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N E W S R E L E A S E

**Michael White Reports BankInsurance
Income Grew 2% in 2017**

FOR IMMEDIATE RELEASE – Radnor, PA, April 10, 2018 – Insurance brokerage income at U.S. bank holding companies (BHCs) grew 2.0% in 2017 to \$5.46 billion from \$5.35 billion in 2016, according to the *Michael White Bankinsurance Fee Income Report™*. Of the 596 large top-tier BHCs with \$1 billion or more in assets, 390 or 65.4% engaged in insurance brokerage activities in 2017.

Compiled by Michael White Associates (MWA), this report measures and benchmarks the banking industry’s performance in generating insurance brokerage revenue. Results are based on data from all 5,670 commercial banks, savings banks and savings associations (thrifts) and 596 large top-tier bank and thrift holding companies (collectively, BHCs) with consolidated assets greater than \$1 billion operating on December 31, 2017. 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.

**TOP 12 BANK HOLDING COMPANIES IN INSURANCE BROKERAGE FEE INCOME
YEAR-END DECEMBER 31, 2017 – NATIONALLY**

R A N K	INSURANCE BROKERAGE FEE INCOME		PERCENT CHANGE	BANK HOLDING COMPANY	ST	ASSETS	% OF NONINTEREST INCOME
	2017	2016					
(ALL DOLLAR AMOUNTS IN THOUSANDS)							
1	\$1,751,000	\$1,709,519	2.43%	BB&T Corporation	NC	\$221,634,000	36.65%
2	\$727,000	\$898,000	-19.04%	Wells Fargo & Company	CA	\$1,951,498,000	1.92%
3	\$544,000	\$392,000	38.78%	Citigroup Inc.	NY	\$1,842,454,000	2.04%
4	\$416,000	\$256,000	62.50%	Bank of America Corporation	NC	\$2,274,006,000	1.00%
5	\$157,000	\$153,000	2.61%	American Express Company	NY	\$180,130,000	0.58%
6	\$140,195	\$141,842	-1.16%	Regions Financial Corp.	AL	\$124,584,404	6.40%
7	\$82,773	\$73,997	11.86%	Eastern Bank Corporation	MA	\$10,874,167	44.30%
8	\$81,474	\$80,795	0.84%	Associated Banc-Corp	WI	\$30,325,922	24.54%
9	\$78,446	\$77,728	0.92%	First Command Financial Services	TX	\$1,044,973	29.21%
10	\$74,000	\$71,000	4.23%	Morgan Stanley	NY	\$849,898,000	0.23%
11	\$68,364	\$28,490	139.96%	Keycorp	OH	\$136,729,402	2.78%
12	\$66,950	\$68,523	-2.30%	Stifel Financial Corp.	MO	\$21,383,953	2.64%

Source: *Michael White Bankinsurance Fee Income Report™*

In 2017, BB&T Corporation (NC), which owns more agencies than any other financial holding company, topped the leader board with insurance brokerage earnings of \$1.75 billion. Wells Fargo & Company (CA) ranked second nationally with \$727 million; and Citigroup Inc. (NY) ranked third with \$544.0 million.

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Bank holding companies with over \$10 billion in assets continued to have the highest participation (78.8%) in insurance brokerage activities. These BHCs produced \$4.82 billion in insurance fee income in 2017, up 4.9% from \$4.59 billion in 2016. Of 85 large BHCs reporting insurance brokerage income in both 2017 and 2016, 46 experienced declines in that revenue, and 17 experienced declines in excess of \$1 million. Altogether, these 17 large BHCs with million dollar-plus declines in 2017 accounted for an aggregate decline from 2016 of \$243.8 million. Had those BHCs maintained their revenues at their 2016 level, the banking industry would have experienced a 6.6% increase in its insurance brokerage income.

Among BHCs with assets between \$1 billion and \$10 billion, leaders in insurance brokerage income in 2017 included First Command Financial Services, Inc. (TX), Lauritzen Corporation (NE), Tompkins Financial Corporation (NY), Johnson Financial Group, Inc. (WI), and Univest Corporation of Pennsylvania (PA). Participating in insurance brokerage at a rate of 62.3%, BHCs of this size registered a 15.5% drop in insurance brokerage income to \$641.4 million in 2017, down from \$758.9 million in 2016.

The smallest community banks with less than \$1 billion in assets 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), Industry State Bank (TX), First State Bank (IA), and MountainOne Bank (MA). These small banks, representing small BHCs, registered a 7.3% decline in insurance brokerage income, moving down from \$257.3 million in 2016 to \$238.5 million in 2017.

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 28.2%. 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 64.5% of noninterest income in 2017.

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 \$17,342 per BHC employee in 2017, up 1.1% from \$17,154 in 2016. Among the top 50 small banks in insurance brokerage productivity, the median Insurance Brokerage Productivity Ratio was \$32,842 per bank employee in 2017, up 11.2% from \$29,539 in 2016.

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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*[™] provides comprehensive analyses of bankinsurance brokerage. 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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