



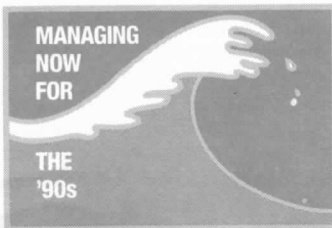
CPCU CHAPTERGRAM

PHILADELPHIA CHAPTER
THE SOCIETY OF CHARTERED PROPERTY
& CASUALTY UNDERWRITERS

VOLUME 23, NUMBER 1

Peter F. Palestina, CPCU-Editor

SEPTEMBER, 1989



1989
ANNUAL
MEETING
&
SEMINARS

Anaheim, October 15-18



Going to the Annual Meeting in Anaheim? Don't Miss the Chapter's Special Reception on Monday, October 16th

Chapter members, new designees and their spouses and guests are invited to attend a reception in Anaheim on Monday, evening, October 16th

from 9:30 PM to 12:00 midnight in the "Avila A" room of the Anaheim Hilton Hotel. Wine, beer and snacks will be served. Since the Conferment Dinner as well as the alternate dinners are being held that evening from 7:00 PM to 9:30 PM, this will make for an opportune and convenient follow up to complete your evening. So, come socialize and meet your fellow chapter members as well as welcoming our new designees. Please be sure to check the bulletin boards at the various hotels under the "P" section (for Phila. Chapter) in order to make sure that the time and place did not change. Since this article is going to the printer in July, there is always the possibility that there could be changes due to unforeseen circumstances.

Nominees Sought For 1990 Franklin Award

Our doors are always open for nominations to the Franklin Award. However, nominations for the 1990 award will be closing as of November 30, 1989.

The Franklin Award is presented to individuals, groups or organizations for outstanding achievement and contribution to the insurance industry in the Delaware Valley. The impact and effect of the contribution and the achievement of the recipient are recognized as significant and broad-based in the community. **IT IS NOT NECESSARY FOR THE NOMINEE TO BE EMPLOYED BY THE INDUSTRY OR HOLD THE CPCU DESIGNATION.** The Franklin Award is designed to recognize people who have made a contribution to the Property / Casualty Insurance Industry.

To nominate an individual for the Franklin Award:

1. Obtain a nomination form from a Franklin Award Committee Member, a Philadelphia CPCU Officer or Director, or directly from the Philadelphia Chapter Office listed here.
2. Complete the nomination form with the nominee's name, business affiliation, address and phone number, the area of contribution, a brief summary of accomplishments and your name/address/ phone number.

3. Return the form to:

Philadelphia Chapter CPCU
1315 Walnut Street, Suite 1617, Philadelphia, PA 19107
(215) 735-5947

YOUR NOMINATION FOR THIS YEARS AWARD IS ENCOURAGED!

Philadelphia Chapter Members Presently Qualified for CPD

Congratulations to the 76 Chapter members who currently are qualified for the Continuing Professional Development credit (CPD). A reminder for those members shown under the 1989 column that they should plan on requalifying prior to the end of 1989. The list is as of March 1, 1989. In our June issue, we listed the names of those who were dropped as of December 31, 1988.

QUALIFIED TO DECEMBER 1989

ABRAMS, MAX D.
BOJAK, ALEXANDER JOHN
CARLIN, TERENCE O.
DRENNEN, EDWARD M.
GIBBONS, ROBERT J.
GIES, RICHARD C.
GURNEY, BRUCE W.
HAMILTON, JAMES W.
HASSETT, JOSEPH P.
JOHNSON, HARRY RONALD
KELLY, BRUCE L.
KENNEDY SR., JOHN WILLIAM

KENSICKI, PETER R.
KLEIN, LARRY LEE
KOCHER, JOHN D.
MACKO, THERESA KLINE
MANGOLD, ALVIN E.
MC NASBY, JOSEPH M.
O'CONNOR, CONSTANCE M.
OAKES, DONALD R.
PALESTINA, PETER FRANK
PHILLIPS, LEONARD BRUCE
SHERLOCK, JAMES A.
THACKRAY, EUGENE FRANCIS
TYLER, PETER J.

