

FIESTA



AUTO INSURANCE

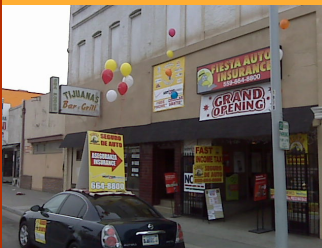
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Fiesta's New Madera Location

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Goals

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A Word From The President

Attitude – It's Everything

Seems like we can't turn on the news these days or read a magazine without hearing about how bad the economy is. I guess it is true these are difficult times. However, we are very fortunate as we offer two products that most see as being mostly recession proof. Insurance and taxes. Most states now require some form of minimum auto insurance, and our government certainly demands its pound of flesh every year at this time. Our customers can pass eating out for dinner or buying a new television. But can they pass on insurance? Probably not for very long. Eventually our government will find them and notify them that their coverage has lapsed. In many states, law enforcement vehicles can now access a consumer's insurance coverage information on their computers. No more can a policy be sold, canceled the next month, but have the client retain the identification card and use it as proof of insurance to a police officer. Have we forgotten how great this is for our industry?

Just recently we welcomed a new franchisee, Oscar Neri in Madera, California. Now Oscar is a very friendly guy with a great positive attitude. I had an opportunity to visit Madera in November of last year. Oscar had already picked out a few possible sites. We then narrowed it down, and he made the final decision. Oscar opened his doors on December 1st. Now, we all know that December is not the best month of the year for insurance sales. In addition, the recession was in the news every day. Most people were planning for a bumper of a Christmas. Well, someone forgot to tell Oscar. He went out and sold 40 new policies in his first month. Outstanding! In January he sold 50, and he is on pace to break 70 in his third month. Now how can this happen if the world is falling apart and nobody has any money for insurance. I can tell you there is plenty of competition in Madera.

My belief, and what I have witnessed over the last fifteen years as a business owner, is attitude is everything. In the Sales Bible the author mentions a study that defined 50% of sales success was in the attitude of the sales person. I know this is true. I have always noticed how

a new employee or franchisee gets fired up in their first month. The excitement to talk to clients and share their product is infectious. Clients find themselves drawn to the excitement and positive nature of the sales person. Unfortunately for most, the excitement starts to disappear after two months. Their sales volumes peak and the job becomes.....A JOB. The attitude slips and so does the sales volume. With declining sales, goes the attitude again until finally the employee is replaced or the franchisee fails. In this case, the product or the system is not the problem. The problem lies in how we keep ourselves motivated.

So I challenge you. When was the last time you invested a few dollars and a few hours of your time to learn more about attitude, selling and customer service? We all take the time to learn about insurance products, but that is just one part of the transaction. According to the study, 50% of your success depends on attitude. What are you doing to excel in this area? I am convinced that if every franchise owner read three of Jeffrey Gittomer's books, you would make \$50,000 in additional income this year. Take the challenge, prove me wrong and make \$75,000.

What's new with Fiesta Auto Insurance?

If you haven't noticed we are now a national company. Congratulations as this is a product of everyone's effort, and we should all be proud. Locations are about to open in Texas, Missouri and New York. Most likely this spring, we will be adding North Carolina and Florida to our list of active states. We should all share this news with our clients and marketing reps. Customers want to know that their money is safe and will be sent to the carriers. Being part of a national company will create a greater sense of confidence in their choice to use us for their insurance and income tax needs.

Speaking of income tax, what a great time of the year for us. Do you know we have franchise locations that earned over \$40,000 in tax fees in just February? If you didn't, why not?

One hundred percent of our adult community is required to do their taxes in a three month period. This is an amazing opportunity. I noticed Lake Elsinore earned over \$2,000 in just one day from income tax preparation fees. If you were afraid to use the software this year, you really missed out. How many of our locations made tax banners and flyers for the season? If you didn't have any signs or flyers, how did you expect your customers to know that you offered tax services? I encourage all of our novice tax preparers to take a tax class this summer or fall. Don't miss out on this great money making opportunity next year. With knowledge and confidence the money will follow.

New to Fiesta Auto Insurance!

Ryan Bowers, Area Developer for the Dallas Metroplex area in Texas; Elmer Olivarez in East Los Angeles; Oscar Neri in Madera; Maria Mendoza in Los Angeles; Flor Rico and Angelica Rico in Long Beach; Maria Cisneros in Huntington Beach; Pat Geary in Corpus Christi, Texas; Dan Sr. and Dan Jr. Venditto in West Hempstead, New York; Pat Lischer and Paul Green in St. Louis, Missouri. Welcome to all of you.

Would you like to make \$50,000 more this year?

If so, what is stopping you? Could it be attitude? I have been reading Jeffrey Gittomer's book "Sales Bible". It is just one of his books, and they are all great books. The books can be easily purchased on www.Amazon.com and some are on CD. I prefer to listen to these when driving in LA traffic. Turn off the news or music and fill your mind with opportunities for success. If you are not totally satisfied, I will personally buy the books back from you.

