



By MATT GLYNN
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Acquisition

Niagara Insurance sold to Florida firm

Niagara Insurance Group has been acquired by one of the nation's largest insurance agencies and brokers, Florida-based Brown & Brown.

The new owner declined to disclose terms of the deal, but it pledged to take the same "hands-off" approach it has used in other acquisitions.

"We're a highly decentralized organization," said Cory Walker, chief financial officer of Brown & Brown. "We don't consolidate anything. We are continuing exactly the way they are."

Niagara Insurance Group has 30 employees in Amherst and annual revenues of \$4.5 million. Publicly traded Brown & Brown has about 3,500 people and had revenues of \$456 million in 2002. It also reported record earnings of \$83 million that year.

Brown & Brown is part of the Standard & Poor's Mid-Cap 400 Index. Another measure of its size was that the Niagara Insurance Group deal was one of two acquisitions it announced in the same day. It also bought a smaller firm in New Jersey.

Brown & Brown is an insurance intermediary, not an underwriter. It markets and sells mainly property and casualty insurance and employee

benefits products and services.

Brown & Brown is expected to move its five Amherst employees into Niagara Insurance Group's offices. Niagara Insurance Group's management team, led by chief executive officer Theodore Sobolewski Jr., will remain intact.

"We truly believe it will be good for us and good for our clients,"

said Todd Salansky, a Niagara Insurance Group spokesman.

Walker said the deal will increase Niagara Insurance Group's clout with the insurance carriers it works with.

The acquisition also gives the employees a chance to tap into programs such as an employee stock purchase plan, he said.

Brown & Brown's stock closed at \$32.86 per share on the New York Stock Exchange on Friday, up 25 cents.

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