



**FRANCHISE OPPORTUNITIES**



## Introduction

The Coversure Insurance Services group was founded by Mark Coverdale in 1986 with the aim of providing franchise holder members with a fertile environment in which they could own and manage highly profitable businesses.

During our 24 years of trading we have opened over 100 offices at locations throughout the country, which today control branch gross written premium of over £65m.

We have made extensive use of computer technology from day one and have made a large financial investment in market leading solutions geared specifically to the needs of our franchise holders and Insurer partners.

Keeping costs to an absolute minimum has been an aim which has enabled our business and our relationships with Insurers to flourish. We have established literally hundreds of contacts with leading insurers, resulting in an ability to provide the very latest in products and services to our franchise holders at some of the most competitive rates around.

We believe that further growth will strengthen our position and our plan is to have at least 120 offices in place as soon as possible. To succeed in our aims we need to work together with committed and enthusiastic franchise holders who would like to share in our success story.

Applications to join Coversure are welcomed from experienced insurance professionals with at least 3 years general broking experience, as well as existing businesses.





## Administration & Accounts

Coversure franchise branches rely on a tried and tested method of administration practices that are the cornerstones of the franchise and work alongside the computerised back office system.

The majority of letters and memorandums are pre printed by the system and obviate the need for you to spend anything other than the minimum amount of time on non-sales related activities.

A central client account is held and administered at Huntingdon where the majority of accounts activity takes place, again with the aim of freeing more sales time for you and your staff.

Full training is given in all aspects of the method both at Head Office and for a limited period on site. A comprehensive manual is provided on-line for day to day reference purposes. Should you need help with any aspect of running the business, a member of our franchise support team is always on hand to help, be it in person, on the telephone, or utilising our own internal e-mail facility.

We will provide you with the highest possible levels of support from the very first day that you apply to join us and of course we will help with all aspects of selecting, setting up and equipping your office before you open for business.

## Technology

In order to obtain the maximum benefit from the relationships we have with underwriters and avoid paying large sums of development money to suppliers of proprietary systems, we have developed our own computer system that utilises a central processor based at the offices of our associated company, Datamatters Ltd.

To use the system franchise holders need a minimum level of equipment including two fairly robust PC's which can be sourced from a local supplier. A suitable laser printer is supplied by us and is included in the franchise fee along with initial user licence and installation costs.

Connection to the system is achieved by way of ADSL technology which also facilitates easy access to the internet. The monthly charge made by BT for the service compares well to the monthly update and maintenance charges made by other system suppliers.

Apart from a small monthly user licence there are no other charges for system access. You are not required to purchase any software upgrades, there are no expensive monthly bills for rating amendments and update fees and of course, no upgrade charges.

Coversure are fully committed to the continued development of the system which already encompasses Motor, Household, Commercial Vehicle and Travel Insurance Quotation Engines, Commercial Insurance fact Finds, Laser Printed Documentation and EDI, together with a full back office accounts and administration package.

More complex enquiries can be handled by our Head Office based underwriting team utilising our in-house e-mail facility which is also useful for sharing market information and pooling the considerable Insurance knowledge of our system users.

An extensive computerised help system is in place dealing with all of our administration and accounting practices. The system stores a great deal of information on products and facilities, including insurer contact details and is fully searchable.

Our web presence at [www.coversure.co.uk](#) includes details of the products available from Coversure along with information relating specifically to each franchise branch.

A telephone recording system utilising 0800 numbers ensures that the highest possible standards are maintained in a compliant environment and enables the use of unsigned statement of fact documentation.

## Agency Facilities

Coversure franchise holders have access to a comprehensive range of general insurance products underwritten by composite insurers and at Lloyd's, allowing access to a diverse range of markets and an ability to specialise in particular niches if required.

In line with the majority of brokers and intermediaries we have been striving in recent times to reduce the number of insurers and product providers with whom we deal in order to achieve the economies of scale essential to our business. We do however remain confident that our franchise holders are able to compete in all areas of the marketplace and are particularly competitive in many specialist areas such as Commercial Vehicles, Taxis and Commercial Package risks where, in many instances, we are able to set the rates upon referral to our Head Office underwriting team.

The closed nature of our computer system has enabled us to pilot a number of exclusive schemes on behalf of insurers, many of which have brought considerable financial benefit to our franchise holders and insurers alike.

In addition to our wide range of standard facilities there are many add on products that can be sold to your clients including Legal Expenses, RAC Breakdown Cover and Personal Accident.

Premium finance facilities are also provided on line for both Personal and Commercial policyholders and a useful additional income can be derived from these sources.

