

January 21, 2009

An Open Letter from AMSUG & ASCnet Leadership

To Independent Agents/Brokers, Business Partners, and Association Volunteers & Staff:

In our collective day-to-day efforts as user group leaders, we can lose sight of the strides we have made in improving the competitive position of the Independent Agency System. Today, on behalf of our two organizations, we would like to take this opportunity to say “thank you” for your unrelenting commitment to change.

Sometimes we can take for granted the value of long-term relationships.

Our user groups, along with other agent organizations, have been founding partners in such leading industry organizations as the Big I’s Agents Council for Technology (ACT), ACORD-User Groups Information Exchange (AUGIE), and the Real Time/Download Campaign. With those forums we can push agents, brokers and carriers to Real Time and Download—and away from the proprietary systems that slowed our market share growth.

Initially, our Real Time and Download education efforts were face-to-face presentations to carrier and agency representatives—an effective but resource-consuming method. So, we’re going to supplement those in-person events—which reach hundreds—with virtual events that reach thousands. On January 30, the Campaign is introducing a monthly webinar to promote Real Time and Download. Our collective agent and carrier volunteers, in the spirit of cooperation, will be instrumental in making these programs happen.

Sometimes we forget to note how far we’ve come.

Working with our carrier and vendor partners, we are seeing enormous strides in more efficient workflow. Once proudly touting proprietary Web site interfaces, today many prominent carriers are reporting a doubling of real-time transactions year-to-year. Agency owners and CSRs are excited about their new productivity. Vendors continue to roll out enhancements. Carriers are enabling more real-time inquiry and rating transactions.

The Real Time/Download Campaign has reached a tipping point, and we want to continue building momentum. The Campaign is working on expanded reporting on real-time usage. For example, we are polling independent agents about awareness, adoption and usage of Real Time in their firms. Our latest figures, with thousands of agents reporting, show 54% of agents are using the real-time inquiry functionality through their management systems. Some 43% are using real-time rating for personal lines and 18% for commercial lines real-time rating.

We'll poll agents again in six months to check progress. We also have defined counting measurements—and carriers and vendors are reporting these numbers to Campaign officials.

Sometimes we can overlook the value of our collective market share.

Our two associations represent users of software products covering close to 90% of independent agents and brokers in the United States with agency management systems. Through AUGIE and ACT we work closely with the other 10% of the user groups and their leaders, so we believe we do speak with authority on issues. And we've discovered along this journey that agents *do* have common goals.

Indeed, more work remains ahead. Many independent agents as well as carriers—particularly regional carriers—are just now starting with real-time functionality. They'll need our continued encouragement. But overall, we are proud of the widespread improvements in the efficiency of our distribution channel.

So, we pause today to acknowledge the success of your efforts to bring lasting change to the way the Independent Agency System serves consumers. We eagerly anticipate more success in 2009.

Thank you for standing side by side with us in this effort. Together—as a distribution channel—we are demonstrating the power of working together.

Sincerely,

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