QUALIFIED TO DECEMBER 1990

BECKMAN, ARTHUR F.
BLEILER, ROBERT E.
BUTTERWORTH, WALTER G.
COSTELLO, EILEEN MARIE
CROWE, ROBERT M.
FEDERICO JR., ALBERT P.
FLANNERY, THOMAS J.
GRUENDER, PHILIP A.
HEDGES, ROBERT A.
HODOSH PHD JD, F. R.
MELLA, ARTHUR J.
PREIS, FRANCIS J.
PRICE, RONALD LEE

RICHIE, ROY J.
SANDNER, REID B.
WALTON, PATRICIA TRACY
WOODWARD, ALBERT PARKER

QUALIFIED TO DECEMBER 1991

BARBER, RUSSELL C.
CHRISTIAN, MICHAEL B.
CONWAY JR., THOMAS J.
DERRICKSON, JACK F.
DIEM, JOHN S.
EDWARDS, DONALD E.
ENGELKE, KEVIN R.
FILER, DAVID SHEPPARD
FORCHETTI, RICHARD E.
GEORG, JAMES C.
JUNFOLA, JOSEPH M.
KANG, PIUS M.
KAPLAN, KEITH E.
KELLY, JOHN JOSEPH
KESSLER, RENNEE BODOFF
KIRK, WILLIAM FRANCIS
MARKHAM, JAMES J.
MC GRATH, MARCIA BROWN
MC NICHOL, KATHLEEN S.
MENNE, TERRIE MORRISON
MORRISON, JOHN C.
OUTTEN, ELLEN B.
PALEOLOGUS, KAREN D.
POTE, ROBERT WALTER
RAYMOND, PETER C.
SELTZER, ROBERT S.
SIGEL JR., LOUIS P.
SIGEL, ERIC C.
SIPPEL, ERICH WILLIAM
SMITH, JOHN W.
SPINELLI, PHILIP N.
TOPLESKI, JOHN
WARD, LEON C.

QUALIFIED TO DECEMBER 1992

BAGLINI, NORMAN A.



The President's Corner

SHARING SOME THOUGHTS AND DIRECTION

Joseph M. McNasby, CPCU
President

Since this is my first article, I thought I would share with you some general thoughts and some specific direction of the Chapter over the coming year.

First, there is no question in my mind that the importance of the CPCU Designation and further, Continuing Professional Development, is at an all time high and will even be more important in the future.

Employers in the industry and clients of the industry want to be associated with professionals. The CPCU Designation and involvement in the Continuing Professional Development Program reflects an individuals' commitment to professionalism. You can't just call yourself a professional, *you have to be a professional.*

Further, states, in their licensing requirements, are lining up in a hurry to be sure those agents in their state are making an attempt to stay on top of things. More states will have requirements for continuing education and they will become more stringent. - The public demands it.

Next, I'm encouraged by the number of people in the industry who are making professionalism a way of life. I see this in the professionals I'm involved with in the Chapter and my involvement with the Insurance Society of Philadelphia. A real pro gets involved and stays involved. Through interaction with other involved professionals, they create change and do not merely react to what is happening all around them. Don't look at involvement in the Chapter or other professional organizations as a charitable donation of your time but rather as an important part of your professional development. As for excuses - everybody is busy - those that do get involved and those who do not. The difference is commitment.

Next, you will be hearing more and more about Ethics - in all areas, not just the insurance industry. Somewhere along the line, good people developed odd views toward what is right and what is wrong - when to say yes and when to say no. Whether it be politics or insurance, when it becomes so blatant, the public says enough is enough. Do you ever feel that some people should be running a street dice game rather than part of the country?

Finally, in this issue, you will find a listing of topics for this year's breakfast meetings. A lot of time has been spent to be sure that these meetings provide valuable information in addition to the opportunity to meet with friends. Most people who come to a meeting wind up being regulars. There is a good reason - it makes them better informed. Also, you will be hearing more about quality workshops and seminars which will be sponsored by the Chapter. The Board and in particular, the Seminar Committee, gives much thought to the subject matter and quality of these meetings.

I am looking forward to my year as President of the Chapter. I welcome your suggestions and input.



Chapter members, Charles Willimann (center) and Karen Paleologus who were recently engaged, are offered congratulations by Boyd Bruce at our June Meeting. Your editor did check with Boyd to make sure it was congratulations and not condolences.

Program Chairman Reports on Upcoming Meetings



Ronald E. Vogrin CPCU
2nd Vice President

I am looking forward to serving as your Program Chairman this new Chapter year. Since this is going to press in July, I'll let you know what I have in mind at this time knowing that it could change by the time you read this in September. However, you will be getting the individual monthly announcements at the appropriate time so be sure to double check your dates.

