

WHY WORK IN AN INDEPENDENT INSURANCE AGENCY??

FIRST, THE NUMBERS

Insurance is a growing field! US Insurance premiums were \$904 Billion in 2004.

Over the last 10 years premiums are up over 30%.

Insurance is profitable!!

The property/casualty insurance industry's rate of return on a statutory basis was 9.6 percent in 2004, up from 8.5 percent in 2003. Rates of return during 2005 were nearly 10%, up from 8.5% in 2003.

Best Practices agencies average 17-25% pro-forma, pre-tax profit.

There are over 350 job titles in the industry.

Employment in the insurance industry has averaged 2% of total U.S. employment in the last 10 years.

The U.S. Insurance Industry employed **5.4 million** people in 2005.

There were 2,750 property/casualty insurance companies in the United States in 2003.

As of 2004, there were over **76,000** independent agencies (independently owned businesses) in the U.S.

There are over 10,000 in Florida.

In Florida, the industry employs over **130,000** people, about **50,000** in the agency business.

NOW, THE SOFT SELL

The insurance industry is resistant to both recessions and inflationary times.

Insurance is a commodity that people need despite the economic trends.

Insurance touches every part of our lives.

Any interest you have can be found in insurance. Every industry must have insurance coverage. So, if you have an interest in golf, cars, gardening, or wildlife, etc.- you can incorporate those interests into your insurance agency career.

Insurance is a helping industry.

Without insurance, mortgages could not be made for homeowners, businesses could not get loans, and victims of all types of disaster would have no way to rebuild their homes, businesses, and lives. With the unfortunate increase in natural disasters, the need for insurance rises.

You can own your own business!

The majority of agency owners countrywide are between the ages of 34 to 55.

If you are interested in a career in insurance, please post your resume at www.faia.com, **OR contact your local independent insurance agency today!**

The Insurance Industry's Impact On the Florida Economy

February 23, 2001

INSURANCE A MAJOR FORCE IN THE FLORIDA ECONOMY

The insurance industry is a major force in the Florida economy, contributing billions of dollars as an employer, taxpayer and responsible corporate citizen, and its significance to the state continues to grow. The nearly 2,000 admitted insurance carriers operating in the state in 2000 provided jobs for an estimated 133,003 Floridians, according to a national survey, *The Insurance Industry: A Key Player in the U.S. Economy (seventh edition)*, published by the Alliance of American Insurers. This included 29,063 jobs in property & casualty, 51,993 in life and health and **51,947 in agents**, brokers and service categories.

FLORIDA RANKS SIXTH IN INSURANCE EMPLOYMENT

Florida ranked sixth in the country in insurance community employment in 2000, behind California, with **229,027 jobs**; New York, with 203,274 jobs; Texas, 153,834; Illinois, 146,390; and Pennsylvania, 143,953. Total insurance employment in Florida has increased from 115,888 reflected in the last Alliance survey in 1994 and from 104,960 in 1992. Florida ranked fifth in the nation in insurance employment in the 1997 survey. It has since switched places with Pennsylvania.

The estimated direct payroll for Florida from insurance in 2000 was about \$5 billion, sixth highest among the states and up from \$4.2 billion in 1997 when Florida's national ranking in this category was sixth and up from \$3.5 billion in 1994. The Alliance provided this breakdown of insurance direct payroll in Florida in 2000: \$1.291 billion in property and casualty; \$1.921 billion in life and health; and \$1.834 billion in agents, brokers and services.

The estimated total number of insurance company employees in the United States in 2000 was 2,464,422, with direct payroll for those employees estimated at \$100.1 billion. The Alliance survey did not include a county-by-county breakdown on insurance employment in Florida. However, employment centers include Dade County, home of a host of domestic insurance companies and domestic and foreign reinsurance operations; Jacksonville-Duval County, a center for life and health insurance activities for the last several decades; and Orlando and Tampa-St. Petersburg where several carriers have large regional offices.

INSURANCE COMPANIES AS CONSUMERS

Insurance companies purchase goods such as computer equipment, office furniture and office supplies. In addition, insurers often use the services of outside professionals such as investment advisors, accountants, computer programmers, lawyers and medical professionals. These purchases by insurers create employment in other industries. The insurance community indirectly employed an estimated 126,458 persons in Florida during 1997, fifth highest in the country.

INSURERS AS TAXPAYERS

Insurers paid an estimated \$400 million in premium taxes into Florida coffers in the 1998-99 fiscal year, according to the U.S. Census Bureau. That is up from \$312 million in 1993. Florida insurance premium tax collections consistently rank among the top ten in the country and sometimes among the top five. Companies pay other hundreds of millions of dollars in other taxes as well, including corporate income taxes and sales taxes on purchased goods and services.

GNP IMPACT

The Florida insurance community contributed 2.6 percent of the gross state product in 1998, the latest figures available, placing the state with the 9th highest ranking nationally. The property and casualty industry's average gross domestic product nationally was 2.2 percent for 1994. The Florida insurance community contributed 1.9 percent of the gross state product in 1990, according to the last Alliance survey in this area.

FOR ADDITIONAL INFORMATION CONTACT:

Thomas Ressler, Alliance of American Insurers, (630-724-2154)

References:

Finding The Perfect Employee

The III Fact Book, Insurance Information Institute, 2000, www.iaa.org

2000 Best Practices Update, IIAA, www.iaa.org

What It Costs, 2001 Edition, The Rough Notes Company

"*FAIA Member Survey*" with Kerr & Downes Research, 2000

Florida Statistical Abstract, 34th Edition, BEBR, University of Florida, 2000

"*2000 Agency Universe Study*", IIAA/Future One

Employee Recruitment and Retention Newsletter, March 2001 edition, 800-878-5331

For a list of schools to contact about career days:

The Florida Association of Post secondary Schools and Colleges

www.fapsc.org/main/members.asp

(850) 488-1721

The Florida Community College System

www.dcc.firn.edu/region1.htm

(850) 488-1721

Independent Colleges and Universities of Florida

www.icuf.org/members.htm

(850) 681-3188