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**N E W S R E L E A S E**

**Michael White Reports Declines at 20 Big Bank Agencies  
Drag BankInsurance Income Down in 2014**

**FOR IMMEDIATE RELEASE** – Radnor, PA, April 15, 2015 – Bank holding companies (BHCs) tallied \$5.71 billion in insurance brokerage fee income in 2014, down \$505.4 million or 8.1% from \$6.22 billion in 2013, according to the *Michael White Bankinsurance Fee Income Report™*. Of 1,052 large top-tier BHCs, 650 or 61.8% engaged in insurance brokerage activities in 2014.

The flat performance in insurance brokerage income in 2014 was attributable generally to 20 big banking companies that collectively accounted for a decline of \$673 million in insurance brokerage income. Had those 20 alone not suffered that aggregate decline, BHC insurance brokerage income would have increased by over 2.7%. More specifically, two BHCs, Bank of America Corporation (NC) and Wells Fargo (CA), accounted for most of the industry’s reverse with a combined drop of over \$604 million in insurance brokerage income, or 120% of the industry’s net decline.

**TOP 12 BANK HOLDING COMPANIES IN INSURANCE BROKERAGE FEE INCOME  
YEAR-END DECEMBER 31, 2014 – NATIONALLY**

R A N K	INSURANCE BROKERAGE FEE INCOME		PERCENT CHANGE	BANK HOLDING COMPANY	ST	ASSETS	% OF NONINTEREST INCOME
	2014	2013					
(ALL DOLLAR AMOUNTS IN THOUSANDS)							
1	\$1,504,913	\$1,377,772	9.23%	BB&T Corporation	NC	\$186,810,156	39.84%
2	\$1,317,000	\$1,463,000	-9.98%	Wells Fargo & Company	CA	\$1,687,154,000	3.30%
3	\$721,000	\$733,000	-1.64%	Citigroup Inc.	NY	\$1,842,415,000	2.47%
4	\$184,000	\$184,000	0.00%	American Express Company	NY	\$158,588,000	0.64%
5	\$124,036	\$114,412	8.41%	Regions Financial Corp.	AL	\$119,888,669	6.44%
6	\$115,237	\$98,141	17.42%	BancorpSouth, Inc.	MS	\$13,326,530	45.58%
7	\$76,000	\$99,000	-23.23%	Morgan Stanley	NY	\$798,815,000	0.25%
8	\$75,599	\$76,736	-1.48%	First Command Financial Services	TX	\$929,910	31.79%
9	\$72,527	\$78,906	-8.08%	Discover Financial Services	IL	\$82,801,232	4.23%
10	\$71,125	\$72,558	-1.97%	First Niagara Financial Group	NY	\$38,492,000	24.30%
11	\$65,743	\$62,346	5.45%	Eastern Bank Corporation	MA	\$9,480,037	44.61%
12	\$64,600	\$58,043	11.30%	Stifel Financial Corp.	MO	\$9,518,152	3.15%

Source: *Michael White Bankinsurance Fee Income Report™*

Compiled by Michael White Associates (MWA), this report measures and benchmarks the banking industry’s performance in generating insurance brokerage and underwriting fee income. Results are based on data from all 6,509 commercial banks, savings banks and savings associations (thrifts) and 1,052 large top-tier bank and thrift holding companies (collectively, BHCs) with consolidated assets greater than \$500 million operating on December 31, 2014. Several BHCs that are historically insurance or commercial companies have been excluded from this report in order to better understand the insurance performance of financial institutions that historically

have engaged in significant banking activities. Bank holding company insurance brokerage fee income consists of commissions and fees earned by a bank holding company or its subsidiary from insurance product sales and referrals of credit, life, health, property, casualty, and title insurance.

“There was not much change in 2014 from 2013 in the expansion of insurance revenues among most BHCs that generated \$1 million in insurance brokerage in 2014. We examined 187 BHCs in 2013 and 2014 that earned a minimum of \$1 million in insurance brokerage revenues. In both years, 119 of these BHCs, or 63.6% of the group of 187, showed some level of positive growth in their insurance brokerage income, up 2.6% from 116 BHCs in 2012,” said Michael White, President of MWA.