An announcement will also be forthcoming on season tickets. Those of you who utilized this method in the past, already know the benefits. Those of you who have not may want to give it a try this year as it is not only a convenient way of registering, but also has economic advantages due to the discount.

During 1989, we will continue our Breakfast Meetings the second Thursday of every month, when another major meeting is not held. Also, we will continue to start the meetings at 8 AM sharp, with the breakfast buffet at the Hershey Hotel - same place as last year.

The dates are as follows:

September 14, 1989
October 12, 1989
December 14, 1989
January 11, 1990
February 8, 1990
April 12, 1990
May 10, 1990
June 14, 1990

As to the topics, I am listing a tentative number that we are considering. At this point, I want to emphasize that these topics are only on the drawing board.

- Prop. 103 - Is it moving East?
- Licensing - continuing education requirements - How do I qualify?
- Penna. Comp. - What's the future for this market?
- Consultants "E&O" - Who is on the hook?
- A self improvement topic - How do I relax?
- The Distribution System - Where is it going?
- Pollution / Environment - Will our air and water ever be clean again?
- The right to privacy - Who needs to know and what?

A Reflection on Last Year's Programs

By: Art Hanebury, CPCU, 1st Vice President

I believe the Philadelphia Chapter had an extremely successful year in running our Breakfast Meetings. Our topics varied to include lots of interesting subjects, from "fraud" to "computer", and the speakers did a wonderful job addressing them.

Season tickets are a highlight of our programs operation. Corporations should be aware of the benefit of being able to send different individuals to the Breakfast Meetings as the topics and their specialties are given.

It has been a pleasure and quite an experience working on putting the programs for 1989 together. Thank you for the opportunity!

CHAPTER COMMITTEES PROFILE A TO Z

The following synopsis was put together to give you a profile of the various committees that constitute and reflect the work done by the Philly Chapter. It is our hope that by providing this capsule review you may be interested enough to volunteer your time in serving on a committee that meets with your expertise, talent or area of interest if you would like to serve, or have any questions, please call or write any of the Chapter's officers or directors.

CABLE T.V.

This committee's function is getting a group of people together who are interested in and have some expertise on insurance issues. Then having them discuss either one issue or a range of typical issues on camera. When put together this video package would be offered as a public service to cable networks.

The item needed would be about five hours a month for developing a script and then filming the discussion.

CANDIDATE DEVELOPMENT COMMITTEE

- I. Candidate Development Coordinator:
 - Coordinates activities of Personal Contact & Personal Sponsorship
 - Writes Congratulatory letters to all Program Passers encouraging continuing educations CPCU or CPD, etc.
 - Writes Articles for Chaptergram, and
 - Completes submission for Edwin S. Overman AwardThe time requirement is probably two hours per month.

- II. Personal Sponsorship:

The committee is a liaison for candidates matriculating into this CPCU program. With a new candidates matriculation form, they can request a personal sponsor. Requests are passed on to the Insurance Society for sponsor assignment. Also, names of CPCUs who wish to sponsor are also passed to the Insurance Society. A form letter is sent to those candidates not requesting personal sponsorship. This is not a committee with a great demand on personal time, probably one hour per month.

- III. Personal Contact:

Members of this committee should have or look forward to developing good contacts in and around Philadelphia. The purpose is making contact with large insurance employers in order to schedule a presentation to promote the CPCU program. The panel itself is recruited by the Insurance Society. The time requirement can be any amount the members feel is necessary, probably one hour per month.

CAREERS IN INSURANCE

This committee tries to reach young graduates who may be interested in joining the Insurance Industry. This is done both by writing directly to school officials asking for time to make a presentation and also by sending a letter to the officials of a school district asking for time to make a presentation.

The format is prepared and each visit requires a minimum of two hours.

CHAPTERGRAM

This is the quarterly newsletter of the Philadelphia Chapter. There has to be enough material to print it. Some Board Members write an article and Committees also can write up an article giving information or asking survey questions. Any CPCU is welcome to write comments or send in letters to the Editor. The Committee's work is to get the material edited and to the printer on time for the mailing.

CONTINUING PROFESSIONAL DEVELOPMENT

This committee is a liaison between CPCUs and the Institute, and also some record keeping of the individuals' completion of the required courses, duties, etc. that are needed prior to an award for Continuing Professional Development. This award is announced at I-Day. The time needed is approximately one hour a month.

