 million

WASHINGTON—The Foreign Credit Insurance Assn. (FCIA) paid out $9.3 million last year to its insureds for claims on their political and commercial risks overseas. That was more than the average amount the FCIA paid for the previous 10 years, the association said in its annual report.

The FCIA, which is made up of 51 marine and property and casualty insurance companies, writes export credit insurance on commercial risks abroad, and reinsures those risks with the help of the Export-Import Bank of the U.S. It also provides political risk coverage. Construction and farm machinery manufacturers are heavy users of FCIA coverage, as are the transportation equipment, chemical and paper industries.

During 1976, the FCIA wrote 770 new policies, renewed 1,240 existing policies and issued more than 5,000 Special Buyer Credit Limits. This increased use of its programs was reflected in the 10% boost in the amount of insurance the FCIA authorized last year, bringing the total to a record $3.6 billion.

Despite the increase in authorized insurance, however, the value of the export shipments which the FCIA covered remained the same as the previous year, $5.1 billion, because of poor economic conditions in FCIA's leading foreign markets, especially Mexico.

That country suffered a large depreciation in its exchange rate last year and there was a "drastic" change in the number of shipments there, the FCIA said. Mexico is FCIA's largest market.

There was some movement in the destination points of the exports insured by the FCIA last year. For instance, coverage in Asia and Latin America declined somewhat, but coverages supplied for the Middle East and Africa grew significantly.

The 1976 claims paid by the FCIA may have been higher than the average amount paid over the last decade, but they were not as high as the record $13.8 million the FCIA had to pay out during 1975, when there were $1.1 million in political claims and $12.7 million in commercial claims.

The association predicted that economic factors prevailing in 1977 will result in increased use of FCIA insurance this year. ■

Name change

The American Mutual Insurance Alliance has changed its name to the Alliance of American Insurers effective July 1. The 55-year-old trade association said the move was in conjunction with efforts to broaden the association by including nonmutual companies.

Hospital appeals $2 million award

Crain News Service

PHILADELPHIA—American Medicorp Inc. plans to appeal a $2 million award by a Texas court judge to the family of a woman who died following childbirth in the company's Southmore Medical Center in Pasadena, Tex.

In June, a jury had awarded to the family $7 million—$2 million in compensatory damages and $5 million in punitive damages—even though the plaintiffs had sought only the damages finally awarded by the judge. (*Business Insurance*, June 13.)

Later in the month, the court awarded the family $1 million in compensatory damages and $1 million in punitive damages for the death. The 27-year-old mother had died in 1974 after being administered the wrong gas when she gave birth to her second child, who lived. The hospital had been open for business only a few hours at the time and the oxygen and anesthetic gas lines had been improperly installed.

The appeal will be based on Medicorp's belief that the compensatory damages were excessive and that punitive damages were inappropriate in the case. ■

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Florida lawyers' liability appealed

By KATHRYN McINTYRE ROBERTS

FT. PIERCE, Fla.—A jury verdict here that found a lawyer guilty of maliciously prosecuting a medical malpractice suit was appealed this month to the Florida court of appeals.

In the first jury trial and verdict on this point in U.S. legal history, an attorney retired from the Ft. Pierce law firm of Fee, Parker & Fee, was ordered by the jury in May to pay $175,000 in damages to an orthopedic surgeon. Otis Parker had represented a former patient of Dr. John Sullivan in a medical malpractice suit against the surgeon in 1971.

Dr. Sullivan charged that the medical malpractice suit—which was dropped before it went to trial—was brought without grounds. Dr. Sullivan claimed his medical malpractice insurance was cancelled and his reputation damaged by the suit. (*Business Insurance*, June 13.)

The circuit court judge presiding over the case, however, ordered Dr. Sullivan to surrender $100,000 of the award or face a new trial, saying the size of the jury award shocked the conscience of the court.

Dr. Sullivan agreed to accept just $75,000, but Mr. Parker and his fomer law firm decided to appeal the jury's guilty verdict. Now Dr. Sullivan and his attorney, Ellis Rubin of Miami, plan to appeal the judge's order reducing the award, said Mr. Rubin's associate, H. Lee Bauman.

Mr. Parker and his former law firm had considered not appealing the verdict if Dr. Sullivan accepted the reduced award. They thought the firm was covered by only $50,000 of professional liability insurance.

Stephen McAlily of the West Palm Beach law firm of Brennan, McAlily, Albury & Hayskar said his clients have discovered they are covered for $100,000 by St. Paul Fire & Marine Insurance Co. "And they felt so strongly about the case, regardless of the insurance and the award, they wanted to appeal it," Mr. McAlily explained.

The appeal argues the verdict was against the overwhelming weight of the evidence. Mr. McAlily also contends the jury should have been instructed that if the doctor was guilty of negligence, it served as a complete defense for his client. "We felt we proved that (the doctor was guilty of negligence)," Mr. McAlily said.

If the verdict is upheld, Dr. Sullivan's attorney Mr. Rubin believes it will establish a new standard of practice for attorneys, requiring probable and reasonable cause for filing a lawsuit and subjecting them to liability suits.

Mr. McAlily predicted it will probably be a year before the court of appeals rules on the case. In the meantime, similar suits in Florida may be stymied.

One of those is another suit filed by Dr. Sullivan which, coincidentally, names Stephen McAlily's brother's law firm of Beckham & McAlily in Miami.

Beckham & McAlily represented a client in a malpractice case against Dr. Sullivan for awhile and then referred the case to another firm.

Charles H. Damsel Jr., of the West Palm Beach law firm of Jones, Paine & Foster, is defending Beckham & McAlily. He said he didn't know when the case would be tried, adding, "It seems the law ought to be straightened out first."

The lawyers could agree to await the final outcome of the Sullivan-Parker case before proceeding with a trial or the court could order them to delay, Mr. Damsel said.

Mr. Damsel is also studying the issue from the doctor's point of view. He is representing a cardiologist who is fighting back over a malpractice suit against him which was ultimately dismissed.

"It's an interesting direction in the law," Mr. Damsel observed.

