CPCU—CHAPTERGRAM
PHILADELPHIA CHAPTER
THE SOCIETY OF CHARTERED PROPERTY & CASUALTY UNDERWRITERS

VOLUME 19, NUMBER 3 | Peter F. Palestina, CPCU—Editor | MARCH, 1986

Joseph McNasby
Director

News from the Candidate Development Committee

BY: JOSEPH McNASBY
Candidate Development Coordinator

In these articles, over the past several months, I have been reporting the status of our personal contact campaign. We were anxiously awaiting the first few presentations so that we might gauge the response to this program.

During December we made our first three presentations which took place at the local branch offices of Continental Insurance, Transamerica and The Home Insurance Companies. The response from both the employees of the insurance company and the teams that made the actual presentation has been extremely favorable.

With the knowledge that what looked to be a beneficial program is in fact a valuable program, we are anxious to continue with our presentation throughout 1986.

The pictures that accompany this article were taken at the December 12th presentation made at the Transamerica Branch Office. In each of the presentations the number of employees attending was between 25 and 35, which we felt would be the ideally sized group. Typically the presentation begins with the team leader outlining some of the honest reasons for continuing their insurance education. Next, individual team members usually relay their personal experience in the problems they encountered in striving for the CPCU designation. In each of the presentations the employees are encouraged to voice what they feel to be stumbling blocks which they have encountered or which they feel others might encounter. Those problems are openly discussed and while many of them do not have simple solutions, at least the group knows that many of these problems are the same problems experienced by many people who have successfully continued their education. The people participating in the discussion at least have an opportunity to see how others have dealt with the problems. An important point to make here is that at no time does our team attempt to tell people that it is easy.

The true value of this program is the honesty and sincerity of the personal contact. If people go into the program with a realistic idea as to what to expect, then perhaps when they encounter problems they won't be so shocked and simply give up. They will know to expect problems and they will know that they are not alone in having encountered problems. It is really interesting to see just how many CPCUs have in fact failed examinations along the way. What they have in common is that they dealt with this failure and didn't quit. They eventually succeeded at their goals, not through sheer genius, but through hard work and persistence.

I would like to take this opportunity to acknowledge the help and support of Mariellen Whelan, Ph.D. and Jane Maloney of The Insurance Society of Philadelphia. They have worked very closely with us both in developing and administering this program and I would like to express our sincere thanks.

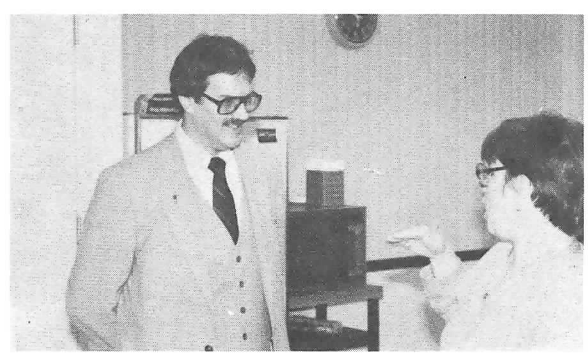
We will continue to look at our membership for participation in these presentation teams. If you would like to participate as a team member or if you would be interested in having a presentation made before your employees, please don't hesitate to give me a call at The Graham Company. The phone number is (215) 567-6300.

Norm Baglini, Ph.D., CPCU, answers some questions after a Personal Contact Campaign presentation.

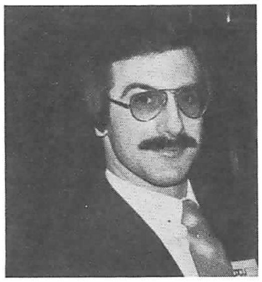
Terry Macko, CPCU, leads off the Personal Contact Campaign session held at Transamerica in December. Other chapter members assisting in the presentation are Jack Anderson, CPCU, Connie O'Connor, CPCU and Norm Baglini, Ph.D., CPCU.

A captive audience listens intensely as PCC speakers discuss the merits of continued education.

After a PCC presentation, Committee Chairman Joe McNasby, CPCU, discusses some of the comments made earlier.



Bruce Gurney, CPCU, helped coordinate the PCC presentation at his company's (Transamerica) office.



Vince Phillips
President

President's Corner

IT'S TIME TO BE SELFISH!!

Look into a mirror and ask yourself, "What have you done for me lately?"