DIRECTORY

This Chapter Directory is done every other year to provide as an up-to-date Membership list as possible. Duties include coordination with the printer, solicitation of ads, production and distribution to the membership. It is seasonal work and the time spent is approximately fifteen hours per person for the whole project.

FIRE ESSAY CONTEST

Essays are written by grammar school students during National Fire Prevention Week. So far, contact has been made with one school district and the goal of this committee is to extend this project to other school districts. The school appoints a coordinator who screens the essays and then sends them to the committee. The committee would then work with the local Fire Marshal and the school board to pick winners. The grades are in categories so that first graders don't compete with sixth graders. Prizes are awarded.

FRANKLIN AWARD COMMITTEE

- I. **Selection Committee:** Past presidents of the Philadelphia Chapter of CPCU select a recipient from the nominees for the Franklin Award. They conduct interviews, examine the background and qualifications of the nominees and then make the selection.
- II. **Nominating Committee:** A group of volunteers who meet three or four times to solicit nominations. Articles are placed in various publications such as the CPCU Chaptergram, Insurance Society Newsletter, etc. Personal contact and follow up are done to about 30 key people such as Branch Managers, and Key Agency Personnel for nominations. Other duties involve helping to select the hotel and most importantly, the speaker for the Franklin Award Lunch. Time involvement for Committee, about four or five hours over a three month period.

I-DAY COMMITTEE

The members of this committee meet with representatives of the Insurance Society, RIMS and the IIA to plan for October's Philly I-Day. Responsibilities include establishing a theme which is usually the current industry "hot button", arranging for the speaker, setting the head table, and establishing the program for the CPCU conferment.

This is one of the committees that can see results of their work within a short period of time. Planning starts in February at monthly meetings in Center City and activities start requiring extra time around September. The committee has the help of a paid consultant who arranges the hotel and menu for the luncheon.

Time commitment averages two to three hours a month per committee member.

JOINT PROFESSIONAL ACTIVITIES

This committee interacts with the Tri-State CPCU Chapters, keeping track of activities, suggesting joint functions and helping with ideas for joint seminars and workshops. A report of activities is made to National. A major joint function is I-Day. Not all interactions have to be work topics. A "challenge" can be issued on anything from relay races to computer games.

MEMBERSHIP COMMITTEE

This committee's main task is to maintain a Master Mailing List of area CPCUs. The list is updated quarterly from information and mailing labels sent from the Institute. A computer list has been established with names of CPCUs and their area of committee interests. The Master List and the computer list are available to all other committees. Other duties are the sending of letters welcoming CPCUs who are moving into the Chapter's area with an invitation to the next Breakfast Meeting and letters of introduction to other Chapters for members who are moving out of the area, also encouraging membership in the Philadelphia Chapter, National, and payment of dues. Letters of welcome are also sent to New Conferees. Time involved is two to three hours a month, and access to a word processor helps.

NEW DESIGNEE REPRESENTATIVE

The function of this committee is to establish contact with the New Conferees and maintain a liaison between the Chapter, the Chapter Board and the new CPCU. The main focus is to bring new CPCUs into active membership in the Chapter Committees.

Duties include attendance at the monthly Board Meeting, writing an article for the quarterly Chaptergram, and getting the list of new conferees in August and March to make early contact preferably by telephone for a personal touch. Attendance at I-Day and involvement with the New Conferee reception given by the Chapter, and attendance at monthly breakfasts, especially in April when the "almost completers" are invited, is important.

Prior to the mailer soliciting membership, the New Designee Rep. should make contact with the previous year's conferees who did not join the Chapter, find out why, and encourage them to join. Time spent average two to three hours a month.

PROGRAMS COMMITTEE

Responsible for the arrangements for the eight Breakfast meetings held monthly by the Chapter. Activities include arranging the hotel and menu, sending out announcements, arranging for corporate tickets, lining up speakers and keeping a record so speakers aren't repeated, arranging gifts for the speakers. Attendance at Board Meeting to receive input for available, interesting and interested speakers. Time involved is approximately two hours a month.

