

IN PROFILE

■ **First Canadian Title: An Unwavering Belief in a Concept Translates into Success**

There is a lot of folklore about successful entrepreneurs who started their businesses in a spare bedroom, in their spare time and with little cash. Yet this is precisely the case with the origins of First Canadian Title (FCT), an Oakville-headquartered company that pioneered the concept of title insurance in Canada and today is the market leader in the sector.

"I was an air traffic controller back in 1987," remembers Thomas H. Grifferty, founder and CEO. "Air traffic controllers are a little bit like firemen; they work really intensive shifts and then get a lot of time off. That explains why a lot of air traffic controllers work part-time in real estate, painting, or other entrepreneurial activities."

So when Grifferty's cousin from the United States came to visit and told him about her husband's work with First American Title, a company that dates back to 1889, he was intrigued. After traveling to California to meet with Parker Kennedy, today's CEO of First American Title, Grifferty embarked on a four-year mission to determine the feasibility of title insurance in Canada.

It turned out there were already title insurance companies in Canada, but that the product was not being actively marketed. Consumers who opted for title insurance were few and far between. Still, Grifferty saw potential; in 1991, FCT was licensed to sell the product in Canada.

Obtaining a license turned out to be the easy part, remembers Grifferty. "I ran into a lot of opposition," he remembers. "Canadian lawyers were sceptical, the banks were too, what I really needed was someone who could see the big picture, who could realize that title insurance could be a real advantage for some of their clients." That perceptive lawyer turned out to be Miles Feltmate. "We issued our very first policy to one of his clients," remembers Grifferty.

Still, acceptance in the marketplace took time. "We wrote \$18,000 in policies that first year, \$38,000 in year two," says Grifferty, who believed in the viability of the title insurance concept in Canada so strongly that he gave up his day job two-and-a half years before the company was licensed, a decision he remembers as a "bit scary."

Then, in 1994, in a bold move, FCT struck a deal with Canada Trust. "What this meant was that the consumer didn't have to go through a lawyer to get a refinance completed, previously a bank requirement."



Thomas H. Grifferty, founder and CEO of First Canadian Title

First Canadian Title Snapshot

- National title insurance company for the residential and commercial market
- Headquartered in Oakville, Ontario with offices in Vancouver, Calgary, Hamilton, Montreal and Halifax
- Pioneered title insurance in Canada
- Is the market leader in its sector



Feltmate Delibato Heagle

L A W Y E R S

InProfile showcases clients of Feltmate Delibato Heagle, focussing on their business acumen and providing insight into their growth and success.

As is the case with many entrepreneurs, Grifferty found out that once a high-profile deal is made, opportunities follow. So many bank clients at Canada Trust opted for the title insurance process that other banks, to remain competitive, came onboard shortly thereafter and sales exploded.

Today, FCT, which is still wholly-owned by First American Title, is the leading provider of title insurance for residential and commercial real estate transactions and other related products and services in Canada. In Ontario, for example, approximately 85 per cent of all real estate transactions are title insured, of which FCT has approximately 65 per cent market share. FCT's annual revenues are in the \$250 million.

Nationwide, the company also has offices in Vancouver, Calgary, Hamilton, Montreal and Halifax. Grifferty calls the company's more than 1,000 full and part-time employees "the very best in the industry, whose ideas, suggestions and commitment to the company are the real secret to our success."

In addition to his position as CEO at FCT, Grifferty is also President of First American International Holdings. He has overseen the development of First American Title international operations in the U.K., Australia, Hong Kong, Korea, and, this year, a new venture in mainland China.

To accommodate his dual roles, Grifferty, 52, aside from working in the company's international offices, splits his time between Canada and the US. An ardent flyer, he often pilots his own four-seat Cirrus as he travels between his homes in Oakville and in Palm Springs, California, the latter location less than a 2 hour drive from the First American Title headquarters.

There is a real sense among Grifferty and the employees that the company should give back to the community at large. This year, in what seems a natural partnership, the company is embarking on an ambitious program to support financially, and through hands-on involvement, the building of 10 homes for Habitat for Humanity.

For the past 10 years, FCT has been a sponsor of the "Breath of Life", an annual event that consists of a series of downhill ski races held across Canada to raise money in support of The Canadian Cystic Fibrosis Foundation. It has also assisted other organizations such as the United Way of Canada, Canadian Cancer Society, Canadian Red Cross, Starlight Children's Foundation of Canada and Halton Women's Centre and Interim Place.

Harkening back to the early days of the Canadian operation, Grifferty credits the company's growth to consumer enthusiasm and acceptance of the title insurance concept. And, as has been seen in recent highly-publicized title fraud cases, never has there been such a need for consumers to obtain protection. First Canadian Title is active in consumer education; the company's webpage on real estate title fraud, www.protectyourtitle.com, is a case in point, as is its involvement in the national Fraud Protection Forum.

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