

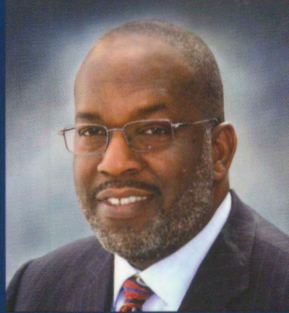
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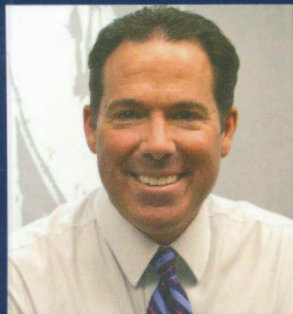
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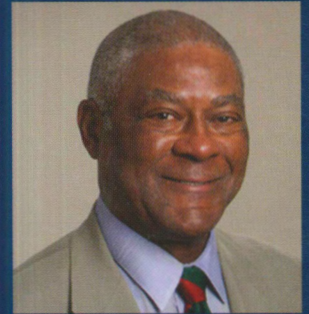
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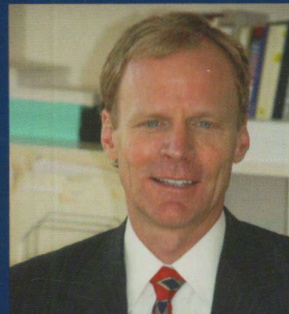
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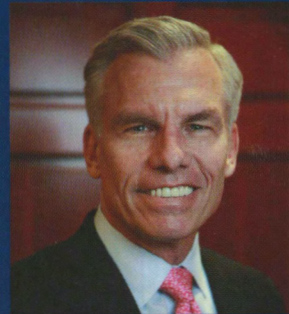
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“Everything I ever needed to know in business, I learned on the sports field.”

Robert Reiss: The Whitmore Group is different than other insurance companies because of how you integrate sports and athletics into the enterprise. Could you provide a snapshot of what the business is?

Jim Metzger: It's interesting you make that connection because the fact of the matter is everything I ever needed to know in business I learned on the sports field. From a very young age sports helped provide a structure to my life. It directed my education, personal life and business. Before we get into some detail about The Whitmore Group, let's have a high-level look at the Insurance industry in the US. Net premiums written total almost \$1.5 trillion; a little over half of the business is for life/health and a bit less than half of premiums are for property & casualty policies. For some it is surprising to know the insurance business is bigger than Accounting and Legal Services combined.

There are almost 6,000 insurance companies; about 2.6 million people work in the business. Of those, 1.5

million work for insurance companies, and 1.1 million people work for insurance agencies, brokers and other insurance-related enterprises.

The Whitmore Group is an insurance agency and brokerage. We provide insurance services and products which are categorized into four major areas: property and casualty, which is both business insurance and commercial property and casualty, which is insurance for business and personalized property such as homes, autos, umbrellas and boats; group health insurance and HR services; and finally, life insurance and estate planning. We provide, in a very big way, all four of those insurance products and services.

Health insurance is on everyone's mind as we see premiums go up 40% annually. What is your take?

To crystallize, where we are now, we must look to the private market or a single payer. It will be reduced to that, and without being political, most recently the Republicans were unable to repeal Obamacare. It seems the conservative caucus had an issue with the way in which the administration wanted to do that and essentially, they didn't go far enough. They felt that they were tweaking it, but not changing it radically enough.

To suggest that health insurance is complicated is obvious. Essentially, the problem is that costs are spiralling out of control. There are so many issues to it. In fairness to Obama, it hasn't worked well because the pricing was unsustainable prior to his terms. The prices have been escalating for the last decade or more. We need to let the private market fix it or it will go to the government. Either the government is going to do it or the private market is going to do it. That's the only way of the future.

What's your take on the state of life insurance?