You've probably missed a few breakfast meetings, put off a seminar you wanted to attend or some other self-activity just because you couldn't find the time...

Over the last twelve months, we've all gone through sheer madness with and for our clients/management, in an attempt to merely try to survive! Did we? You be the judge of that. The most disappointing result that has occurred is that many of us put our personal growth and development on the back burner. You may therefore not be surprised to realize now that you have indeed been selfish: to your clients and to yourself.

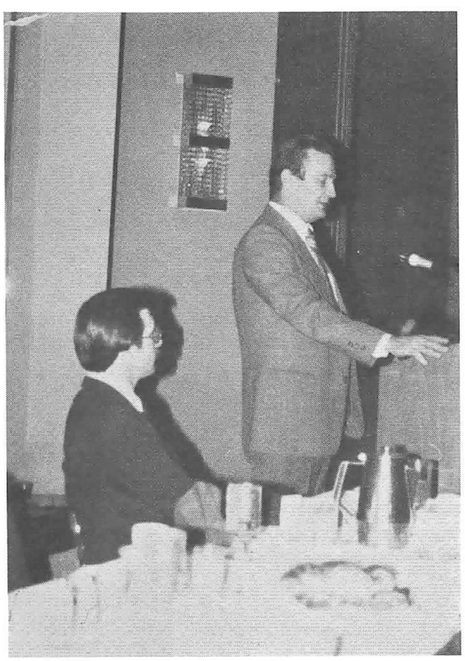
As a **CPCU** you are holding yourself out to the public to be the one. You owe your clients/management the peace of mind they chose you for. The comfort in knowing that you are continually striving for new concepts, broader product knowledge, and marketplace involvement—a right they can expect from you.

.....you owe yourself continuing opportunities for educational development. Make time for that next seminar. Teach or *take* that insurance course you've put off for so long. Attain the **CPD.**

BE ONE — SEE ONE SEE YOURSELF!

Encourage CPCU Candidates To Attend The April 7 Meeting

If you work with or know a CPCU candidate who has completed at least half of the program, we would like him/her to experience our monthly breakfast meetings and to get to know the CPCUs that form the Philadelphia Chapter. Any candidate who will be attending should contact Mr. Rick Marthins at 215/735-5947 before April 1st. Rick will give additional information as to the location and time and also will set up a reservation for the candidate. The cost of the breakfast meeting for the candidates is $10.00 a person.



Panelist John Topoleski, CPCU, addresses members at the Jan. 7 meeting.

Photos from our "Fire Safety in the Home" Essay Contest

Award winning students of the Joint Sponsored Council Rock/ Phila. CPCU "Fire Safety in the Home" essay contest are shown with their awards.

Front Row: *Christopher Hunter, Janet Berg, Kathleen O'Brien, Elisa Katz, Karen Consiewski, Cailin Cannon, Matt Kanefsky.*

Back Row: *Northampton Fire Chief Martin Comyn, Christy Wasserman, Tara Scanio, Maureen Pindziak and Phila. CPCU President Vincent Phillips.*

In addition to award ceremonies before the Council Rock School Board, the students also received a ceremony before the Northampton Township Board of Supervisors where commendations and proclamations were presented.

Second grader Chris Hunter receives his award for honorable mention from Northampton Fire Chief Martin Comyn and Chapter President Vince Phillips as the School Board looks on at their November 18 meeting.

At the November 27th Northampton Township public meeting, award winning Council Rock students are presented with proclamations and commendations by Pennsylvania House of Representative member Roy Reinard III and Northampton Township Supervisor and Past Philadelphia Chapter President Pete Palestina, as Chapter President Vince Phillips moderates.

NOVEMBER MEETING RECAP

Excess and Surplus Lines—General Views on the Marketplace

WRITTEN BY: Gloria Forbes, CPCU

On January 7, 1986 the Philadelphia Chapter CPCU offered a panel discussion on the Excess and Surplus Lines marketplace at the Hershey Hotel. Speaking on the subject were: John Topoleski, President, Eastern Risk Specialist; Robert Cohen, Senior Vice President, DVUA; Michael J. McCarthy, CPCU, Assistant Secretary, Bryson Associates; and Albert P. Federico, CPCU, Vice President, Swett & Crawford.

John Topoleski opened the discussion with a historical summary—the well-known litany of the hardening of the market. He stated that the traditional role of the Excess and Surplus Lines market was to step in and solve the problem of capacity and write the tougher or more unique risk. However, re-insurance is a vital cog in the "E&S" wheel, and the re-insurance just is not there.

