

No. 3 Public Company: Stewart Information Services

By Louis B. Parks

Matthew Morris, CEO of **Stewart Information Services** since late 2011, is the fourth generation of his family to lead the company since its 1893 founding by Maco Stewart in Galveston.

Stewart, which provides title insurance and related services in the U.S. and internationally, ranks No. 3 on this year's Chronicle 100 list of the area's top-performing public companies in 2012. It was a rebound year for Stewart, which ranked No. 83 on last year's list.

Stewart had the highest growth in earnings per share among companies in the top 100. It recorded \$1.9 billion in revenue last year, up 16.6 percent from 2011.

Total shareholder return was 126 percent, the fourth-best performance on the list.

Stewart has 6,000 employees, with about 1,500 in Houston. The majority of its revenue is domestic, but it has a large presence in Canada and is active throughout Europe, in Australia and in Latin America.

Morris sees multiple keys to Stewart's 2012 success, including refocusing operations around customer channels, and aligning management by those channels. The company shed more than half its independent agents to reduce its risk profile and ensure a more consistent customer experience.

"We are seeing the revised structure increase our profitability while the market recovers," he said. "Our profitability was actually higher last year than



Photo By J. Patric Schneider/Freelance Stewart Information Services CEO Matthew Morris talks with escrow officer Claudia Huerta. *Photo: J. Patric Schneider, Freelance / © 2013 Houston Chronicle*

it was (before the downturn) when our revenues were 30 percent more."

Another highlight from 2012 was being named one of America's Most Trustworthy Companies by Forbes magazine.

"Houston has been a strong, dynamic environment," Morris said. "We are seeing that now more than ever, with growth in Houston and Texas far outpacing the rest of the country. There is an entrepreneurial spirit."

The U.S. economy, regulations and interest rates could all create headwinds for the title industry, Morris said, but he expects a revitalized interest in housing, increasing transaction volumes and increasing home prices.