Kentucky vs. UConn in NCAA title game

Wildcat freshmen aim to take down Huskies in battle of long shots

Chicago Sports

CULTURE ON YOUR COMMUTE

Effort will put Art Institute, other American museum favorites in thousands of public spaces A+E

ART INSTITUTE OF CHICAGO PHOTOS

Chicago Tribune

QUESTIONS? CALL 1-800-TRIBUNE | MONDAY, APRIL 7, 2014 | BREAKING NEWS AT CHICAGOTRIBUNE.COM

Monday, April 7, 2014 | Section 2

Chicago Tribune

BUSINESS

EXECUTIVE PROFILE BYRON UDELL

RICK TUMA/TRIBUNE ILLUSTRATION

Passion for life, insurance

'It's what I was born to do,' AccuQuote founder says

By Gregory Karp
Tribune reporter

Byron Udell sells life insurance. If that were all of the story, it wouldn't be much of one.

But Udell, founder of Wheeling-based AccuQuote.com, also is a pioneer in Internet marketing and sells more life insurance policies in a month than traditional sales agents could hope to sell in a career.

And, just maybe, he's the most passionate man on the planet on the subject of life insurance, seeing it more as a magic shield against family tragedy than as a financial product.

Wind him up, and he'll spin stories and persuasive arguments about the virtues of a product that has created a mini financial empire for him and made him a millionaire many times over.

God help you if you sit next to him on an airplane.

"I'm not going to bring it up, but if you ask me what I do, get ready, man," Udell said. "I'm going to sink in my talons, and you're going to buy whatever you need to buy. We're going to get you covered. It's what I was born to do."

For Udell, selling life insurance is to make a buck, for sure, but in no small part, it's evangelical.

"I have to be the surrogate for those kids and the widows. We're missionaries," he said of himself and his 140 AccuQuote employees. "You die with the wrong amount of life insurance, there's no second chance."

The passion stems in some measure from personal tragedy.

Udell told the story of a neighbor who, at the time, had grammar school children about the same age as his. The neighbor told Udell excitedly that she heard his AccuQuote advertising jingle on the radio and went on to say that her husband didn't think he could get life insurance because he had diabetes.

Worried about coming off as too pushy, Udell told her that the husband probably would qualify, and he would be glad to talk with them about a policy.

"Six months later, we find out he was just diagnosed with having a brain tumor," Udell recalled. "All I could think about was, 'Oh my gosh, they reached out to me six months ago.' All I had to do was say, 'I'm coming over to your house and you're going to talk about this' "

The man died two years later. "I was so mad at myself," Udell said.

"I see Byron as an industry pioneer," said Anthony Vossenberg, senior vice president of product distribution at Genworth Financial, one of the insurers for which AccuQuote is a broker. "It's not uncommon to see Byron in the trades, and it's not Byron promoting AccuQuote. It's Byron promoting life insurance."

Udell will continue evangelizing as president-elect of the industry group Life Insurance Direct Marketing Association.

But he will be challenged. Life insurance has never been a favorite topic of the average consumer — over the years it's been called a product that's sold, not bought. And recent statistics show ownership of individual life insurance policies at the lowest level in 50 years, with only 44 percent of households owning them, according to insurance industry group LIMRA. Some personal finance experts also question certain categories of life insurance, typically pricier policies that have an investment component and cover a policyholder for life rather than for a specific term.

But if anyone can change minds, it's Udell, said Don Loonam, AccuQuote executive vice president.

Loonam recalled that soon after he was hired seven years ago, his wife accompanied him to their first AccuQuote social event. His wife knew they had a life insurance policy but didn't think much about it. At the event, Udell addressed employees and their guests for only 10 minutes but vigorously espoused the company's mission to preserve the way of life for clients and their families.

"My wife hugged at my arm, and in an anxious tone she told me we were going to triple our life insurance coverage immediately," Loonam said.

Udell, 55, of Northbrook, figures that over the past 20 years AccuQuote has put in force $90 billion worth of life insurance, mostly term insurance, on some 200,000 customers.

"You know what your chances of dying are? One out of one," he said.

Born and raised in Lincolnwood, Udell always had the entrepreneurial itch. As a student, he sold various products door-to-door, including housewares, stereo equipment, steaks and jewelry.

