

THE BISHOP COMPANY, LLC

Protecting families and businesses with innovative insurance solutions.



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Case Study: Industry Changes

The life insurance industry is going through fundamental changes in product development and pricing as a result of dramatic medical advances. Many existing policies are underperforming, overpriced, or do not provide the updated policy guarantees that are available in the industry's newest policies. The following statistics illustrate some of the startling changes in the industry.

SITUATION:

- Agent drain:** 38% fewer agents than 20 years ago
- Agent aging:** Average age 56
- Recruiting:**
 - Only 6-11% of agents are still in business by fourth year
 - 58% of agents that made it to fourth year earn average of \$40,000
 - One in four agents will retire in the next five years
 - Significant changes in training and education with more focus on investment products

RESEARCH:

Second-to-die policies—market share by product:

Universal Life:	65%
Variable Life:	27%
Whole Life:	8%

Independent brokers – market share by product:

Universal Life:	60%
Variable Life:	19%
Term:	19%
Whole Life:	2%

*Note: Whole Life has lost 46% of its market share in the last 10 years.
Source: LIMRA – National Underwriter*

ANALYSIS:

As experienced, unbiased, independent insurance brokers, we have access to the largest and most financially secure insurance companies. Our analysis, informed by over 30 years of experience, will either validate the current policy or identify alternatives for significant improvement. If you would like to “kick our tires,” our website is a good place to start.