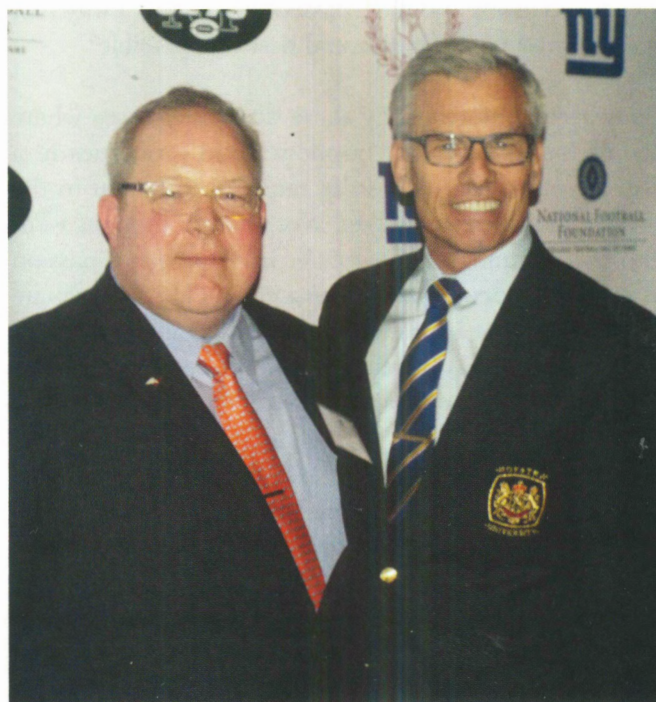
On the life insurance/estate planning side, notwithstanding changes in laws, exemptions right now are \$5 million each, \$10 million for a couple, \$5 million for a spouse. Estate planning is a fascinating business and one for which I have a lot of passion. When you have a well-

thought out estate plan, the only thing we're all going to run out of is time. Too often families are unnecessarily left in a bad position.

By utilizing proper estate planning which includes protecting your estate, paying less (estate) taxes, and beyond that, it's about structuring your assets in such a way so that you could pass on what you want to pass on to whomever you choose.

In Stephen Covey's book, *The 7 Habits of Highly Successful People*, which I haven't looked at in 20 years, the first sentence in one of the chapters says, "Begin with the end in mind and make believe you're at your funeral and who do you want there, and I think more importantly, what do you want to leave behind?" I've spoken to many clients about estate planning and life insurance. Not that I don't have a dog in the hunt, but I will tell you that it's enormously gratifying when we utilize good, sound, smart estate planning. It's a good feeling when I'm sitting

"When I started the business in 1989, I made a promise to make Insurance personal."



Whitmore's Marc Hudak, Senior VP, and Jim Metzger, CEO, at the National Football Foundation – NY Chapter Awards Dinner.



Members of Team Whitmore, Rob Pannell, James C. Metzger, and Louis D'Agostino

"The first 10 years of my career I put on a business suit and shoes each day the same way that I had put on my uniform and cleats."

with one of my former clients or a member of their family, knowing that we maximized their life's accomplishments and assets and have passed them on in a way that was the most cost-effective and best way possible.

Conversely, unfortunately there are many cases where people have had to sell businesses and properties in a fire sale or large checks were required to be cut to the government for estate taxes. Not enough thought went into the planning of the estate. It's a personal passion of mine and it could almost be a calling for the intimate relationship that I have developed with many clients. It is something I feel obligated and compelled to at least try to convince and/or persuade my clients to do.

Along similar lines, what are some of the insurance issues you find at the top of the list for corporate executives and business owners?

Leaning back on "lessons from the field of play," for a team or an organization to survive and thrive over time, the entity must protect itself and its key people. The interest I have in helping directors and officers running companies and non-profits is clearly an important pri-

ority. D&O policies can take different forms, depending on the nature of the organization and the risks it faces, it isn't necessarily intuitive and often misunderstood. That is precisely where expertise in this area is critical.

Based on your earlier overview of the industry, it's logical the Insurance business is very competitive. How do you deal with that?

Very competitive? That is putting it mildly. Plus, the business can be quite complicated, with changing landscapes coupled with local and regional differences, and price sensitivities. So, what do you do? Like many other complex or technical business, you must make the experience of acquiring insurance, both business and personal, easier to understand. When we talk to customers and prospects one thing we make sure we touch on is the breadth and depth of experience the firm has. More times than not, this ends up being a critical factor in a client's decision. However, "experience" is just an outcome. We have been in the business, successful and growing since 1989, because we are effective helping companies and people protect their assets and property. Now, the next question might be, how do you do that? To develop and deliver the right insurance to a client, both coverage and pricing, we have a fundamental institutional process beginning with a deep understanding of our clients. Beyond a comprehensive review of "the numbers and issues," we commit ourselves to knowing and understanding a

client's goals, but most importantly their fears. As "fear" may be a word that is too emotional, we urge for conversations about their concerns and considerations, and how they feel about outcomes that may arise out of situations because they didn't achieve results they hoped for, and / or because of events that are out of their control.