The re-insurers, as a result of their poor experience, are saying "no" more often than "yes." Some have stopped writing certain lines of insurance, while others are getting off certain classes of business. Some re-insurers have stopped writing completely, either closing their doors forever, or reaching their desired premium level for the year.

The dramatic price increase puts companies in a Catch 22 situation. The high rate means that the premium cap for the company is quickly reached.

The Excess and Surplus Lines market is faced with problems, two of which are capacity and the ability to respond to the submissions received. The Excess and Surplus Lines markets are being drowned with submissions.

Because of the number of submissions received, they will normally act quickly when they see an opportunity to write business at a profitable level. Mr. Topoleski stressed that a complete and accurate submission is a must. The submission must contain full information on prior carriers and 7 years verified loss information He stated that it is imperative to know what your Excess and Surplus Lines, broker or underwriter, can and cannot do. He further stressed that the shot-gun approach does not work in today's market.

Another change that is evident, is the restriction in coverage terms. The Agreed Amount Replacement Cost Forms are becoming a thing of the past. They are being replaced by Coinsurance and Actual Cash Value. In addition, coverage for earthquake and flood is disappearing. Deductibles on Property Insurance are starting in the $5,000 to $10,000 area, and the lack of capacity is forcing more sharing and layering of property risks.

In the casualty area, the Claims Made Form is being pushed hard by the Excess and Surplus Lines underwriters, mainly because of re-insurance restrictions.

The legal climate in this country has greatly affected the availability and pricing of the insurance product. Mr. Topoleski feels that Tort Reform is a must if the product is to be available at a reasonable price. But, he feels that educating the public is probably the first step towards Tort Reform. The general public must be aware that the insurance industry does not have unlimited funds at their disposal. He feels the public must be made to realize that large jury awards are paid for by everyone.

Robert Cohen addressed the Excess and Surplus Lines market by giving us a brief synopsis of how to use the market. He started by saying that the Excess and Surplus Lines marketplace is not made to compete with the agency carriers, but should be called upon when the normal channels "drop the ball."

Excess and Surplus Lines companies are becoming very selective. Even more so now because of the increased demand. Markets are placing quotas on the Excess and Surplus Lines broker and requiring quality submissions which contain 4-5 years complete loss information, inspections, and financial reports. They are requiring long lead time because of the many new policy forms which must be reviewed.

Mr. Cohen reinforced the view that market restrictions impose lower limits with higher deductibles. Because each new treaty reduces the limits available, he feels as many as two to three times the number of policies will be needed to accomplish adequate coverage that was formerly secured in one market. Mr. Cohen concurred with Mr. Topoleski's forecast of the imminent change to the Claims Made Form. He feels this change in form will open the Umbrella marketplace. Mr. Cohen further sited that "Stand Alone Claims Made Forms" will be the norm in the future. The intent of these forms will be to have coverage so restricted, that the courts could not interpret any broadening of the intent of the form.

Mr. Cohen concluded that it is the company's ballgame and that Excess and Surplus Lines brokers are constantly searching for new players, while questioning the availability. He closed by saying that we must play with the cards dealt, even if the deck seems stacked against us.

Michael J. McCarthy opened by stating that Excess and Surplus Lines intermediaries are now inundated with business. While they try to adhere to the old standard of writing profitable business, the tidal wave of submissions (1200 a month; 30 Federal Expresses a day) have forced Excess and Surplus Lines intermediaries to write a very limited amount of business. Since they are not prepared to increase staff, the markets want to see only those submissions in a form that they can easily handle.

Mr. McCarthy listed what a broker should expect of the Excess and Surplus Lines intermediary. He stated that it is important to know the underwriting philosophy of the Excess and Surplus Lines intermediary and the markets that the intermediary will approach.

Conversely, the Excess and Surplus Lines intermediary expects to be advised of standard market reaction to the risk. The intermediary expects to receive complete applications including brochures, financial statements, and a summary of operations. He too stated, the importance of complete accurate loss information for at least five years. He stated that it was important to answer all anticipated questions because the underwriter has only one opportunity to review your submission in the flood. Too many unanswered questions will deep six your account.

Mr. McCarthy closed by stating that it is important to develop a good relationship with your Excess and Surplus Lines intermediary. You should visit and re-acquaint yourself with their philosophy.

