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P R E S S R E L E A S E

**Michael White's Bankinsurance Report:
Over Three-Fifths of Million-Dollar Bank Agencies
Increase Revenues through 3 Quarters**

FOR IMMEDIATE RELEASE – Radnor, PA, January 20, 2016 – Bank holding companies (BHCs) tallied \$4.09 billion in insurance brokerage fee income over three quarters of 2015, up 0.4% from \$4.07 billion for the same period in 2014, according to the *Michael White's Bankinsurance Fee Income Report*™. This status quo was largely attributable to a combined drop of \$202 million in the insurance brokerage fee income of Wells Fargo & Co., Citigroup and seven other large BHCs. Had those seven BHCs only maintained their production at the 2014 level, the banking industry would have experienced a 5.4% increase in insurance brokerage revenues. Of 583 large top-tier BHCs, 379 or 65.0% engaged in insurance brokerage activities through third quarter 2015. Third-quarter 2015 bankinsurance commissions slowed to \$1.06 billion, down 5.7% from \$1.12 billion earned in third quarter 2014, and down 31.9% from \$1.55 billion in second quarter 2015.

**TOP 12 BANK HOLDING COMPANIES IN INSURANCE BROKERAGE FEE INCOME
YEAR-TO-DATE SEPTEMBER 30, 2015
Nationally**

RANK	INSURANCE BROKERAGE FEE INCOME		PERCENT CHANGE 2014 - 2015	BANK HOLDING COMPANY	ST	ASSETS	% OF NONINTEREST INCOME
	3Q2015	3Q2014					
(ALL DOLLAR AMOUNTS IN THOUSANDS)							
1	\$1,155,420	\$1,132,309	2.04%	BB&T CORPORATION	NC	\$208,802,415	38.71%
2	\$972,000	\$1,048,000	-7.25%	WELLS FARGO & COMPANY	CA	\$1,751,201,000	3.24%
3	\$364,000	\$458,000	-20.52%	CITIGROUP INC.	NY	\$1,808,338,000	1.61%
4	\$135,000	\$141,000	-4.26%	AMERICAN EXPRESS COMPANY	NY	\$153,676,000	0.67%
5	\$106,205	\$92,957	14.25%	REGIONS FINANCIAL CORP.	AL	\$124,891,540	6.98%
6	\$91,669	\$89,766	2.12%	BANCORPSOUTH, INC.	MS	\$13,786,921	44.42%
7	\$57,366	\$33,828	69.58%	ASSOCIATED BANC-CORP	WI	\$27,437,157	23.66%
8	\$55,512	\$48,474	14.52%	STIFEL FINANCIAL CORP.	MO	\$9,359,179	3.38%
9	\$55,252	\$52,406	5.43%	EASTERN BANK CORPORATION	MA	\$9,599,436	48.09%
10	\$52,979	\$55,152	-3.94%	FIRST NIAGARA FINANCIAL GROUP	NY	\$39,331,190	22.52%
11	\$52,000	\$54,000	-3.70%	MORGAN STANLEY	NY	\$831,766,000	0.22%
12	\$51,662	\$55,115	-6.27%	DISCOVER FINANCIAL SERVICES	IL	\$85,317,462	3.85%

Source: *Michael White's Bankinsurance Fee Income Report*™

Produced 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 6,270 commercial banks, savings banks and savings associations and 583 top-tier bank and thrift holding companies (collectively, BHCs) with consolidated assets greater than \$1 billion operating on September 30, 2015. 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 sales and referrals of credit, life, health, property, casualty, and title insurance.

“We examined 149 BHCs at the end of third quarter 2015 that were on track to earn at least \$1 million in annualized insurance brokerage income. At quarter's end, 90 or 60.4% of these BHCs showed some level of positive growth in their YTD 2015 insurance brokerage income, down 1.1% from 91 BHCs with positive growth at the end of third quarter 2014,” said Michael White, President of MWA. “The number of big winners, i.e., those bank holding companies with double-digit increases in insurance brokerage income compared to 2014, increased 20.5% from 39 BHCs in 2014 to 47 at the end of third quarter 2015. While these findings in some ways mimic the status quo in industry production, they also signal increased double-digit growth among the leading BHC-owned insurance agencies.”

As of September 30, 2015, BB&T Corporation (NC) topped the leader board with insurance brokerage earnings of \$1.16 billion, up 2.0% or \$23 million. Wells Fargo & Company (CA) ranked second nationally with \$972 million, having declined 7.3% or \$76 million; and Citigroup Inc. (NY), whose insurance income dropped \$94 million or 20.5%, ranked third with \$364.0 million in insurance brokerage revenue.

Bank holding companies over \$10 billion in assets continued to have the highest participation (80.0%) in insurance brokerage activities. These BHCs produced \$3.55 billion in insurance fee income in the first three quarters of 2015, up 1.0% from the \$3.52 billion they produced YTD in 2014. This virtually unchanged production was largely attributable to nine BHCs, each with more than \$2.4 million in decreases, among them: Wells Fargo, Citigroup, American Express, First Niagara Financial Group, Bancwest Corp., and JPMorgan Chase & Co. Had those nine BHCs not experienced a collective decline of over \$202 million and only maintained their 2014 production, this asset class would have experienced an increase of 6.7% in insurance brokerage revenues. These large BHCs accounted for 85.1% of all BHC insurance brokerage fee income earned thus far in 2015.

Among BHCs with assets between \$1 billion and \$10 billion, leaders in insurance brokerage income at September 30, 2015 included Stifel Financial Corp. (MO), Eastern Bank Corporation (MA), Tompkins Financial Corporation (NY), Lauritzen Corporation (NE), and Johnson Financial Group (WI). Participating in insurance brokerage at a rate of 62.1%, these mid-sized BHCs registered a 3.2% decrease in insurance brokerage income from \$555.7 million YTD in 2014 to \$538.1 million YTD in 2015.

The smallest community banks, with assets less than \$1 billion, 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 The Oneida Savings Bank (NY), Benchmark Bank (TX), Soy Capital Bank and Trust Company (IL), Choice Financial Group (ND), and Industry State Bank (TX). These representatives of small BHCs, registered a 3.0% increase in insurance brokerage income, rising from \$214.1 million over three quarters in 2014 to \$220.5 million in three quarters in 2015.

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 26.7%. 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 66.6% of noninterest income.

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 \$15,851 per BHC employee on an annualized basis. Among the top 50 small banks in insurance brokerage productivity, the median Insurance Brokerage Productivity Ratio was \$30,976 per bank employee on an annualized basis.

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Michael White Associates (MWA) is a bankinsurance consulting firm headquartered in Radnor, PA, and at www.BankInsurance.com. The annual *Michael White Bankinsurance Fee Income Report*[™] and *Sorrento Financial - Michael White Bank Wealth Management Report*[™] 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*[™] 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.

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