And it's one that will affect professional liability insurance costs for doctors and lawyers. Mr. Rubin predicts successful prosecution of attorneys who represent clients in unfounded malpractice cases will reduce medical malpractice insurance costs. But he concedes judgments against attorneys will increase their professional liability costs. ■

Self-insuring fleet liability saves Ohio $1 million after revamping

COLUMBUS—When Gov. Rhodes' Council for Cost Control surveyed all state departments here with an eye to efficiency, one of the recommendations it made was that a Bureau of Risk & Insurance Management be created.

Since the bureau was established in September 1976, it has self-insured for liability on the state's 14,000 vehicles, saving the taxpayers over $1 million in one year. And now it's in the throes of putting together a self-insured health plan for 43,000 state employes (See Benefit Beat, page 3).

Self-insuring for auto liability from July 1976 to July 1977 cost the state $620,036 compared to the lowest insurance bid of $1.68 million. That self-insurance cost includes claims paid, in-house staff services and the claims services of Frank B. Hall of Ohio (at about $16,000 a quarter).

During the year, state vehicles were involved in 1,438 aiccdents. Of those, the state was not liable in 773. Of the 765 claims filed, 329 were settled by payment and 117 were closed without cost to the state. Reserves are being held on 319 outstanding claims.

Of the 11 suits filed against the state, the state proved in court it was not liable in one, two were settled without trial and eight cases are still pending.

Based on a $127 per vehicle unit rate, the state's loss ratio was just under 40%, state claims liability administrator William McManaway said. However, the vehicle unit rate will be adjusted, he explained, because for 1976-77 the state chose to take the lowest private insurance bid to determine the cost per vehicle.

Bureau administrator John Belknap said, "We've been very successful with the auto liability program." But Mr. McManaway observed, "We're not done yet."

He'd like to handle all claims work in-house, speed up payments continue to "lick paperwork" and improve the lost prevention program "to keep the agencies involved to cut down accidents." Already the state promotes a defensive driving course.

Mr. McManaway, who came to state government after handling claims work in the private sector, said the state's success with its self-insured auto liability program can be attributed to its efforts at "controlling expenditures." He explained, "People involved in accidents have the right to present their version of the accident, but we insist on an investigation of the physical damages and proof of bodily injury before any payments are authorized."

That's a little different, he agreed, from the way auto insurance is often handled by private insurers. ■

Chicago RIMS slates seminar

CHICAGO—The Chicago chapter of the Risk & Insurance Management Society is sponsoring a two-day seminar July 28-29 entitled "Risk Management is Not Insurance Buying."

The seminar, open to prospective and present RIMS members, will cover risk management education and techniques, guaranteed cost vs. retrospective rating, broker/agent/consulting services and loss control and property conservation techniques.

The seminar costs $25 for two days, $15 for one day. Checks payable to RIMS-Chicago Chapter should be mailed to Judy Lindenmayer, Sealy Inc., Merchandise Mart 470, Chicago, Ill. 60654. ■



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New York blackout . . .

Continued from page 1

areas in the city had crime insurance through the Federal Crime Insurance Agency, which is bracing for an expected 1,500 to 2,000 claims.

More than 100 calls were made to the agency by businessmen who suffered losses but were uninsured. These calls were directed to the Small Business Administration, which immediately began taking applications for low-interest 30-year loans of up to $500,000 to help small business owners rebuild and restock.

New York City Mayor Abraham Beame additionally proposed a "rescue fund" to help businesses which were uninsured. It would provide storeowners grants that would average less than $2,000 for each owner, with $1 million of the money coming from the city and $2.5 million from representatives of the banking, business, labor and civic communities. The city has requested permission to declare parts a disaster area to ease the way for more federal grants.

That $2,000 figure is reminiscent of automatic payments Con Ed was forced to make in 1973 to commercial victims of a four-day power failure in Queens. The Public Service Commission then ruled that the utility had to pay up to $100 to each residential customer and $2,000 to each commercial customer who had suffered losses from food spoilage or lost merchandise. The commission, however, set a top limit on liability of $1 million.

After the most recent blackout, a Con Ed spokesman said that although the utility denied any liability for the damages resulting from the 1977 blackout, that it believed the PSC limit of $1 million in liability claims would still apply.

A commission spokesman disagreed. The 1973 ruling applies only to local power distribution problems that last 12 hours out of 24. It does not apply to generating or transmission failures such as the July blackout.

No limit seen

On one hand, that means that Con Ed will not be forced to make automatic payments to its customers as it was in 1973. But on the other hand, it also does not have the statutory protection of a $1 million limit on liability. Of course, for anyone to collect anything from Con Ed, they would have to be able to prove that the blackout was caused either by gross negligence or by conditions that were within Con Ed's control, the PSC spokesman explained.

He said that under the utility's tariff (the compilation of rules and regulations for providing service) it is not liable for losses resulting from failure of service due to conditions beyond its control (such as an "act of God") or due to ordinary negligence by employes.

Business interruption losses were a major area of revenues the city kissed goodbye. Insurance for such losses was sporadic at best.

Major retailers, including such big name stores like Macy's, Bloomingdale's and Gimbels, were forced to close and forfeited a combined total of about $20 million in sales, according to analysts.

Smaller retailers, notably grocery stores, clothing, furniture, appliance and jewelry stores, were also hard hit and lost even more, most of it unrecoverable.

Wall Street, forced to close down its options trading and national stock exchanges, lost anywhere between $5 million to $15 million in brokerage commissions. Riese Brothers, New York's largest restaurant operator which was unable to open 140 of its 220 restaurants estimated losses of up to $400,000, most of which it expected to be unrecoverable.

The broadcast industry, traditionally hard-hit during blackouts because of loss of advertising revenues, probably lost several hundred thousand dollars, although no estimates were yet available from the Television Bureau of Advertising.

Insurance industry officials explained that losses due to power blackouts are not normally covered under business interruption insurance policies.

The deductible on business interruption insurance policies frequently depends on the time a business has been halted. The time limit is usually 24 or 25 hours. That is, the policyholder must pay whatever losses accrue during that time period, before the insurance company will start to pay claims for business interruption.

In the case of a blackout like the one that hit New York this month, most of the damage took place before the time limit ran out.

At the Hartford Insurance Group, there is no deductible for business interruption coverage on the standard property policy, a spokesman said, although there is a deductible of perhaps $100 for fire damage coverage.