Al Federico capsulized the advice of the first three panelists and offered an overview of the Excess and Surplus Lines scene.

He re-emphasized the preparation of submission and Tort Reform. As London and other foreign markets have continually declined to write liability risks in the United States, it is important that we see some form of Tort Reform. A return of these markets would bring about a needed increase in capacity.

It is not advisable to change terms after they are bound. Nor is it the time to play the "let's make a cheaper game." Mr. Federico also felt that future trends will place much more importance on loss control.

He closed by emphasizing that the Excess and Surplus Lines market is not a "magic kingdom."

The speakers all concurred that the Excess and Surplus Lines market is suffering from the deluge of submissions they receive as the standard market becomes more and more restrictive. They all stressed the importance of a complete and concise submission. All felt that it is important to be selective in the use of Excess and Surplus Lines intermediaries and not to shot-gun the marketplace. Restrictive terms will continue as capacity continues to shrink. Tort reform is critical and the Claims Made Form will prevail.

Concerned looks on the faces of some of the audience at the chapter's January 7 meeting on Excess and Surplus Lines.

Panelists speaking at the January 7 meeting, left to right: John Topoleski, Bob Cohen, Al Federico, Mike McCarthy.

February Joint CPCU/CLU Meeting Snowed Out

Due to the snow, only half of the 80 registrants showed up for the February 7th joint meeting. That was the good news. The bad news is that the speaker, State Representative Roy Reinard didn't show either. Thanks to Chapter Member Jack Derrickson, who gave a talk on Tax Laws, the meeting wasn't a total loss. Representative Reinard sent us his apologies and his letter is reproduced below and contains some of his perceptions of the state of affairs regarding insurance in Pennsylvania.

Dear CPCUs,

I am sorry I was unable to attend the Friday, February 7th joint meeting between the Philadelphia Chapter of the CPCU and CLU in Philadelphia. Unfortunately, the snow and bad weather conditions made it impossible for me to attend. I would like to share with you some of my perceptions of the state of affairs regarding insurance in Pennsylvania.

I currently serve as a member of the House of Representatives Insurance Commitee, I am also a member of the Pennsylvania State Task Force on Insurance Laws Codification and I am a member of a National Task Force of the American Legislative Exchange Council on the Availability of Liability Insurance in America. Although many things are happening in Harrisburg regarding the insurance industry, I would briefly like to outline four general areas of insurance concern:

1. Legislation to Prevent Cancellations, Non-renewals and Premium Increases on Auto and General Liability Insurance
2. Auto Unisex Rates in Pennsylvania
3. Insurance Company Investment Law
4. C.G.L. Form Pending in Pennsylvania

Legislation to Prevent Cancellations, Non-renewals and Premium Increases: There is some sentiment within the General Assembly for legislative initiatives to prevent or limit company cancellations, non-renewals and premium increases. The sentiment has not reached a consensus whereby adoption of such legislation is imminent. However, if a bill were to be presented to the full House at this time, there is a good probability that it would pass.

I personally feel care must be taken to assure that the Legislature does not "over-react" to current market conditions and practices. A substantial number of insurers are in such financial conditions that they warrant regulatory attention. Restrictive actions, especially legislative, could result in a worsening of market availability, especially for risks whose "profile" would represent them as average or below average risks. Restrictive policies limiting or prohibiting cancellations or premium increases would result in tighter underwriting standards which many policyholders could not meet.

The NAIC and individual states' Insurance Commissioners have indicated a preference to review individual company market conduct. Unless insurers become absolutely irresponsible in their conduct, it is my opinion that no restrictive legislation will be forthcoming.

Auto Unisex Rates in Pennsylvania: On Tuesday, February 4, 1986, the Pennsylvania State Senate again overwhelmingly passed a bill reaffirming its opposition to the concept of unisex rates, and extending the right to base auto insurance rates partly on gender. I personally support the Senate's action.

On the other hand, the House adopted a program to extend the present rating plan eighteen months, but directed the Joint State Government Commission to develop a fair and reasonable unisex rating plan in the interim. The Senate has not acted on this proposal. This proposal probably does not reflect the views of a majority of House members. The plan was adopted at 1:30 in the morning as a compromise to end an amendment filibuster. Members in support of unisex rates have sought to forestall legislative consideration of bills that will allow unisex rates to be continued.

It is expected that the Acting Insurance Commissioner will extend the deadline beyond March 1st if the Legislature does not implement either of the above proposals.

