

# HG

2016 vol.09

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## Innovative Growth

Looking back at 2015, I am proud to say that it was a monumental year for the Heffernan Group. We hit some major milestones in eclipsing the \$100 million mark in corporate revenues and the \$1 billion mark in placed premium with our carrier partners. This would not have been possible without the impressive leadership of our operating entities and the dependability of our solid sales and service teams throughout all divisions.

Our investment in innovative technology to better serve our clients led to groundbreaking strides. Those investments will continue to set us apart in 2016 and beyond, especially in how we sell and cater to the small business community. As we move forward in forging new partnerships with technology companies, it will allow us to provide the types of services our clients demand and deserve in this ever-changing, fast-paced world. With that being said, as technology continues to disrupt our industry, we will be diligent in selecting the right tools to take our services to the next level. We are proud of our ability to quickly adapt and implement new ideas and technologies. This forward-thinking progressive behavior enables us to aggressively embrace tools and products that are best for our clients today and into the future.

On a personal note, we lost two very important and influential individuals from our team this past year, Alison Coolbrith and Lawren Chung. I will miss both dearly. Alison served on our Board of Directors from 1995 to 2015 before passing away on October 31, 2015. She played a major role in guiding our group to success, and she was a true friend of mine. We also mourned the loss of Lawren; she was a Claims Consultant in Southern California who truly embodied the Heffernan way. She passed away far too soon, on February 4, 2016, but her lively spirit will always be remembered.

We are grateful for the continued support from our clients, vendors, and employees as we remain independently owned in this competitive industry. Our independence allows us to remain true to our culture, and I am optimistic that our clients recognize this as an added value throughout our business and services.

Thank you.

*F. Mike Heffernan*

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For the last six years, HG Magazine has been named a winner of the American Business Awards (aka "The Stevies") for "Best Annual Report." See [stevieawards.com](http://stevieawards.com).

# TOC





# ABOVE & BEYOND

At Heffernan, we are proud of our client relationships. And proud to share with you four companies that went above and beyond this year for both Heffernan and their communities. We wish to thank them for all that they do.



## The Rodrick Group

The Rodrick Group builds authentic restaurants on a foundation around one single word ... YES! With a culture embracing authentic sincerity, from food to service programs, the restaurants strive to have a heart, a soul and a service culture of YES.

"I was born with ketchup in my blood," CEO Scott Rodrick says. That's because his father was one of Ray Kroc's original McDonald's franchisees. Today, the Rodrick Group owns 15 McDonald's locations in Northern California, generating roughly \$35 million in revenues. And that's just the tip of the French fry.

Tastes on the Fly is another remarkable hospitality project. Scott cofounded the company in 2001 with the goal of bringing real chefs and local restaurant brands to the traveling public. With revenues approaching \$100 million, and restaurants in four cities, you might say Tastes on the Fly has reached cruising altitude. It was just named Best Food and Beverage Operator in the United States by Airport Retail News.

The Rodrick Group also pioneers new, unique restaurant concepts. One example is M.Y. China, for which Scott partnered with award-winning chef, Martin Yan. At M.Y. China, guests can watch world champion noodle dancers pull giant balls of dough into thousands of thin noodles using their bare hands. "It's a fun Chinese culinary concept that breaks some of the paradigms of the Western palate, with a unique service model that stands out from the crowd," Scott says.

**How Does the Rodrick Group Go Above and Beyond?** First, there's the culture that serves as the lifeblood of every Rodrick restaurant. "To be successful, we must sincerely believe in what we sell. We live in a fast-paced, transparent marketplace; only brands that are truly sincere and authentic will emerge as winners," Scott says.

Sincerity requires great people at every level who believe in the company mission. To that end, Scott's restaurants take pride in hiring carefully, treating employees with respect, offering advancement opportunities, and promoting safe work practices.

The company engages in the neighborhoods surrounding its restaurants, striving to align its outreach with the brand and culture of its restaurants—often with causes related to food. Scott also serves on the Board of Trustees for the Ronald McDonald House at Stanford, which is presently completing an expansion project that will double its room capacity. More than 100 families each night will call the Ronald McDonald House home as they seek care and comfort for their children facing life-threatening illnesses.

The Rodrick Group is pushing the envelope within the restaurant industry via a focus on pioneering ideas and a purposeful culture. We are happy to honor them with a \$1,000 donation to the Ronald McDonald House at Stanford.

## Pacific Hospitality Group

When you're at The Meritage Resort and Spa in California's Wine Country or Ko'a Kea Hotel and Resort on the Hawaiian island of Kauai, you don't think about all the reasons behind your luxurious and exquisite experience.

You don't have to think about these details because the Pacific Hospitality Group (PHG) team has tended to every detail for you. PHG manages, develops, finances and owns 10 hotels and resorts located in California, Hawaii and Louisiana.

This hospitality company stands apart because it only manages the properties it's invested in, which means the team has more "skin the game" and a greater commitment to its properties, employees and guests than you find at many hotels and resorts.

**How Does Pacific Hospitality Group Go Above and Beyond?** The company goes above and beyond for its guests every day as you might guess from the corporate slogan, "Unique experiences delivered by exceptional people." This statement means proactively making capital improvements and investing in the people who make each property unique, so they will, in turn, be inspired to surpass guests' expectations.

Although Pacific Hospitality Group employs nearly 3,000 people, each property strives to cultivate a family environment and take special care of its team members. Interestingly, each hotel has set up its own "Hearts of PHG" nonprofit organization for the exclusive purpose of helping employees during times of need with things like medical bills, funeral expenses and even car repairs. It's a very organized process, with a review committee to determine the best allocation of funds.

"At PHG, we strive to help not only our surrounding community but also our employees," says Steve Arnold, president and CEO of the Pacific Hospitality Group. "This is not a typical corporate environment. We truly care about the welfare of our people."

Because PHG owns its properties, its profit is closely tied to how well it manages its risk. In fact, the company employs a director of risk management who spends a large portion of his time ensuring that the hotels fully comply with ADA requirements. Pacific Hospitality Group also spends extensive time on employee training and safety incentives to reduce the incidence of workplace injuries.

At Pacific Hospitality Group, people and values really do come first. We are pleased to honor the company with a \$1,000 donation to Big Brothers Big Sisters of Orange County.

## Mary's Pizza Shack

You know the place where everybody knows your name? No, we're not talking about Cheers. In California's North Bay, that restaurant is Mary's Pizza Shack. Founded in 1959 by Nonny Mary with her life savings of \$700, Mary's Pizza Shack is an iconic restaurant chain that's been thriving for nearly six decades. Today, the company has 20 locations—16 owned and four franchised. (Franchise locations are also owned and operated by Mary's family members.)

Mary's grandson, and CEO, Vince Albano, has been working at Mary's "since he was born." His first paying job was picking up silverware that fell through the slats on the restaurant's front porch. He earned a nickel for each piece of silverware he retrieved. When asked to describe his company's culture, one word came to mind: FAMILY. "It all started with Nonny Mary. She treated her guests and team members like family," Vince explains. "This is a special environment where leaders are promoted from within. Of the 10 people in senior management, seven got their start as dishwashers or salad makers."

**How Does Mary's Pizza Shack Go Above and Beyond?** First, there's the food. The company makes almost everything from scratch—including pizza dough, gnocchi, soups, salad dressings and pasta sauces—and yes, they still use Mary's famous open-kitchen format, originally designed to allow her to chat with her cherished guests as she prepared their food. Then there's the people. Mary's is powered by four generations of family, and employees who have so much tenure, they've become family. In fact, they have 30 team members who have been there more than 20 years. The company operates with an open-door policy and a culture of mutual respect. There's also the safety-conscious culture. Mary's manages its workers' compensation and general liability exposures through captive insurance programs, giving company leaders a lot more involvement in claims decisions and a better understanding of claims spending. "This has turned out to be one of the best insurance decisions we have ever made," Vince says.

And let's not forget the community commitment. Last year, Mary's gave more than \$250,000 to charitable causes, including \$127,000 to local schools through its "Dine and Donate" program. Mary's also provides jobs to disabled workers through the nonprofit organization Becoming Independent. And the company gives roughly \$150,000 worth of free bambino pizzas to the local elementary schools that surround its restaurants each year. Bravo!

We at Heffernan Insurance are so happy for the opportunity to work with all the great people at Mary's Pizza Shack. As a token of our appreciation, we are donating \$1,000 in their name to Becoming Independent of Sonoma Valley. A big thanks to Mary's Pizza Shack for going above and beyond every day!

## Silver Oak Cellars

From its early beginnings in 1972, Silver Oak has walked to the beat of its own drum. Founders Ray Duncan and Justin Meyer set their sights on a single varietal—Cabernet Sauvignon—at a time when Napa Valley wasn't known for producing world class Cabernet. They envisioned a rich, complex wine that would be deliciously drinkable at five years of bottle age and also worthy of cellaring for years to come.