However, even the Hartford does not expect to see business interruption comprise a big part of the claims to be paid due to the blackout because its standard policy insured only listed perils like fire and not off-premises power failure. That kind of business interruption is available only on a special endorsement to the policy and many small store owners do not buy it.

Special situations

Of eight claims the Hartford's New York office had received by the Friday after the blackout, only one had business interruption included on its policy and the insurance company wasn't certain whether the policyholder would try to collect for it.

Some New York businesses reported special insurance considerations as a result of the blackout:

• Carvel Corp., which has 180 ice cream shops in the area, suffered a total loss of $250,000, averaging at a loss of $1,500 per store for 150 affected sites. Some of the dealers had insurance coverage of $1,000 for power failure under a group coverage. Jack Stewart, vp of Carvel's insurance department, declined to give any details on the coverage other than "I don't know if the insurance companies will ever write this again."

Mr. Stewart said the coverage was originally bought to protect the ice cream stores against disasters like hurricanes. He feared that the policy for business interruption "may exclude an act of God, who they'll probably end up blaming."

Stock brokers

Bache Halsey Stuart & Shields Inc., a Wall Street investment banking and stock brokerage firm, said it is self-insured and did not have business interruption coverage. But because of the blackout, it now wants to buy business interruption insurance.

• Paine, Webber, Jackson & Curtis Inc., one of Wall Street's biggest stock brokerage houses, estimated that its four New York branches lost revenues "in the six figures" during the blackout which won't ever be recovered. Jim Delaney, Paine Webber's vp of general services including risk management, said that the firm does not carry business interruption insurance, which is difficult to find, but does have an extra-expense policy worth several million dollars as part of a $12 million property coverage for its computers.

It is the computers that firms like Paine Webber are most concerned about. Paine Webber has four IBM computers which are very sensitive to current changes, and has electric devices to keep power flowing even in a brownout. It figures that in a blackout, everyone's down.

• The Ace Pontiac Showroom. This was only one of some 2,000 stores that were looted or burned in the Bronx, Manhattan, Queens and Brooklyn for a collective loss of about $4 million, but the Bronx car dealership offered one of the most flagrant examples of looting. Thieves smashed the showroom window and literally drove 50 new cars, valued at about $250,000 right through it. Dealer Carl Neufeld said he was insured with Motors Insurance Co., but declined to give more details.

• Some stores didn't have any insurance. One of these was the Capri furniture store, whose owner Eugene Valls estimated he had lost $40,000 worth of bedroom sets, dressers, mirrors and other furniture, all uninsured because he couldn't afford the premiums.

• Mama Leone's, New York's Italian restaurant famous for giving tourists all they can eat and then some, said it lost its entire luncheon business on Thursday, but that it got its power back by 2 p.m. and served dinner. Because the duration of their loss was so short, it couldn't possibly be covered by insurance, a spokesman said. Probably the worst thing was that some checks went unpaid in the darkness and Mama had to pay taxi fares for her suburban workers.

Insurance companies which have reported claims from the blackout so far include Aetna Life & Casualty Co., which estimates it will pay out between $1 million and $2 million and Allstate Insurance Co., which estimates a possible $1 million payout. Others, like The Travelers Insurance Cos. and CNA Insurance, are still taking inventory. ■

City's play suffered as well as its work

NEW YORK — The day-long blackout which struck New York not only disrupted the work of the great commercial center, but it also interfered with the play of the metropolis.

The Great White Way of Broadway was suddenly pitch black. Some productions carried on valiantly by candlelight or lantern, while most quit the stage. The cast of "Oh! Calcutta!" was caught with their pants down—literally—and had to borrow clothes from the audience before leaving for home.

Restaurants lost the late supper crowd as many scurried out in darkness without paying their bills.

At Shea Stadium auxiliary power sources kept minimum lighting on the 22,000 fans who had come to see the Mets play the Chicago Cubs. Since the sound system was still hooked up, organist Jane Jarvis played a round of songs to reassure the crowd. Even the players helped out, coming on the field to do a pantomime game with spectators, hoping the lights would return.

One *Business Insurance* reporter was watching a World Team Tennis match at Madison Square Garden when the lights went out. Earlier the air conditioners had been set so high that many of the more vocal spectators had yelled for management to turn down the coolers.

So when the lights first dimmed, there were many shouts of "Not the lights, the air conditioning!" followed by the speaker's favorite expletive. ■

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Claims key element in Chubb-FF dispute

By REBECCA A. FANNIN

NEW YORK—Fireman's Fund Insurance Co. refused to write excess coverage over primary policies written by Chubb & Son Inc. because of a difference in claims handling procedures, according to Jerry Isom, Fireman's Fund vp.

Fireman's Fund confirmed a *Business Insurance* story (July 11) that it had refused to write excess coverage over primary policies issued by Chubb.

Fireman's Fund did not write the excess coverage for approximately a month but returned to writing it after the two companies resolved the differences July 7.

A "difference of opinion over claims handling of two to three cases in medical liability and two to three cases in certified public accountant liability caused the problem," said Newell Alford Jr., general counsel for Chubb & Son.

Mr. Alford said each of the cases involved different kinds of problems with Fireman's Fund, adding he "could not be sure" any of the problems resulted from a too-liberal Chubb stance on claims settlement.

"These cases involve a lot of money and there are apt to be minor differences of opinion between two companies," he said. "The problem probably originated by a misunderstanding at a lower level but was resolved once it reached the upper levels."

At Fireman's Fund, Mr. Isom said that his company did not base its refusal to write coverage because of concern about finances at Chubb & Son. "We have never been apprehensive about Chubb's financial status," he said.

Dick Griebel, public relations manager at Fireman's Fund, refused to detail the companies' differences in claims handling procedures, saying the problem was "internal and a thing of the past."

He added that the problem was "discussed and resolved with no great difficulty." ■

July storm losses

An early July storm caused an estimated $4 million in insured loss in parts of Wisconsin, according to the American Insurance Assn. The storm has been assigned Catastrophe Number 98.

Lloyd's chiefs study new members' impact

LONDON—Top men at Lloyd's have been studying the capacity problems that a big new rush for membership in 1978 will bring to the market.

There are currently 5,000 names on the files awaiting to join Lloyd's, which will swell the membership to 15,000 or nearly twice the number at the start of last year.