When I started the business in 1989, I made a promise to make Insurance personal. It is one of the primary drivers of our firm's culture, and has been a key to our success.

I can tell that philanthropy is part of your DNA based on the wall of fame you showed me which has hundreds of letters on it.

There are three reasons why philanthropy and giving back are an important part of my personal and business lives. It starts with my parents. They are wonderful people, very involved in the community growing up, and they raised me placing a strong emphasis on character, trust, and helping others when you can. The second reason relates back to "making Insurance personal." Most of our philanthropic contributions are directly for charitable or cause related organizations that are supported by our clients. They feel good about helping those less fortunate or with special needs, and we feel good knowing they appreciate us doing what we do.

Finally, in addition to supporting organizations such as

Big Brothers Big Sisters of Long Island, the Arthritis Foundation of Long Island, and The American Heart Association, among many others, I felt compelled to continue to say thank you to my almae matres, Hofstra University and Half Hollow High School, and play forward for St. Anthony's High School.

Let's shift to personal. You were an athlete, but you have told me that you peaked early.

Yes, that's true, which wasn't necessarily good. I was born in February, and as Malcolm Gladwell wrote in "Outliers: The Story of Success," that meant I likely had a bit of a physical advantage relative to my class/teammates. It took me a long time to appreciate the fact. Maybe it wasn't until I read the book!

I attended junior high school as opposed to middle school, and as a ninth grader at West Hollow we were 30 and 0 in football, basketball, and lacrosse. I was blessed with an abundance of natural athletic ability, however at that time in my life I didn't have an abundance of work ethic. I thought that life was a bowl of cherries; easy pickings -- I went on to have some success in high school and college in athletics, playing Division 1, but I don't think I perceived later success as dominate as it was as a ninth grader.

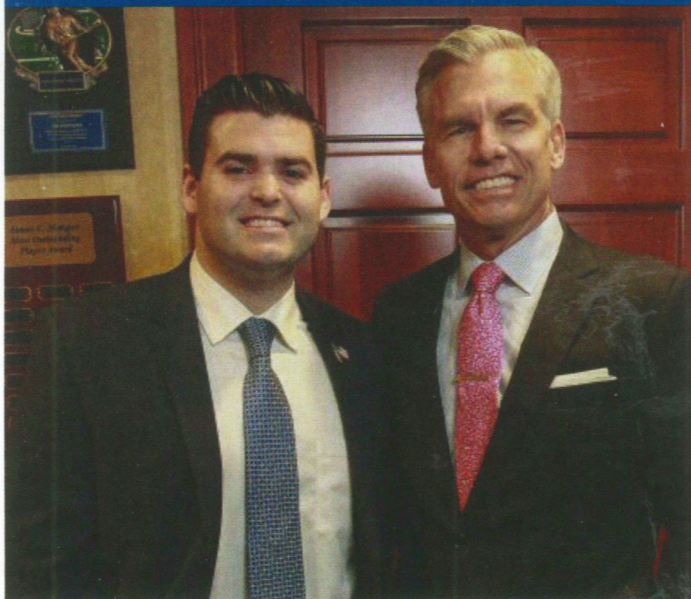
What did you learn from athletics that applies to business?

The parallels between sports and business are well documented. Why? Because they are true, especially in sales. In business and sports, you don't win every contest. I coach and mentor people to learn from both wins and losses. Losses will come. Ask the UConn Women's Basketball team. Losses are lessons. Did I underestimate my opponent? Was I unprepared physically, mentally or strategically? Did I just go through the motions; not dial it in; not give it a second effort?

People are the most important assets in business. By definition, a team sport. Winning business happens when everyone knows their roles (and limitations); are committed to a game



James Metzger with his assistants Kristen Pettit and Sue Morris at Hofstra University for the dedication of James C. Metzger Hall.



Jim Metzger welcomes Kevin Hahn, Assistant VP to Whitmore.

“A relationship is a partnership.”

plan; trust and respect one another, and communicate. As a corporate leader or business owner it is in everyone's best interests to encourage and reward that kind of behaviour.

Lastly, I'm a firm believer that it doesn't matter if you get knocked down 10 times, just so long as you get up 10 times.

Tell a story of a challenge that you had to face in sports and what it taught you about business.