They succeeded in their mission—in Oakville and the Alexander Valley—quickly earning accolades as one of California's most respected wineries.

Then, in 2006, a fire devastated the 7,000-square-foot barn that was Silver Oak's original winemaking facility in Oakville. The fire destroyed 70 barrels of Cabernet, causing considerable smoke and heat damage throughout the winery.

When it was time to rebuild, Silver Oak didn't just rebuild. They rethought everything, blending time-tested principles with cutting-edge technologies. This innovative approach is also a signature of Silver Oak's vineyard management program. A system known as Precision Viticulture uses grafted monitors throughout the winery's estate vineyards to transmit data to the Silver Oak winemaking team, effectively communicating a vine's exact needs in real time, resulting in smaller, more concentrated fruit.

**How Does Silver Oak Winery Go Above and Beyond?** While the winery's innovation record is impressive, its sustainability approach is equally so. Silver Oak is currently building a new winery in the Alexander Valley which will be LEED Platinum certified. The Oakville location will also be LEED certified this year.

Silver Oak also emphasizes a safety-conscious workplace and a best in class approach toward the needs of its vineyard team and partner growers. On the risk management side, the winery manages its workers' compensation exposure through a captive program. "If our claims outperform projections, we get the benefit of the investment income, which is great. It's like owning instead of renting," CFO Rickie Pina explains.

Silver Oak is a forward-thinking partner in our community and a supporter of Boys and Girls Clubs of St. Helena and Calistoga. We are honored to recognize them with a \$1,000 donation on behalf of Silver Oak and Heffernan. Thank you for going above and beyond Silver Oak!



In the end we only regret  
the chances we didn't take ...

*Lewis Carroll*

# THE KEY TO FUELING SUCCESS

*Yalla Mediterranean, Marin Sanitary Service,  
Fleenor Paper Company,  
The Mexican American Opportunity Foundation,  
Quest Nutrition and Soylent*







# YALLA MEDITERRANEAN FORWARD-THINKING

For a moment, close your eyes and envision an urban Mediterranean market. Taste the flavors of skewered grilled chicken infused with authentic Mediterranean spices and accompanied by basmati rice and seasoned vegetables. Share pita chips, hummus and baba ganoush with friends along with a glass of wine.

While it may seem like you've been transported to Turkey, Lebanon or Greece, you're actually at a Yalla Mediterranean restaurant in California. With seven Yalla restaurants currently, and 30 recently acquired Daphne's locations, this new healthful fast-casual dining concept is set to explode.

"There's a pent-up demand for Mediterranean flavors. People want tasty, affordable, healthy and accessible dining alternatives, and we deliver all those things. These are the primary drivers behind our fast growth," says CEO Dave Wolfgram.

#### How is Yalla Mediterranean Different?

Accessible, affordable Mediterranean for all. Yalla brings fresh, high-quality Mediterranean food to the masses. In the past, you could only find this type of authentic cooking in a mom-and-pop format. "Many people have never tasted authentic Mediterranean cuisine before and are now experiencing it for the first time," Dave says. He recalls the story of a retired longshoreman in Seal Beach who tried Yalla for the first time, whose response was, "Wow! I'm so glad I tried this."

Made-from-scratch cooking supports clean eating. Yalla's menu supports the clean-eating movement with all-natural, farm-to-table ingredients and an ideal balance of proteins, vegetables, and carbohydrates. "We are laser-focused on local, healthy eating," Dave says. "All of our food is prepared fresh daily, which isn't standard practice in the fast-casual and quick-service industries." The made-from-scratch ingredients are vibrantly showcased at each restaurant, from the live lemon tree and in-store herb wall onsite, to the colorful seasonal sides and salads displayed along the customer line.

Environmentally friendly, green business model. Yalla is committed to leaving a small eco-footprint, and uses compostable packaging, napkins, straws, utensils and cups. The restaurant also features salvaged wood décor and rustic accents, which further demonstrates their commitment to the environment.

#### Forward-thinking from the Top Down

Founded in 2014, Yalla has taken off as a restaurant concept with great promise. Yalla is owned by parent company, Victory Park Capital, and led by a "who's who" team of restaurateurs with impressive backgrounds and expertise. CEO Dave Wolfgram has over 35 years of hospitality experience building successful concepts from the ground up, including previously being the VP and Managing Partner of Let Us Entertain You Enterprises. Consulting Chef Russell Bry, who co-founded Maggiano's and Corner Bakery Café, worked alongside Richard Badonsky to open Le Bastille, Tango and George's in Chicago, and recently assumed the position of executive chef with the iconic Giordano's Famous Stuffed Pizza Company. Concept Chef Dexter Lee oversaw menu execution for Boudin Bakery & Café's new and existing locations and then worked at Delphina. There are many others. "We've assembled a team of seasoned restaurant veterans who know how to grow a brand," Dave says.

Of course, diligent risk management and safe work practices are paramount when serving fresh ingredients to an ever-growing population. After hearing of Heffernan's strong reputation and conducting thorough due diligence, Yalla placed its workers' compensation program with Heffernan.

"Working with the Yalla team reminds me that the best thing about my job is having the privilege to work with smart, engaged and creative people who run businesses that truly make a difference. It's been amazing to witness how far Yalla has come in a very short time. Every time I go to their local restaurant, I see more and more people enjoying their experience, almost with a sense of wonderment on their faces. We're excited to be a small part of Yalla's budding success story and look forward to continuing to earn our place at their table," says Heffernan Senior Vice President, Brant Watson.





# MARIN SANITARY SERVICE

## RECYCLING PIONEERS

In 1948, when Joe Garbarino was in high school, a business was started that would change the community and protect the environment. That company was Marin Sanitary Service (MSS). The founders had observed that people were throwing away more than they should, and that much of it could be reused. In Joe's words, "We were never garbage men. We were scavengers."

MSS started as a team of two and then grew to eight. Today, it employs 245 workers. Joe bought in at age 22. Today, at 83 years old, he's Chairman of the Board—and still learning something new every single day. In addition to serving Marin County, the Garbarino family is a 25 percent partner in the Napa County waste and recycling services. Three generations of Garbarinos are now involved, and the family is proud to have attained a 75 percent recovery rate for the waste they recycle. But they're not done. They're aiming for 100 percent.

### How is Marin Sanitary Service Different?

**Recycling Pioneers.** MSS is more than just a part of the green movement—the company helped invent it. In 1930, the Garbarinos were scavengers in San Francisco, collecting, sorting and recovering waste by hand. Today, this is called recycling, but back then, it was "pearl diving." Their second start at recycling came in 1979, when their proposal won a grant from the state of California. The following year, MSS launched the first curbside recycling program in the U.S.

**Turning Food into Energy.** The company converts food waste into energy through their F2E program, using anaerobic digestion to transform organic material into methane, which can be then sold back onto the grid as a power source in a partnership with their community's storm water treatment plant. Currently, MSS collects eight tons of pre-consumer food waste per day, a number that continues to grow.

**Educating the Community.** Community outreach and assistance is an important piece of what MSS does. "Our customers really support what we do," Joe says, which is why the company has been able to build an effective classroom program to spread awareness about the importance of recycling and environmental stewardship—starting with preschoolers!



### Risk Management Challenges and Improvements

As manufacturing practices evolve, the mix of waste that the company recycles is constantly changing, which bears an impact on its bottom line. For example, because it's cheaper to produce new plastic from oil than it is to recycle it, it's

difficult to find buyers for recovered plastic. There's also less demand for newsprint, and some products, like paper and tin, are lighter than they used to be, and as a result, they don't generate as much revenue as they have in the past.

For years, Heffernan has supported the company's risk management efforts with "a multi-lingual safety program that's getting better all the time," Joe says. On the workplace safety front, conditions have never been better. With recent innovations in automated machinery, MSS workers don't have to lift or climb as much as they once did, which has resulted in fewer claims.

At work, and throughout the communities they serve, MSS is creating a cleaner, more sustainable future. That's a difference that deserves recognition.

*Marin Sanitary Service*

CONSERVATION – OUR EARTH, OUR MISSION, OUR JOB





# FLEENOR PAPER COMPANY

BRAVERY.

CREATIVITY. INGENUITY.

These qualities were the impetus behind the founding of Fleenor Paper Company more than 50 years ago. They're still driving the company forward today.

The Fleenor Paper story began in 1962. While working as a typesetter and printer, Leroy Fleenor noticed a lot of paper was thrown away. The solution? He designed a homemade sheeter in his garage using plywood, old pipes, a carving knife and a discarded motor—ultimately succeeding in converting scrap paper into sheeted newsprint. He sold his first pallet of newsprint and a new business was born.

