



INDEPENDENCE & SUPPORT— The Twin Benefits of an F&I Agency Acquisition

Deciding between being independent or being acquired by a larger organization doesn't have to be a difficult choice. Finding the right acquisition partner can allow you to maintain your entrepreneurial spirit while benefitting from the support and resources of a larger organization.



— www.SWDS.net —



You've built a strong, well-respected agency, but are you maximizing what you've built to its fullest potential with the ability to offer your clients the most competitive opportunities in your market? Being on your own means that it's sometimes hard to fill all the gaps and meet all your clients' ever growing expectations.

There's a solution to this dilemma: an acquisition by a larger F&I organization. However, this may not be as easy as it sounds. Questions may arise that will lead to delay or resistance. You're concerned you'll lose your hard-earned independence.

In either case, you'll have a lot to consider:

- ▶ Without being acquired, are you going to stay relevant and competitive in the near and long term?
- ▶ An acquisition could bring uncertainty about the status of the agency in the market, and how much independence your agency will still have as part of a larger organization that may operate with a more traditional corporate model. Can you risk that happening?

The result of staying stagnant – you don't know if you should be acquired and you can't know if you're competitive or relevant..

The fact is a merger, or an acquisition, doesn't have to bring a loss of independence or the uncertainty of a new partner.

The answer is to find a partner that will provide the benefits of a larger organization while allowing you to retain the entrepreneurial spirit that allowed you to grow and be successful in the first place.

The Downside of Independence

For agencies that operate in the F&I industry, being independent is an attractive benefit. You're the captain of your own ship — and running your business according to your rules and standards. Success is due to your own efforts and not the rules of a larger organization.

But the attraction of remaining independent can obscure some hard realities and challenges that are difficult to overcome. You are responsible for every aspect of your business — even areas that may not be your expertise or available through your agency model. These could include training, business development, compliance, and legal issues. This could severely limit your ability to serve your clients and even cause issues with client retention — and the long-term health and profitability of your business.

In addition, when times are tough or you need additional support, you may not have the proper infrastructure to fall back on. Your resources regarding training, product offerings, and other industry expertise will be limited.

More importantly, you may not have the resources to scale the business. This could be a serious impediment to growth. While there is nothing wrong with being an independent agency — and certainly developing a business on your own is admirable, for entrepreneurs who have ambitions to be more and expand, it is possible that you'll hit a natural threshold that will keep you limited without the support or resources of a larger organization.



The Uncertainties of Merging

Being part of a larger organization with national reach, gives independent agencies opportunities they wouldn't have being in a regional market. Partnering with a national player will provide your agency the access and resources otherwise not available to scale your business. Likely the root cause of resisting being acquired is over concerns of losing your long-held independence. This fear isn't unfounded. A larger organization may want you to do things "their way," which could mean not being able to serve your clients in a way that works for them and their market. For entrepreneurial agencies, this could also take the proverbial wind out of their sails — and destroy the motivation that agency leaders and their staff must have to build the business — one of the reasons why the agency is being acquired in the first place.

This could mean losing business instead of building it.

On balance, it would appear that neither independence nor an acquisition have an overriding benefit. But that doesn't have to be the case — it just takes finding the right kind of partner.

SWDS: The Best of Both Worlds

SWDS, an Acrisure Agency Partner, brings the best of both worlds to its acquisition partners — providing support while allowing agencies to retain their independence.

SWDS looks for partners that have a similar culture. Having aligned cultures allows for immediate synergies between SWDS and its new partner — meaning that both are poised for ongoing success.

The acquired company is allowed, and, more to the point, encouraged to maintain the innovative spirit that has been the catalyst to the agency's success.

But SWDS does more than simply encourage ongoing entrepreneurship. It provides the acquired agency a larger foundation to build their business, including income opportunities ranging from F&I products, dealer profit participation programs, best-in-industry auto security technology, and dealership income consulting.

Crucially, SWDS provides all the benefits of a larger organization to its agency partners, including efficiencies of scale, strong product mix, a stellar reputation, deep industry relationships, and more than 30 years of experience navigating the complexities of the industry's legal, financial, and regulatory environment as well as our world class Training Academy for clients and your team's skill development.

Specifically, SWDS provides the agency an array of tools and support where needed, including:

- ✓ National Presence & Infrastructure.
- ✓ Reinsurance Expertise.
- ✓ Most Technically Advanced Auto Security Offerings.
- ✓ Market Competitive Surety Programs.
- ✓ Dealer Centric P&C Opportunities.
- ✓ Training Academy.
- ✓ Workers Comp, Employee Benefits, Garagekeepers.
- ✓ Proprietary Menu Selling & Reporting.
- ✓ Integration Team.
- ✓ Marketing & Administration Support.
- ✓ Customer & Claims Support.
- ✓ Cross sell opportunities with Acrisure's network.

Taken together SWDS brings a best of the best approach to its agency partners — offering them the independence they expect with the support that will help you build your business and remain an industry leader for your dealers and their customers for years to come.

To find out more about how your agency can benefit from being part of SWDS, go to www.SWDS.net/BeMore.



ABOUT SWDS

Be a part of a company, instead of a company part
... Be More

SWDS, an Acrisure Agency Partner, is a full-service finance and insurance (F&I) company, training and consulting specialist, and producer of anti-theft hardware, dedicated to the shifting needs of U.S. based auto dealers.

With a network of more than 1,100 active dealers across 19 states, our focus on product innovation, superior customer service, compliance expertise and results-driven training, has redefined how our dealer clients measure success and grow their bottom line.
www.SWDS.net

POWER of Acrisure

Acrisure's success is due to our unique model, powered by an alignment of interests with our Agency Partners. Our Agency Partners maintain local autonomy, keep decisions at the customer level, and are offered tools and resources to accelerate growth. Acrisure is majority owned by employees and has \$2 billion in revenue across 561 locations in 39 states and 16 international locations. As a top 10 global broker, we are driven by the pursuit of limitless growth through exceptional partnerships.

Find out more at Acrisure.com.