


Creating Client Value

A Broker Builder Case Study

A client of Broker Builder is Lundgren & Young Insurance Services, a leading brokerage in Broker Builder's home city of Calgary, AB. Before establishing its own in house premium finance service, Lundgren & Young used several premium finance companies. Why did the agency opt to pursue Broker Builder's in house program? 

A.J. Young, Vice President of Lundgren & Young, responds, "A couple of reasons are the outside companies were not so eager to take our smaller accounts and often require onerous financial information requests from our clients." Most of the premium that is financed through Young's in-house premium finance program is on smaller commercial accounts-between \$2,500 and \$75,000-with some personal lines financing if a client requests it. "Each brokerage is different; for us, the opportunity to profit from in-house premium financing isn't as high as offering our commercial clients better and more efficient service alternatives," A.J. explains. "Broker Builder lets us do that, without the headaches or learning curves of going it alone."

Does Broker Builder deliver on its "painless" promise? "Our only obligation is to quote and get the finance agreement signed," Young replies, "from there on it's Broker Builder's responsibility. It doesn't get any easier." "The staff", he adds, "is accommodating and helpful." "Anytime you lend money, circumstances arise when you might need flexibility," he comments. "With just an email to Broker Builder, we can hold up a cancellation, customize treatment of an endorsement, or resolve any other problem. We feel really comfortable with Broker Builder, they're always eager to help."

A well run in-house premium finance service has the potential to become a key profit center for a brokerage and to substantially enhance the brokerage's business value. Young states, "When you form your own program, you're converting receivables into revenues and at the same time offering your customers better choice which enhances our overall customer service and our profit margins to boot! "