Today, Leroy's daughter, Rebecca Fleenor, is at the helm of an environmentally friendly packaging manufacturing company with a network of distribution centers covering the U.S., Canada and Mexico. With more than \$60 million in annual sales, the company's products are used by a variety of industries including moving, furniture, health care and food service.



FLEENOR PAPER COMPANY



## How is Fleenor Paper Different? In Three Unexpected Ways.

**No Fancy MBAs.** According to CEO Rebecca Fleenor, neither she nor her leaders were trained in business. They simply liked the industry, liked working together and were willing to learn on the job. Most people started at the bottom and moved up through the ranks based on merit, loyalty, intelligence and a willingness to hang on through thick and thin.

**No Politics.** Rebecca knows that the person who is the janitor today may be the COO in the future. She and her team put a great deal of thought into how to appreciate, develop and grow their people at every level. It's all about equal opportunity.

**No Growth Implosion.** Fleenor began as a small company with humble roots and has grown exponentially, particularly in the past 10 years. "We're different because we've been able to survive and sustain as a family-operated company. We have risen to the occasion and made it happen," Rebecca explains.

### Risk Management

The paper industry has low margins so it's important to save every dime possible on the risk management side of the equation. The honest, no-frills values that have helped Fleenor Paper expand also inform the company's safety and risk management policies. "I'm actually a rule follower," Rebecca says. "I believe in programs like OSHA and workers' compensation." Further contributing to her risk management prowess is a healthy dose of paranoia. "I worry about all the things that could happen, then I figure out what we realistically need to plan for," she says.

At first, Rebecca was afraid to leave her small broker, but she eventually allowed Heffernan to quote and earn her business. It's been a good move. Heffernan has helped them save money and has also exceeded their service expectations. "Our business is complicated with multiple locations, servicing multiple disparate industries and a cyclical nature. My broker, Josh Fagin, has patiently taken the time to help me properly analyze issues like business interruption in a real and meaningful way," she says.

Rebecca knows that like good business, smart risk management requires a bit of bravery, creativity and ingenuity. In Heffernan, she's found a partner who can help with all three.

Photo of Rebecca Fleenor







# THE MEXICAN AMERICAN OPPORTUNITY FOUNDATION

## Building Better Communities

On the edge of N. Main Street, La Placita Church stands warm and vibrant in the sunshine. In the historic El Pueblo district, there's a bustle of life and culture at the outdoor Mexican marketplace. Traditional cuisine, bursts of color, events like Fiesta Broadway and Dia de los Muertos—these are just part of what it means to be Latino in Los Angeles.

They're also why the Mexican American Opportunity Foundation (MAOF) exists—to preserve the pride, values and heritage of Mexican American culture in California.

MAOF also strives for socioeconomic betterment in the communities it serves. Martin Castro, President and CEO of MAOF, says that the nonprofit assists more than 100,000 people a year across seven counties, bringing comprehensive human services to multicultural communities, such as early childhood education, economic sufficiency, and job training for at-risk youth. For seniors, MAOF contributes to quality of life through food banks, home modification (e.g., wheelchair access) and caregiving services. From infants to teens to seniors, MAOF makes a tangible impact.

### How is MAOF Different?

**A Remarkably Stable History.** For 53 years, MAOF has weathered storms, survived economic and political fluctuations in funding, and continued to grow. Through that time, it has earned a great deal of credibility in the communities it serves. But MAOF doesn't rest on that: the nonprofit is always looking for ways to expand and offer more to those who are underserved.

**Long-term Service from Dedicated People.** The program directors of MAOF have been on board for more than 20 years, working with a team of more than

900 employees. The organization is driven by passionate, dedicated people who derive a tremendous reward from building better communities. Being part of that team is very inspiring.

**A Tangible Difference in the Community.** MAOF services make a measurable impact in people's lives. "For example, let's say a single mother works full-time, earning \$12 an hour. She has three children not yet old enough to enroll in public school, but she can't afford daycare. MAOF subsidizes that cost, empowering her to keep her job while knowing that her kids are safe, and that they're learning. We routinely hear from families who've seen improvements in their kids' behavior and learning, laying the foundation for success later in life," Martin explains.

### Risk Management Challenges, All Shapes and Sizes

MAOF faces many risk management challenges. There are IT risks, such as data security. There are political risks as well. State-initiated program cuts could translate to a reduction in services, causing communities to suffer. This economic insecurity is even greater during an election year, when new leadership could go after program funding. Then, there are risks inherent to providing for the health and safety of the children with whom MAOF is entrusted. Finally, there's the risk of work-related injuries. Workers' compensation is an expensive exposure for this industry.

Since partnering with Heffernan, MAOF has been able to control the incidence of employee injuries by establishing a proactive safety committee staffed by the HR director and program directors. As a result, the nonprofit's workers' compensation insurance experience mod has improved, saving MAOF money. MAOF is also greatly appreciative of Heffernan's philanthropic support for its mission. "Heffernan is a good partner, and a key player in our success," Martin says.





# QUEST NUTRITION

## FIGHTING METABOLIC DISEASE

If you could accomplish any goal in the world, what would you choose? For Quest Nutrition, it would be eliminating metabolic disease. Nick Robinson, Chief Marketing Officer at Quest, says that's the company's mission. "Of all the factors that play a role in human health, food probably has the biggest impact—even more than the environment and genetics," he says. On the other hand, it's not enough for food just to be healthy. Anyone who has chosen a delicious chocolate cookie over a healthy snack that tastes like cardboard knows that. "You should be able to eat healthy foods that taste good," Robinson says. "Eating is an emotional experience, as it should be."

Quest was founded in 2010. Since then, it's grown a team of over 2,000 employees working within 600,000 square feet of manufacturing space—an incredible rate of growth, which has required, in Robinson's words, insane focus. But that's what it takes to build customer trust while striving to create a product with the power to reinvent its category.

### How is Quest Nutrition Different?

**A New World of Clean Cooking.** With the best-selling protein bar in the history of protein bars (it's chocolate chip cookie dough), Quest isn't concerned about status quo. Traditional protein bars, frankly, didn't taste good; they wanted to change that. And they did so by refusing to sacrifice, often asking suppliers to custom-make ingredients so they could deliver the very best.

**Moving People Toward Their Goals.** Quest doesn't just use marketing to sell protein bars. They use marketing to create a lifestyle. With two-way communication through social media, as well as an array of entertaining videos, the company strives for deep, intimate relationships to bring people into the Quest ecosystem and inspire fans to be their best. "People want to know it's moving them toward their goals," Robinson says.

**Fighting Metabolic Disease.** In addition to making protein bars, Quest created a nonprofit called the Epigenix Foundation to research metabolic health through food-based studies. At their 50-acre sanctuary ranch in Texas, the nonprofit rescues dogs scheduled for euthanasia and transitions them to a ketogenic diet (high in fat, very low in carbohydrates), in order to show how food can be leveraged to control diseases such as cancer. "The results are so compelling," Robinson says.

### Manufacturing and Labeling Challenges

Quest set out to reinvent protein bars with revolutionary recipes and ingredients. But to do so, they realized they would have to manufacture their own products. The machines that manufactured most protein bars were also used to manufacture candy, and in order for them to function, the bars had to be pliable. In other words, they had to contain a lot of sugar and corn syrup, or else the machines would seize up. That was unacceptable to Quest, so they self-engineered their own equipment and took on manufacturing in-house. International labeling was another challenge, and a painful one, although Robinson says this was a worthwhile price to pay. Today, Quest is sold in over 80 countries.

As the company has grown, it has required a strong risk management partner—one familiar with risks inherent in food supply, and well-networked with food industry carriers. That's exactly what they've found at Heffernan Insurance.



The French Toast pictured on the right was made with Quest Vanilla Milkshake Protein Powder and Cinnamon Roll Quest bars. The recipe can be found in their *Cheat Clean Cookbook*.





# SOYLENT

## COMPLETE NUTRITION

soylent

In 2013, engineer Robert Rhinehart was living with a team in a hacker house in the Bay Area, working on starting a tech company. But there was a problem ... food prep. He and his team couldn't keep the fridge stocked. Anyone who's gotten completely absorbed in a project knows the feeling. Rhinehart called it crunch time. You're studying for an exam or immersed in a project, and you don't want to stop for meals. So you live on junk food, spend too much money eating out, or skip eating altogether. Tight budgets, too, can cause the crunch. When you're living on five dollars a day, you want to spend it on the most nutrient-dense food available to you.

Their solution: Create a new kind of nutrition known as Soylent.

The name "Soylent" will ring a bell for sci-fi enthusiasts. It comes from the 1966 novel *Make Room! Make Room!* which inspired the film *Soylent Green* in 1973. For Rhinehart, it evokes an affordable, nutritionally complete, low-effort source of food—which is exactly the goal.

