



Philadelphia Chaptergram

Volume 44 Number 1

Autumn 2011

Conferment Social and Dinner at Dave & Buster's

The Philadelphia Chapter of the CPCU Society welcomed Class of 2011 designees at a celebration at Dave & Buster's on November 10, 2011.

After a cocktail hour for meeting, greeting and networking, Joyce Shefsky, Chapter President, welcomed all of the attendees. Following the buffet dinner, Saul Swartout, Executive Vice President of The Institutes, spoke about the benefits and responsibilities of the CPCU designation.

He congratulated the new designees on their achievement, and he also encouraged all CPCUs to make a commitment to service and involvement in the Chapter. Paraphrasing President John F. Kennedy, Saul urged the new designees to "ask not what the CPCU can do for you, but what you can do for the CPCU Society, your Chapter, and the industry."

Following his address, Saul conferred the CPCU designation on each new designee in attendance. After conferment, all CPCUs stood and recited the CPCU pledge.

The Chapter congratulates and welcomes all members of the Class of 2011.

"Ask not what your CPCU can do for you, ask what you can do for your CPCU Society, your Chapter, and the industry."
—Saul Swartout
paraphrasing President John F. Kennedy



Saul Swartout of The Institutes confers CPCU designation upon Grace Lee of ACE.



David Glaser, Anita Devan, and Larry White (left to right), join in the CPCU pledge.

A Word from The President



Joyce Shefsky, CPCU, Vice President Client Services, ECBM, LP.

"We look forward to seeing all of you at the meetings and events. I challenge you to attend all that you can..."

Welcome to our first edition of the Chaptergram for the 2011-2012 year. Your board has planned an exciting year with interesting topics and lots of networking events. We look forward to seeing all of you at the meetings and events. I challenge you to attend all that you can; it is worthwhile and a great source of networking opportunities.

For those of you that participated in our survey last May, the board thanks you. We did pay attention to your comments during our annual planning. Based on your input, we have planned with the Union League to hold our monthly breakfast meetings, and to keep our pricing stable.

Once again, our chapter has been honored with the Gold Circle of Excellence Award. This is a tribute to the hard work that was done by Mary Ann Cook and the 2010-2011 Board. It was a pleasure to represent the Philadelphia Chapter and receive the recognition for this award at the Annual Meeting in Las Vegas.

Our chapter is excited to

welcome 52 New Designees this year. We held our local conference on November 10 at Dave & Buster's in Philadelphia. What a success! See the article within the Chaptergram for the details.

One of the changes that the Board has approved is the elimination of the monthly mailings with meeting notices. We will be posting these on the Internet, in our chaptergrams and by email blast. We hope with the reduction in mail costs, that we can use these funds to provide more events for our members. If you feel you need to have a copy mailed to you, please send me a note, and I will have a copy mailed to you.

Again, thank you for allowing me the opportunity to be your Chapter President. I look forward to meeting each of you and welcome your comments and suggestions. If you wish to help us on a committee, please let me know and I will get you connected to the correct person.

I also hope you and your family have a Healthy, Happy, and Prosperous

Holiday Season. See you at the January breakfast meeting.

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Joyce Shefsky, CPCU,
President
Philadelphia Chapter.

"Once again, our chapter has been honored with the Gold Circle of Excellence Award."

January Breakfast Meeting
January 19, 2012 at 8:00 AM
at The Union League

Philadelphia Chapter Welcomes New Designees

| | | | |
|-------------------------|---------------------|-----------------------|-------------------|
| Alexander T. Best | Michael Kolodner | David S. McCavitt | Zerona Sharpe |
| Edward J. Boyanski | Chris Lavelle | Sean D. McLaughlin | Wenjing Sun |
| Susan F. Bull | Jonathan Leather | Michael P. McHale | Judith M. Vaughan |
| Tomme Kael Coleman | Grace Park Lee | Sheneen Nicholson | Daria E. Ward |
| Eric Conrad | Andrew Lichtman | Tawana D. Normil | Bryan D. Weiss |
| James Decker | Kevin Lim | Judith Lynn Pidgeon | Kevin Wetzel |
| Christopher M. Deveney | Matthew Loranger | Jeffrey Pizutti | |
| Brian J. Donahue | Hurya Mahmoud-Salah | Christine Prendergast | |
| Catherine Eghbali | Brian Malinowski | Kristen W. Pressman | |
| Alan W. Finkelstein | Natalie Ann Mauro | Cindy Rodney-Smith | |
| Lauren M. Gaffney | Mary Jo Mazzone | Patrick K. Ryder | |
| David T. Glaser | Kevin J. McCabe | Jason L. Scheurle | |
| John W. Gradwell | | | |
| John Hand | | | |
| Glenda Henderson | | | |
| Kathryn Holland | | | |
| Christopher P. Ianovale | | | |
| Kevin M. Johnson | | | |
| Frank Kapish | | | |
| Caitlin Kelly | | | |
| Terri Lynn Kelly | | | |
| Joseph Kolakowski | | | |



Mary Ann Cook and Saul Swartout



Ann Myhr with husband Rick, Marty Frappoli and Anita Bourke.