Turn to **Udell, Page 4**

The Udell file

Title: Founder, AccuQuote
Family: Wife, Frani; children, Jake, Sami and Alec.
Hobbies: Golf, skiing, clay shooting.
Music: Mainstream jazz and classic rock.
Favorite getaway: His place in Breckenridge, Colo.
Currently reading: "Power Foods for the Brain," by Neal Barnard and "Eat to Live," by Joel Fuhrman. "I love life, and I don't want to cut it short," he says.
Favorite books: "The Essence of Success," by Earl Nightingale, "Life's Missing Instruction Manual," by Joe Vitale, and "The Ultimate Gift," by Jim Stovall.
Favorite movie: "The Godfather" (parts I and II), "It's a Wonderful Life" and "Life is Beautiful."
Personal influences: My father, who taught me to learn from other people's mistakes, and self-improvement gurus such as Earl Nightingale and Tony Robbins.

Here's a thought: Think about work

Too often employees are running on mental autopilot in their jobs

Rex W. Huppke
I Just Work Here

I'm on record as being opposed to multitasking. I find it distracts from the important things in life, like watching television or staring mindlessly at and then flecks of dust drifting through the air.

But in those unfortunate moments when we're forced to think — perhaps at work or when trying to figure out the quickest way to open a box of cookies — it seems we should use our brains sensibly and try to squeeze as much out of the experience as possible.

So let's give some thought to thinking.

In the workplace, how deeply are we thinking about the tasks and problems we face? Are we running on mental autopilot, relying solely on the knowledge we picked up from classrooms or training rooms?

Michael Vaughan, president of a Colorado-based leadership training group called The Regis Company, has a new book — "The Thinking Effect" — in which he argues that most people have been trained to think in a linear fashion that doesn't jibe with the complexities and constant change of the modern business world.

Through high school and college, we have information dumped into our heads. But, Vaughan writes: "Students are not encouraged to let their questions wander; subjects are segregated, few connections are made between courses, and their ability to think systemically is dulled."

Our national obsession with testing doesn't help, either: "Too often, test taking becomes a practice in rote memorization instead of an experiment in processing information and reasoning that leads to self-generated insights."

In essence, our minds are not being trained to operate in a nimble fashion, yet we work in a world of exhilarating and lightning-fast changes that cries out for comprehensive thinking. This, Vaughan explains, leads to several problems: We focus only on our area of work rather than on how our work factors into the company at large; we fail to see how present actions might create problems in the future; and we struggle with situations as they become increasingly complex.

"Linear reductionist type thinking doesn't prepare people for the complexities of the

Turn to **Huppke, Page 2**

NANCY STONE/TRIBUNE PHOTO

Garry Alderman, pictured showing a custom trike he built, is working with a design firm in a contest to create the ultimate urban bicycle.

Team shifts into high gear to create best urban bicycle

Contest entrants' challenge: Mixing safety with style

By James Janega
Blue Sky reporter

Chicago custom-style builder Garry Alderman and design company Minimal are out to build a better urban bike.

As a matter of fact, they're in a competition to build the very best one.

Alderman, owner of Method Bicycle, and Minimal are teammates in the Oregon Manifest Bike Design Project, a national competition to address urban cycling pain points and build the bicycle of tomorrow.

The team is one of five in the competition, all from bike-intensive cities.

"We need to change the idea of getting in the car to do an errand," Alderman said. "What would make (the bicycle) the most optimal machine to run errands with, or take your kids to school?"

The effort includes the gathering of customer needs, collaborative brainstorming and rapid prototyping familiar to most professionals involved in new product design. Method and Minimal need to address what it means to be a "Chicago cyclist."

West Coast riders can't avoid hills. New York riders must contend with congestion. Chicago riders can't ignore winter.

And in The City That Works, said Minimal designer Chris Watson, the "Chicago Bike" better be low-maintenance in snow and salt.

"We recognize that the winter ends in June, and then it starts again at the end of July,

Turn to **Bike, Page 2**

BLUE SKY INNOVATION

Inside

■ Tankless water heater learns when you shower and saves money.
■ Special Olympics is using technology to keep athletes engaged. **Page 3**

A passion for life, insurance

Udell, from Page 1

"I wasn't afraid to talk to people," he said.