### How is Soylent Different?

**Complete Nutrition.** Theoretically, you could live on five bottles of Soylent a day without neglecting your nutritional needs. Each 400-calorie serving contains 20 percent of every nutrient you need in a day.

**Not a Sugary Snack.** High-energy foods are not a new invention: Meal shakes and energy bars have been around a while. But those are typically high in sugar, and they're designed to be consumed as snacks or supplemental meal replacements—not as complete, ongoing nutrition during demanding times.

**An Answer to Hunger.** The company's mission is to bring affordable nutrition to everyone. By putting a nutritionally complete meal in a bottle priced at less than \$2.50, Soylent raises a question: Could this product help solve world hunger? Soylent says that's a long-term goal—its product could help end the problem of malnutrition.

### Managing the Risk that Comes with Growth

Soylent has been in business since 2013. Today, the company is powered by more than 40 employees with operations filling three floors of a Los Angeles-based office. The last 12 months represented a period of rapid growth. The company attributes its success to operating with complete transparency, which in turn has created a strong following of loyal and trusting consumers.

As a rapidly growing company, Soylent has encountered a number of risk management challenges. They rely on their Heffernan advisor to provide coaching, identify vulnerabilities and guide them to the right coverage. Key concerns include supporting employees in a comfortable, safe working environment and overcoming a variety of logistical challenges such as buying ingredients in large quantities, managing shipping exposures and maintaining a quality product at an affordable price point.

Remarkably, Soylent has achieved an exceedingly low turnover of only 10 percent (most startups have four or five times that rate), and has developed a supportive company culture with generous benefits, treating employees as people first and empowering them to reach their goals. As time goes on, Soylent aims to continue growing, feeding people, and redefining the future of food.



# A Year (and a Journey) to CELEBRATE

Have you heard? In 2015, Heffernan reached \$100 million in revenues. To commemorate this achievement, we're sharing a few highlights from the journey—where we've been and where we're going.

The year was 1988. *Rainman* was a big-screen blockbuster. George Michael, INXS and Guns N' Roses topped the radio charts. In Walnut Creek, Calif., insurance producer Mike Heffernan set out to create a new, less corporate kind of insurance experience. He purchased an insurance agency with 13 employees and \$900,000 in revenue, and Heffernan Insurance Brokers was born. Melani Conti, Reynette Reuter and Nora Cortes were all part of the original crew. They all describe the trepidation and first impressions of meeting their new boss ...

- Melani: "He was super young—roughly 30 years old—and he showed up with hair down to his shoulders. It was surprising. In a 'good old boy' industry where everyone wore white collars and suit jackets, he stood out. At first I thought he better cut his hair. Then I realized, maybe not. His whole goal was to be completely different."
- Reynette: "He called me and Gloria into his office and gravely explained that he needed to let some people go. We started tearing up, and he quickly said, 'Oh—no, I don't mean you two!' That was one of my scariest and happiest moments."
- Nora (the least worried of the bunch): "I actually knew Mike from a few years before when we both worked for the same carrier. I told everyone he was going to be great—and he was ... and he still is!"

Today, 27 years later, Heffernan Insurance is powered by a team that is 425-strong, protecting business and personal clients all over the United States.

## What's in Heffernan's secret sauce?

According to Mike, it all goes back to their mission statement, "Have fun and answer the phone." It's really that simple. "There are countless insurance pros who know the business and have insurance product knowledge—it's like knowing how to hit in baseball," he says. "That's not what sets us apart. We are people who love our jobs, have passion for our work and who are accessible for our clients. Having the right attitude makes all the difference."

Heffernan team members describe a "work hard, play hard" culture where everyone is included, casual dress is the norm, and dogs are welcome at the office. That said, don't make the mistake of thinking they're not serious. "When it comes to taking care of clients, we do whatever it takes," says Melani.

They also do whatever it takes to take care of one another. "It starts at the top. Mike really cares about people, and he and the branch managers hire very selectively, so everyone here shares the 'caring' trait. That adds up to camaraderie, lifelong friendships and a positive environment that inspires everyone to do their best," Nora explains.



F. Michael Heffernan, 1988

*"To add value to others, one must first value others."*

In the early years, when it wasn't common to find women in insurance sales and leadership positions, Mike was a champion for equal opportunity, willing to give anyone a shot at their goals. Reynette, Melani and other women in the company seized the chance to build their careers with Mike's encouragement, excelling in a field dominated by men.

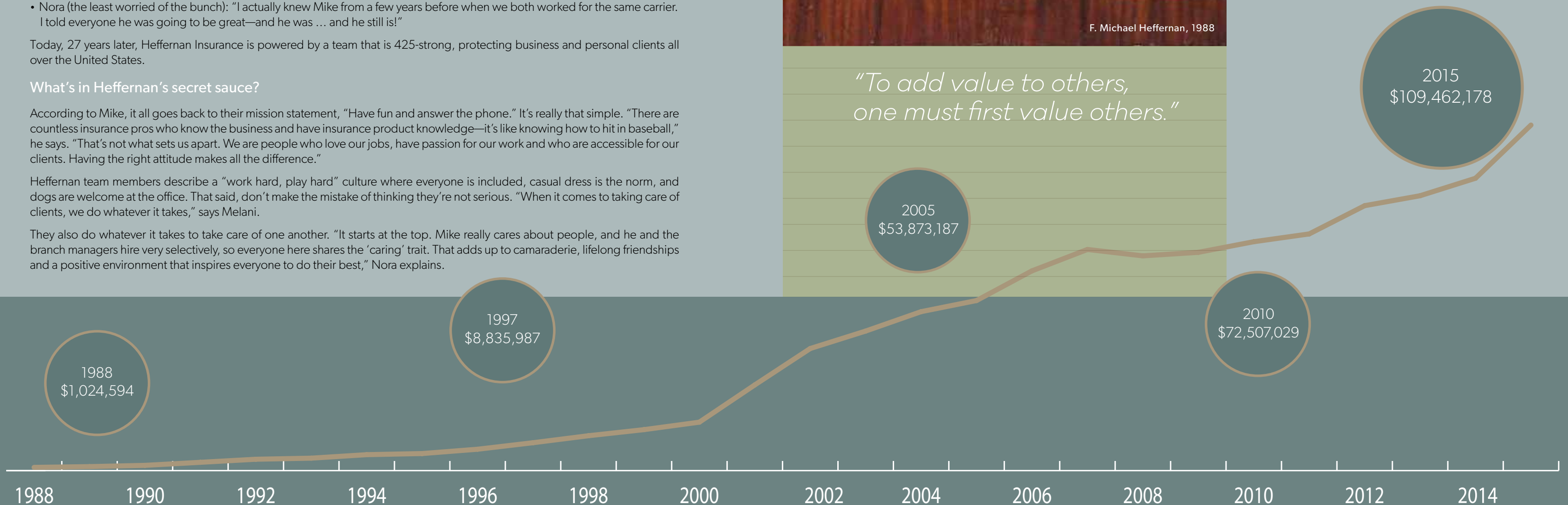
The company tagline, "Because You're Different" describes both Heffernan's clients and the reason clients choose Heffernan. As John Maxwell once said, "To add value to others, one must first value others." That wisdom certainly rings true at Heffernan Insurance.

## A glimpse into the future

Looking forward, the company vision is to stay independent; grow organically and through acquisition; look for opportunities to serve diverse constituencies; anticipate and meet the needs of a continuously evolving market; and most importantly ... to hold true to the amazing culture and people that brought Heffernan this far.

The story of Heffernan is one of an amazing family of people who have grown up together, and grown a business together. It's a story of a tight-knit team that has laughed, cried, and faced unexpected growing pains and well-deserved advancements. It's a story of a fantastic and exhilarating journey ... the kind of journey one hopes will continue forever.

Here's to the next \$100 million!

