



Photography by Paul B Riley

The Parker, Remsen & Sullivan team in Highland Park, New Jersey.

PARKER,

MARKETING AGENCY OF THE MONTH

FIND THE PAIN AND FIX IT

125 years of putting customer service first



REMSSEN & SULLIVAN

ESTABLISHED 1884

By Dennis H. Pillsbury

Parker, Remsen & Sullivan, Highland Park, New Jersey, traces its roots back to 1884 when Neilson T. Parker founded the Neilson T. Parker Company in nearby New Brunswick. Over the 125 years the agency has been in business, there have been a lot of changes as it has grown from a one-person agency serving the local community to an agency with 26 employees serving more than 5,000 individuals, families and businesses throughout the United States, Canada, the Caribbean, Bahamas, Europe and Asia.

Growing from a local agency to one that serves a worldwide clientele involved an increased focus on commercial property/casualty insurance, as well as adding benefits to the array of coverages available. Today, the property/casualty split is 70% commercial and 30% personal lines, with life and health coverages adding a growing percentage to the agency's \$2.7 million in revenue.

"We always offered life and health coverages to our clients," Michael Sullivan, vice president, points out. "So it was an easy transition to include employee benefits offerings for our commercial clients. One of the constants that has permeated the agency for all of its 125 years is that we need to serve our clients first."

Executive Vice President W. Burton "Tripp" Salisbury adds, "That means that whenever we meet with a prospective client to review their insurance needs, the first order of business is to find the pain and fix it. Most recently, that pain has revolved around the rising cost of health care. We are actively involved with our clients, both prospective and existing, on a consultative basis, to find ways that can mitigate potential losses and lessen the cost increase of their group health and other benefits offerings."

Early entrant into niche markets

Parker, Remsen & Sullivan was a niche marketer long before the term became popular. In fact, the agency



W. Burton "Tripp" Salisbury III, Executive Vice President, meets with Karen Vitale, Director of Operations for the New Jersey Restaurant Association, one of the agency's clients.

appeared in *Rough Notes* 20 years ago in an article about insuring private investigators, security guards and other entities in the security industry. ("A Specialty Lines Underwriter Provides 'Family Security'"—January 1989)

"Our entry into niche markets was a natural evolution," points out President Sean Kelly. "Our focus on placing the customer first meant that our clients became, in many ways, our best marketers and recommended us to their peers. And as our book of business increased in these areas, we developed an expertise that placed us ahead of our competition."

In the case of the security industry niche, that was a challenge

that Sean wanted to solve from the day he joined Parker, Remsen & Sullivan in 1980. His dad, David B. Kelly, retired Brigadier General, U.S. Army Reserve, who had also served as superintendent of the New Jersey State Police for nine years, had formed a security and investigative firm that needed coverage from an admitted market. The security firm had coverage from a surplus lines company but needed an "A" or better rated company to meet the requirements of potential clients. Sean worked with an MGA that specialized in the area to secure coverage. "We didn't have expertise in the field at the time, but we've definitely developed it since then.

"Another one of our early niche markets was labor unions." Sean continues. "We started working with a number of unions in the 1980s and again developed an expertise for that unique market. We continue to insure a large number of labor unions and have developed strong relationships with that community as well as with the insurance companies that want to write this business."

Additional niche markets include not-for-profit organizations and restaurants. Tripp Salisbury, who has been with the agency for 20 years and is a specialist in these areas, points out that the agency's successful servicing of restaurant accounts "recently won us an endorsement

Labor unions are an important niche for the agency. Here, Sean R. Kelly, President, (far left) appears with members of the International Brotherhood of Electrical Workers Local 456. From left are Michael McLaughlin, IBEW Local 456 President; Wayne Martiak, Business Representative; Alan Bulvanoski, Business Representative; and Ron Bulvanoski, RMB Safety Consultants.





Executives for Parker, Remsen & Sullivan include (seated from left) Tripp Salisbury; Michael D. Sullivan, Vice President; and Sean Kelly. Standing from left are Walter S. Petersen Jr., CIC, Vice President, Operations; and Marie J. Robinson, Vice President, Finance.

from the New Jersey Restaurant Association. We insure the association, as well as members throughout the state from Hoboken to Cape May to Trenton. It's become a pretty big part of our commercial insurance thrust. We have access to companies in both the admitted and nonadmitted markets that specialize in the restaurant field."