PUBLIC RELATIONS

This committee's primary function is to keep the designation of CPCU and the Philadelphia Chapter in particular before the public. It explains what we are and what we do. The duties include writing up Chapter Meetings for the Chaptergram, preparing press releases for the Franklin Award and other activities, attending Breakfast Meetings and other Chapter affairs so that articles can be written, and also to place information in other pertinent media. In past experience, writing an article takes no more than one hour.

RESEARCH

This committee supports CPCUs who want to do some investigation into a topic that appeals to them. A "bank" of topics is maintained by national, however the topic is not assigned. Assistance is given in selection with a goal of non-duplication. Work can be done singly or in teams and the researcher picks his team. Papers are due by June 1 and papers are reviewed by CPCUs at National.

SEMINARS AND WORKSHOPS

This committee's targets are CPCUs and the Insurance Industry both members and prospective members. Workshops are arranged and developed for education on a multitude of topics either simple or as complex as the members of this committee want them to be. Speakers can be anyone with topical knowledge.

Seminars and Workshops could be co-sponsored with any other association or organization and also with the National Society.

Each project would take approximately five hours per person and at least two people should be involved in the planning.

SPEAKERS BUREAU

This committee makes businesses and organizations aware that speakers are available to make presentations on a variety of topics at meetings, breakfasts, luncheons, seminars, etc. The Insurance Society maintains a list of qualified and available speakers. The committee contacts Chambers of Commerce, Rotary groups, schools and any other local or regional group in the Tri-State area. Contact is made by letter, phone, fax or personal contact if appropriate. There is no obligation to attend meetings and the time needed is two to three hours a month.

1988 / 89 Annual Activities Report

By: Bill Engler, CPCU, Director

1988 / 89 CHAPTER PRESIDENT - RAYMOND LINDSEY

Under the leadership of Raymond Lindsey as president, the Philadelphia Chapter completed another active year during 1988 / 1989. In addition to a continuation of many of our traditional programs, our goals this year were to (1) improve planning and continuity in Chapter activities and (2) increase member participation in Chapter committees and activities. We also added two members to the Board of Directors as a result of changes to our Chapter By-Laws.

CHAPTER RESOURCES - BEN GETCHELL, CHAIRMAN

A new Chapter Resource Committee was established for the purpose of identifying members to be contacted for service in chapter activities. This committee was successful in increasing member involvement by 50%. While we are pleased with this increase, the average committee involvement of 43 members, and the average Chapter Meeting involvement of 82 members (out of a total membership of 450) leaves great opportunity for continued growth.

PROGRAMS - ART HANEURY, CHAIRMAN

Eight monthly Chapter meetings were held with a variety of programs ranging from Fraud to Computers to Aids. Our speakers were excellent, and provided excellent continuing education to those who heard their presentations.

MTG. DATE	TOPIC	SPEAKER
9/15/88	Panel Discussion on Delaware Valley Market Place	Byrd Gwin, Chubb Conrad Mack, Harleysv1 Norm Nickel, Aetna L&C
11/17/88	You've Been Had And You're Not Smiling	Jo Battisti, CPCU, Reg. Mgr. PA Insurance Dept.
12/15/88	Large Losses	Harold Rivers
1/19/89	The London Market	Yvonne Paretzky
2/16/89	Our Industry Facing Aids	Allan Arbeter, M.D.
4/13/89	Future Management Training Concepts	Jean Hanebury
5/18/89	The New Math Of Underwriting	William Munsen, Ex. V.P. Home Insurance Co.
6/15/89	Computers In Insurance	Dr. Michael Singer

FRANKLIN AWARD - JOE McNASBY / JOSEPHINE BATTISTI

The Franklin Award is a lovely crystal trophy presented by the Philadelphia Chapter to an individual or group who has made a significant, broad based contribution to the insurance community, one reflective of the high standards for which we in the Society of CPCU all strive. This year's award, along with a cash contribution, was presented to the local chapter of Mothers Against Drunk Driving (MADD). This award was presented in recognition of the organization's efforts to reduce injuries and deaths caused by drunk drivers.

CAREERS - BOB HEDGES, CHAIRMAN

Bob heads up the presentations to schools to encourage careers in our business. National Society prepared letters to schools and a full outline which we used in three Temple University sessions arranged by our Chapter.