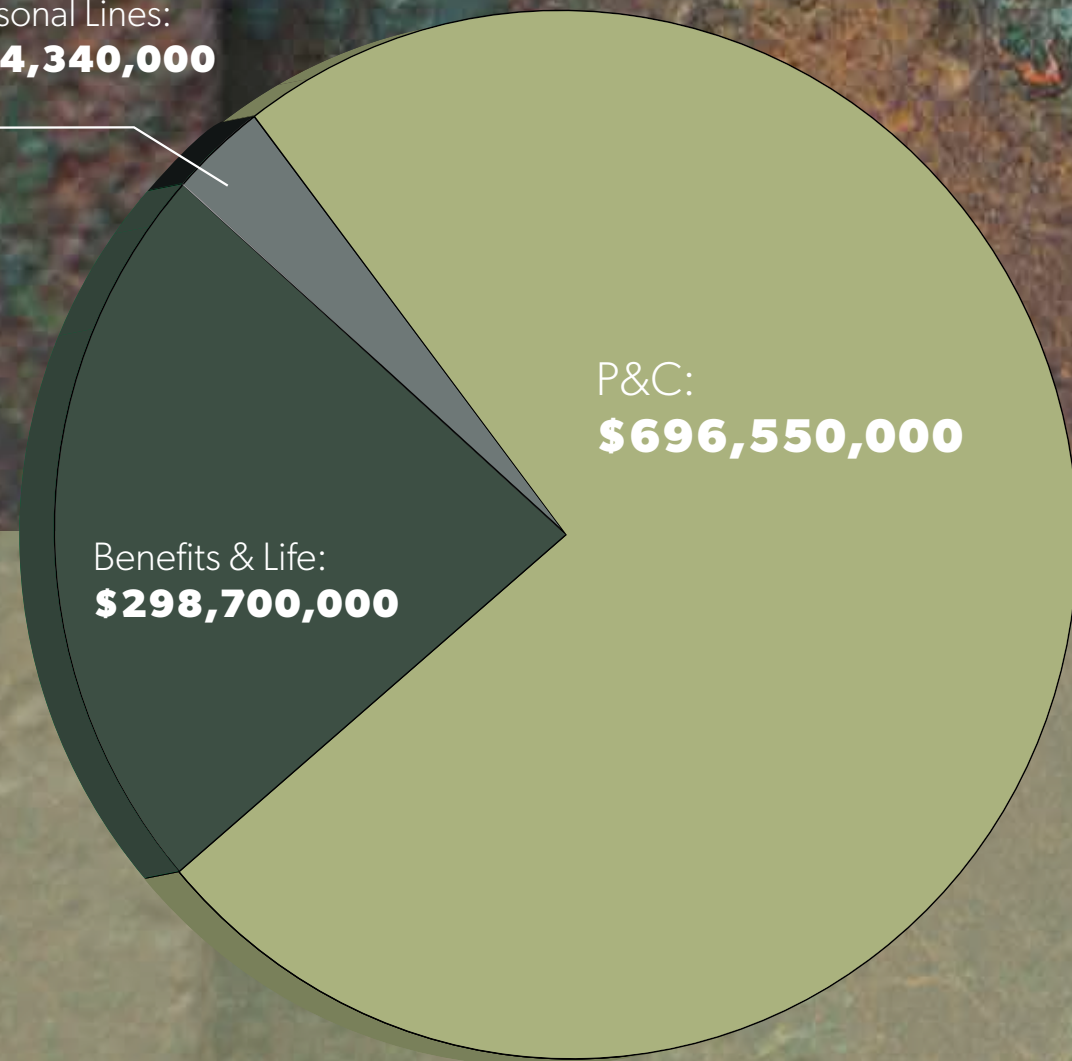




# 2015 HEFFERNAN INSURANCE BROKERS OVERALL PREMIUM VOLUME \$1,019,590,000

Total 2015 HG Revenue: \$109,462,178

Personal Lines:  
**\$24,340,000**



\*John Prichard, Sr., Blake Thibault, John Clark and Rebecca Tapia are registered representatives with, and securities offered through LPL Financial. Investment advisory services offered through Global Retirement Partners, LLC, a registered investment advisor. Global Retirement Partners, LLC, Heffernan Retirement Services, Heffernan Insurance Brokers, and Heffernan Investment Advisors are separate non-affiliated entities from LPL Financial.

\*\*Heffernan Investment Advisors: Wealth Management for Individuals, Corporations, Nonprofit Endowments, Custodian Services offered through Charles Schwab & Co.



## HEFFERNAN RETIREMENT SERVICES

Founded in 1991, Heffernan Retirement Services (HRS) has developed unique and proven strategies to guide corporations, nonprofits, individuals, and endowments through the steps of managing a retirement plan.

The members of the HRS team focus on retirement plans of all kinds and understand that each client's needs are unique. Our team specializes in integrated financial advice and offers a full array of in-house services including corporate retirement consulting and advice, assistance with retirement plan design and implementation, investment advisory, estate and financial planning, nonprofit consulting, and cash management.

Our Advisor team, led by Blake Thibault, has been recognized repeatedly by national groups including being named "Retirement Plan Advisor Team of the Year" by PLANSPONSOR Magazine for 2015. From plan design assistance, to investment oversight and financial guidance, to benchmarking, fee reviews and customized employee communication programs, we thrive on helping companies retain their most valuable assets, their employees. We are committed to educating both our corporate and individual clients on all aspects of the planning process. Our success is measured in terms of our clients reaching their objectives.

To meet the team or to learn more about Heffernan Retirement Services, visit our website at [www.heffgroupfs.com](http://www.heffgroupfs.com).

*2015 PLANSPONSOR Retirement Plan Adviser Team of the Year Award – Nominated by industry professionals and selected based on quantitative evaluation of service levels and feedback from plan sponsor clients. Advisors who have attained the PLANSPONSOR Retirement Professional Designation receive an automatic nomination.*

*2013 ASPPA 401(k) Advisor Leadership Award – Nominated by industry professionals and selected by a panel of industry peers based on leadership, innovation and contributions to the retirement plan industry.*

*2013, 2014, 2015 PLANADVISER Top 100 Retirement Plan Adviser Teams – Selected based solely on quantitative factors, including plan assets and number of plans, as reported directly by nominees.*

*John Prichard, Sr., Blake Thibault, John Clark and Rebecca Tapia are registered representatives with LPL Financial. Securities and Retirement Plan Consulting Program advisory services offered through LPL Financial, a Registered Investment Advisor, member FINRA/SIPC. Other advisory services offered through Heffernan Investment Advisors, a registered investment advisor. Heffernan Investment Advisors, Heffernan Retirement Services, and Heffernan Insurance Brokers are separate nonaffiliated entities from LPL Financial.*

2015  
PLANSPONSOR  
RETIREMENT  
PLAN ADVISER  
TEAM OF THE YEAR

## HEFFERNAN INVESTMENT ADVISORS

Heffernan Investment Advisors (HIA) focuses on individuals from all spectrums of life who are looking for support with wealth management. HIA provides fully transparent, independent, fee-only investment advisory services for individuals, endowments, and corporate cash management.

Our commitment to educating our clients on all aspects of the planning process promotes prudent and meaningful solutions. The services we offer are delivered through our disciplined, goals-based process which serves as the cornerstone of our practice. We thrive when our clients successfully reach their financial objectives.

To meet one of the team or to learn more about Heffernan Investment Advisors, visit our website at [heffia.com](http://heffia.com).

## HEFFERNAN LIFE DIVISION

Heffernan Life advises individuals, families, and businesses about all aspects of life insurance. With over 20 life specialists throughout the country, Heffernan Life is committed to educating our clients on prudent financial and estate planning. We offer a proven strategy to identify, qualify, and quantify life insurance objectives.

We offer life insurance solutions to fund buy-sell agreements, protect companies from the loss of key employees, as well as provide business succession planning. We protect individuals with term and permanent life insurance, long-term care, and disability insurance, protecting the financial security of our clients and their loved ones.

Heffernan Life recognizes the importance of having a solid financial plan and preparing for the unexpected. We pride ourselves in offering a comprehensive array of protection options.

To meet the team or to learn more about Heffernan Life Division, visit our website at [hefflifeins.com](http://hefflifeins.com).

## HEFFERNAN BENEFIT ADVISORS

As an agency with deep experience and knowledge, we make employee benefits simple while minimizing surprises. We focus on helping our client partners understand and navigate the complex health care system while our extensively qualified team, methods, and resources together deliver exceptional customized employee benefits portfolios.

Heffernan Benefit Advisors believes the right benefits package has a direct impact on overall employee health, satisfaction, and financial security, helping you retain your most valuable asset: human capital.

When you work with Heffernan Benefits Advisory team, you can expect an array of services, including:

- HR Administration
- Legislation and Compliance
- Strategic Planning
  - Account Service Plan
  - Alternative Funding
  - Benchmarking
  - Financial Analysis
  - Renewal Planning
  - Underwriting
- Technology Solutions
- Wellness and Online Engagement

Heffernan's experience and resources are already helping thousands of companies across the country successfully address benefits and HR challenges. We also stay up-to-date on cutting-edge technologies to make your benefits administration even easier to implement, with online enrollment, employee self-service, and paperless solutions. Running reports and sending data to carriers and payroll is a snap.

We also offer Heffernan Employer and Employee Hotlines staffed with industry professionals. You can rely on experts to help you solve problems ranging from short- and long-term benefits strategies to legal advice, compliance, health care reform education and much more.

With Heffernan, you'll gain confidence and control as you work with a partner that helps your business thrive. Let us show you the Heffernan difference. You deserve it—because you're different.