A Proactive Approach to Replenishing an Aging Industry

It is no secret that the workforce in the United States is aging. The December 2009 Employment Projections, provided by the U.S. Bureau of Labor and Statistics, reports that the number of working individuals age 55 and older is projected to increase by 43% from 2008 to 2018 and account for almost 25% of the total labor force in 2018. In comparison, the number of workers between ages 35 and 44 will decline by 3% over the same period.

The insurance industry follows a similar trend, but over the next decade is projected to age even more than the typical industry. According to a McKinsey report, 20% of the workforce in the insurance industry is near retirement age, compared to 15% in the broader financial ser-

vices sector. Another McKinsey study showed that the boomer generation accounts for 51% of all managers although they account for only 25% of the overall workforce. This shows that as the number of boomers leave the industry for retirement, companies could be vulnerable to a shortfall in talent as they try to replace these knowledgeable workers.

Companies have started to realize the need to replenish their organizations with knowledgeable and talented individuals and have taken a proactive approach to doing so. One example is at Munich Reinsurance America (Munich Re) in Princeton, N.J. Munich Re developed the Risk Analyst Rotational Program in 2008. The Risk Analyst program

is designed to attract recent college graduates and prepare them for future roles in the underwriting, actuarial and financial management fields. It is a two and a half year program that combines experience-based learning through rotational assignments and foundational coursework led by some of the company's most experienced underwriters, actuaries, and other professionals.

The program covers the fundamentals of insurance, including policy forms, underwriting, and pricing. Reinsurance is studied from the legal, underwriting, accounting, contractual and pricing perspective. Each of the classroom training sessions is followed by an on-the-job rotational experience. Exposure to the international nature of the insurance and reinsurance industries is also included within the program

through several two-week rotations at the company's offices in Munich, Germany.

Industry exams such as CPCU are used to supplement the on-the-job and classroom learning. By completion of the two and a half year program, Risk analysts pursuing an underwriting position are required to obtain their CPCU designation. Those pursuing an actuarial position are required to complete three actuarial exams. Managers throughout the Munich Re organization see the value in obtaining such designations and have made this an essential component of the Risk Analyst program.

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Doug Johnson is a Risk Analyst at Munich Re America .

Mix & Mingle

On May 12, 2011 at 5 p.m. the Spring Mix & Mingle was held at the R2L Restaurant on the 37th floor of Two Liberty Place.

While enjoying cocktails, appetizers, and a panoramic view of Philadelphia, chapter members met new members and greeted friends.



Mary Ann Cook and Mike Fields



Marty Frappolli and Chris Hampshire



October Breakfast Meeting

Charles M. Adams, Esq. & **Robert S. Stickley, Esq.**, associates with Nelson, Levine, deLuca & Horst, LLC were the speakers at the October 13, 2011 breakfast meeting at the Union League. Their presentation was 'Black Box Technology' Revealed.

They discussed Event Data Recorders (EDRs) that are now standard in most makes and models of cars. EDRs record information from 5 seconds before to .5 seconds after a crash. The type of information recorded include application of brakes and sudden changes in speed.

Use of the data in litigation has presented various challenges. Federal concerns focus on the uniformity of

the data while state concerns focus on privacy issues. Nineteen states allow data from EDRs as evidence, and the data have survived all challenges so far based on reliability.

There have been various difficulties associated with gaining access to EDRs and the data for litigation purposes. It is not easy to extract information from these devices, and the vehicle owner's consent is required. There is limited storage, and the data is written over when the limit is reached.

In response to some of these difficulties, the National Highway Transportation Safety Administration issued rules in 2006 that will take effect in 2013. Manu-

facturers will not be required to install EDRs in vehicles. However, if they do install them, they must permit access and store the information in a uniform manner. These new rules should permit greater access to EDRs and resolve issues about uniformity of the data.

