

## Insurance agency buys competitor

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One of Austin's most-active independent insurance agencies is on the prowl.

**Watkins Insurance Group** has acquired a local insurance company, **AIC-Sun Belt Group Inc.** Financial terms of the deal were not disclosed.



Patrick Watkins (left), Mike Mosley and Sheila Noxon of Watkins Insurance Group, which recently bought one of its competitors.

Patrick Watkins, president of Watkins Insurance, says the deal will grow his company by 25 percent.

AIC-Sun Belt has 11 employees and about 3,000 customers. AIC-Sun Belt brought in about \$12 million a year in premiums in 2006.

AIC-Sun Belt owners Bill Lunsford, Glenda Pittsford and Steve Crownover will join Watkins as agents. Watkins says all of AIC-Sun Belt's employees will also remain with the combined company.

With the purchase, Watkins will have a total of 79 employees.

"We talked to AIC a number of years before, but the timing wasn't right [at the time]," Watkins says. "They're really customer-oriented and are very well-thought-of in the insurance business. The bottom line is we've known them for a long time, and that's what sold the deal."

Watkins ranked as the sixth-largest independent insurance agency in Central Texas in 2005, according to the Austin Business Journal's Book of Lists.

"We've been growing our business organically and through acquisitions for a number of years," Watkins says. "We're always looking to build rapport with other companies."

Watkins Insurance Group was founded in 1949 and has grown more than 20 percent annually since 1994, according to the company. Watkins has more than 14,000 customers and provides business and personal insurance along with employee benefit programs.

The independent insurance industry is seeing quite a bit of consolidation, a factor that translates to better services to the consumer, says Michael Whorton, vice president of the Independent Insurance Agents of Austin.