White continued: “The number of BHCs that experienced double-digit increases in brokerage income declined to 51 in 2014, down from 59 in 2013. We continue to see strong interest in acquiring insurance brokerages; and just the last week reported on several new bank insurance acquisitions. Acquisition of producing agencies remains a compelling strategy for generating immediate and meaningful growth in bank fee income.” Also, White pointed out that “sellers of Main Street agencies continue to be attracted to bank holding companies for the natural cross selling it presents, while letting the owner retain operational autonomy.”

In 2014, BB&T Corporation (NC), which owns more agencies than any other financial holding company, topped the leader board with insurance brokerage earnings of \$1.50 billion. Wells Fargo & Company (CA) ranked second nationally with \$1.32 billion; and Citigroup Inc. (NY) ranked third with \$721.0 million in insurance brokerage revenue.

Bank holding companies over \$10 billion in assets continued to have the highest participation (79.8%) in insurance brokerage activities. These BHCs produced \$4.74 billion in insurance fee income in 2014, down 9.6% from the \$5.25 billion they produced in 2013. Of 75 large BHCs reporting insurance brokerage income, 40 experienced declines in their revenues, and 19 experienced declines in excess of \$1 million. Altogether, these large BHCs with million dollar-plus declines in 2014 accounted for an aggregate decline from 2013 of over a half billion dollars (\$503.6 million) in brokerage revenues.

Among BHCs with assets between \$1 billion and \$10 billion, leaders in insurance brokerage income in 2014 included Eastern Bank Corporation (MA), Stifel Financial Corp. (MO), Tompkins Financial Corporation (NY), Lauritzen Corporation (NE), and Johnson Financial Group, Inc. (WI). Participating in insurance brokerage at a rate of 65.2%, BHCs of this size registered a 2.1% increase in insurance brokerage income to \$740.4 million in 2014, up from \$725.4 million in 2013.

Among BHCs with assets between \$500 million and \$1 billion, leaders were First Command Financial Services (TX), Oneida Financial Corp. (NY), Two Rivers Financial Group, Inc. (IA), Texas Independent Bancshares, Inc. (TX), and Evans Bancorp, Inc. (NY). As a group, BHCs of this size experienced a 6.9% decrease year-over-year in their insurance brokerage income, falling from \$244.0 million in 2013 to \$227.1 million in 2014.

The smallest community banks with assets less than \$500 million were used as “proxies” for the smallest BHCs, which are not required to report insurance brokerage income. Leaders among bank proxies for small BHCs were Benchmark Bank (TX), Soy Capital Bank and Trust Company (IL), First State Bank (IA), Midwest Heritage Bank, FSB (IA), and First South Bank (TN). These small banks, representing small BHCs, registered a 1.0% increase in insurance brokerage income, moving up from \$165.4 million in 2013 to \$167.0 million in 2014.

Among the top 50 BHCs nationally in insurance brokerage concentration (i.e., insurance brokerage income as a percent of noninterest income), the median Insurance Brokerage Concentration Ratio was 42.7%. Among the top 50 small banks in insurance brokerage concentration that are serving as proxies for small BHCs, the median

Insurance Brokerage Concentration Ratio was 62.0% of noninterest income in 2014.

Among the top 50 BHC leaders in insurance brokerage productivity (i.e., insurance brokerage income per BHC employee), the median Insurance Brokerage Productivity Ratio was \$21,797 per BHC employee in 2014, up 2.5% from \$21,259 in 2013. Among the top 50 small banks in insurance brokerage productivity, the median Insurance Brokerage Productivity Ratio was \$27,243 per bank employee in 2014, up 5.4% from \$25,837 in 2013.

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**Michael White Associates (MWA)** is a bankinsurance consulting firm headquartered in Radnor, PA, and at [www.BankInsurance.com](http://www.BankInsurance.com). The annual *Michael White Bankinsurance Fee Income Report*<sup>™</sup> and *Sorrento Financial - Michael White Bank Wealth Management Report*<sup>™</sup> provide comprehensive analyses of, respectively, bankinsurance brokerage and underwriting income and multi-faceted sources of bank wealth management fee income. Additionally, the *MWA Fee Income Ratings Reports*<sup>™</sup> compare, rank and rate a particular financial institution's insurance or other noninterest fee income program nationally, regionally, statewide and in its asset-peer group. Copies of MWA reports can be ordered by calling (610) 254-0440, or by visiting [www.BankInsurance.com](http://www.BankInsurance.com).

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