Needless to say our reputation in the market place ensures that the highest possible levels of commission are payable to franchise holders with the current rate for all screen rated motor and commercial vehicle products being 13%.





## Compliance

Coversure have been working in a compliant environment for many years, firstly under the auspices of the ABI Code of Practice and latterly as members of the General Insurance Standards Council. With the advent of regulation by the FSA early in 2005 Coversure will continue to trade as at present with each individual branch being authorised in their own right.

As you might expect, a full compliance support service is given to franchise holders by the Head Office based Compliance Department and auditing team.

In 2005 Coversure were amongst the first winners of the Complinet Compliance Awards triumphing in the category of 'Most Cost Effective Use of Compliance Technology'.

## Costs and application

Our aim is to provide you with the very best facilities at the lowest possible cost and our arrangements with insurers mean that our on going fees amount to a maximum of 10% of gross commission and fees.

The following are included in the initial investment of £20,000 +VAT

- Franchise Contract
- One off Software User Licences for 2 System Users
- Start up Printed Stationery Pack consisting of 10,000 Letterheads, 1,000 Compliment Slips, 500 Business Cards , 2 Bank Paying in Books and 2 Receipt Books
- 2 Bin Laser Printer and Network Card
- System Installation
- Training including System Use, Accounts, Credit Control, Compliance and Marketing
- Start Up Marketing & Agency Support Including Comprehensive Manual
- BIBA Membership
- Initial Direct Mail marketing Campaign (up to the value of £3000)

You will need to make financial provision for the following additional items:

- 2 Contemporary PC's
- Computer Services (£529.50 + VAT per month, for 2 users)
- Telephone System Fax Machine & Photocopier
- Signage (arranged by Coversure)
- Office Decoration and Carpeting
- Rent & Rates
- Professional Fees (accountants fee, solicitors fee and bank charges)
- Advertising
- Credit Card Charges
- Postage
- Premises Insurance
- Working Capital
- Access to Coversure Academy On-line training programme (around £20+ VAT per month) *First 3 months FREE*
- Professional Indemnity Insurance (arranged by Coversure typically £70 per month) *First 3 months FREE*
- Access to 3rd Party Commercial Insurance Quotation Systems (around £30 per month)

## Claims

A 24 hour claims helpline is available to Coversure clients and removes the responsibility for dealing with claims from our franchise holders who are charged a nominal fee for the service. The fee is normally recoverable from clients as part of the charge made for Legal Expenses cover.

In many circumstances the Coversure Claimsline will direct clients into the claims handling departments of major Insurance Companies and manage the claim accordingly. An independent claims handling service including repairs and car hire is also offered to clients where appropriate.

A number of additional income streams are available to you from the claims area which we will be happy to discuss with you.



# Marketing

Coversure will be happy to help you with the promotion of your newly established business and we will provide various support services, including an annual business clinic, during which we will discuss your progress in detail and implement a variety of marketing plans to help you achieve success.

Although the cost of all marketing and promotional activity is borne by the franchise holder, Coversure provides a range of support services, the cost of which is included in the monthly charge including:

- Business planning and advice service including annual business clinic
- PR in the form of local press releases
- Corporate and compliance sign off service
- Sourcing of data
- Advertisement and mailing design service
- Direct mail campaign set up
- Telesales campaign set up
- On-line marketing support manual
- Branch website design and hosting service
- Internet quote and buy facilities
- Cross selling support services including bulk marketing letter facility

The full cost of a start up marketing campaign (£3,000) is included in your initial investment and is normally used to fund a direct mail or telesales campaign targeting local businesses.



## Meetings and Conferences

As a Franchise Holder you will be invited to attend a number of training courses and social events throughout the year culminating in our annual AGM Exhibition and Conference which takes place in November.

The event is attended by Head Office Staff, Insurance Companies and other Product Providers together with their families, giving franchise holders the unique opportunity to socialise with their business partners in a pleasant atmosphere.



## Summary

With the arrival in the general insurance marketplace of direct insurers, the internet and digital television together with competition from banks, building societies and supermarkets you would not be surprised to hear that the days of the full time independent intermediary are numbered.

Our experience tells us that this is far from being the case. Coversure branches that have opened in the past year have been amongst our most successful ever with premium income far outstripping that of their predecessors, despite increased levels of competition.

The key to success is marketing your business in a compliant manner.

If at all times you are aware of which products available to you are most competitive and you have a plan in place to market those products effectively then you have the recipe for success.

Our job as a franchisor is to develop a range of competitive products for you and to make available the tools you require to market those products to your clients. We have a great deal of experience of what does and doesn't work in the marketplace and we are in a position to pass on that knowledge to you.

