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Trade Names

Company acts as insurance department

BY JOAN TUPPONCE
Special Correspondent

Gregory Herceg likes knowing he can call the Insurance Advocacy Group anytime he needs to.

"Whenever I have an issue that relates to property and casualty, they jump right on it," said Herceg, president and CEO of the Kloke Group, a residential and commercial moving and storage company.

Kloke spends hundreds of thousands of dollars a year on property and casualty insurance. It's the company's fourth-largest expense.

"It's a specialized area," Herceg said. "For a small company like us that does something like moving and storage, our risk is significant. We brought IAG in to be our outsourced risk managers."

Insurance Advocacy Group helped Kloke reduce its property and casualty insurance costs by more than \$100,000.

"They have been incredibly beneficial to us," Herceg said. "Our payback was almost immediate."

Hanover County-based Insurance Advocacy Group does not sell insurance. In-

stead, it serves as an insurance department for small to midsize companies, managing insurance programs such as property and casualty and employee benefits.

The company was founded in 2001 by Stewart Hargrove, who had served as president of A.W. Hargrove Insurance Agency, a company started by his grandfather in 1925. That company later was led by his father, Del. Frank D. Hargrove Sr., R-Hanover, who is retiring after 28 years in the House of Delegates.

After the insurance agency was sold in 1997, Stewart Hargrove started thinking about opening his own company.

"I was tired of selling insurance," he said.

But he wanted to use his experience and expertise in the field to help companies understand the insurance products they were buying.

"Buyers look at insurance as a necessary evil because the product can be very complicated and expensive," he said. "I wanted to be an advocate for the buyer. I believe that not any one individual has a monopoly on insurance intelligence. It takes an insurance agent, a buyer and an



JOE MAHONEY/TIMES-DISPATCH

Stewart Hargrove (left) began Insurance Advocacy Group in 2001. John Minor is executive VP.

underwriter all working together at the same level to solve problems so everyone benefits."

Hargrove recognized that many small to midsize companies don't have the financial resources to hire a full-time employee who will oversee risk management.

"I brought together the best insurance minds, and we work on an outsource basis representing our clients' interest within the insurance environment," he said.

When he started the company, Hargrove was the sole employee.

"I had a chair and a laptop in my home office," he said. "I picked up my first client just by explaining the concept of IAG. He knew his core business but didn't know how to affect the cost of an insurance policy."

Hargrove hired his first employee, John Minor, in 2004. Minor became executive vice president.

"His reputation is impeccable," Hargrove said. "He brought tremendous credibility to IAG."

The company has grown through customer referrals.

Since its founding, Insurance Advocacy Group has had a 20 percent to 25 percent growth in revenue each year. Clients include Woodfin Co., Slurry Pavers Inc. and Davenport Energy Inc.

"It's the greatest compliment to your service when your customer will call a competitor and refer you," Hargrove said.

Insurance Advocacy Group provides its clients with different perspectives on insurance issues based on industry experience.

"Advocacy is not just about the purchase of insurance," Hargrove said. "We work proactively. We help with claims adjustment, making sure all aspects come into play, and we also make sure there are no problems with insurance audits."

Brian Bertonneau, the company's executive vice president who joined the firm in April, had been a client of Insurance Advocacy Group when he worked at The RoomStore as the retailer's risk manager. Goochland County-based The RoomStore remains one of Insurance Advocacy Group's clients.

"They have been instrumental in looking at our over-

Insurance Advocacy Group LLC

What is it? a management service to handle insurance issues for small to midsize companies; the company is not employed by and does not represent any insurance company or agency, and it does not sell insurance

Employees: five full-time, including the owner

Owner: Stewart Hargrove, president

Location: 10321 Washington Highway in Hanover County

Contact: (804) 467-9914, (804) 337-6144, or www.insuranceadvocacy.com

all insurance program and overall negotiations with insurance providers," said Ned Crosby, The RoomStore's chief merchandising officer.

"They've also worked with us and insurance groups to facilitate claim handling," he said. "They collected in excess of \$100,000 more than we anticipated on one claim. They are extremely professional, knowledgeable and responsive."