Udell grew up in relatively humble surroundings, unlike some of his classmates, "but I was with a lot of rich kids," he said. "The fact that I grew up with nothing was a huge motivator to me."

In father's footsteps

His father sold life insurance, but Udell at the time didn't see that as his chosen path.

Udell received his bachelor's degree in business administration from the University of Illinois at Urbana-Champaign, followed by a law degree from the Illinois Institute of Technology. He said he did fine in school but could have excelled by working harder.

"I could get B's without working hard," said Udell, who passed the bar exam on the first try. "I came out into the real world doing the same thing."

Perhaps his biggest regret, he says, is not putting forth more effort early in his career.

"I didn't really start working hard until I was 35," he said. "I didn't realize that execution is where the money is made, not so much in having great ideas."

The dust had barely settled on his Juris Doctor diploma when he abandoned the idea of becoming an attorney. "I really thought I wanted to be a lawyer until I got out there and saw what lawyers do," he said. "I'm really a salesman at heart."

Instead of practicing law, he got into buying real estate, fixing it up and selling it.

"I was going to get married, and my father-in-law said, 'You need to have a real job,' " Udell recalled.

He ended up selling life insurance at New York Life Insurance Co., following in his father's footsteps.

After about 14 years of selling insurance for New York Life, he struck out on his own.

Udell thought life insurance agents wasted a lot of time visiting clients in person, especially for such a simple product as term life insurance, a straightforward policy that pays a specified amount if a policyholder dies within a set time.

So in 1994, he started selling over the phone, and the seeds of AccuQuote were planted.

As a one-man operation, Udell didn't have a big marketing budget but was interested in advertising on radio. After deliberating about whether radio ads were worth it, he took the plunge and spent $3,500 advertising his firm. He got "a bunch of leads out of it," and his life insurance business started to grow quickly.

Shortly after, a friend suggested he should be on the Internet. At the time, the Internet was something people dabbled with using their AOL account a few minutes a day. Udell said he wasn't convinced an Internet presence would be worthwhile, but he created a website anyway, and AccuQuote.com became a pioneer among online life insurance brokers.

"We started getting leads from all over the country," he said, which meant he had to get licensed to sell insurance in many other states. "It began to have more of a national scope."

Within two years, more leads were coming from the Internet than from radio, and the business exploded. He continued hiring people and moving to larger and larger headquarters. "It had taken on a life of its own," he said.

He plowed revenue back into the company for more marketing and more technology, such as servers and website design. But he never borrowed money for operations.

"We started with no money and haven't borrowed a dime," he said, adding that the only exception was his current headquarters building bought through a separate limited liability company. "The company itself has no debt, has never had any debt. I just don't believe in it. That possibly slowed down my growth. However, the competitors I know of that raised money to grow faster lost a cropload of money, tens of millions of dollars."

Vossenberg said AccuQuote separated itself from much of the competition. "At the time, there were a lot of entrepreneurs trying to do what Byron did, but not many of them succeeded. He's one of two or three that have meaningful scale."

Why did AccuQuote grow so fast? Udell contends it was because it delivered what consumers wanted — to be able to compare life insurance carriers without sales pressure "and skip the three-hour kitchen table face-off."

Today, AccuQuote, also sells long-term care insurance, disability insurance and some annuities.

"He was certainly a pioneer," said Brian Ashe, partner at The Business Strategies Group of Illinois in Oak Brook, who has served as president of insurance industry organizations nationally and in the Chicago region. He has known Udell since the early days of AccuQuote.

"He put his money where his mouth was. He was investing lots of money with no guarantee that it was going to work. But he believed in the concept, and he stuck with it."

Personal touch

AccuQuote has always been more than a sales call center, Ashe said.

"His organization has never been just an order taker. He wants to try to figure out how the policies will fit in with the person's financial plan and make an appropriate recommendation," he said. "I think that has distinguished his organization from some of the others that are purely transactional."

Udell said the behind-the-scenes operation — the processes and people — is what makes the difference.

"In our business, there are so many little things that have to be right," he said. "I have the exact same products my competitors have. The difference is us. The conversation. The passion."

