

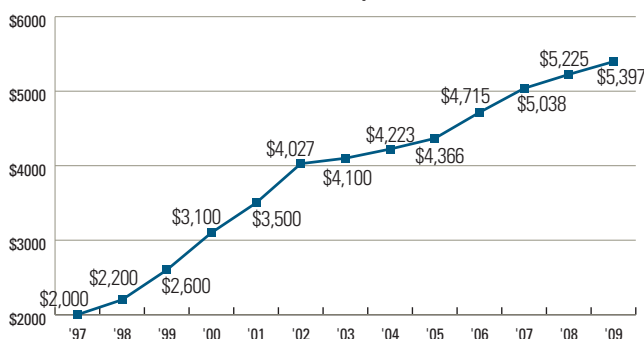
Voluntary sales avoid the slump

Eastbridge's annual U.S. Worksite Sales Report for 2009 was recently released, and despite the recession, the results look quite favorable for the voluntary market. This column shares overall sales results for 2009. Future columns will report sales by product line for 2009 as well the types of distributors that are selling voluntary.

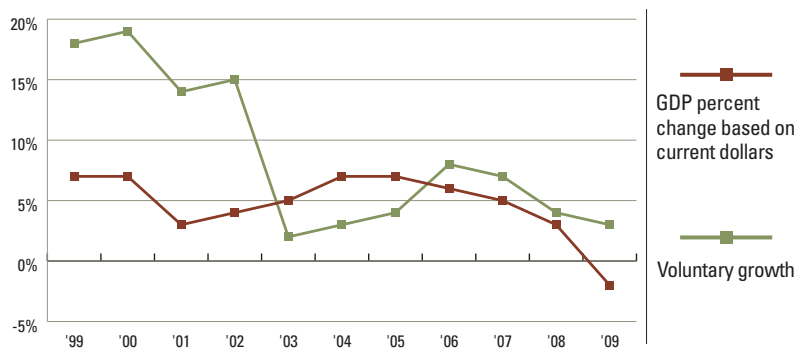
According to surveys completed by carriers, new voluntary sales (U.S.) totaled an estimated \$5.397 billion in 2009, an increase of 3.3 percent over 2008 results.



New business annualized premium (in millions)



The 2009 results are definitely noteworthy considering the economy and given that there was sales growth the previous year (between 2007 and 2008). Additionally, as much as 40 percent or more of voluntary sales typically take place in the fourth quarter of the year. Even though the “official” start of the recession was the fall of 2007, sales have grown from \$4.715 billion in 2006 to \$5.397 billion as of year-end 2009 — an increase of 15 percent over three years. During that same time frame, the growth of the GDP dropped.



In 2009, 80 percent of total voluntary sales were from the industry's top 15 companies. These 15 companies had an average growth rate of 3.1 percent, slightly below the industry results. However, 10 of the top 15 had sales increases with five of the companies having double-digit increases ranging from 14 percent to 34 percent.

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