

Rough Notes®

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BOUTIQUE AGENCY

FINDS EARLY MARKET SUCCESS

Agency entrepreneurs find career satisfaction, opportunity in an industry landscape of large agencies, mergers and acquisitions



By Catherine Stergeos

Harper Insurance Group opened its doors in 2015 and, even though the agency is in its infancy, the dream and desire to own and manage our own agency began many years ago.

Harper Insurance Group Managing Principal Agent M. Gregory Harper—we call him Greg—began his insurance career on the benefits side of the house in 1994, working

at Acordia Insurance in its Texas office. In 1998, Greg relocated to Florida to work for his father, Jim, at Acordia of Tampa Bay. The Tampa Bay office was originally Jim Harper's agency, which he grew from \$400,000 to \$30 million in annual revenue. It was while at Acordia that Greg received formal training as a property and casualty producer and built his own \$500,000 book of business.

Wells Fargo acquired Acordia in 2001, and in 2009, Greg decided to leave the firm. He took with him no book of



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HARPER INSURANCE GROUP

M. Gregory Harper
Managing Principal

business and a two-year non-compete agreement. He joined another agency and, through the two-year non-compete period, built a book of business with annual revenue of \$350,000. He stayed with that firm until he ventured out on his own.

Building a boutique

Some people might call the decision to leave Wells Fargo "foolish" or "risky." But Greg saw it as an orchestrated strategic move that would take him to the next step in his career, which was to start his own agency.

The success of a business often is determined by its people and the relationships it has formed. Harper Insurance Group recognizes the importance of having talented, knowledgeable staff, and Greg believes he has the "right" people in the "right" positions.

The insurance industry is a "relationship" business, and Greg has capitalized on previous relationships as revenue-generating and service-oriented resources. Harper Insurance has brought on staff members and agents with decades of insurance experience, and they, like Greg, also preferred the "boutique" agency culture over a large corporate one. Greg's dad, Jim, now 75 years young, still has a drive to work and continues to be a tremendous resource and inspiration for the younger Harper on this journey.

Strong commercial presence

Harper Insurance Group specializes in serving commercial insurance risks, with a smaller focus on personal lines products. Industries where we've found particular success include

manufacturers, distributors, electronics recyclers, contractors, property developers, home health agencies, childcare/preschools, and restaurants.

The future calls for development of a personal lines division through both agency acquisitions and organic growth. Development of a benefits division will occur over time, using strategic partnerships with providers specializing in the benefits segment. Eventually, the firm's goal is to have a three-branch agency, offering commercial, personal, and benefits products, with a focus on cross-selling among the three divisions.

Competing in the insurance industry can be a tremendous challenge, especially for a brand new, smaller agency, since there already are so many agencies. However, with strategic partnerships and strong carrier relationships, it's possible to compete with the "big boys" and, more important, win. One large hurdle for small agencies is that most large standard carriers won't offer a small agency an appointment or contract. If they do, the carrier's revenue commitment is so high it's unattainable.

Wholesaler relationship

So how has Harper Insurance been able to start from the ground up and maintain steady upward movement for two years? Harper Insurance attributes its success and growth to its strong relationship with Halcyon Underwriters. Since Harper Insurance is not yet large enough to obtain direct contracts with large admitted carriers, such as Travelers, Hartford, Liberty Mutual, and Nationwide, the agency accesses these competitive

admitted markets through Halcyon Underwriters.

The Halcyon underwriting team has been aggressively smart in their marketing efforts. They understand carrier appetites, have strong negotiating skills, and offer excellent service, all for the benefit of our insureds. The relationship we have with Halcyon has been a "win-win" for Harper Insurance and them. We gain market exposure with carriers, which has let us grow our book of business, and Halcyon has broadened its footprint in the small agency world.

Our first two years have moved quickly. Our agency's entrepreneurial journey started with strong client relationships and a referral base. Halcyon has only enhanced our ability to place challenging risks, while maintaining a competitive edge on both coverage and premium. Our retention is in excess of 97%, and nearly 100% of new business opportunities are becoming success stories. Much of this is due to Halcyon's market knowledge, which means well-placed accounts providing the broadest coverage at the most competitive premium for our clients.

Halcyon has been an integral part of our agency's success and will continue to be for years to come. We are very optimistic about our agency's potential for the balance of 2017 and look forward to a prosperous year with Halcyon Underwriters assisting us along the way. ■

The author

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