

DONOVAN INSURANCE SOLUTIONS: MORE THAN LUCK



“Experienced start-up” agent taps wholesaler to overcome industry Catch-22 and build a customer-centered business

By Jason Mata

Tarpon Springs, Florida-based Donovan Insurance Solutions (DIS) was formed in 2011 with the purpose of offering unbiased consultative insurance services to businesses and individuals. The firm was the brainchild of seasoned insurance professional Paul Donovan, a 32-year industry veteran who wrote *Insurance Sales Made Easy: The Art of the Consultative Sale*, which is available on Amazon.com.

Donovan recognized early on—and still does today—that driving a culture of trust and excellence is critically important to succeeding in a relationship business. “We are not just about getting the cheapest price for the client,” Paul explains, “because there are multiple issues to consider in addition to costs.”

DIS uses something called PARC, which is a unique method of discovery to help identify what Donovan says clients are trying to fix, accomplish and avoid. PARC is an acronym that stands for the eight areas of insurance

concerns that most people have. “We ask about clients’ premium, accountability, renewal, resources, relationship, claims, coverage and communication concerns,” he says.

Only after Donovan’ team confirms what’s most important to prospects and customers can they provide options. “By aligning ourselves with a client’s culture, business goals, and tolerance for risk, we develop great relationships that help us serve our clients and our community,” he explains.

The Catch 22

Starting out wasn’t particularly easy for Donovan. One of challenges in creating and growing a fledgling insurance brokerage is being able to offer multiple carrier selections to prospects and clients. Unfortunately, the insurance industry is set up as a sort of Catch 22. Insurance companies provide contracts to sell their products only to established brokers that have a significant number of clients that they can transfer business to. Carriers also require new business growth, revenue and loss ratio expectations.

However, new insurance brokers—especially those with non-compete clauses after leaving a prior employer—find it nearly impossible to build their books of business without carrier options to choose from. Essentially, you're stuck. You can't build a book of business without carriers, and carriers won't offer their contracts until you have a large enough book.

That's exactly the dilemma DIS found themselves in. Having years of experience and relationships with underwriters still didn't allow them to access the same carriers they were so familiar with. That's where firms like Halcyon Underwriters can vastly improve the odds for smaller brokers that wouldn't ordinarily qualify for standard carrier contracts. Halcyon provides market access, specialty program availability and competitive pricing through A-rated admitted and non-admitted carriers.

Paul recalls, "We sat down with Halcyon and proved we had competency in the insurance field. We just couldn't qualify directly for the contracts with many of the "A" rated carriers. As an experienced, but new brokerage, working with Halcyon

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*—Paul Donovan
Founder
Donovan Insurance Solutions*

allowed us to significantly expand our business by offering carriers that we wouldn't have qualified for.

"The relationships we've established with Halcyon helped us transition from a small local firm into a truly boutique operation," he adds. "Halcyon acts as an extension of our marketing arm. We compete with all the larger national firms by providing admitted carrier alternatives, claims, pricing and additional resources.

With access through Halcyon, the agency is able to "target market" accounts that hit its sweet spot, and they never have to worry about not being competitive. "Partnering with our friends at Halcyon makes it easy to do business and offer our clients, as our tagline says, 'More than Luck, Insurance Solutions,'" Paul concludes. ■

The author

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