There has even been a suggestion that the committee of Lloyd's should impose a limit on the entry of new members so as to avoid a fresh rate-cutting war in some areas such as the marine and aviation markets.

This caused surprise after the efforts that were made in recent times to attract new entrants from the U.S. and other sources. But the idea has been soundly rejected on the grounds that the Lloyd's community should be allowed traditional freedom of choice in its business assessments.

Sir Havelock Hudson, its chairman, revealed the dilemma when he addressed members on the topic of capacity problems.

"Inflation and sterling depreciation made it difficult in 1975 and 1976 for many syndicates to keep within their premium limits, but the record number of new members who started to underwrite last January have removed this problem for most syndicates," he explained.

"The rush for new membership will create another problem, as the need for capacity varies very significantly. There is a danger that satisfying the needs of the non-marine market will bring with it an unhealthy over-capacity in the marine and possibly aviation markets.

"But through the committee of Lloyd's we have decided it would be wrong to interfere in the business of underwriting agencies by limiting the number of new members."

Extra capacity of nearly $200 million already is being sought through higher premium limits for existing syndicates and there will be a further influx in 1978 when the premium facilities provided by new members come into operation. ■

Cities consider pool for liability

LOS ALTOS HILLS, Calif.—A proposal to create a pool for excess liability insurance coverage for the 15 cities of Santa Clara county as well as for the county itself is under study by representatives of the 16 public entities.

A committee composed of the representatives is sending out letters to insurance consultants.

"The emphasis will be on actuarial figures that reveal how much should be set aside for catastrophe losses," according to Don Blackhurst, insurance/risk manager for Santa Clara county.

Interested consultants may contact Robert Crowe, city manager, Town of Los Altos Hills, 26379 Fremont Rd., Los Altos Hills, Calif., 94022. ■

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Chrysler plan . . .

Continued from page 1

other automakers can expect to be hit with demands for group legal plans when contracts are renegotiated in 2½ years, the UAW spokesman agreed, because other UAW workers will not tolerate going without a benefit their Chrysler brethren enjoy.

Although only a few smaller unions now offer group legal plans, the UAW spokesman agreed with the widely held notion that auto workers are benefit trend setters and the Chrysler plan could snowball movement in other unions.

The UAW would like that. "We hope this opens up other unions' eyes," the spokesman said. "It's an area of benefits long overdue," he asserted.

A group legal plan is particularly important to auto workers, the spokesman said, "because UAW workers are moderate and middle-income workers. They have too much money for free legal aid but not enough money to afford the type of representation they need."

The UAW-Chrysler plan will be financed with money transferred from the UAW-Chrysler Hourly Employes SUB (supplemental unemployment benefits) Fund, established in 1961 to provide a reserve for layoff benefits.

Hourly-paid unionized employes at U.S. Chrysler plants paid five cents an hour into the fund from 1961 to 1964. During the 1974-75 recession, money was borrowed from the fund to pay for insurance for laidoff workers when the regular Chrysler SUB Fund ran dry, but the money has been paid back.

And the regular Chrysler SUB Fund was restructured by the current contract to prevent a reoccurrence of the 1974-75 depletion, freeing up the money in the 1961 fund.

Of the $21 million now in the fund, $4.5 million will be maintained and $18.5 million transferred into a new fund established for the group legal plan. Only hourly unionized employes at Chrysler are eligible for the legal plan.

It's believed $18.5 million will be enough to pay for benefits under the plan with the unused money generating enough interest to keep the fund going, the UAW spokesman said. Participants will not be charged any premium for the benefits, nor will there be any co-payment. A closed panel of attorneys will be selected by local committees—subject to approval of the plan committee—to serve the UAW members.

There's still a lot of leg work to be done, the UAW spokesman said, such as securing Internal Revenue Service approval of the fund transfer to finance the plan and ratification of the plan by Chrysler hourly employes.

But union president Douglas A. Fraser predicts a pilot program will be operating in 60 days, providing information to make cost projections for a fully operating plan. The pilot program, whose participants will be chosen by lottery, will be gradually expanded until, probably after one year, the plan will be covering all 150,000 eligible families.

The plan will be run by the UAW Legal Services Plan committee chaired by Gabriel Alexander, the impartial chairman under the UAW-Chrysler agreement. The committee will include three independent persons chosen by Mr. Alexander and three UAW representatives.

Local committees, fashioned after the top committee, will be charged with the operation and administration of the plan, including claims processing.

The plan will cover lawyers' fees for representing clients in routine personal litigation such as that involving traffic violations (except parking tickets), Social Security claims, public assistance claims, misdemeanors, juvenile offenses, divorce, alimony, child custody cases, wills, consumer complaints and insurance claims.

On a case-by-case basis, subject to committee approval, the plan may cover defense or prosecution in a personal tort action, cases concerning the denial of constitutional rights and judicial appeals of covered actions. Of course, legal action against either the union or Chrysler will not be paid for under the plan.

The UAW had considered various uses for the money in the $23 million fund—which the UAW spokesman would not disclose—but, he said, Chrysler opposed those uses. Chrysler's approval was needed to transfer any money out of the fund, he said, because Chrysler is a joint trustee of it with the UAW.

In announcing the group legal services plan earlier this month, union president Fraser noted that Chrysler Corp. "has been trying to transfer this reserve fund into the regular SUB Fund in order to reduce its contribution." But the union would not permit that, he said, choosing instead "this precedent-setting benefit." ■

California is suing itself

SACRAMENTO, Calif. — The state of California is suing itself over malpractice insurance rates, a lawsuit that may determine the constitutionality of the state's Medical Malpractice Act of 1975 and several tort reforms in the act.

The lawsuit, filed by the state attorney general and a coalition of legislators who wrote the malpractice law, also directs California Insurance Commissioner Wesley Kinder to hold hearings on malpractice insurance rates. The commissioner is directed to roll back the rates if excessive.

The commissioner has refused to do so, stating that without "final judicial affirmation" of the malpractice law's constitutionality, any determination by him would be premature and inappropriate.

The lawsuit was unusual in that it originally requested the state supreme court to rule on the malpractice law's constitutionality before any legislative challenges to the law have been brought.

