

Insurance Company, Insurance Agent: What's the Difference

by Ian Garner, National Director, Camp and Youth Recreation

A funny thing happened at the last conference I attended. My booth for Markel Insurance Company was next door to the booth for an insurance agent. I overheard a conference visitor say, "I can't believe they put competitors right next to each other."

Both the insurance agent and I jumped out of our booths to correct this common misconception. Insurance companies and insurance agencies are two totally separate entities that work together. In fact, one couldn't work without the other.

Let's start with a couple of definitions. An insurance company is the corporation that provides the insurance coverage (the policy) that protects your camp or club. The insurance agent is the person who sells the insurance coverage. Some insurance agents are independent, which means they sell insurance for several companies. Some are direct writers—they are employees of an insurance company and sell only that company's insurance. Markel works with both independent agents and direct writers.

So the next time you see an insurance company's booth next door to an insurance agent's booth, don't be alarmed—they're friends, not competitors.

If you have a safety or risk management question or a suggestion for a topic, please contact Markel's Risk Management Department at safety1st@markelcorp.com.