

Warren Buffet touts Guard's growth

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WARREN RUDA / STAFF PHOTOGRAPHER Carl Witkowski, chief operating officer of Guard Insurance in downtown Wilkes-Barre, talks about being recognized by billionaire Warren Buffett for the company's tremendous growth.

WILKES-BARRE — Guard Insurance in downtown Wilkes-Barre has received accolades from billionaire Warren Buffet for its tremendous growth.

Since the insurance company was acquired by a unit of Mr. Buffet's Berkshire Hathaway in October 2012, its number of employees has grown from 310 to 483, said Chief Operating Officer Carl Witkowski.

Of the 483 employees, 396 are based in Wilkes-Barre and the remaining are in field offices in other states.

Its number of regional offices has increased from eight to nine, with the recent opening of an office outside of Chicago.

Its number of policies has increased from 60,000 in 2012 to 129,000 in 2015, Mr. Witkowski said.

When Guard Insurance was acquired, it had less than \$400 million in premiums.

"This year, we should arrive at the \$1 billion mark," Mr. Witkowski said. "Last year, we closed out just south of \$800 million."

The growth caught the attention of Mr. Buffet, who singled out Guard Insurance for "doing terrifically" at a recent shareholders' meeting attended by about 40,000 people in Omaha, Nebraska.

Berkshire Hathaway, headquartered in Omaha, also owns a multitude of other companies.

Mr. Buffet said Wilkes-Barre-based Guard is "doing a great job with small business policies — primarily workers' comp around the country — and it's flourished."

Mr. Witkowski was at the shareholders' meeting as Mr. Buffet recognized

Guard Insurance.

"To be there while it was streamed around the world and there are thousands of shareholders who show up every year and to have him give a shout out to Guard Insurance was very satisfying, knowing that we're doing a good job for the shareholders," Mr. Witkowski said. "Certainly, to be on the radar screen of Mr. Buffet himself is a good thing."

Berkshire Hathaway buys companies as a long-term investments and provides resources for them to grow.

"We've been pretty much a typical example that we see in other Berkshire Hathaway companies," Mr. Witkowski said. "They bought what they thought was a good company with good management and a good structure and then they provide resources to grow."

When Guard Insurance was acquired, the company was primarily selling workers' compensation in 29 states and business owner policies in 11 states.

With the backing of Berkshire Hathaway, Guard is now writing workers' compensation throughout the United States and has increased its number of business owner policies to 31 states. The company launched professional liability insurance and has relaunched commercial automobile products.

"Within the next couple of years, we will be writing commercial auto in every state," Mr. Witkowski said. "We will be writing professional liability for attorneys, architects, engineers and miscellaneous professional liability throughout the United States. It's an aggressive growth path."

Kingston residents Judd and Susan Shoval founded Guard Insurance in 1983. Guard operated as an independent carrier until Clal U.S. Holdings acquired it in 2007. It was subsequently sold to a unit of Berkshire Hathaway for \$221 million in 2012.

Greater Wilkes-Barre Chamber President Wico van Genderen said he expects Guard Insurance will continue to grow in the next five years under the leadership of CEO Sy Foguel and Mr. Witkowski.

"We are fortunate to have Guard's corporate headquarters in our downtown. They have grown exponentially in the last few years and should hit the \$1 billion revenue mark this year," Mr. van Genderen said. "I consider Guard Insurance one of our region's most progressive and community minded corporate citizens, an anchor business to downtown Wilkes-Barre, and given their affiliation to Berkshire Hathaway, a key asset for the entire NEPA region."

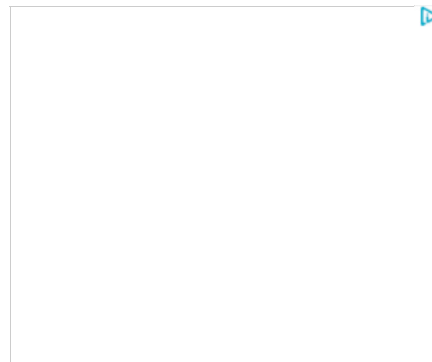
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