## HEALTH CARE REFORM ADVISORY SERVICES

Health Care Reform makes coverage available to millions of Americans, but it also creates significant administrative challenges for employers. The legislation contains numerous legal and administrative requirements for employers, who need to implement processes and record-keeping changes in order to become and remain compliant.

Heffernan can assist! We've summarized the law's requirements and can advise on how employers can meet those requirements with the support of the Heffernan team. For regular updates, visit [www.healthcarereform-updates.com](http://www.healthcarereform-updates.com).



# WHAT'S SHAKING UP PERSONAL LINES?

Four Major Disruptions That Are Shaking Up Personal Lines Insurance



New players, new approaches, new customer expectations. Personal lines insurance has been going through a major metamorphosis, and the hottest topic in P&C today is disruption.

"In the past, the forces that had a bearing on insurers and their businesses were primarily competitive, lying within the insurance industry itself," said William Freitag at Insurance Thought Leadership. "Today, however, pressures coming from outside the industry, such as a digital way of life and widespread consumerization, are weighing upon the capabilities of entrenched systems and processes. The entire insurance industry, as a whole, is grappling with prototypes that will keep it relevant."

What are those prototypes? Here are four of the most important transformations we're watching.

1

**CONNECTED HOMES** - A smart home is one whose lighting, locks, alarms, heating and electronics can be controlled remotely—from your office desktop for example, or your smartphone. Like other IoT developments, it offers sleek new benefits while shaking things up for insurers.

"Since so many of the services around the connected home are initially aimed at managing risk, insurers could position themselves as pioneers to utilize this data," said Amrita Dhar at Saama. They could use it, for example, to offer customized products and pricing, gain a closer relationship with customers, improve risk assessment and drive down losses.

There's a challenge, though. Insurers don't necessarily have any claim to that data. It belongs, rather, to the companies that provide the platforms and sensors that collect it. How insurers go about positioning themselves to gain access could trigger some interesting industry changes.

2

**CARSHARING, CONNECTED CARS** - A smart car is one that's completely or partially autonomous. A shared car is one that drivers use on a short-term basis, possibly in lieu of

having a car of their own. Both innovations could take a big bite out of auto insurance.

"Within 25 years, the private passenger automobile insurance industry will shrink by as much as 60 percent, according to a report by the consulting firm KPMG," said Andrew Simpson at *Insurance Journal*.

Where connected cars are concerned, the need for insurance could drop due to extreme safety features that result in fewer collisions and fatalities. A decline in loss frequency could necessitate sizable reductions in premiums across the industry; there's even some speculation they could make auto insurance obsolete.

The cost of premiums may decline; so may the number of insured vehicles. Today, most vehicles spend most of their time parked. If even some of these under-utilized vehicles were driven for a larger percentage of each day, the demand for vehicles across the nation could drop dramatically—along with the number of auto policies.

3

**USAGE BASED INSURANCE** - Insurance telematics handed the industry a game-changer. For the first time, auto insurers gained the ability to assess risk based on actual data, not

proxy factors. In so doing, usage-based insurance "obviates or at least reduces the need for actuaries," said John Sarich at *Property Casualty 360*. "Whether it's from a car or a home security system, by getting the actual data from a device connected to the client, insurers can more accurately price their products."

4

**AGGREGATORS AND DIRECT SALES** - In the spring of 2014, Walmart announced its plan to get into auto insurance, promoting the price-comparison website *AutoInsurance.com*

for a monthly fee. Six major insurance carriers—including Progressive and Esurance—immediately jumped onto the bandwagon. A few months later, the corporate giant expanded into health insurance, too, this time partnering with *DirectHealth.com*.

Walmart is just one example of the trend. Insurance aggregation and direct sales are some of the hottest disruptions in insurance today. Many experts believe that the direct-to-consumer model will ultimately improve underwriting efficiency and use of analytics. It will also offer traditional insurers the opportunity to get in front of more customers, but they'll have to rethink their business models to do so.

The changes we've been describing spell opportunity and growth to those who are willing to adapt. To those caught unaware, there's some anxiety in the air. But either way, transformation is inevitable.

"Would insurers rather be enticed and pulled into the future by the motivation and promise of transformational technologies or pushed into transformation by circumstances that lie outside of their control?" said Freitag. That's the question.

Here at Heffernan, we strive to be on the leading edge of innovation and ahead of the industry disruptions coming our way. You can count on us to keep you informed of new developments and prepared for the evolving risks of our modern world.





# EMPLOYEE

# SPOTLIGHT



**Peter Albert**  
Director of IT / Co-founder  
of HG IT Services LLC  
**Office Location:**  
Walnut Creek, California

**What has been the biggest key to your success professionally?**

The ability to express myself with creative and innovative solutions to problems. It might sound like I found this on the internet, but it is truly how I try to live my life.

**How does Heffernan support your ability to be unique and different?**

Heffernan has never forced me to be a yes-man. It's just not in my genetics. If asked for my opinion on a topic or issue, I will give it—in fact, I'll give it regardless of being asked. In my thirteen years here, I have never once felt afraid of being an individual. I have a voice and my opinion matters. This also makes me want to reciprocate this to others. When people are happy, they are productive in all aspects. This is certainly true for me here at Heffernan.

**What is your proudest moment at Heffernan?**

I have to say it was the day that I became a shareholder that stands out the most to me. I was recognized for my efforts; it was real and it felt good. This was a great personal success for me and a very proud moment.



**Melani Conti**  
Senior Vice President  
**Office Location:**  
Walnut Creek, California

**What's unique about your approach and how has that helped you succeed?**

I have always believed that no matter what the challenge, I could do it. With clients, I have no standard approach. Each client has their own needs; I care and I listen, then put myself in their place and use my knowledge of the industry to help their organization.

**How does Heffernan support your ability to be unique and different?**

Heffernan has always supported women in business. This allowed me to pursue my career in sales at a time when this was not typical. Today we have a group called Women of Influence that helps women grow and succeed. Heffernan also doesn't micromanage or mandate specific carriers or products, allowing us to be innovative and creative for our clients. Our managers are receptive to new ideas and encourage us to think outside the box.

**What is your proudest moment at Heffernan?**

Watching a person I have mentored succeed and be happy makes me proud. I love being at company functions and seeing the individual successes and what we have become as an organization. It takes me back to where we started and makes me proud that I was able to contribute, and yet humbles me at the same time.



**Debra Costa**  
Senior Vice President  
**Office Location:**  
Petaluma and Napa, California

**What has been the biggest key to your success professionally?**

Willingness to accept risk and take on challenges. Never giving up and seeing things through to the end regardless of the number of hours it takes.

**What's unique about your approach and how has that helped you succeed?**

Making certain my clients get what they pay for in their insurance and focusing in on the little things that cost big dollars. Bringing new concepts and products to maximize dollars and mitigate risk.

**How does Heffernan support your ability to be unique and different?**

I am a freethinker and do best when I have autonomy. I have thrived at Heffernan because the platform does not put boxes around people and there is a dynamic work culture that attracts collaborative, smart, hard-driving, and loving people that have become my extended family and help fuel my growth.





**Brenda Grootendorst**  
Senior Vice President  
**Office Location:**  
Portland, Oregon

**What has been the biggest key to your success professionally?**

Always learning, being a student of our industry, and a lot of hard work!

**What's unique about your approach and how has that helped you succeed?**

I enjoy being a consultative broker serving all my clients' insurance needs—Business Insurance, Employee Benefit Programs and Personal Insurance. Our clients have to manage all these needs; they enjoy working with a single point of contact that coordinates the extensive resources Heffernan offers.

**How does Heffernan support your ability to be unique and different?**

Heffernan's collaborative and supportive environment means we can take advantage of the extensive expertise and areas of specialty within our organization and bring those resources to our clients.



**Linda Huber**  
Senior Vice President and Employee Benefits Practice Leader  
**Office Location:**  
St. Louis, Missouri

**What has been the biggest key to your success professionally?**

My success professionally has a lot to do with my passion for those I serve and the folks I am lucky to work with.

**What's unique about your approach and how has that helped you succeed?**

Not sure how unique it is, but I take very seriously my responsibility to my clients to provide them with the best service, solutions and creativity to achieve their objectives.

**How does Heffernan support your ability to be unique and different?**

Heffernan is a very passionate company and allows employees the entrepreneurial space to achieve what as an individual I want to achieve. The Heffernan culture embodies that entrepreneurial spirit.



**Christian Smith**  
Vice President  
**Office Location:**  
Orange County, California

**What has been the biggest key to your success professionally?**

Connecting with clients in a meaningful way to gain trust is so important to me. Once I engage with clients on a personal level, I'm able to solve the issues that matter most to them. My clients genuinely trust me to take care of them and I've worked hard to earn that.