However, the state supreme court refused to accept original jurisdiction and referred it to the district court of appeals.

Among tort reforms the legislators and attorney general seek rulings on are a shorter statute of limitations, statutory limitations on damages for pain and suffering and limits on lawyers' contingency fees. ■

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Pregnancy cost . . .

Continued from page 1

This seeming indifference to the federal legislation was reinforced by a recent Hewitt Associates survey of 150 firms which found that of 30 major companies that had changed their disability plans in the past 18 months, 43% still failed to provide maternity benefits.

A spokesman for Liberty Mutual Insurance Co. said company officials had expected policyholders to ask: "What is it (the legislation) going to cost us to include pregnancy and how should we amend our plans to include pregnancy?'

"Well, that kind of thing just hasn't happened. It is kind of surprising," he said.

Michael Jones, a partner in Hewitt Associates' New York office, said employers' recent bad experiences complying with the Employment Retirement Income Security Act (ERISA) only to have the rules changed after compliance, may have caused firms to adopt a wait-and-see attitude before changing their benefit plans.

Some firms that anticipated the trend in legislation and have included pregnancy in their disability programs report pregnancy to be a "nominal" expense.

But employe benefit managers from these firms point out that tough claims controls were necessary to prevent women employes from claiming benefits when they were pregnant but still physically able to work.

When Cummins Engine first included pregnancy in its disability income plan, abuses immediately cropped up, said Malcolm Heuss, manager of corporate benefits.

"Employes attempted to go on leave and collect benefits when they were pregnant but not necessarily disabled," Mr. Heuss said.

In response to those initial abuses, stringent guidelines were laid down. Employes were told that they were entitled to benefits only if they were disabled resulting from a complication caused by pregnancy.

The guidelines put an end to the abuses. Last year, for example, the average pregnancy-related disability period in which benefits were collected was about seven weeks, Mr. Heuss said.

Last year, Cummins shelled out $1.3 million in disability payments for its hourly employes, a 6,999-person workforce that was about 13% female. About $36,000 was paid out in disability by pregnancy. Thus on the average, each pregnancy cost Cummins about $870.

A significantly different situation, though, prevailed at giant Xerox Corp. whose workforce last year was about 25% female. The average pregnancy disability period was a steep 12.2 weeks, according to a report prepared for the Senate Human Resources Committee by Peter A. Biggins manager of corporate benefits and personnel policy.

In 1976, Xerox paid out $8,201,631 in short term disability benefits, $746,542 of that amount, or about 9%, covered the benefits to the 291 employes who became pregnant.

As a result, each pregnancy cost Xerox an average of $2,565 in disability benefits. It should be noted, though, that Xerox has one of the most liberal disability programs. Employes receive 100% of salary during the first five months of disability and 70% during the next two years.

Mr. Biggins reported that "there has been some abuse of our pregnancy leaves. On the average, they seem to be long . . .

"Based upon medical advice that pregnancy should disable for an average of approximately six weeks, the Xerox experience has been about double that indicated as medically necessary."

By contrast, the average length of absence due to pregnancy related disabilities is nine weeks at Polaroid Corp., according to a report prepared by E. G. Guilmartin, senior manager, corporate benefits and policy.

Last year, Polaroid paid out about $5 million in short term disability benefits; $130,000, or 2.6% of that amount, covered the 75 pregnancy-related disabilities that occurred among its 3,300 female employes who make up 30% of the workforce:

Each pregnancy disability cost Polaroid about $1,733.

Elsewhere the A. B. Dick Co., based in Chicago, found that pregnancy accounted for about 4.4% of its sick leave expense since 1972. It estimates that each pregnancy related disability costs about $1,200.

A. B. Dick's manager of employe benefits, E. F. Nees, reported that there has not been significant abuse of the pregnancy disability benefit.

"This is true because of the requirements to return to work six weeks after delivery, the policy statement of conditions for stopping work and the need to maximize family income."

Nearly all employers surveyed found a significant number of women failed to return to work after giving birth, giving support to claims made by the Chamber of Commerce and the National Assn. of Manufacturers that pregnancy disability benefits often become severance pay.

At A. B. Dick Co. 60% of female employes have failed to return to work annually since 1972 after going on sick leave. Virtually 100% of employes with other disabilities return to work at the end of their disability.

But 73% of Xerox's employes returned to work at the end of their pregnancy disability period. At Polaroid, 80% returned to work from pregnancy related disabilities. Finally, at Firestone's corporate offices in Akron, Ohio, 54.5% of women who took a leave for pregnancy in 1976 returned to work. ■

What the bills would do

WASHINGTON—Consultants report that many companies seem confused by pending federal legislation that would forbid companies from excluding pregnancy from their disability plans.

The confusion, perhaps, is understandable, considering the broad language used in both the Senate (S. 995) and House (5055) bills.

Basically, the bills would amend the Civil Rights Act of 1964 to make it clear that prohibitions against sex discrimination in the act include discrimination in employment on the basis of pregnancy.

Thus, disability plans that either excluded or provided benefits for pregnancy on a basis different from other disabilities would be in violation of the law if the legislation clears Congress.

Excess Surplus Special Risks Insurance

Again, as last year, *Business Insurance* will publish a special emphasis issue dealing with *Excess, Surplus and Special Risks Insurance.*

In a fashion so characteristic of *Business Insurance,* the editors will probe and analyze this important segment of the insurance marketing spectrum. They will review conditions in this field for the benefit of our information-hungry risk/insurance/employe benefit management readers and the agents, brokers and consultants who help them put together the right protection packages.

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Advertisers' liability . . .

Continued from page 1

sume a retention between $10,000 and $25,000.

More frequently, umbrella carriers did require their insureds to buy basic advertisers' liability from firms such as Seaboard Surety, Employers Reinsurance Corp., Fireman's Fund or others which specialize in the coverage. But they apparently were not uniformly strict in instructing how much basic coverage should be bought.

But in today's legal climate with record breaking awards for every type of dispute, umbrella insurers are worried they may have to "dip down" to pay advertising claims that more properly should be paid by primary insurers. Insurers are requiring either the purchase or increased limits on primary policies, often without any reference to a company's loss experience.

Fuqua's experience

Fuqua in Atlanta bought an umbrella liability policy from the Home Insurance Co. in New York which included advertising liability automatically and did not require the purchase of an underlying primary policy.