Passion is a word you hear a lot when people talk about Udell. Mostly it's in the context of "protecting families" with life insurance.

Consider these comments from Udell in just one conversation:

■ "I think it's the most amazing product mankind ever invented."
■ "I feel like I've got an ethical, moral and social responsibility, because I'm good at this, to sell as much of this as I can while I'm still a leader."
■ "Nothing does what life insurance does — there's no other product that can deliver millions of dollars for a few dollars a day. ... A 40-year-old male can buy a $1 million, 20-year level life insurance policy for $2 a day. How crazy does that sound?"
■ "It's fun for me when people don't get it — and then they get it. I hang up the phone, and I feel like taking a lap around the office."
■ "If they don't buy from me and buy from somebody else, I'm OK with that. ... At the end of the day, if I leave the call and they don't buy from anyone, I've failed. And I can't live with that."

He also expects passion from employees. "If you can't get passionate about this, go do something else," he said. "Go teach history, go sell shoes."

That passion bleeds into other areas of his life.

For example, Udell is on the board of directors at Chicago-based VisaNow, which helps clients navigate the immigration process. Udell is on the board partly because he bought a sizable stake in the consulting company, but it's also for his passion.

"He never equivocates," said Bob Meltzer, CEO of VisaNow. "And I'd warn anybody, if you start a discussion with him, you better be willing to take it to the extremes."

Golf is another passion. He hosed his skills while building his company, hitting the golf course at 5 a.m. or whenever it opened on weekdays before work.

Each conference room at AccuQuote headquarters is named for a famous golf course, many of which he has played.

Today, he sports a handicap index of 6.7, excellent for an amateur. Ashe said he's been on the golf course with Udell. "He's an intense individual," Ashe said, laughing. "You have to hose him down with cracked ice."

Loonam, the AccuQuote executive, recalls being at an industry conference golf outing where Udell's friends began playfully taunting him and challenging him to put up stakes in the game. Udell was up for the competition, and when they tried to negotiate the handicap, Udell shot back, "If you want to beat me, get better."

"I've used that line in business, since," Loonam said. "I thought that was an excellent quote."

Getting it done

It's also an example of Udell's hard-charging leadership style.

With hiring, Udell said he's not so concerned about a candidate's schooling. Some employers value intelligence, IQ, or EQ, emotional quotient. He values what he calls GIDQ, get it done quotient.

"If I hire you, are you going to find a way to get the job done ethically and honestly and are you going to stay late and do whatever you have to get the job done? Or are you going to say, 'That's not my job?' " Udell said.

"If I could measure the GIDQ, that would be priceless."

Some of Udell's leadership philosophies are by the book — straight out of leadership and self-improvement books that he ravenously reads.

"Personal Power," by Tony Robbins, "changed my life," Udell said. He liked the book "The Ultimate Gift," by Jim Stovall so much that he bought 600 copies so he could give them away, he said.

Very few businesses are truly new, Udell said, so chances are someone successful has written a book about it. "Why the heck would you want to reinvent the wheel? Just buy the book. It's amazing to me that people think once they're done with school, they're done learning. That's idiotic."

These days, Udell allows Loonam, his second in command, to run day-to-day operations, but he's still very involved.

"Byron can walk into the building after a couple weeks and can seemingly sniff the air and know where we stand," Loonam said.

Udell said he doesn't know what big move is next for AccuQuote, but he's searching.

"I'm always looking for what's next. How can we make this bigger? How can we make this better? How can we reinvent the way people buy life insurance?"

Udell's 25-year-old son, Jake, is an entrepreneur in his own right, starting at age 13 with an eBay business selling celebrity autographs. He's currently co-founder of creative management firm THIRD Brain and manager of Kreswella, an electronic dance music group from Northbrook. Udell gave his son at age 13 a copy of the book by Dale Carnegie "How to Win Friends and Influence People."

"My dad's advice is the one person's advice that's always priceless," Jake Udell said. "He appreciates life more than anyone else I know."

gkarp@tribune.com

ARMANDO L. SANCHEZ/PHOTO FOR THE TRIBUNE

AccuQuote CEO Byron Udell is the perfect spokesman for the life insurance industry, an associate says.