It was early on in my career, when I was in my early 20s after I was graduated from Hofstra University. I had been an athlete all my life, playing football at six years old, CYO basketball, and lacrosse on Long Island. As a seventh grader, I played lacrosse which back then was very young to start playing. Nowadays, they have a stick in their hands at three years old! I had played sports competitively and achieved success at a high level in high school and some success in college as well, and when I formally discontinued my athletic career due to injuries and a burgeoning interest in business I ran toward Insurance and into sales and marketing.

Transitioning, the first 10 years of my career I put on a business suit and shoes each day the same way that I had put on my uniform and cleats. For me, I had been wear-

ing uniforms as an athlete my whole life, so I simply saw my suit as just another uniform. It is one of the things I tell the young athletes I recruit. They say it helps.

You saw a business suit as a uniform?

Absolutely. I was a running back in football. I was a point guard in basketball. I was a high scoring attackman in lacrosse. A high school All American lacrosse player, I was blessed with agility, speed and quickness. I averaged 5 points a game at Hofstra University and my sophomore year made the All-American team. As my interests and goals evolved, my uniform also had to.

Are uniforms important? I believe so. I had a mentor who steered me in the direction of Brooks Brothers, Paul Stuart and Polo, and suggested I be physically fit. It is important to dress appropriately for your industry, clients and prospects. Insurance is a serious business, like law and accounting, which typically call for a conservative look. I try to project a distinct and memorable image within this framework and conservative environment.

Now you've built a model where you hire athletes to work at Whitmore.

Not everyone at Whitmore is a former serious athlete, but you'll find them easily. If you looked closely at my lacrosse stats you'd find more assists than goals. In sports the goal is to win. It is the same in business, and as we discussed earlier, winning comes with teamwork. I built this company with a team of strong players, people I knew would commit to operating with the belief that a client relationship is a partnership, based on trust and transparency.

Key here is identifying and using “players” in ways that leverage their strengths and maximize their compensation potential and contribute to the company's overall success.

Among the athlete's that have also turned to blue and grey pinstripes are; a couple of professional baseball

"People say stick to your knitting, I say know your knitting."

prospects, a bench full of former D1 lacrosse players, collegiate baseball and footballers, and a local native who played for the NJ Jets organization. Not to mention the Golfers...we'll play anybody!

What advice would you have to athletes about shifting to success in business?

On the one hand, nothing has changed. On the other hand, everything has changed. What I mean by that is there's got to be a way to model yourself given the circumstances, whatever business you're in.

The difference today is the impact technology has on everything that we do, and frankly, the way that technology is changing, what seems like almost monthly. Research, and by that, I mean the foundation for making informed decisions, is something I'm all for. People say stick to your knitting, I say know your knitting. I'm a niche player in the insurance industry on what we call a boutique agency, which means we have areas of expertise and niches. We build many platforms which include different insurance products and services which we provide to the public. They are categorized in four ways: commercial and personal property and casualty for layman insurance for business, insurance for homes and auto and both personal assets, health insurance and life insurance.

Within a property and casualty insurance agency, we have expanded into a personal insurance and health insurance which also is a human resources business. However, within commercial insurance, we developed niches in hospitality, real estate, construction and transportation. We're the largest writers of funeral homes in the country, on a broker's side.

It's fascinating to build a niche because of the vertical integration that you tap into and the synergy that you develop. Parallels certainly can be drawn to niches and sports. And winning? Yes, it is something we love to do and will remain committed to it by putting our clients first, being honest with ourselves and never give up.



James Metzger and Robert Reiss – Interview aired: 6/11/2017

James Metzger (Jim) is Chairman and CEO of the Whitmore Group, Ltd., a leading insurance brokerage on Long Island he founded in 1989. He is also a prominent philanthropist and a former star athlete.

A major factor of Jim's success is his ability to identify, develop, and market specialized insurance programs for niche segments including Construction, Real Estate, and Hospitality markets. The firm is also the largest broker provider of commercial P&C insurance to the funeral industry nationwide.

An alumnus of Hofstra University '83 and Half Hollow Hills High School '77, Jim was named to All-American lacrosse teams and set records for both schools.

Jim's extremely generous support of Hofstra was acknowledged by naming their Lacrosse Offices and Stadium after him. Additionally, Long Island organizations such as Big Brothers Big Sisters, the Arthritis Foundation, The American Heart Association, Half Hollow Hills, and St. Anthony's (who named their stadium after him too) have been among his beneficiaries.