But Robert Spencer, Fuqua's vp of insurance and risk management, met with resistance when he tried to renew the umbrella from Home for 1977. The underwriter insisted that Fuqua buy a $1 million advertising liability policy from a primary insurance company.

Fuqua went ahead and bought the primary policy, although it had not had any trouble with advertising for any of its products, which range from lawnmowers to athletic equipment to mobile homes. It had to take that action if it wanted to renew its umbrella coverage. And according to some people, including San Francisco insurance consulting firm Warren, McVeigh, Griffin & Huntington, an umbrella policy can be the single most important coverage in an organization's entire insurance portfolio.

Buying a primary level advertising liability insurance coverage for the first time in order to assure a renewal of an umbrella policy is not necessarily expensive. Fuqua, for example, was able to pick up its $1 million policy for the "bargain" premium of $2,500.

What it does signify, at least for executives responsible for buying insurance for corporate exposures, is that there is one more area of risk which they must become familiar with in order to do their jobs properly.

One reason for the increased risk has been the emergence over the last few years of comparative advertising on Madison Avenue. This type of advertising compares the features of one product to those of one or more identified competitors.

Pepsi drinkers saying they like Coke and Coke drinkers saying they prefer Pepsi are simple examples. But there have been very bitter disputes in other cases, some of which are simmering in the courts in multi-million dollar lawsuits.

Celebrated case

The most celebrated is probably the fight between Alberto-Culver Co. and The Gillette Co. and ad agency J. Walter Thompson. Alberto-Culver is suing Gillette and J. Walter Thompson for more than $7 million over a tv commercial comparing Gillette's Tame creme rinse and Culver's Alberto Balsam creme rinse.

Samples of both brands were displayed on glass and then sprayed with water. The Tame rinsed off the glass cleanly, but the Alberto Balsam did not, implying that Tame would leave hair cleaner. Alberto-Culver says that was fighting dirty. Its suit charges unfair competition, common trade libel, deceptive trade practice and consumer fraud, not to mention $1 million it is asking for punitive damages.

Seaboard Surety was the insurer on the case. It would not comment since the case is still being litigated. But an outside leading attorney in the advertising liability field said that Seaboard refused to pay any claims in the case because comparative advertising was not included in Seaboard's insurance policy.

Actually, Seaboard's contract does not contain the words "comparative advertising" at all, either as a named peril or as an exclusion. It says the company will make judgments about whether to defend an insured based on other criteria, such as whether or not there has been any misleading, fraudulent or deceptive advertising.

An exclusion

But although Seaboard is generally considered to be the leader in this line of insurance, sources said that some other companies which write advertisers' liability do specifically exclude claims arising from "comparative advertising" in their contracts.

By informal count, more than 30 big corporations have run comparative advertising campaigns for one or more of their products recently, among them Procter & Gamble Co., Johnson & Johnson, General Electric, Bristol Myers, American Motors, Sperry Rand Corp., Warner Lambert Co., Ford Motor Co., Carter Wallace Inc., Wella Corp., Seven-Up Co. and Trans World Airlines.

No matter which way the courts lean when they decide cases involving comparative advertising, there promises to be an impact on a potentially large number of corporate policies.

Some exposures which are now commonly covered on primary advertising liability insurance policies are copyright infringement, libel, slander, invasion of privacy, plagiarism and piracy. And since these areas are covered on primary policies, they frequently are also covered, only at higher limits, on umbrella policies. It is a common practice for an umbrella coverage to "track" or "follow" the provisions outlined in a primary coverage for advertising liability.

Industry sources explained that policies written for advertising agencies, publishers and broadcasters, while more expensive because of the greater degree of risk involved, will generally cover liability under the same conditions, although there may be exclusions for claims of clients of the agency.

A checklist

Corporations that either prepare advertising in-house or that hire outside advertising agencies to handle ad campaigns for their products should be aware of several factors which can influence the price they will pay for advertising liability insurance, the sources said. These are:

• Hold harmless agreements between agencies and client firms. In some cases, the client corporation can get an advertising agency to sign hold harmless agreements in which it assumes the legal responsibility not only to place the advertisement, but to assume the additional task of paying the clients' media bills. If a corporation can persuade an ad agency to sign a hold harmless agreement and contractually assume these two responsibilities, it cuts back its own degree of advertising liability and to the same extent increases the liability of the ad agency.

Naturally, an ad agency should try to avoid this sort of arrangement for its own protection, but some agencies will take the burden on if they are involved in tight competition to win a particular account.

• Degree of risk associated with comparative advertising. Check your company's ad campaigns carefully. While it may be generally true that advertising agencies have a bigger exposure for advertisers' liability claims, your firm may have a greater exposure than the agency if you advertise products in a comparative format, an advertising industry source warned.

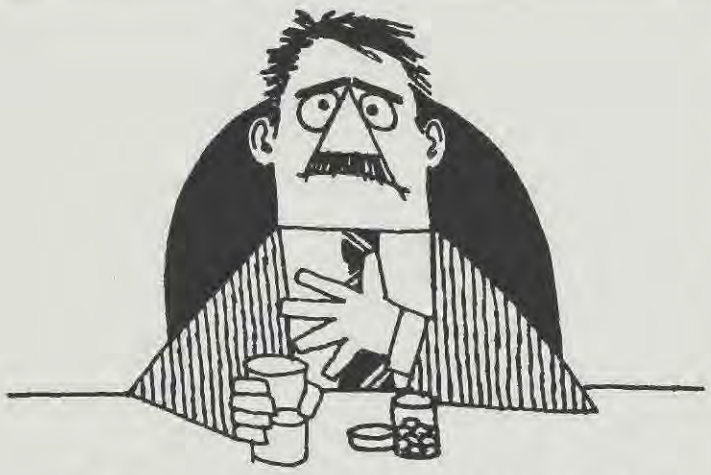
• Disclaimers and other contractual agreements written into the insurance policy. These can later influence whether a given situation will be excluded or included in your coverage. Examine them closely.

• Who are the named insureds on the policy? In some cases, the price you pay for the advertising liability insurance coverage will include a certain amount of coverage for the ad agency you hire as well as for your corporation, but this is not necessarily the case. For instance, the $1 million Fuqua policy provides coverage only for Fuqua itself. Before you pay a premium, shop around to see what the coverage includes.