Policy provisions requiring insureds to cooperate in investigations may assist in consent issues.

Thanks to Chuck and Rob for a fascinating presentation!

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Reporting by **Russell F. Wainwright**



Charles M. Adams, Esq.



Robert S. Stickley, Esq.



*"It's your Chaptergram—
it is about and for you"*

A New Face For The Chaptergram

The chaptergram has a new look and a new editor. Theresa Gregory will continue to be a member of the editorial staff. However, since the birth of her twins (see the photo on the last page), she is no longer able to be responsible for coordinating and editing the chaptergram.

I volunteered to take on the primary editorial responsibility for the chaptergram, and I'm looking for-

ward to working with Theresa as well as Mike Fields, Ada Hoffer-Perkins and Philadelphia CPCU Chapter members.

Marty Frappolli, Past President of the Chapter and former editor of the Chaptergram, is a valued mentor and consultant.

I encourage all members to submit personal news, industry news and articles to your chaptergram. Because it is, after all, your chapter-

gram—it is about and for you.

I also ask for your feedback and opinion as the chaptergram continues to evolve. Please contact me at Vaughan@theinstitutes.org

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Judy Vaughan, CPCU, is Director of Content Development at The Institutes

Happy Holidays
From the Board of the Philadelphia Chapter

| | |
|--|---|
| <p>Joyce Shefsky.....President Samantha Miller.....President-Elect Joe Badowski.....Vice President Larry White.....Treasurer Donna O'Brien.....Secretary</p> | <p>Directors Bill Fish Michael Fields Anita Devan John Grantland Theresa Gregory Chris Hampshire</p> |
|--|---|

A Record Year for the UCP Life Without Limits 5K Walk/Run

We are thrilled that there was record breaking participation in the 2011 United Cerebral Palsy Life Without Limits 5K Walk/Run. The Philadelphia Chapter of CPCU had a team of 20 members (and one baby!) who braved the afternoon storms to come down to the Art Museum and join in this very worthwhile event.

The weather threatened, and it even rained while we waited for the start. Just before race time, however, the

sky cleared and a beautiful rainbow appeared to encourage us.

Chapter members, family and friends all gathered together before the race to don our very visible team T-shirts. It was great to see our Philly Chapter displayed so prominently.

As the excitement built before the race, we had the opportunity to catch up with one another and meet new friends. Then runners and walkers alike set off on

the scenic course up Martin Luther King Drive.

Following the race, a fun time was had at the after-party at Jack's Firehouse. Thanks so much to all who came out to support such a wonderful cause, and we look forward to breaking this record next year.

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By Margo Turtureja



"Just before race time...the sky cleared and a beautiful rainbow appeared...."



Members of the team assemble at the Art Museum steps.



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Please send your news to:
vaughan@theinstitutes.org

Insurance Teaser

How much did lightning strikes cost U.S. insurers in 2010?

- A) \$10 Million
- B) \$100 Million
- C) \$500 Million
- D) \$1 Billion



First 25 correct answers received win entry into a drawing for a \$10 gift card! E-mail answer to Vaughan@theinstitutes.org

New and Noteworthy

Congratulations to Theresa Gregory, Philadelphia CPCU Society Chapter member and Board Director, and her husband, Adam Stewart, on the birth of twins, Jillian Louise and Cecilia Marie Stewart.

Philly Profile: Congratulations to Joe Badowski CPCU, ARM!

By Mary Ann Cook, CPCU, AU, AAI

Congratulations to Philadelphia CPCU Society Chapter member and Board Director Joseph Badowski, CPCU, on attaining the ARM designation. Way to go, Joe!

Joe wasted no time in 2009 after completing his CPCU in deciding to move right on to the next challenge along his pathway of professional development: The Institutes' Associate in Risk Management (ARM) designation. The ARM designation is a terrific complement to the CPCU designation and is very valuable in today's industry marketplace, with component courses focusing on assessing, controlling, and financing risk (learn more at: www.theinstitutes.org).

As Joe began taking ARM classes, he also enrolled in "CPD"—the CPCU Continuing Professional Development Program that encourages CPCUs to maintain their skills via taking courses, teaching, researching, and other activities. Joe says that, "The CPD program encouraged me to take both on-line and class claims-related courses, which helped me in better understanding coverage and other claim issues that I face on a daily basis. It also helped me improve my leadership skills including my interactions with [the Philadelphia CPCU Society Chapter's Board] and with others in the insurance industry." (Learn more about CPD at <http://www.cpcusociety.org/page49501>).

