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Good year for insurance spurs local agency growth

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JACKSONVILLE -- A profitable 2007 will help some local insurance agencies expand beyond the area this year.

Florida's calm weather during the past two years has helped lower insurance rates and made expanding business in the state more attractive to companies such as **Brightway Insurance** and **Matrix Employee Leasing Inc.**

Brightway Insurance, based off St. Augustine Road, plans to double its offices and employees in the state in 2008. The agency increased revenue from about \$16 million in 2006 to \$30 million last year, President and CEO David Miller said. He expects to be at \$60 million by the end of 2008.

The housing market has slowed new-client business as home sales have decreased, he said. But that has been offset by existing homeowners looking for lower rates through a new insurer.

Miller said the company would have expanded regardless of what happened in the market, but he has seen homeowners and auto insurance rates decrease since last year primarily due to a hurricane-free storm season and some changes made by the Florida Legislature. Early last year, the Legislature expanded the state's Hurricane Catastrophe Fund as a way to offer cheaper reinsurance to insurers in hope that they would decrease rates to homeowners.

Brightway has 24 offices in Florida. Miller expects to add 10 to 20 offices throughout Florida, including in the Panhandle and Southeast Florida within a year. With more than 100 employees, 50 of whom are in Jacksonville, Miller also hopes to double the company's work force by year-end.

Matrix Employee Leasing Inc., a professional employer organization based off Philips Highway, is expanding its services and geographical reach by creating a full-service insurance division, **Matrix Insurance Agency**.

"It got to the point where clients were asking for additional services," said Jeff Spadafora, president and vice chairman of Matrix Employee Leasing.

The eight-year-old company, which offers payroll, human resources and risk management services to businesses, entered the insurance industry mostly to create a one-stop shop for clients. The agency, in partnership with Wilmington, Del.-based

Guarantee Insurance Co., offers insurance lines such as commercial, life and health, and retirement options. It does not sell homeowners insurance.

Matrix Insurance Agency also was created to help support the company as a whole and to further growth, Spadafora said.

Construction niche

Chairman and CEO Bill Perez said the company began diversifying its services several years ago because its primary niche was risk management for the construction industry, which has been affected by the slow real estate market. Though revenue rose by 5 percent in 2007 from 2006, Perez said it was the smallest increase compared with a 55 percent rise in 2006 and an 80 percent jump in 2005. Perez did not disclose exact figures.

Matrix Employee Leasing plans to have insurance agents in all seven of its offices in Florida by year-end. There are four licensed agents under the agency's new president, John Valko, in the Jacksonville office.

The company also wants to branch into other states, including Georgia and Alabama, through its partnership with the multistate insurer Guarantee Insurance.

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