A good buy

With insurers poised and watching the outcome of a number of court cases regarding comparative advertising and with the increased pressure being exerted by umbrella insurance companies for their policyholders to buy more primary advertising liability coverage, it seems clear that corporations will be spending more on this line of insurance in the very near future.

But the prospect needn't be too grim. By many standards, advertising liability coverage is still considered to be a good insurance "buy" for industrial corporations in what are generally tight markets. The 1977 edition of an industry publication called the "Agents' and Buyers' Guide to Markets" lists no fewer than 50 markets that will provide advertising liability ranging from Lloyds of London to smaller specialty underwriters. The trick for the corporate insurance buyer will be to keep the problems of advertising liability on paper and out of the courts. ■



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Hooker taps Timbrook as benefits manager

Tim B. Timbrook, 32, was named manager of employe benefits at Hooker Chemical Corp. in Houston, effective Aug. 1. He will be responsible for designing and administering employe benefit programs, developing alternatives in benefit packages for presentation at negotiations and supervising employe communication regarding ERISA compliance. He replaces **Harold Loveday,** who left the company. Risk management functions at Hooker have been transferred from the employe benefits department to the finance department, where current financial employes will absorb the duties. Before joining Hooker, Mr. Timbrook was corporate manager of employe benefits at Chemetron Corp., Chicago, where no replacement has been named yet. Before that, Mr. Timbrook managed benefits at Associates Finance Co., South Bend, Ind.

* * *

George R. Bigemwald, 39, recently joined Burlington Industries Inc. of Greensboro, N.C., as property/casualty insurance manager. In the newly created position, Mr. Bigemwald administers all contractual aspects of the firm's property and casualty ininsurance, including claims handling and policy renewal. He is also responsible for loss prevention. Mr. Bigemwald, reports to L. W. Cleveland Jr., the insurance department manager. Previously, Mr. Bigemwald was account executive and assistant casualty director of Marsh and McLennan's Buffalo, N.Y., office.

* * *

Charles S. Stephens, 48, was named assistant treasurer of Celanese Corp. in New York where he is responsible for risk management, insurance and commercial credit activities. Mr. Stephens joined the firm 10 years ago as vp, finance at Celanese Canada Ltd. and was later promoted to vp, finance, for Celanese Fibers Int. Co., a nondomestic fiber division. He replaces **John J. Ryan,** 46, who joined Rollins Burdick Hunter Co., Chicago, as president of a newly formed subsidiary, Rollins Burdick Management Inc. This new unit will consolidate management of captive insurance companies that Rollins Burdick Hunter formerly handled.

* * *

Edward W. Beckman, 52, has been promoted to assistant treasurer of National-Standard Co. after serving as insurance manager for the firm located in Niles, Mich. Although his official title has changed, his duties haven't. He remains in charge of employe benefits and responses to government regulation forms. Mr. Beckman joined the company as an accountant in 1964 after employment in a similar position at Studebaker Corp. for nine years.

* * *

Richard H. Jenner, 47, has been promoted to vp and treasurer of Ameron Inc. after serving five years as treasurer for the company at Monterey Park, Calif. Mr. Jenner, who has been with the firm for 20 years, will be responsible for insurance, taxation and pensions and will handle financial functions such as cash management and long- and short-term financing. Before 1972, Mr. Jenner served as secretary and treasurer of the company.

* * *

Delores McCloskey, 36, has been named assistant corporate director of insurance for Tiger International in Century City, Calif., a new position. Ms. McCloskey reports to Jim P. Strang, corporate director of insurance. She formerly was with Marsh & McLennan in Los Angeles and New York. Ms. McCloskey also worked for four years for Coldwell Bankers in Los Angeles. She has 18 years of insurance experience, according to Mr. Strang.

* * *

Robert Arnold Cover, 54, president and managing director of Transcon Insurance Ltd., died early this month in Hamilton Bermuda. After graduation from the Wharton School at the University of Pennsylvania in 1950, Mr. Cover spent nine years as an insurance broker with Johnson & Higgins in Philadelphia. He then joined the insurance department of the Philco Corp., moving to Ford Motor Co.'s headquarters when the auto company acquired Philco. In 1967 he moved to Bermuda to form Transcon Insurance Ltd., Ford's offshore captive. Mr. Cover was also president of Ford International Corp. and Ford International Finance Corp.

•

Business Insurance *reports on personnel changes in employe benefit and risk management departments. If your company has made any changes, just drop us a note. Write Rebecca Fannin,* Business Insurance, *708 Third Ave., New York, N.Y. 10017 or call (212) 986-5050.*

Bellefonte adds holding company

MIDDLETOWN, Ohio—Bellefonte Financial Corp. has been created as a holding company for the worldwide insurance activities of the Bellefonte companies.

The Bellefonte companies, which are subsidiaries of Armco Steel Corp., reported $153 million in net premiums during 1976. Bellefonte Financial Corp. will have a capitalization of $60 million and will include Bellefonte Insurance Co., Bellefonte International Insurance Co. Ltd. and various subsidiaries.

R. C. Lee now president of Bellefonte Insurance will assume the same post for the holding company.

"Since 1970, Bellefonte has developed from a small captive insurer into a major international reinsurer," Mr. Lee said. "It also has become a significant factor in the excess and surplus lines insurance business." ■