**What's unique about your approach and how has that helped you succeed?**

No client likes insurance or the insurance process. What I bring to my clients is a high level of expertise and a relationship built on trust and understanding. I take the pressure of the insurance process away with a better end result.

**How does Heffernan support your ability to be unique and different?**

At Heffernan, your originality is not stifled as it is at other brokerage firms—it's actually celebrated. You're really able to be yourself. This manifests itself in our interactions with clients and prospects. I've found this to be the single biggest differentiator between us and our competition. We can connect with our clients on a level far beyond what any other insurance broker can offer.



**Tara Stanbridge**  
Senior Account Executive  
**Office Location:**  
Orange County, California

**What has been the biggest key to your success professionally?**

I have always believed that no matter what the challenge, I could do it. With clients, I have no standard approach. Each client has their own needs; I care and I listen, then put myself in their place and use my knowledge of the industry to help their organization.

**How does Heffernan support your ability to be unique and different?**

Heffernan, being one of the largest independent brokers, truly operates as such, which means I have the freedom to do what is right for my clients. We have all the management support and relationships, but they believe in us and our expertise and we are allowed to operate autonomously within each office.

**What is your proudest moment at Heffernan?**

My proudest moment so far at Heffernan has been receiving Rookie of the Year. There are so many talented colleagues so it was terrific to receive accolades from my peers. The award was validation that I made the right decision to come to Heffernan and that I was being recognized and appreciated for my industry knowledge.

Do not go where the path may lead. Go instead where there is no path and leave a trail ... *Ralph Waldo Emerson*



**Russell R. Merlo**  
Senior Account Executive  
**Office Location:**  
Menlo Park, California

**What has been the biggest key to your success professionally?**

First, I was fortunate to have very talented mentors to provide my foundation with insurance. Second, earning my MBA taught me to think strategically, helping me take unconventional approaches to solving problems. Lastly, working in Bermuda with Fortune 100 clients taught me how insurance is transacted on a global level using multiple distribution channels.

**What's unique about your approach and how has that helped you succeed?**

My approach is simple: listen intently, communicate effectively, understand your client's business and always do what's in the best interest of the client. These principles have guided me for 20 years and will guide me for another 20+.

**What is your proudest moment at Heffernan?**

Becoming a shareholder. On my first day of employment, my goal was to be selected at the first opportunity and when I achieved that I felt grateful, respected, and honored to be a part of this amazing company.



**Brant Watson**  
Senior Vice President  
**Office Location:**  
Walnut Creek, California

**What has been the biggest key to your success professionally?**

Many things have contributed to my success. I have very loyal clients who know I will fight for them and who provide referrals along the way. I immerse myself in my clients' industries via associations, committees, and PACs. Collaborating with team members including co-producers, account managers, and claims consultants is huge. And when business doesn't go the way I hope, I limit myself to 24 hours of grieving time so I'm always ready for the next opportunity. Mostly, I try to be myself with clients and prospects to connect on a personal level before we get down to business.

**How does Heffernan support your ability to be unique and different?**

The Heffernan culture celebrates one being who one is, encourages partnership and teamwork, and invests in products and technology to make us "different" from our competitors. It's as awesome as it is rare.

**What is your proudest moment at Heffernan?**

Having good sales years and seeing a niche practice take off are high up there, but much more than a moment, it's playing a small part in a very long-running success story.



HG Magazine asked our Branch Managers,

# “What differentiates your branch from others in our industry?”

“Heffernan Insurance Brokers prides itself in providing an environment that encourages approaching issues in a collaborative way. This avoids the typical silos that can be found in our industry and allows us to serve our clients in a unique and friendly way. We enjoy working with one another, which allows us to openly share ideas rather than keep them to ourselves.”

**F. Michael Heffernan, Walnut Creek**

“The employees within the Walnut Creek branch are encouraged to critically analyze customer challenges, problems and issues and creatively provide solutions. We have made huge investments in risk management programs, health benefit platforms and wellness to better serve our clients. Also, since Heffernan has a flat management team, we have the ability and flexibility to provide creative solutions, whether those services come from within or outside Heffernan, making our customer needs priority one!”

**Brian Dantzig, Walnut Creek**

“We treat our clients and partners like friends and family. They truly believe that we put their interests first. Our employees have the freedom and confidence to make decisions that are best for our clients and our company.”

**Brian Billhartz, St. Louis**

“We provide sophisticated risk management tools in a fun approachable way for businesses and individuals that have moved beyond buying insurance strictly on price.”

**Elizabeth Bishop, Petaluma**

“Southern California tends to attract people looking for unique and distinctive life opportunities. Embracing going against conventional wisdom is what brought us here. Our team is unique in the region because we look for risk-takers who have a clear vision of the life to which they aspire.”

**Ben Stern, Orange County and Los Angeles**

“We are looking for difference makers with clients by providing services and products such as selling Flock, Heffernan Rick Management Center, and unemployment insurance. These are services and products that allow us new ways to build revenue with both new and existing customers.”

**Tim Nielsen, Portland**

“Menlo Park is all about ‘happy coexistence.’ The atmosphere is casual and relaxed on the surface but dig deeper and we are a servicing machine with everyone ready to get their hands dirty and help solve problems. We share the brain trust openly and focus on solutions for our clients ... we have a good thing going”!

**John Tallarida, Menlo Park**

“Our Financial Services division, made of up three distinct operating units, is what makes us different. Heffernan Retirement Services manages over \$2.3 billion in 401K and 403B assets for many of our corporate clients, Heffernan Investment Advisors advise many of our individual client owners and executives on their personal investments and Heffernan Life division rounds out our boutique financial service division offering clients state of the art tools and resources to make educated purchasing decisions for individual life, disability and long-term care coverages.”

**Steve Williams, San Francisco**

“We have an incredible group of industry leaders in San Francisco, including practice leaders in Benefits, Property, Hospitality, Technology and Food Industry. Our team is challenging conventional insurance brokering with innovative products and services to help our customers prosper. Unique risk financing for large property owners, cloud-based benefits/HR solutions, cyber programs for hospitality and solutions for the sharing economy make San Francisco an ‘insurance innovation lab’ ... we have already defied the notion that insurance isn’t fun, now we are taking on innovation!”

**Jeff Hamlin, San Francisco**

“We are constantly striving to push the boundaries with our partners on our clients’ behalf. We are passionate about trying to be different by helping our clients develop tailored retirement savings programs for their own unique company. Every company or organization has their own distinctive culture and we try to customize all of our solutions with this in mind.”

**Blake Thibault, San Francisco**



# Heffernan Foundation's \$100,000 4-year Scholarship Program

In 2015, Heffernan Foundation, the charitable giving program for Heffernan Insurance Brokers, began a partnership with College Track, a national organization that helps students in underserved communities attend college by providing academic support, leadership training, advising, and access to scholarships through a free ten-year program.

Each year, Heffernan Foundation will pick one student from the program to receive a four-year, \$100,000 scholarship to assist with tuition and other costs associated with attending a university. By 2018, four students will each be receiving this scholarship, with the program continuing into the foreseeable future.

## Scholarship Winner Vanesa Lara



Vanesa Lara, a student of Oakland Technical High School in Oakland, Calif., applied to the College Track program after representatives gave a presentation to her 8th grade class. Previously, Vanesa had been unsure about her chances of attending college, worried about the financial burden to her single mother

who raised her along with three siblings. That all changed when she was accepted into the program that year.

The program provided Vanesa with ACT prep, admission essay workshops, lists of college requirements, and tutoring throughout high school. She was encouraged to sign up for alternative classes like guitar, yoga, poetry and lyrics, and photography as well as participate in internships. The program also sets strict deadlines for college applications, a factor Vanesa says helped her. "Without College Track, I probably wouldn't have applied to 19 schools," she said.

Thanks to College Track she was also ready to choose her major, Management and Business Economics, after her junior year in high school. She took a math class that taught her to do taxes and completed an internship that summer doing marketing for a pickling company—and yes, she learned to pickle! "That year was really tough," Vanesa acknowledged. "But then my mom would say how proud she was. It really makes it worthwhile."

When asked what impact the Heffernan Foundation scholarship had on her family, Vanesa brought up her 15-year-old brother who was accepted to College Track after Vanesa encouraged him to apply: "I wanted my siblings to know that they can do it. Coming from our background, it's hard work, but once you start receiving those letters, it's all worth it."

*"... my mom would say how proud she was. It really makes it worthwhile."*

Not only did Vanesa encourage her brother to work towards a college education, but she is also passionate about helping other students achieve this goal, something that resonated with Heffernan Foundation Director Michelle Lonaker. For the past three years, Vanesa has volunteered at GO (Great Oakland) Public Schools, a nonprofit organization that informs the community of elections and policies that affect the public school system, ensuring students receive the education they deserve. She also helped a 4th grade class learn math and volunteers at College Track, sharing her experience with incoming students.

