

Partners in insurance firm are young but seasoned

KELLY JOHNSON / STAFF WRITER

Clinton Polley Insurance Brokers is an anomaly in the local commercial insurance industry.

Startup commercial insurance brokerages are rare in Sacramento.

Rarer yet are twentysomething partners forming a brokerage, and staffing primarily with other twentysomething agents. The formula has worked for Clinton Polley.

The Folsom company has grown revenue and premium volume anywhere from 20 percent to 100 percent a year since its unfortunate timing of opening 10 days before the 2001 terrorist attacks that derailed the insurance industry.

The median age of the agents at Clinton Polley is 28. Only two are older than 30.

Some people are reluctant to do business with founders Richard Clinton, who celebrated his 28th birthday last month, and Ben Polley, who recently turned 30. As the business grows and proves itself, more clients and insurance carriers instead equate their youth with energy, innovation and aggressiveness.

"People either like it or hate it, in general," Clinton said of the agents' youth. The brokerage has picked up clients who feel their longtime brokers no longer give them enough attention. "We try to be more innovative, involved in every account."

Insurers like that Clinton Polley is picky about the business it accepts.

The company doesn't have a Web site and it doesn't advertise.

The brokerage finds out what type of accounts an insurer wants, and then seeks out new clients that fit. It turns away more business than a typical brokerage. The weeding out leads to better loss ratios for carriers. At some brokerages, Clinton said, "Everything that comes through the door they try to find a home for."

Clinton Polley is heavy in the construction industry. Its clients have 10 to 500 employees, and pay up to \$5 million a year in premiums.

Half of its business is in Greater Sacramento. About 65 percent is workers' compensation, with general liability and commercial auto representing 15 percent and 10 percent of the business, respectively. The brokerage works with 30 to 40 core insurers, including State Compensation Insurance Fund, Zenith National Insurance Corp. and ICW Group.

Getting to this point, where Clinton Polley can be selective with the accounts it accepts and still grow the business at a swift clip, hasn't been a smooth ride. After the terrorist attacks, the partners saw "all our product dry up."

Later, things didn't work out with a third partner. Motivating salespeople was a constant challenge.

"We always figured people would want to come in and work their tails off all the time," CEO Clinton said. The founders have gone from micromanaging to giving feedback and support.

Being a business owner, Clinton said, "has definitely made me a better person." He's learned to listen and be sympathetic. "You feel the sense of accountability to everybody."

It's also rewarding helping employees succeed, and starting something from scratch, the partners said.

"I always aspired to be a business owner," said Polley, who is president of Clinton Polley. He had long watched his father, who owned a real estate company



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Ben Polley, left, and Richard Clinton started their insurance brokerage 10 days before 9/11.

Clinton Polley Insurance Brokers Inc.

Founded: Sept. 1, 2001

Employees: 12 (11 are licensed agents)

Financials: About \$2 million in revenue and \$25 million in premium

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with a couple hundred employees.

Polley and Clinton left the local brokerages they worked for, and started their business with a line of credit on Clinton's house, where they had their first office. Today their wives work at the brokerage. Jenn Clinton is office manager and shares financial responsibilities with Katie Polley.

Within five years, the partners hope to reach at least \$4 million in revenue and \$50 million in premium and employ 20 to 25.

Clinton Polley is very unusual in this era where it's hard for the small guy, especially the young, small guy, said Rick Wasserman, who owns a Sacramento workers' compensation brokerage that bears his name.

"They're very mature businesswise for their age," he said. The partners "do a lot of background work before they actually go out and solicit business."

ICW Group, an insurer group based in San Diego, likes that Clinton Polley brings the business it wants, and sends information that is current.

"We really like them. They're one of our top agents," said Rick Aranas, Sacramento branch manager for ICW Group. "It's refreshing to see people when they say something to stand behind their word."

Frontier Fence, a Sacramento-based fence installer with many of its 200 employees locally, switched to Clinton Polley in 2003. Its previous brokers, company president Paul Phillips said, didn't prepare Frontier Fence for rising premiums and deductibles or offer solutions. Clinton Polley found a creative solution for good coverage at a reasonable price. The brokerage also has helped with Frontier's expansion into Fresno and Bakersfield.

Wasserman said: "They have a real solid operation and they'll do well in the future."