



PRESENT VALUE

Ideas & Trends in the Secondary Marketplace for Annuities from J.G. Wentworth

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The Secondary Market for Annuities: A Classic Case of Lemonade from Lemons

Annuities have been one of the hottest investment and financial products ever. Today there are more than \$1.6 trillion in assets backing the annuities now in force.

This is a particularly useful and interesting figure because it allows you to draw, on an order of magnitude basis, some understanding of just how meaningful annuities have been to agents and brokers.

But now annuity sales are cooling off. Does this mean the party is over?

For some it could be. But for others, specifically those who participate in the Annuity Purchase Program, there is a definite upside to the downside.

Agents and brokers who have access to the secondary market can now reach out to all of their clients and any prospects who simply

own annuities, and see if perhaps they want to sell them.

Deliver a solution few competitors can.

The benefit of marketing such a program is fourfold. The first two are related to the size and quality of your client portfolio: you can significantly improve your client retention efforts while simultaneously increasing your yields with prospecting. The third and fourth benefits come from those clients who ultimately end up selling their annuities. This will provide you with new commissions from your existing book of business, while also providing you with the satisfaction of delivering a solution few competitors can.

Your Practice:

Negotiate Like You Know Something About Negotiating

For agents and brokers, life may not be so much a cabaret (my friend) as it is a negotiation. Clients, vendors and colleagues all require the delicate dance. So, what are the tenets of a successful negotiation?

To get at this, we talked to Peter Barron Stark, author of *The Only Negotiating Guide You'll Need* (Broadway Books) and negotiation consultant. According to Stark, there are three key issues to keep in mind before you start any negotiation.

First, he says, "Do not narrow down the negotiation to just one issue. Anytime there is only one issue left on the table to negotiate, you lay the foundation to have a winner and a loser."

Next, always seek balance in the relationship. The only time you find yourself in a lopsided relationship is when you give away value without getting something in return. Stark says, "You must be on autopilot to say, 'I will do this for you, but I will need this from you in return.'"

1. Do not narrow down the negotiation to just one issue.
2. Always seek balance in the relationship
3. Focus and build upon the value you add

Finally, focus and build upon the value you add, not the cost. "Although clients do not like to pay fees, they hate losing value even more than the thought of paying an additional fee," says Stark. "If you view cost and value on a scale, your goal is to make the value you provide so great, that the cost becomes insignificant and the scale then tips in your favor."



Feeling handcuffed by your annuities?

With our Annuity Purchase Program™, you can finally sell your annuities for cash.


J.G. WENTWORTH
ANNUITY PURCHASE PROGRAM

The J.G. Wentworth Annuity Purchase Program offers an integrated suite of marketing materials which helps agents and brokers easily market the program to achieve better results with their prospecting.

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