Philadelphia Chapter Financial Report For The Year Ending June 30, 1989

	Actual	Annual Budget
Receipts:		
Dues	\$13,416.00	\$13,000.00
Meetings	6,532.00	6,550.00
Seminar	7,478.00	2,000.00
Spring Social	0.00	2,000.00
Franklin Award	2,225.00	5,500.00
I-Day	2,000.00	1,000.00
Interest	675.00	750.00
Directory	0.00	1,400.00
	<u>\$32,976.00</u>	<u>\$32,200.00</u>

Disbursements:		
Meetings	\$8,480.38	\$7,000.00
Candidate Development	0.00	750.00
Spring Social	0.00	2,000.00
Franklin Award	3,051.95	6,500.00
I-Day	341.47	750.00
Directory	0.00	1,400.00
Postage and Printing	3,888.84	5,400.00
Chaptergram	6,791.84	5,500.00
Insurance Society of Phila.	575.00	500.00
Regional Officers Conference	1,621.69	1,000.00
Public Relations	1,279.09	1,500.00
Loman Foundation	500.00	500.00
Annual Meeting	2,179.09	1,500.00
Research Project	0.00	500.00
Careers In Insurance	0.00	250.00
Cable T.V. Project	0.00	1,000.00
Miscellaneous	2,639.07	1,000.00
	<u>\$31,348.58</u>	<u>\$37,750.00</u>

Excess / (Deficit) \$1,627.42 (\$5,550.00)

Cash in Bank (Checking) \$2,351.67

Money Market \$24,343.55

TOTAL..... \$26,695.22



National Director Boyd Bruce, CPCU, congratulates new Chapter President Joe McNasby CPCU after swearing him at the June Annual Business Meeting.

FIRE SAFETY ESSAY CONTEST - PETE PALESTINA, CHAIRMAN

The Chapter once again sponsored a Fire Essay Contest for the elementary school children of the Council Rock School District in Bucks County. Six students were awarded certificates and U.S. Savings Bonds as winners of this contest; however, all participants directed valuable attention to the important subject of fire safety.

CHAPTERGRAM - PETE PALESTINA, EDITOR

Communication was maintained with the Chapter membership through the quarterly publication of *The Chaptergram*. This excellent publication continued to receive national attention for its format, content and quality. In fact our own cartoon character "Seepy Seeyou" has now been picked up and utilized by the Ohio Valley Chapter.

SEMINARS - LARRY KLEIN, CHAIRMAN

Two highly informative seminars were sponsored by the Chapter on Pollution Liability and Reinsurance Dispute Resolution.

CONTINUED PROFESSIONAL DEVELOPMENT REP. - ELAYNE MARKEY

It is difficult to report on a year's activities without presenting a myriad of statistics. We did not wish to bore the reader with numbers, but a few are too important to omit. Eighteen members taught formal IIA and CPCU classes. Thirty-three members are certified CPD (Continuing Professional Development) completers through 1991. Forty candidates became new CPCUs and members of our Chapter. Five national awards were presented to us at the annual meeting in Cincinnati.

CANDIDATE DEVELOPMENT - RICH BANYARD, CHAIRMAN

The members play a major role in supporting and encouraging CPCU students. This year we invited more than 100 individuals with six or more examinations completed to our April 13 Breakfast Meeting. We recruit several personal sponsors and have made panel presentations to local insurance offices to generate new CPCU candidates.

NEW DESIGNEE REP. - BARBARA DAPOLITO

One of our most active members was the New Designee Representative who provided that essential link between new CPCU graduates and the Society to ensure that our Chapter is responsive to their needs and encourages their involvement. She personally contacted most of the members as well as outlining each committee including member functions and time commitments.

PHILLY I-DAY - PETE RAYMOND / TERRY CARLIN, CO-CHAIRMEN

The primary purpose of Philly I-Day is to establish an opportunity for increased insurance knowledge. Those attending were treated to a provocative opening address tracing the evolution of a regulated insurance industry and future trends. Nine seminars were presented as well as the presentation of diplomas to new CPCUs. We co-sponsor this event with the Insurance Society of Philadelphia, Risk and Insurance Management Society and Independent Insurance Agents Of Philadelphia.

Capturing the essence of the scope of a comprehensive program like ours is virtually impossible. As the saying goes "You Had To Be There". Which brings us to the commercial. To the 300 plus members who we never see, we'd like to say "Why not get involved in 1989 /90". There's no better way to spend a very little time with a great bunch of people.



After being sworn in as New Chapter President, Joe McNasby presented outgoing President Ray Lindsey with a plaque in appreciation for Ray's performance.