Attitude is **EVERYTHING** – to you and your success!

You become what you think about

Your attitude is at the core of every action you take. Jeffrey Gittomer



Looking For A New Location?

Let us know how we can help.

“Keep away from people who try to belittle your ambitions. Small people always do that, but the really great ones make you feel that you too, can become great.”

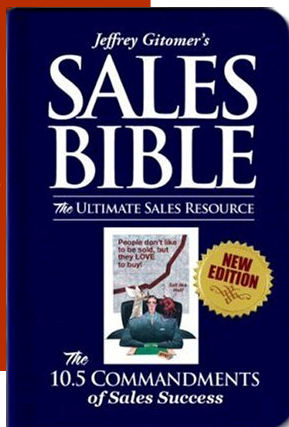
Mark Twain

BOOK OF THE MONTH

The Sales Bible

by Jeffrey Gitomer

The ultimate sales resource containing 100 different elements of the selling process.



New Year New Regulations

With AB 2956 enacted, Fiesta will be revamping its broker fee agreement.

One of the big insurance legislation stories of 2008 was the passage of AB 2956, which further clarifies the duties of a broker versus those of an agent.

Now enacted, the law states that “it is presumed that a person is acting as an insurance broker if the person is licensed to act as an insurance broker, maintains a specified bond, and discloses specific information to the consumer. The bill would provide that the presumption of broker status is rebutted if specified facts exist, or based on the totality of the circumstances, as defined.

Specifically, the written disclosure, signed by the broker and customer, must contain all of the following:

That the person is transacting insurance on behalf of the consumer.
A description of the basic services the person will perform as a broker.
The amount of all broker fees being charged by the person.

If applicable, the fact that the person may be entitled to receive compensation from the insurer, directly or indirectly, for the consumer's purchase of insurance as a consequence of the transaction.

Be aware that the current CDI stan-

dard broker fee agreement (Appendix B), does not address two areas of the new law. There is no space to include “a description of the basic services the person will perform as a broker,” nor is there an area to include whether or not the broker may receive compensation from the insurer if the customer purchases the policy. These holes will be filled in in the next version of the Fiesta Disclosure Documents in order to stay within the new regulations.

We encourage every franchisee to become informed about the effects these new regulations will have in your office.

2009 Is Here

Here we are beginning a New Year and leaving 2008 behind. What a year it was! What have we learned? One thing we have learned is this is not an easy business and isn't getting any easier. Another thing we have learned is that changes in this industry come fast and furious. If you are not prepared, you could get left behind.

Brokers Fees

Thank the man upstairs that they weren't eliminated this year. It feels great to know that State Legislators recognize that Insurance Agents DO provide valuable services to the Public and that Brokers Fees should be allowed to be charged by Agents AND Brokers, as long as they aren't captive.

Agency Survival

We are not just talking about growing during this difficult market. We are talking about surviving. You can't just open your doors in the morning and expect clients to come flocking to your office. There are things you can do to be proac-

tive: have a Business and Marketing Plan in place; Diversify the products and services you provide; Analyze your operation for profitability (are your sales people worth keeping) and Training (are your agency personnel sales people or just order takers? Do they cross-sell?); are you a “hands-on” owner (if not, do you really have control over what goes on in your agency?).

Focus on Customer Service

Besides price the Customer Service experience that your client receives can determine whether you have a retained client or just a one-shot policy premium, not to mention more referrals. Customer Service is actually one of your best forms of advertising, and even will overcome price objections.

File Maintenance

It is essential from a legal standpoint, Insurance Code standpoint, and E&O standpoint that files are maintained properly, with all transactions noted and all conversations between agency personnel and clients, and agency personnel and insurance companies be documented correctly. You never know when you will need the information.

Company Loyalty

If there ever was a ridiculous statement, that is it. The companies are getting

more and more demanding every day, even in this “challenging” market. As we progress into 2010, and the market starts to “harden”, volume with carriers and loss ratios will be more and more important. By the time the end of 2010 comes, you might look back and think we are currently in “paradise”. Major changes are coming to markets: Liberty Mutual now owns Safeco, Zurich (Farmers) now owns Bristol West. What's next?

Offer Other Products

Even in this “difficult” economy insurance is sold every day. There is hidden money out there. If you don't go after it, someone else will. Are you sure your client can't afford it or doesn't want it? Have you taken advantage of that opportunity?

Business Plan

Hopefully, you have sat down and given some thought to a Business plan for 2009, or even written one out. If you have, wait about 2 weeks, look at it again, and see if it really meets your goals, or after thinking about it, you need to make some adjustments. If you are happy with it, make sure you check it once a month to see if you are really accomplishing what you have planned for the year. A Business plan is really a good way to keep yourself focused.