By Terri Getman, JD, CLU, ChFC, RICP, AEP (Distinguished), DBS Business Development Director

This year DBS will be celebrating its 50th anniversary. To honor this occasion, this weekly newsletter will include a section highlighting some of our noteworthy events and people. To kick this year off we went back into our archive and found the first issue of this Gazette written in February 1977. (View 1st Issue)

Much has changed in the life insurance industry since the February 1977 Gazette. In 1977 your product choices were limited to whole life and term, product sales were done primarily through representatives tied to a career agency system, and only a small percentage of business was sold through brokerage general agency distribution. Finally, much of the independent life insurance brokerage business was generated from representatives who had clients with medical impairments. This likely explains why a large section of the 1977 Gazette described impaired risk prospects.

Today there are numerous life insurance product choices beyond term and whole life, including variable life, universal life, indexed universal life, and private placement life. The brokerage distribution is now the largest distributor of life insurance, and while brokerage still excels at placing impaired risk insureds, most of cases sold are to healthy insured.

And, though we still try to keep our financial advisors informed of late breaking news and sales ideas, much has also changed with the Gazette, including the mode of distribution and the frequency. What I found particularly amusing was the Gazette’s featured article on the enactment of regulations concerning Section 79 and its application to permanent insurance. The article left us with hope that many of the gray areas would be clarified by the regulations. While it’s been over 40 years since the enactment of the regulations Section 79 permanent is still a hot topic and still on the IRS list of abusive transactions.

There is saying that I think is appropriate, “The more things change, the more they stay the same.”

Selling life insurance is still a delicate business. That’s one of the reasons why it is so very different from selling any other financial product. Almost all the other financial products are selfish purchases; they benefit the buyer directly. Life insurance is nothing like that because it benefits others when the insured can no longer do it himself/herself. It’s also one of only a few products you can only buy when you don’t need it.

The trick is to understand the true nature of the product purchase and why it can be difficult to consider. The best sales people realize that and help people get into it from a place that makes sense to them. We hope the DBS Gazette helps you by providing you with ideas that helps you communicate the value of life insurance to your clients.

George C. Van Dusen III, Founder
(1935-2012)

Watch for information all year long as we chronicle the rich history of DBS and its beginnings. We’ll share our noteworthy contributions to the insurance industry, the individual accomplishments of our people, and some interesting fun facts you may not know about our 2nd generation, family-owned company! Have a question about DBS? Now is the perfect time to ask! Direct inquiries to: laurat@dbs-lifemark.com