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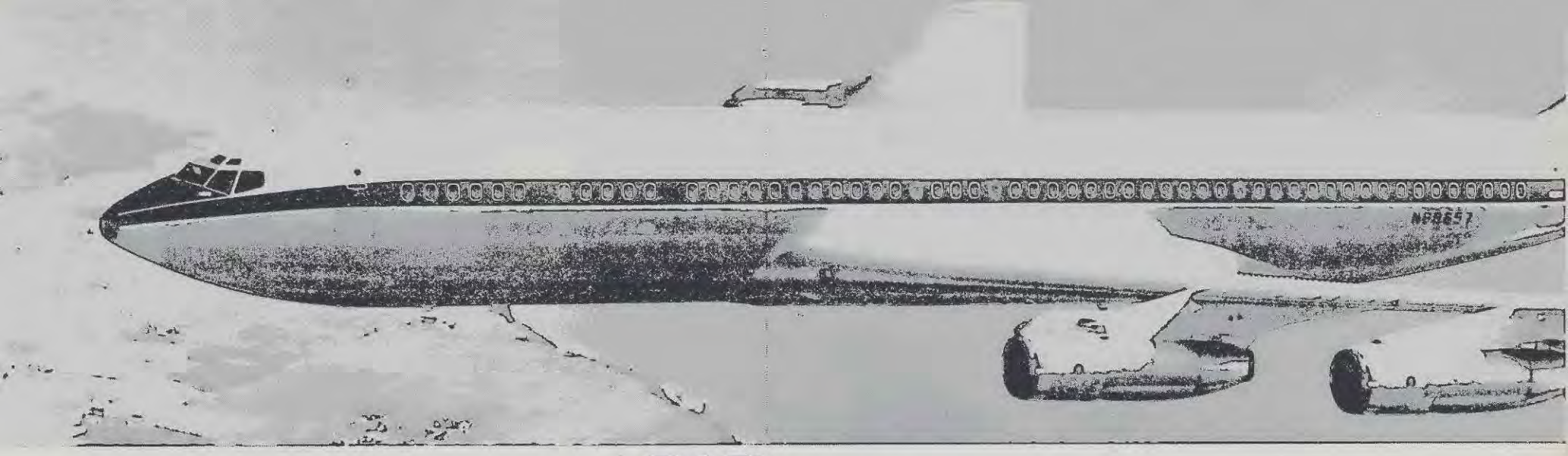
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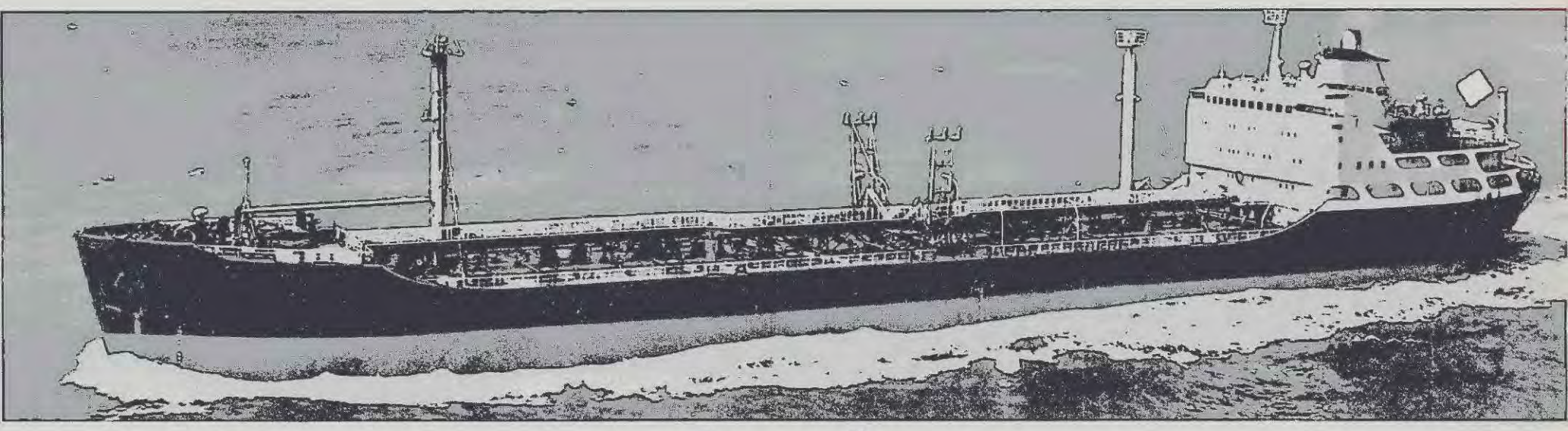
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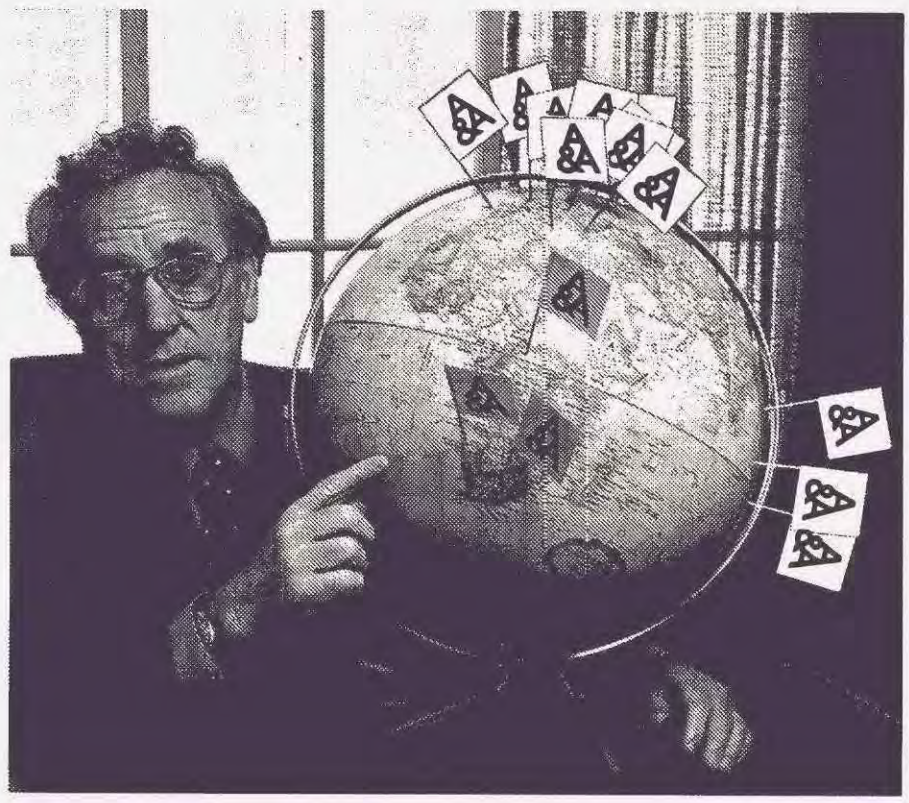
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