Mike adds, "This is a great niche. We write every type of restaurant from white tablecloth establishments to small mom-and-pop eateries. Naturally," he adds, with tongue in cheek, "we often have to frequent these establishments to make certain that they are being properly underwritten."

The agency also has entered the high net worth niche in personal lines. "Each of the individuals in this category have unique coverage needs," Tripp points out. "We have strong relationships with carriers that specialize in this area and are able to provide the risk management services that they need. Unfortunately, this has become a difficult market for some of our clients that have property along the coast. A number of companies have stopped writing coastal business and others are underwriting very carefully."

But not ruled by niches

Tripp explains that, despite the growing importance of niche markets, "we haven't forgotten the people who got us here. We are a generalist agency that continues to provide coverage to local businesses and individuals. Parker, Remsen & Sullivan grew partially through acquisition and partially through

organic growth. The agencies we acquired were old-line agencies that had deep roots in the community. That was why we wanted to acquire them. We wanted a loyal clientele that would stick with us regardless of market conditions."

"That has really paid off for us recently," Mike notes. "The property/casualty market was very soft entering 2008 and seemed to get softer throughout the year. Our clients stayed with us even when other agencies tried to lure them away with lower rates. They understood that we were always there for them whenever there was a claim and that the coverage we provided, while not always the cheapest, was with solid insurance companies that understood their business or personal needs. Our consultative approach to selling made it clear that we were providing the coverage that the client needed and

Tripp Salisbury meets with Beverly Mills, Executive Director of The Drumthwacket Foundation, inside the library of the historic Drumthwacket residence that is now the official residence of the governor of New Jersey. The foundation is an agency client.





Tripp Salisbury, Sean Kelly, and Michael Sullivan stand at the gates of Jasna Polana, a Tournament Players Club course located in Princeton, New Jersey, and one of the agency's clients.

that lower rates often resulted in coverage gaps that could come back to haunt you when a claim occurred.”

As a result of the high retention rate and policy count, the agency was able to enjoy growth in 2008, thanks to new business that came in from both its niche marketing efforts and from clients who just want to do business with an agency that has an exceptional reputation in Central New Jersey. “We have a number of clients that have been with us for three or four generations,” Mike says. He adds that 2009 looks to be another strong year for the agency. “New business is coming in and current customers are sticking with us.” In the eyes of the agency principals, the agency’s high retention rate, while due in part to a roster of highly regarded, financially sound insurers, is more directly related to the top-notch, highly professional, service-oriented staff employed at Parker, Remsen & Sullivan.

“The fact that we don’t always offer our clients the lowest rate doesn’t mean that we are not out there

looking for the best overall deal for our clients. That’s an important part of our business model,” Tripp points out. “We have a state-of-the-art rating package that allows us to look at the rates of several companies. But we also compare coverages to make certain that they are what our client needs.”

Mike concludes: “Parker, Remsen & Sullivan was built on a tradition of service. One of our strongest suits is our consultative approach where we sit down with a client or potential client and identify the risks they are facing and the best ways we can help them mitigate those risks. We see our job as helping to protect the assets of every one of our clients. They want an honest answer from us about their risk management needs and we always try to provide that. We are not driven by money. We believe that monetary success will follow

if we serve the clients honestly and forthrightly, but that is not our primary goal.”

“There have been times,” Sean adds, “when we have faced drastic reductions in commissions from some of our carriers. We could have moved clients away from those carriers, but if the clients were being well served by the company, we didn’t. We would rather take the hit and keep the strong relationship with our clients. After all, they really are the best salespeople we have. When they recommend us to one of their friends, it makes the producer’s job much easier.”

Rough Notes is proud to salute Parker, Remsen & Sullivan for continuing to serve the community in which it resides while finding creative ways to expand its business on a worldwide basis. The agency truly lives up to its slogan: “We are large enough to serve you, yet small enough to care.” And that is why we have chosen to honor Parker, Remsen & Sullivan as our Marketing Agency of the Month. ■