Insurance Company Investment Law: Revisions are on the Calendar and in a position to move. A number of amendments also have been indicated. Unfortunately, too many of the proposed amendments have nothing to do with Insurance Company Investment Law. They include proposals for mandated health insurance coverage for the treatment of alcoholism, the creation of an Insurance Consumer Advocate, and a host of other anti-insurance proposals. A long debate is expected on this subject.

Myself and other members of the Insurance Committee favor revision of Pennsylvania Investment Law to expand permissible investment activity, but feel such expansion should follow those granted in New York and Illinois. Along with the new investment ability will come language to clarify the regulatory role of the Insurance Commissioner, especially when it comes to prohibiting investment practices that may place the financial well-being of an insurer in jeopardy.

The C.G.L. Form: This policy form is the industry's reaction to a changing legal environment. Faced with growing losses and an increasingly unpredictable legal climate, insurers have responded by seeking to limit coverage in order to keep rates at a reasonable or perceived affordable level.

In reality, these policies do not reduce the exposure to loss faced by the insured, they merely reduce the insured's coverages and increase the insured's uninsured loss exposure.

New York and Illinois, having disapproved the forms, will probably force some concessions on the industry. While Pennsylvania has not yet approved or disapproved the filing, the sentiment at this time seems to flow with New York and Illinois.

If approved, I don't believe the forms should be universal. That is, they should not totally replace the occurrence form and be issued to all insureds. There is definitely a cutback in coverage. Any proposal to include defense costs within the policy limits should be rejected.

I hope the above update has been of interest to you. Again, I am sorry I was unable to attend the Friday, February 7 meeting, and I look forward to rescheduling my appearance before you for sometime in the near future.

Sincerely,

Roy Reinard
State Representative
178th Legislative District

THIS IS YOUR NEWSLETTER

THIS SPACE COULD HAVE BEEN
UTILIZED BY YOU.
SEND YOUR NEWS ITEMS OR
WHATEVER TO EDITOR, PETE PALESTINA.

Peter Palestina
Editor

From the Editor

At first I didn't know what to write about in this month s column as my mind was pre-occupied with how to address all the non-renewals and declinations we keep getting. Ti e same applied as to our "Seepy Seeyou" cartoon and then it hit me—why not do a cartoon and column on the extraordinary amount of believable and unbelievable declinations, reasons, etc. that many agents are getting nowadays from their benevolent dictators, the all knowledgeable, I'm here to help you - underwriters. So here goes:

Sorry, this risk does not meet our underwriting standards
Sorry, rate is not commensurate with the exposure
Due to the peculiarities of the class...
Sorry, but one large loss could wipe out the entire premium
Sorry, even though the 5-year loss ratio is 2%, we do not feel this would be a profitable piece of business

And how about these Catch 22s?

Sorry, but the values are too high - capacity
Sorry, but the values are too low - underinsured
Sorry, drivers are too old
Sorry, drivers are too young
Sorry, premium is too small to write
Sorry, premium is too high
We won't write the work comp without the package
Sorry, we don't package that type of risk
Declined, risk has a 24-hour exposure
Declined, no watchman or guard after hours
We won't quote without company loss runs
Sorry, we don't give out our company loss runs.

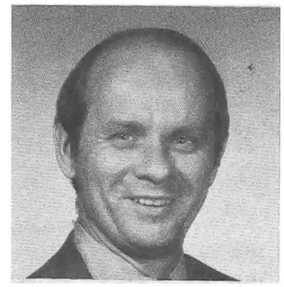
In all seriousness folks, if this keeps up we are going to see more moratoriums, similar to New Jersey, being imposed by more and more states. In fact I would venture to guess that one will be imposed in Pennsylvania by the time you read this in late March. We have got to get back to sound and sane underwriting. Let's look for ways to write a risk at a fair rate to make a profit instead of looking for ways not to write a risk. Class underwriting also has to be halted and each risk should stand on its own merits. Let us also keep in mind that insurance people never had a great public image to begin with, but the direction in which we are heading may very well be one in which the day will come when we might feel ashamed to tell someone what we do for a living. Fortunately, as CPCUs and our "charge," we are better equipped to deal with these issues in a professional manner.

THE ON-GOING SAGA OF "SEEPY SEEYOU"

No, these aren't new business prospects, they're your company's non-renewal notices!

