

BANK INSURANCE MARKET RESEARCH GROUP

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Study Tracks ‘Turnover’ in Bank Insurance Industry

Mamaroneck, NY- December 10, 2008: The ranks of the top bank insurers turned over considerably in the past year.

Gone from the top 100 in the 2008 edition of [Who's Who in Bank Insurance](#) were old standbys like Greater Bay Bancorp—acquired by Wells Fargo—and Webster Financial, which sold its insurance agency.

Newly arrived were a dozen bank companies most of which aren't exactly household names, e.g., Central Community Corporation, 473 Broadway Holding Corporation, Hanmi Financial Corporation, and First Manitowoc Bancorp, Inc.

“The process of ‘creative destruction’ continues in the bank insurance industry,” said the study’s author, Andrew Singer, who noted the high number of new entrants this year. “Former stalwarts depart, young upstarts take their place. And a pair of industry leaders—Wells Fargo and BB&T—continue to sweep up everything in sight, becoming larger and larger.”

Inclusion in the top 100 ‘banks in insurance’ this year (fiscal 2007) required \$3.7 million in annual insurance brokerage revenues, down 10 percent from \$4.1 million in 2007, according to the 192-page study distributed this week by the Bank Insurance & Securities Association. The ‘top 100’ threshold, in other words, fell 10 percent over the past year.

The study attributes this decline in the cut-off primarily to the continuing ‘soft’ property

and casualty (P/C) market that has been marked by steep declines in premium renewal rates. The top bank insurers continue to be dominated by P/C agencies—as opposed to life insurance marketers.

That said, the study cited several institutions that have made strides in selling life insurance through their branch networks. These included US Bancorp, SunTrust Bank, M&T Corporation, and Fifth Third Bank.

More banks are looking to increase their single premium life insurance (SPL) sales these days, observes Rod Halvorson, senior vice president of Financial Institutions Distribution, Symetra Financial, in the study’s introduction. In the past year, SPL sales at five or six large client banks have picked up, he notes. There is a growing trend in banks to focus on a client’s “total portfolio,” and this perforce brings up the subject of life insurance.

“In times of uncertainty, basic term life insurance is more of a focus,” adds Robert J. Mittel, vice president and Financial Institution Channel Leader at Prudential. The product is not affected by the stock market or the bond market, unlike variable annuities, he notes.

This is the fourth consecutive year that the study has been conducted. Here are the 10 institutions with the biggest gains in their *WWBI* rankings from year to year:

Largest Jump in *WWBI* Rankings from 2007 to 2008 Editions

	Bank Holding Company	State	2008 Ranking	2007 Ranking	Gain
1	Central Community Corp.	TX	32	157	125
2	Hanmi Financial Corp.	CA	91	214	123
3	Community First Bancshares	TN	99	176	77
4	Salem Five Bancorp	MA	98	159	61
5	First Citizens Bancshares.	NC	60	113	53
6	Gateway Financial Holdings	VA	85	118	33
7	Harleysville National Corp.	PA	68	99	31

8	City Holding Company	WV	96	127	31
9	Huntington Bancshares	OH	21	46	25
10	First Banks, Inc.	MO	66	88	22

The study was sponsored by BISA, EAI Information Systems, Insuritas, Protective Life, Prudential, and Symetra Financial. It is distributed at no cost to members of the Bank Insurance & Securities Association. For non-members, the charge is \$275.

The study is published by the [Bank Insurance Market Research Group](#) (www.singerpubs.com), which provides market research and investment sales data to the bank and insurance industries. It also publishes [Who's Who in Bank Wealth Management](#) (2008 Edition).

The Bank Insurance & Securities Association (BISA) is the nation's leading trade association dedicated to serving the needs of those responsible for marketing securities, insurance and other investment and risk management products through commercial banks, trust companies, savings institutions, and credit unions. The membership includes financial institutions of all sizes, their broker/dealer, insurance, and mutual fund subsidiaries, and firms providing products and/or services to support these operations.

NOTE: Credentialed members of the press may obtain additional information by calling Andrew Singer at 914-381-7475.