All CPCUs at the June Annual Business Meeting stand and recite the CPCU charge which was led by National Director, Boyd Bruce, CPCU.

PHILADELPHIA CHAPTER 1989/90 OFFICERS / DIRECTORS

Please feel free to contact any of the following officers and directors with your questions, problems or volunteering.

PRESIDENT

Joseph M. McNasby, CPCU
The Graham Company
One Penn Square West
Philadelphia, PA 19102
(215) 567-6300

DIRECTOR

Marie Bower, CPCU
Reliance Special Risk
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(215) 864-4133

FIRST VICE PRESIDENT

Arthur C. Hanebury, CPCU
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(215) 542-0600

DIRECTOR

Jack Derrickson, CPCU
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DIRECTOR

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(215) 665-9500

DIRECTOR & PUBLIC RELATIONS CHAIRPERSON

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Peter Palestina
Editor

From the Editor

IS ANYBODY LISTENING?

For this issues column, I thought you might enjoy an article I read in a local newspaper citing Dr. Leonard Krivy on the subject of schools and schooling.

Listening is at least half of all successful communication. A transmitter may be on frequency and radiating full power, but if there is no receiver tuned to that frequency, that transmitter is useless.

Listening, as opposed to mere *hearing*, requires a certain amount of coming out of one's self, an extending of one's consciousness to the other person. Yet, coming out of one's self, extending one's consciousness to someone else, is precisely what most people are most unwilling to do! Why? Because if they focus upon someone else's words, they are being distracted from their most favorite of all subjects: themselves. "Ask me for anything but my full attention," they might as well say, "for what little I have I must keep for myself."

That being a fixed and immutable aspect of human nature, I suggest that schools begin to teach listening along these realistic lines, based not upon how people *should* listen, but upon how they actually *do* listen.

Herewith are Dr. Krivy's "Ten Commandments for Total Misunderstanding."

1. Listen unwillingly. Never mind meeting the speaker half-way. Don't budge one inch to meet him. Make him come to you.

2. Sit slumped in your chair. Look at the ceiling and all over the room. Yawn a lot.

3. Let the speaker's words flow over and around you, like the incoming tide while you lie on the beach. Never let the water - nor the words - enter you.

4. Talk whenever you feel like it.

5. Focus, not upon what the speaker says, but upon his hair, his nose, his bodily shape, his clothes, his voice. Never mind his points; watch his gestures and mannerisms.

6. Under no circumstances look directly at the speaker. Avoid all eye contact.

7. Always come prepared with a few distractions: papers, pens, paper clips, lapel buttons, etc. If you think the person sitting next to you would enjoy one of them, share it. It's rude to keep all the fun for yourself.

8. If by some oversight you do hear one statement clearly, use it to demolish the speaker's entire presentation with one phrase: "left-wing kook", "right wing creep", "supply-sider", "do-gooder." Learn how to pigeon-hole everyone. It's neat and saves much time.

9. When the speaker finally asks if there are any questions he may answer, stand up and ask: "Yeah. Where's the men's room?"

10. Finally, after the speech or presentation, be sure to tell everyone what a poor job the speaker did, how boring he was, how rambling and inconclusive, how he didn't make the slightest effort to hold his audience, and how the whole affair was a total waste of your valuable time.

Follow Dr. Krivy's Ten Commandments for Total Misunderstanding, and you will remain secure and undisturbed in your private world, wherein everything is neatly arranged the way you want it.

Who needs to be rudely interrupted by someone else's information.

THE ON-GOING SAGA OF "SEEPY SEEYOU"



These arbitration hearings sometimes tend to get out of control !!

May Meeting Recap

3 + 3 = 12 . . . THE NEW MATH

By: Bill Engler, CPCU

The May Chapter Meeting provided members with a lesson in grade school arithmetic by William Munsen, CPCU, Executive Vice President of the Home Insurance Company. The reason we did not recognize Bill's answer to the simple problem was that we think in "Base 10 rather than Base 4." We have similar problems in the insurance industry in that we think in terms of insurance technicians rather than consumers.

Consumers today are increasingly represented by consumer advocates. According to the Soft Market Dictionary, a consumer advocate is "one who wants buyers to receive quality goods and services at prices so low they become unavailable." Some are economic theorists, others are for a planned economy and all have different agendas than those of us in insurance. People in California voted for proposition 103 from the agenda of their household finances-it was a protest vote against high prices and had nothing to do with the insurance industry per se. We must learn to communicate with these groups far better than we do now.