A MESSAGE ABOUT...
"Philly I-Day" 1986

BY: JOE FOLZ, CPCU, Co-Chairman



Joseph F. Folz
Director

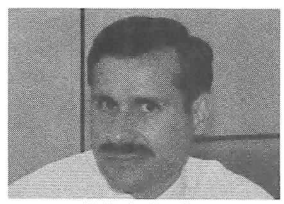
It is time for my annual appeal for CPCUs to volunteer to serve on the various committees that make **"Philly I-Day"** the annual success that it is.

For your information, the "I-Day" Standing Committees are: Budget and Finance, Publicity, Seminars, Hospitality, and CPCU.

All committees can use some volunteers — some more than others.

So if you have enjoyed "I-Day" and would like to be more than just a spectator, please give me a call at 1 (609) 234-3402. November is not that far away — our first 1986 "Philly I-Day" general meeting was January 6th!

Program Chairman Federico Reports on Upcoming Meetings



Al Federico Jr.
2nd Vice President

Although we try to keep the dates and topics as reported in the *Chaptergram*, technical difficulties sometimes arise so that it is important that you double check the dates when you receive our direct mailing reservation form. This column is prepared approximately 4 to 5 weeks before you receive it and unfortunately changes are sometimes necessary. Here's what it looks like as of press time:

- **Monday, April 7th, ELECTION OF OFFICERS,** speaker to be announced, Hershey Hotel, breakfast.
- **Tuesday, April 22nd, FRANKLIN AWARD LUNCHEON,** Hershey Hotel, Recipient and keynote speaker to be announced.
- **Tuesday, May 13th** *(tentative)* **JOINT CPA/CPCU DINNER MEETING,** Buck Hotel, Feasterville. Tentative topic - small business franchising.
- **May — SPRING FLING AND SOCIAL —** Date, type of event, etc. to be announced. Thinking about a beef and beer, formal dinner dance, ride down the river. Suggestions welcome. What's your desire?
- **Thursday, June 5th — ANNUAL BUSINESS MEETING,** Hershey Hotel, Breakfast. Swearing in of new board for 1986/87. Speaker to be announced.

Treasurer's Report

as of February 5, 1986

Raymond E. Lindsey, CPCU, CPA, Treasurer

	BUDGETED	ACTUAL
Income.	$22,600	$ 8,354
Disbursements	25,410	11,394
Deficit.	$(3,150)	$ (3,040)
CASH BALANCE:		
Checking	$ 579	
Money Market . . .	7,600	
TOTAL.	$8,179	

Claims-Made CGL Discussed at December Meeting

WRITTEN BY: John J. Kelly, CPCU, CLU

The proposed changes in the manner in which organizations insure their general liability exposure was one of the most frequently-discussed topics of 1985. As the proposed inception date of 1/1/86 approached, ISO was attempting to amend its filing to persuade insurance buyers, sellers and regulators to accept the new coverage forms.

Most people affected by the proposed changes are aware that they are coming; however, given the facts that the "tight" insurance marketplace has kept everyone busier than ever and that there has been little incentive to take the time to learn a program which has not yet been finalized, many in the insurance and risk management communities have still not considered how the new proposals would affect them.

Therefore, the topic of discussion chosen for the breakfast meeting of 12/11/85 was the claims-made CGL. A panel of individuals representing the affected segments of the industry discussed the potential impact of the product on their work. The panel included Jim Capell of Capell Industrial Risk Management (consultant); Don Nelson, CPCU of ARA Services (risk manager); Larry Klein, CPCU of Reliance Insurance Co. (underwriter); and John Kelly, CPCU of Bayly, Martin and Fay (broker).

As moderator of the panel, Jim Capell provided the background issues.

Don Nelson shared with the audience the official viewpoint of the Risk and Insurance Management Society (it would be an understatement to report that RIMS is concerned with the proposed CGL form!). Agreeing with Jim Capell that the real problem to insurers has been the "long-tail" risk (asbestos, DES, radiation, Agent Orange, etc.), Nelson contended that it is unfair and unwise to pass the burden to all insurance buyers, 95% of whom do not represent a long-tail risk. He also stated that, given the fact that it would be liable under the policy only if a claim were made during the policy period (including the discovery period), the insurer might enjoy a "free ride" during the early years of coverage only to disappear when the coverage is really needed, which could be years after the inception date of the policy.

