

INVESTIGATION AND SECURITY BUSINESSES SHOW STRONG GROWTH

Investigation and security service firms account for nearly \$453 million in premium from some 84,000 enterprises, according to data compiled by MarketStance, Middletown, Connecticut, with liability premium representing the largest line of business at \$172.5 million, or 38.1% of the total. It is followed by workers comp at \$122.3 million (27.0%); commercial auto at \$65.1 million (14.4%); BOP at \$53.7 million (11.9%); inland marine at \$21.4 million (4.7%); and boiler and machinery at \$1.8 million (0.4%).

This is a market that has shown strong growth in sales, employment and payroll over the four years from 2002 through 2006, with sales growth averaging 6.6% annually, payroll growing at 5.7% and employment at 2.6%. During the same period, there was a modest reduction in the number of enterprises and operating locations of 0.8% and 0.3%, respectively. MarketStance forecasts growth in all segments for the four-year period from 2006 through 2010 as growing concerns about personal and business security take hold.

This is a highly specialized market, dominated by a few wholesalers who have intimate knowledge of this business and its unique exposures. By the same token, it can be an attractive niche for independent agents who want to work with those wholesalers since it is a niche that is comprised primarily of small and mid-sized businesses.

For additional information on this or other niche markets, contact MarketStance at (888) 777-2587 or e-mail info@marketstance.com.

Investigation & security svcs (NAICS 5616)

All Lines Premium (\$000)



Investigation & security svcs (NAICS 5616)

Number of Enterprises

16,339

1,573

-100

66,209

Non-Employer Enterprises

Small Commercial Enterprises

Middle Markets Enterprises

National Accounts Enterprises

Exposure growth for investigation & security svcs (NAICS 5616)