We must constantly emphasize that insurance is a competitive industry, one that already has sufficient regulation. Does anyone remember the telephone and airline industries prior to de-regulation? The regulation of our industry is working reasonably well and should not be tampered with too much. These are the things we can and can't do regarding our changing times:

1. We cannot panic!
2. Don't resist change - be willing to assume new risks.
3. Get involved in the political process - not as Corporations, but as individuals. Begin to improve the knowledge of the public at large of insurance as a product, rather than as an industry.

Special Thanks

To Chapter Director, Barbara Dapolito, CPCU who put together the chapter committee profile shown in this issue.



William Munsen, Executive Vice President of the Home Insurance Co., also, C.E.O. of the Home Indemnity Co. addressed the members at our May meeting on the topic of "The New Math of Underwriting."



A very attentive audience listening to Bill Munsen's May Meeting address on "The New Math of Underwriting."



June Meeting Recap

MAY YOU LIVE IN INTERESTING TIMES

By: Bill Engler, CPCU

By: Bill Engler, CPCU

This ancient chinese curse summarizes many of the points made by Dr. Michael W. Singer, CPCU at the June Meeting. Speaking on the topic of "Computers in Insurance, Past, Present and Future", Dr. Singer presented a sobering array of the things already done by computers as well as those just around the corner.

Data processing people are delivering reliable systems today after many years of promises. ATM machines, airline reservation systems, and supermarket check out systems are a few examples that provide significantly better service at significantly less cost. Unfortunately the insurance industry has been one of the slowest to embrace data processing completely. Is it because we understand the odds and have great faith in the law of large numbers but fail in making a decision on a single risky investment? Why can't an agent enter data into one system and get quotes from as many carriers as desired? The technology was available 10 years ago!

"Of all the trends we see going on around us, I believe Artificial Intelligence and Expert Systems will eventually bring the most profound changes to our lives", Singer said. "In 10 years, it could put you and me out of a job." The difference between an expert system and an ordinary program is that in an ordinary program the rules are built into the program and applied to the data. In an expert system, the rules are the data and the program mimics human thought processes. For example, when you buy an Auto policy, you receive rates generated by a computer program that mimics a rate manual - no intelligence. However, if you were seeking rates for a nuclear power plant, no vast volume of rates resides in the computer. Yet an expert system makes an educated guess based on rules of thumb, just like a human. And they work! Expert systems are presently successfully diagnosing and prescribing treatment for meningitis and lung disease and beating grand masters at chess.

As for insurance, the following expert systems are currently in use:

- | | |
|--------------------------------------|-----------------------------------|
| Travelers, Sun Alliance | - Underwriting Advisors |
| Equitable Life Assurance Society | - Research and Development |
| Liberty Mutual, Massachusetts Mutual | - Underwriting Advisor |
| Skandia America Reinsurance | - Property Reinsurance |
| American Reinsurance | - Property & Casualty Reinsurance |

Some other insurance applications of note include:

- Insurance Shopper System Inc. is setting up computerized kiosks which provide quotes in a similar way to an ATM providing cash.
- A hand held computer that will provide auto physical damage estimates in the field at the point of inspection.
- A system which allows the damage estimator to check off parts needing replacement or repair on a detailed graphic image of a vehicle, then producing an estimate in seconds.

Dr. Singer's advice for the future?

- 1) Don't be a pioneer. You can always recognize a pioneer by the arrows sticking out of him.
- 2) On the other hand, don't be left behind. Timing is everything. You can't afford to let your competitors provide better service using less skills.
- 3) Competition breeds success. When you decide it's time to automate - shop around.



Dr. Michael Singer, CPCU, speaking at our June Meeting on the topic of Computers in Insurance.



Is President McNasby angry with Director Dapolito? Is Dapolito angry with McNasby? Or maybe they are rehearsing for a movie with script in hand.. Oh well,, stay tuned by attending the meetings.



Director, Karen Paleologus appears to take offense to 1st Vice President, Art Hanebury who appears to be explaining his defense. Is there turmoil on the board?



Art Hanebury is all smiles as he, Jack Derrickson, and Barbara Dapolito receive congratulations from Boyd Bruce after taking their oath of office as officers and directors.



These Chapter Members got a "Byte" of information at our June Meeting on Computers in Insurance.