In the end, Vanesa's hard work and determination paid off when she committed to attend UC Merced as an incoming freshman in the fall of 2015. During her first year, Vanesa learned to balance the freedoms afforded to college students along with the responsibilities. She also tried out numerous clubs, trying to find the perfect fit, and made friends along the way. "All in all, my first semester held a lot of challenges, but I feel like I'm part of a larger family," said Vanesa. "I feel like a sponge, just absorbing as much as I can. I've learned a lot about myself and keep being amazed at how much I've accomplished. I'm wondering what I'll do next."

The Heffernan Foundation is so happy to provide Vanesa with an opportunity to enjoy her college years without worrying about the financial burden. She has shown hard work, determination, and an affinity for helping others achieve their goals of attending college and excelling in school. We look forward to following Vanesa's success at UC Merced and beyond, and to welcoming future students from College Track into our scholarship program. Congratulations, Vanesa!

# 2015



## Grant-a-Wish Recipients

In July of 2015, Heffernan Foundation, the charitable giving program for Heffernan Insurance Brokers, announced the recipients of their second Grant-a-Wish endowment. The program grants wishes to families with children ages 4-18 and will continue for the foreseeable future. The Grant-a-Wish recipients for 2015 are the Adams and Wicks families.

**Adams Family** – Leonard Adams's wife passed away recently, leaving behind two daughters including Minnie, a hard-working third-grader at Koch Elementary in St. Louis, Missouri. Minnie was nominated by her teacher at Koch Elementary. Despite finding a solid support system in her group of friends, the sudden loss continues to be a hardship for Minnie. As her wish, Minnie elected to spend a week in Branson, Missouri, a family vacation destination, with her father and sister. The trio visited various family fun parks including a water park, did arts and crafts together, and enjoyed playing in the hotel swimming pool. Heffernan Foundation was happy to provide the chance for a fun family vacation for the three to continue healing.

**Wicks Family** – Aliya, 8, has had an incredibly difficult childhood watching her younger sister, Dyllan, 5, spend her entire life in and out of hospitals after a heart transplant when she was 8 months old. This traumatic experience was only compounded by Dyllan's passing in late 2015. The family's wish was for a family vacation so Aliya could experience the joys of a carefree childhood. Heffernan Foundation was able to organize a week-long vacation at the Aulani Disney Hawaii Resort on Oahu for Aliya and her parents, Scott and Dayna. The family attended a luau and took photos with all of the Disney characters there. Aliya was also able to swim with a sea turtle that weighed more than she did!

"We are very grateful to the Heffernan Foundation for awarding us a trip to Hawaii for our family," said Dayna. "As we are going through this incredibly challenging time, we are really grateful to have had some precious family time together."

For additional information about the Heffernan Foundation or to make a donation, visit [heffernanfoundation.com](http://heffernanfoundation.com).

If you are a client or vendor of HG and would like to nominate a child for this award, please contact Michelle Lonaker at [michellel@heffgroup.com](mailto:michellel@heffgroup.com) for more information.

## 2015 Scholarship Recipients

Blake Hocker – University of North Carolina at Wilmington  
Carlos Espitia – Cal Poly State University, San Luis Obispo  
Giovanni Ferrante – San Diego State University  
Giuliana Ferrante – Santa Clara University  
Kai Drewry – University of California, Berkeley

Katie Navarra – St. Mary's College  
Tryston Cruz – Cabrillo College  
Victoria Ketchum – University of San Francisco  
Miranda Meier – University of Kentucky

Photos - Minnie Adams and the Wicks Family





# CORPORATE PHILANTHROPY

THE HEFFERNAN GROUP BELIEVES IN GIVING BACK, WHETHER THROUGH VOLUNTEER OPPORTUNITIES OR DONATIONS, AS A WAY TO IMPROVE THE COMMUNITIES WHERE WE LIVE AND WORK.

## COMMUNITY INVESTMENT

The Heffernan Group sponsors five official avenues for charitable giving:

**EMPLOYEE VOLUNTEER TIME** – Each Heffernan employee is granted up to four paid days off per year, one day per quarter, to volunteer their time at a local nonprofit. Additionally, Heffernan participates in the Insurance Industry Charitable Foundation’s Annual Week of Giving.

**EMPLOYEE MATCHING** – Employees are offered the opportunity to donate to 501(c)3 charities of their choice each year, and Heffernan will provide a dollar-for-dollar match.

**GAREE LEE SMITH SCHOLARSHIP AWARD** – Heffernan Foundation awarded eight \$5,000 scholarships to students. Garee Lee Smith was one of Heffernan’s first employees and was instrumental in establishing Heffernan’s family-friendly culture.

**GRANT-A-WISH** – In 2014, Heffernan Foundation launched the Grant-a-Wish program. This program identifies deserving individuals and families with children ages 4-18 and provides wish fulfillment opportunities.

**LARGE GRANT DONATIONS** – The Heffernan Foundation’s mission is to serve nonprofits that provide direct support and services to our local communities in the area of shelter, food, education and the preservation of the environment. The Foundation accepts applications for grants by invitation only on an annual basis. Grants to 501(c)3 nonprofits typically range from \$2,500 - \$10,000.



Top photo: left to right, Reynette Reuter, Sally Spitzengel

WE MAKE A LIVING BY WHAT WE GET, WE MAKE A LIFE BY WHAT WE GIVE. — WINSTON CHURCHILL

## IN 2015, HEFFERNAN GROUP:

- Provided **\$18,500** to local Food Banks = **46,250** lbs. of food
- Donated **13.9%** of profit back to local charities
- Awarded **\$65,000** in College Scholarships
- Volunteered over **2000** hours, at more than **25** different nonprofits throughout the US
- Provided **100** grants totaling **\$301,000** to nonprofits throughout the US
- Averaged **\$2,500** in donations per employee
- Raised an additional **\$162,280**, which went directly back into our local communities

Photo, page 38: left to right, Melissa Smyt, John DeFazio, Laura Borda

Bottom photo: left to right, Amy Chou, Russell Merlo, Earl Fuller

## WORKPLACE WELLNESS

The Heffernan Group is committed to providing a workplace that promotes and protects work-life balance for our employees. Wellness benefits include flu shots, a monthly gym subsidy, educational seminars such as Guided Meditation, Healthy Cooking, Financial Health, and a number of sponsored philanthropic/wellness events including: Bubble Run, Race for the Roses, Avon Breast Cancer Walk—San Francisco, Light the Night, Race for the Cure, the Petaluma Foot Race, Los Angeles Stair Climb, Walk for Lupus and Bridge to Bridge.

In addition, employees participate in an annual Family Give Back Saturday, where employees from the company’s branch offices volunteer to clean up a park, beach or river in their local community. Family and friends are also invited to volunteer alongside Heffernan employees. In 2015, organizations included: Los Angeles Conservation Corps, Save Our Beach, Baker Beach Clean-Up and Operation Clean Stream.

**+3NETWORK** – Heffernan’s partnership with +3Network allows our employees to raise money for nonprofits simply by being active! The online portal of +3Network is a social networking community that enables Heffernan employees to track workouts, wellness and volunteer activities, allowing us to raise money for nonprofits in our communities. Since 2011, employees’ “sweat equity” has raised over \$250,000 for nonprofits.





## Come Say Hello!

Walnut Creek (headquarters)  
1350 Carlback Avenue  
Walnut Creek, CA 94596  
800.234.6787

Portland  
5100 SW Macadam, Suite 440  
Portland, OR 97239  
503.226.1320

San Francisco  
180 Howard Street, Suite 200  
San Francisco, CA 94105  
800.829.9996

St. Louis  
16100 Swingley Ridge Road  
Suite 250  
Chesterfield, MO 63017  
636.536.2082

Petaluma  
101 2nd Street, Suite 120  
Petaluma, CA 94952  
800.655.7796

New York  
35 Pinelawn Road, Suite 105E  
Melville, NY 11747  
800.234.6787

Menlo Park  
1460 B O'Brien Drive  
Menlo Park, CA 94025  
650.842.5200

Orange County  
6 Hutton Centre Drive, Suite 500  
Santa Ana, CA 92707  
800.655.4033

Los Angeles  
811 Wilshire Boulevard, Suite 810  
Los Angeles, CA 90017  
213.622.6500

At Heffernan, we consider ourselves to be problem solvers. So, no matter what your insurance needs may be—conventional coverage or harder to define insurance needs—we are here for you!

For large or small businesses, Heffernan specializes in industries such as real estate, transportation, nonprofit, janitorial, care providers, construction, personal, home and automobile, vintners and growers, churches, technology, hospitality, food industry, architects and engineers and more! With our expertise and imagination, Heffernan has you covered.



*Because You're Different*