
A NEARLY 200-YEAR-OLD AGENCY TAKES STEPS TO PRESERVE ITS INDEPENDENCE, INSURPAC VIDEO: RELATIONSHIPS ARE EVERYTHING, & 12 INSURANCES OF CHRISTMAS

A Nearly 200-Year-Old Agency Takes Steps to Preserve Its Independence

Chase, Clarke, Stewart & Fontana, one of the oldest and largest insurance agencies in Springfield, Massachusetts, faced a dilemma: how to stay independent when two of its partners were retiring. Could the agency afford to buy out both partners at the same time? As it turns out, it could, thanks to timely financing from InsurBanc, a division of Connecticut Community Bank NA.

Chase, Clarke, Stewart & Fontana is a full-service insurance agency in Springfield, Massachusetts, with a history that dates back to 1827. Over the years, CCSF has grown through the acquisition of smaller local agencies, always keeping its roots in the community and maintaining its independence.

In 2017, CCSF found itself at a crossroads. Two of its five partners were nearing the agency's mandatory retirement age of 66, and CCSF's bylaws required that they retire their shares in the company.

As partner Ray Lukas explains, "We had been able to buy out retiring partners before, either through bank financing or an internal buyout, but we had never been faced with two retirements. We weren't sure we could do it. How would we handle the partners' clients, and could we afford to do a buyout?"

At the same time, CCSF knew there were large national brokerages which expressed interest in purchasing smaller agencies, and the multiples were attractive. While selling to a larger firm would allow the partners to maximize their earnings, CCSF also wanted to explore options that could keep the agency independent.

Prior to starting his own agency, which merged with CCSF in 2004, Lukas worked for a large financial services company in Boston. "I knew what it was like to work in a cubicle, where the only thing that matters are the numbers, you don't have an identity and you aren't in control of your destiny," he says. "That weighed on my mind as we discussed the agency's future."

In the end, CCSF was able to come up with a perpetuation plan that was favorable to everyone involved. "We raised the acquisition price for an internal buyout to make it more appealing for the retiring partners, plus we offered a two-year brokerage agreement," Lukas says. "Then we set out to see if we could get the financing."

'InsurBanc spoke our language'

Lukas turned right away to InsurBanc... read the full case study at Insurbanc.com.

SPECIAL FEATURE

InsurPac Video: Relationships are Everything

It is crunch time for YOUR political action committee - InsurPac! December 31 is the deadline for reporting purposes. Take two minutes now to watch this new InsurPac video for a quick primer on why supporting InsurPac is essential for independent agents.

With a newly divided Congress, a new Chairwoman of our primary committee for independent agents and brokers, dozens of new members of Congress that need education on independent agents, an important legislative agenda for independent agents, and more, it is imperative that every single Big "I" member contribute to your PAC.

Online contributions can be made at www.insurpac.com/form, or checks payable to "InsurPac" - personal, LLC or partnership checks are also accepted.

We need a robust InsurPac to ensure YOUR voice is heard, and understood, on Capitol Hill! Learn more about InsurPac at www.insurpac.com.

12 Insurances of Christmas

On the first day of Christmas an un-watered Christmas tree... caused **one** small fire.

- Affluent Homeowners
- NSHO
- Habitational Condominium / Apartment

On the second day of Christmas my neighbors each recieved... **two** REALLY huge gifts.

- Recreational Marine
- Recreational Vehicle

On the third day of Christmas my entire work crew coming down with the flu... put the construction job **three** weeks behind.

- Bonds

On the fourth day of Christmas, a party foul extreme... **four** festive guests tripped and fell on a step that was icy.

- Personal Umbrella

On the fifth day of Christmas my true love gave to me - **fiiiiiiiive** golden pieces of jewelry.

- Jewelry Insurance

On the sixth day of Christmas a clueless manager gave our employees... **six** inappropriate gifts.

- Employment Practices Liability - Wrap+

On the seventh day of Christmas the dog chasing the cat gave to me... **seven** broken, expensive decorations and ornaments.

- Personal Article Floater

On the eighth day of Christmas a blizzard somewhere caused me... an **eight** hour flight delay (and I missed my connection)

- Travel Insurance

On the ninth day of Christmas an early morning sale gave to my store... **nine** injured shoppers.

- Small Commercial

On the tenth day of Christmas, icy roads put me in... a **ten**-car pile-up.

- Commercial Auto
- Auto & Home Standard Markets

On the eleventh day of Christmas a hacker gave to my company... **eleven** million hacked files.

- Cyber Insurance - Coalition
- Wrap+ - CyberRisk
- Community Banks

On the twelfth day of Christmas a rapid warm up brought to me... **twelve** inches of melted snow.

- Flood insurance

The Big "I" Markets team wishes you happy holidays, a Merry Christmas and a Happy New Year. We return to publication on January 8th. As always, www.bigimarkets.com is open 24/7!

WEBINARS

Lightning Learning for December

Big "I" Virtual University

Dates: December 6 & 19

Time: 11:30 - 11:50am EDT

Cost: \$9.99 (includes both sessions)

Summary:

The VU's December Lightning Learning series features two 20-minute sessions dedicated to "Premium Leakage" &

Exclusions Even if you can't participate in the live sessions, you will receive a link to the on-demand recordings and can listen to them at your leisure. Register once and attend:

- **December 6 - What Does Your Underwriter Mean by "Premium Leakage"**
Carriers spend many hours in underwriting meetings discussing "premium leakage." Maybe you have heard the underwriter slip up and use that term when explaining why they can't class something a certain way or why the premium cannot be altered any further. And if you didn't ask the underwriter, I bet you've asked yourself – what in the wide-open world is premium leakage?

In this session we define and remove the mystery from the concept of premium leakage. Maybe you can help the underwriter help you with this knowledge.

- **December 19 – Why are Exclusions Excluded?**
Insurance exists to protect insureds against the economic consequences of an unforeseen, potentially catastrophic individual loss; however, P&C insurance policies are not designed to protect against every possible source of financial loss. Traditional insurance policies contain a list of incidents, causes or results not covered by the policy. Exclusions always exist, and there are reasons for each one.

In this session we:

- Introduce the three categories of exclusions; and
- Detail why exclusions exist.

Consider presenting conference style for the entire agency to benefit. Please send any questions to VU staff. Review all VU education offerings here.

Registration:

[CLICK HERE TO REGISTER](#)

LAST WEEK'S MOST CLICKED LINKS

Here are the top ~~three~~ **four** items that got BIM agents clicking from our last edition... see what you missed!

1. [AIG List of Tips for Entertaining Safely At Home](#)
2. [Real Estate E&O](#)
3. [Personal Articles Floater](#)
4. [10 Costs Your Cyber Insurance Policy May Not Cover \(Unless It's With Coalition\)](#)

BIG "I" MARKETS SALE OF THE WEEK

Congratulations to our agent in South Carolina on a Personal Article Floater sale of **\$3,672** in premium!