

Insurance brokers unite with new name

*Big regional player
unveils One brand*

By Martin Cash

EARLIER this week, a new insurance brokerage name was announced in Selkirk — One Insurance Group.

Residents of Selkirk, Teulon, Birds Hill, Stonewall and a few other communities close to the Perimeter who have long patronized their local insurance agencies might be surprised to know their brokers were already part of this new group and that it has actually been around for several years.

Dale McMillan's father started McMillan Insurance in Selkirk in 1953. When Dale took over the business in the mid-'90s they bought agencies in Stonewall and Oakbank. Earlier this decade, Teulon was added, then more recently Birds Hill and Middlechurch, Warren and then two agencies in north Winnipeg.

All of them kept their own names, but McMillan said it finally came time to let everyone know they were all part of the same group, thus the name change to One Insurance Group.

"The smaller mom-and-pop operations were losing markets because many insurance companies demand a certain volume for a broker to have access to their product," McMillan said.

Reid Henderson, general manager of the business, said, "We started to realize that some of our clients didn't know they could visit a location much closer to them rather than drive all the way to Selkirk to conduct business because they didn't know we had so many loca-



Allan Molitowsky (left) and Dale McMillan of One Insurance Group in Selkirk, say there's strength in numbers.

Manitoba's largest insurance brokers

- Horizon-Ryan Gateway — 18 locations
- Wyatt Dowling Insurance Brokers — 11 locations
- Ranger Insurance Brokers — 10 locations
- One Insurance Group — 10 locations
- MIG Insurance Group — nine locations

tions."

The One Insurance consolidation play is part of a larger process that has been underway for some time. Earlier this year, Wyatt Dowling Insurance was formed with a merger of those two longstanding firms.

Last summer, Horizon Insurance merged with Ryan Gateway to form an

18-location operation.

MIG Insurance has also been buying independent agencies in Winnipeg, Portage la Prairie and southern Manitoba so it now owns nine locations and manages two others.

Pamela Gilroy-Rajotte, president of the Insurance Brokers of Manitoba, said the surge in mergers and acquisitions was taking place all across the country.

"Volume commitments are complicated," she said. "Little mom-and-pop operations were down to the point where they did not have enough to survive. So they became part of a larger group in order to do that."

Gilroy-Rajotte said consolidation also means greater depth of service when it comes to human resources and the ability for firms to deploy more resources on specialty areas and provide broader coverage.

But many say they believe the level of mergers and acquisitions will be tailing off now that Manitoba Public Insurance

has adopted a five-year renewal policy on auto insurance in the province.

Although agencies will still receive annual commissions on Autopac renewals, they will not be at the same levels.

McMillan said that's going to mean a new model for putting a value on independent agencies will have to emerge and he said it will probably take a bit of time for that to sort itself out.

"We'll probably be a little more conservative now when it comes to acquisitions," he said. "There might be a little more due diligence."

David Schioler, CEO of the Insurance Brokers Association of Manitoba, said while revenue streams for brokerages may be affected by the MPI changes, there was plenty of work done to ensure consumers will be well-served by the changes.

"And this new arrangement was certainly not meant to put anyone out of business," he said.