Other concerns voiced by Nelson included the high cost of buying the "tail" coverage, the inclusion of defense costs within the limit of liability instead of being provided in addition to that limit (proposed to take effect at a date subsequent to the enactment of the new CGL), the blanket limitation of all pollution coverage including "sudden and accidental," and the negative implications for organizations which rely on certificates of insurance from sub-?????

Larry Klein pointed out that the existing CGL has inherent weaknesses: (1) the terms "occurrence" and "sudden and accidental" have been subject to the whimsical interpretation of the court system, (2) the absense of a policy aggregate limit (where one does not exist) prevents the underwriter from establishing a definitive "maximum liability" under the policy, and (3) rapidly increasing costs of litigation have accounted for an increasingly large percentage of the total costs of a claim.

While Klein feels that the proposed revision will correct some of the flaws, he pointed out that it does not appear to have met ISO's objective of providing a simplified and streamlined policy. In his opinion, the task of the drafters is to define the term "occurrence" in such a way as to eliminate the potential for misinterpretation by the courts and, therefore, to more accurately reflect the intentions of the parties under the contract.

John Kelly discussed the difficulties faced by the insurance broker who is attempting to conclude renewal negotiations at a time when the market is extremely tight and none of the parties to the negotiations knows what policy form will be used. He pointed out that all parties seem to be in a "state of limbo" as they await the results of the CGL filing and the resultant impact on the negotiation of reinsurance treaties. He also pondered the difficulties faced by the insurance buyer who must make decisions based on the recommendations of competing brokers, who, in turn, must be ever-cognizant of the increased errors and omissions exposure they will face when advising a prospective client to replace an existing policy with one containing an advanced "retroactive date."

While subsequent interaction among the parties to the negotiations has eliminated or modified many of the concerns voiced by the panel members and others, the topic continues to be of vital concern to the industry.

John J. Kelly, CPCU, CLU, and Larry Klein, CPCU, two of the speakers at the December meeting.

A Farewell Message to Chapter Members From William G. Arnold, CPCU

Fellow Chapter Members:

Your editor has asked that I say a few words to the Philadelphia CPCU Chapter members, some of whom have been old friends for many years, now that I am leaving for the Southwest, namely Phoenix, Arizona, not to retire, however, but to keep working, this time with a national broker.

I received my designation way back in 1958 at the ripe age of 26. I credit getting the designation with a lot of my success in this industry because it not only gave me professional standing at a young age, but gave me an opportunity to meet a number of people in this industry locally and nationally that I would otherwise never have had the privilege of doing.

My boss at that time at Mather & Co. was John W. Kelly, who was the Philadelphia Chapter president, so I was immediately introduced to Chapter activities, research projects, committees, etc., culminating in my term as Chapter president in 1968.

The problems of running a local Chapter were really not much different back then, getting people to attend monthly meetings, volunteers for committees, etc., and holding an annual educational event. It wasn't an I-Day then—we called it a clinic. John Kirkbride was program chairman and we had a full day of speakers scheduled on such subjects as Crime Insurance in the Urban Core (the Feds weren't in this business at that time), the Social Protection Plan in Puerto Rico, (it was "Professor" Denenberg at that time chairing the program), Problems of the Corporate Buyer and some thoughts on insurance regulations by a federal lawyer on the Anti-Trust and Monopoly sub-committee. The highlight of the day was our luncheon speaker, the one and only Ralph Nader. Only he didn't show. It seems there was a coal mine disaster in West Virginia that was getting better press.

The market was beginning to harden in 1968, we had just been through the riots in the cities, the Fair Plan was being introduced, so you can see the problems were not too much different than today.

During this same period I began instructing at the Insurance Society for the IIA courses and by the late '60's CPCU which I did for about 9 years. At the same time I was doing grading for the American Institute along with fellow Chapter members. In the mid '70's I got involved in National Committee work culminating in my current role as your National Director, from which I must now unfortunately resign due to my move.

I would urge those of you who are new or recent CPCU's to get involved in CPCU activities as it will pay dividends in unsuspecting ways in the years to come. If this is your career, make the most of every opportunity would be my best advice.

I must say I have enjoyed my 27 years association with fellow Philadelphia CPCU's and I would hope to see some of you at future national meetings as I intend to remain active, so it's not good-bye but see you around.

Regards,

Bill

P.S. Anyone wishing to contact me, my phone number and address is: 3131 W. Cochise Drive, Unit #208, Phoenix, Arizona 85051 602-944-3646