You have only to add your own expertise and a great deal of hard work to the mix in order to share in our success story.

We are happy for you to talk to any of our existing franchise holders if you would like any further information and if you would like to visit us here in Huntingdon and see for yourself what we have to offer then you will be made most welcome.

We look forward to seeing you soon.



Coversure Insurance Services

Coversure House

Vantage Park

Washingley Road

Huntingdon

PE29 6SR

Telephone 0800 3081 326

[www.coversure.co.uk](http://www.coversure.co.uk)

# Application Form, page 1

## PERSONAL DETAILS

Title: Mr  Mrs  Miss  Other: \_\_\_\_\_

Surname: \_\_\_\_\_

First Name(s): \_\_\_\_\_

Address: \_\_\_\_\_

\_\_\_\_\_ Postcode: \_\_\_\_\_

Home telephone number: \_\_\_\_\_

Daytime telephone number: \_\_\_\_\_

E-mail: \_\_\_\_\_

Date of birth (day/month/year): \_\_\_\_\_

Time at address: \_\_\_\_\_ years \_\_\_\_\_ months

Number of dependants: \_\_\_\_\_

Marital status: \_\_\_\_\_

Name of spouse: \_\_\_\_\_

*(Please supply previous addresses if your time at your present address is less than 3 years)*

Address: \_\_\_\_\_

\_\_\_\_\_ Postcode: \_\_\_\_\_

Address: \_\_\_\_\_

\_\_\_\_\_ Postcode: \_\_\_\_\_

## YOUR HOME

Are you a: Homeowner  Tenant

Living with parents  Other \_\_\_\_\_

Monthly payment on Mortgage / Rent : \_\_\_\_\_

Approximate Mortgage outstanding: \_\_\_\_\_

## YOUR EMPLOYMENT

Employer / Name of your business : \_\_\_\_\_

Nature of business: \_\_\_\_\_

Business Address: \_\_\_\_\_

\_\_\_\_\_ Postcode: \_\_\_\_\_

Business telephone number: \_\_\_\_\_

Name of contact: \_\_\_\_\_

Position title: \_\_\_\_\_

Time with present employer: \_\_\_\_\_

Gross annual income: \_\_\_\_\_

Total household income: \_\_\_\_\_

Source of household income: \_\_\_\_\_

# Application Form, page 2

## YOUR PREVIOUS EMPLOYMENT

Previous employer: \_\_\_\_\_

Nature of business: \_\_\_\_\_

Business address: \_\_\_\_\_

\_\_\_\_\_ Postcode: \_\_\_\_\_

Business telephone number: \_\_\_\_\_

Name of contact: \_\_\_\_\_

Position title: \_\_\_\_\_

## YOUR BANK DETAILS

Sort code: \_\_\_\_\_

Time with Bank: \_\_\_\_\_ years \_\_\_\_\_ months

Account number: \_\_\_\_\_

Bank: \_\_\_\_\_

Branch Address: \_\_\_\_\_

\_\_\_\_\_ Postcode: \_\_\_\_\_

*Please enclose a letter giving your bank permission to grant a reference*

## YOUR FINANCIAL DETAILS

Details of outstanding commitments: \_\_\_\_\_

Reason for loan: \_\_\_\_\_

Date: \_\_\_\_\_

Outstanding balance: \_\_\_\_\_

## PROFESSIONAL DETAILS

Solicitors name: \_\_\_\_\_

Address: \_\_\_\_\_

\_\_\_\_\_ Postcode: \_\_\_\_\_

Solicitors telephone number: \_\_\_\_\_

Solicitors facsimile number: \_\_\_\_\_

## YOUR REFEREES

Name: \_\_\_\_\_

Address: \_\_\_\_\_

\_\_\_\_\_ Postcode: \_\_\_\_\_

Name: \_\_\_\_\_

Address: \_\_\_\_\_

\_\_\_\_\_ Postcode: \_\_\_\_\_

# Application Form, page 3

## YOUR REFEREES (continued)

Name: \_\_\_\_\_

Address: \_\_\_\_\_

\_\_\_\_\_ Postcode \_\_\_\_\_

## COMPLIANCE

Please list your professional qualifications: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Have you previously been approved by the FSA? \_\_\_\_\_

Are you currently an approved person? \_\_\_\_\_

Are you currently acting as a 'controller' as defined by the FSA? \_\_\_\_\_

## YOUR MOTIVATION

Please state your reasons for wanting a franchise:

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## PROPOSED LOCATION OF OFFICE

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