

Minnesota Insurance

October 2011



The Serene Life of a Small Town Agent

PIA President Pete Thomes of Milaca



Biff! Pow! Bam!
The Fighting Insurance Agent From Cloquet: Zach 'Jungleboy' Walters



Stacy Olson, Jim Ketterson and Other Company Executives Tackle The Growing Storm Damage Loss Problem at Big I Meeting



Pete Thomes enjoys the serenity of a small town agency

There are undoubtedly many insurance agents in the metropolitan area who, at one time or another, were envious of their counterparts in the outstate region. Under the grass-is-always-greener syndrome, big city agents are sometimes prone to assume that life is kinder and gentler the farther they are from noise and traffic. Moreover, they sometimes imagine smaller towns mean steady referrals, simpler claims and less competition.

As with most images, the truth bears only a slight resemblance to reality, says agent and Minnesota PIA president Pete Thomes, who has spent his life in smaller towns such as Milaca, his current residence an hour north of Minneapolis. “For the right person, living in a smaller town is a wonderful life style,” he said, especially for raising a family, hunting, fishing or spending time outdoors. “But,” he cautions, “we have our challenges. We usually don’t have the huge accounts, so we have to develop a lot of them.”

Thomes (pronounced Thomas) grew up 45 minutes west of Interstate 494 in Buffalo. He very early received a sample of what independent insurance agency life was like because his father Ray owned one. The elder Thomes had purchased it from his uncle, who founded it in 1934.

Even though there is a strong insurance gene in the Thomes family, Pete initially thought that he might try another type of work, so he pursued a business degree at St. John’s College in Collegeville. But after college in 1982, the pull of the agency life was too strong. He joined his four-years-older brother Greg at the family agency. When the opportunity came to join Overholt Crop Insurance Company in Minneapolis as a sales manager, Pete sold his ownership to Greg. After a short time with Overholt, Pete went back outstate to lake country in Alexandria where he joined what was then the First American (now Bremer) Insurance Agency.

In 1997 Pete moved to Milaca, a county seat town of 2,500, to

manage the J.A. Allen Agency, which was an affiliate of the local First National Bank. He oversaw the operation until purchasing it in 2003 after which he renamed it the Safeguard Insurance Agency. The agency’s staff includes veteran agent Steve Carlson, who has more than 30 years experience in the business; personal lines agent Melissa Besser; and Thomes’ wife, Verna Quaintance, who works in the financial area.

As he approaches his 15th year in Milaca, Thomes is confident staying an outstate agent was the right choice for him. His and Verna’s children are now adults, enabling him to spend a little more time indulging his passion for hunting and fishing, hobbies that are evident in the trophies that adorn the offices the agency offices. He especially likes to hunt ducks and deer while also catching walleye at nearby Mille Lacs Lake.

A major source of leads for Thomes is the Biz to Biz Network started by a woman in nearby Zimmerman. The local chapter consists of one member in each of about 30 types of businesses who gather at monthly meetings for mutual support and to exchange business leads. That network is a frequent source of business for the Safeguard agents who provide leads in return. Cooperation is as crucial as conviviality and integrity in a small town, Thomes said, adding “one thing is for sure. When you have dealings with someone you invariably will see them on the street or in church shortly after. So, it is a good idea to treat them well.” Thomes estimated that as a group the Biz to Biz chapter generates significant insurance referrals for him, which is a good thing because—contrary to what his big-city cousins might imagine—there is plenty of competition from other independent insurance agencies within the 30-mile radius of Milaca that he considers his coverage area.

Another major source of support for Thomes has been membership in the Minnesota PIA, an organization his father Ray served most recently as a marketing and retention representative.



Pete Thomes: ‘Owning an agency in a town of 2,500 is not quite the utopia some envision, but for the right person it is a wonderful lifestyle.’

“The PIA has been very valuable to me,” said Thomes, who was on the organization’s board of directors for several years before becoming president. “Hopefully, as president I can give something back to it for all it has given me,” he said.

Thomes noted that the association is on the verge of making several major announcements, including a new major member benefit in the near future. “We are always looking for ways to help our members with things like E&O coverage while keeping the main focus on our primary mission which is to provide education and legislative resources for our members.”

A typical activity, Thomes said, was a recent trip to Washington D.C. that included PIA Executive Vice President Greg Sather and board members who met with members of the state’s Congressional delegation to discuss flood insurance, crop insurance and similar coverage issues. “Whether you live outstate or in the metropolitan area,” Thomes said, “a Minnesota PIA membership is a very valuable thing to have.” ■



THE PRESIDENTIAL THOMES FAMILY

The Thomes family has been very active in the Minnesota PIA. Pete is the current president. His father Ray (left) was president of the Minnesota chapter in 1974-75. He was also a national director from 1977 to 1983 as well as PIA national vice president in 1981-82.