

CATIC Celebrates 50 Years in the Title Industry

An Interview with CATIC President and CEO James M. Czapiga, Esq.

In 1963, the Connecticut Bar Association appointed a special committee, designated as the “Real Property Committee,” charged with reviewing the expansion of commercial title insurance in Connecticut and its effect upon the legal profession in general, and the real property bar in particular. In its subsequent report, the committee recommended that the Bar Association create a Bar-Related® title assuring organization, which would enable the public to continue to have proper and “independent legal advice and counseling.” With funds advanced by the Bar Association, the committee moved ahead with the formation of the proposed company.

In 1965 the Connecticut General Assembly enacted Special Act No. 339, which created Connecticut Attorneys’ Title Guaranty Fund, Inc. (CATIC’s original corporate name). The “Fund” was formally organized in January 1966 and commenced business in May of that year in Bloomfield, Connecticut. Its first policy was issued on May 4, 1966.

In the 50 years since CATIC’s founding, the company moved its headquarters to Rocky Hill, CT (1983), and opened other offices throughout New England: Fairfield County, CT (1979), Western Massachusetts (1997), Rhode Island (1998), Eastern Massachusetts (2000), and New Hampshire (2002). An affiliate, Vermont Attorneys Title Corporation, began operations in 1991. CATIC will soon be opening an office in Portland, Maine.



James M. Czapiga, Esq.
President and CEO of
Connecticut Attorneys Title
Insurance Company

The geographic expansion of the company mirrors the expansion of the services provided to CATIC’s agents. CATICTrac®, the company’s release tracking service, frees agents from the time-consuming task of tracking down releases and discharges. PrepExpress Online®, the company’s closing software, is provided free of charge to CATIC agents. Agents can pursue “Best Practices Certification” from CATIC, which assures lenders that the agent has implemented the “Best Practices” established by the American Land Title Association. Seminars, webinars, and publications also inform agents of new developments and changing practices. When there are major changes in the practice, such as the new closing disclosure forms adopted by the Consumer Financial Protection Bureau, the company responds by holding multiple training sessions for its agents, so that all of the parties can become familiar with the new regulatory environment.

The Demotech Difference: What impact did the implementation of TRID have on CATIC?

James M. Czapiga: I think that the implementation of TRID last fall was obviously a big hurdle or obstacle for the entire industry to come to grips with. Two things CATIC did to serve their attorney/agents was to educate them on TRID and the changes they would face and to create a very user-friendly, easy-to-use, intuitive software program (PrepExpress Online®) to meet the needs of their practice and to stay in the game. Rich Hogan, our Chief Compliance Officer, spent a lot of time around New England the last couple years really getting the word out about what was coming down the pike



Former CATIC president L. Stewart Bohan breaks ground for CATIC’s building in 1982.

and educating folks to make sure they were prepared and ready for it. CATIC was sort of the industry leader when it came to educating agents on that front. In April 2015, over 600 participants attended CATIC's annual agency forum to learn about TRID, compliance, and best practices.

TDD: How is the new software PrepExpress Online[®] working for your agents?

JMC: CATIC's mantra has always been "by attorneys, for attorneys." This software was designed by attorneys here in New England and with the input from attorneys and we are always working to improve it. We get a lot of input and feedback from attorneys and paralegals in the field with regard to enhancements. So it's a product that's been created for attorneys with the help and input of our attorney agents and paralegals. So we collect data from the field on how we can make it better, how we can make it more user-friendly and how we can enhance it. We take the input and feedback from our agents, we listen to that and create a product that works better for them.

TDD: You've been with CATIC for less than a year, did you change anything when you came onboard?

JMC: One of the things I did when I came over, I recognized as a threat or weakness at CATIC was the auditing program, which wasn't up to what the rest of the industry had been doing. I promoted and named Rich Hogan as our Chief Compliance Officer and I hired an agency audit manager, Angela Haddad, with experience auditing attorney/agents. They were tasked with creating and revamping the audit program at CATIC to audit to best practice standards and also to, in the various states, bar standards. To make sure three-way reconciliations were done timely, within 10 days of a bank statement, and basically following the guidelines of the ALTA best practices. And Rich and Angela have worked hard over the last few months to create a new program that will both protect CATIC, mitigate risk of agency defalcation, and risk to the agents as well from their own internal staff.

At the same time, although we want to protect our company and mitigate risk, we want to make it consultative in nature, so Angela has also been given the task of teaching our agents about best practices and what they should be doing in their firm. Again, to comply with best practices but also what lenders may require. Whether that's protection of non-public private information, or using encrypted email, or making sure their accounts are reconciled properly. Angela's been out there teaching agents the proper way of doing that and also showing them where risks may lie in their firm and how they can correct them. So protecting the company with regard to the audit, but also making it consultative and a teaching tool for our constituents, our agents. That's one thing new created under my watch in the last six months.



CATIC's corporate office in Rocky Hill, Connecticut.

TDD: Where do you hope to see CATIC grow in the next five years and how do you envision reaching that goal?

JMC: CATIC hopes to grow its geographic footprint. CATIC has enjoyed a very strong market share in Connecticut and Vermont for many years. We've recently hired some folks in New Hampshire, and we're going to be opening up a Maine operation. We're looking to grow in a state like Maine, where we have 0.4% - 0.6% marketshare, because it's one of the states I've identified as a real growth opportunity for us. We've been there for a number of years, never really had a presence there. But it's a state with a bigger title insurance market than Rhode Island or Vermont. Portland, Maine is a burgeoning area for us. They've called it the Seattle of New England. We're looking to build a market presence up there and focus on that.

In growing our geographic footprint there are two things to draw attention to: 1) we are a New England based company. We are from New England, claims administration is handled in New England, technology development is handled in New England. And 2) CATIC is really on the side of our attorney/agents. We don't do direct business in New England, we don't issue policies directly whether they are commercial or residential. So we don't compete with our agent constituents.

One of the things that resonates with the attorney/agents in New England is that we don't compete with our customers where some of our competition does in varying degrees. So that fact we have a very focused business model and that we focus, right now, on the attorney/agents resonates with attorney/agents, our ultimate market. That and we're local. We're able to collaborate and communicate very effectively on a lot of different fronts because we're local.

TDD: Thank you for sharing your thoughts and congratulations on CATIC's 50 years in business.

JMC: My pleasure.