



CPCU

PHILADELPHIA CHAPTER
THE SOCIETY OF CHARTERED PROPERTY
& CASUALTY UNDERWRITERS

CHAPTERGRAM

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Peter F. Palestina, CPCU-Editor

December, 1992

1992 Philadelphia Chapter New CPCUs

Congratulations are in order to the following seventy five people who have earned their CPCU designations in 1992. Hopefully they will all become Chapter members.

Adelberger III, Lawrence T	PHA Reinsurance Corp	Maguire, Michael M	Kemper Group
Brustle, Nancy L	ECBM	Maheshwari, Arun Kumar	Continental
Cameron, Virginia S	Atlantic Mutual	Malick, Loretta	Prudential
Carballo, Jack T	Maguire Ins Group	McDonnell, Francis W	Reliance
Caro, Teresa M	Selective Insurance Co	McGarry, Daniel R	Reliance
Cassell, Richard J	TPF and C	McGill, James Michael	CIGNA
Cole, Katherine Olivia	Bryson Associates	Michael-Ziereis, Donna M	Prudential
Coleman III, Michael J	Cigna Reinsurance	Needle, Catherine C	Reliance National
Cotty, Mary-Patricia	Reliance	Pawulack, Joanna Schmal	United National
Davidson, Terry L	CIGNA	Petry, Richard	Glenn Insurance Inc
Demes, Marina	The Graham Company	Pratt, Geoffrey Neal	Amer International
Dudley, Mary E	Hare and Chase	Prawdzik, Douglas Michael	Ohio Casualty
Dunlap, Allen D	Aetna Life and Casualty	Prinsen, A Peter	The Graham Company
Elliott, Michael W	American Institute for CPCU	Raymond, Nathaniel C	Aetna Life and Casualty
Elman-Barrett, Judith A	Reliance	Ross, Joseph Anthony	Colonial Penn
Eugene, Marie Ange	P M A	Ryan, Colleen Mc Grath	P M A
Fitzsimmons, Jessica F	WS Male Corp	Sanchack, Francis J	Kemper Group
Gillingham, Susan G	Prudential	Savage, Joseph V	Reliance
Greeley, Patrick A	Reliance	Scally, Robert John	Dept of Veterans Affairs
Hefler, Eileen R	CIGNA	Schroder, Dorothy R	Alexander and Alexander
Hertel III, Paul R	Paul Hertel and Co	Seefried, Robert J	Employers Reinsurance
Heyde, Donna L	Computer Sciences Corp	Seefried, William F	Reliance
Heydt, Janet Subers	Boothby and Associates	Shefcikare, Kenneth S	Reliance
Hoffstein, Rita L	ECBM	Shelow Jr., William J	Harleysville
Humphreys, David S	Keystone Insurance Co	Smith, Barbara J	R E Darby Agency
Hutchinson, Thomas M	Thomas M Hutchinson	Solowey, Scott F	P M A
Jeffries, Dorothy Helene	Glenn Insurance Inc	Spector, Paul R	Reliance
Jones, Robert	CIGNA Corp	Temple, Randal E	TPF and C
Jordan, Alfred C	North American Re	Thomas, Douglas Michael	Amer International
Kaiser, Linda S	CIGNA Corp	Thompson, Mary Ann T	Crun and Forster
Kamara, Alimany S	CIGNA	Thomson, Michelle A	Reliance Insurance Co
Kelly, Patrick K	CIGNA	Van Wagner III, Kenneth	Prudential
King, Donita M	Prudential	Weightman, David J	P M A
Leone, Deborah P	Colonial Penn	Wexler, Ted S	CIGNA
Lewis, Bethanne M	P M A	Willenbecher, Adele M	CIGNA
Lockhorn, William B	Robert Plan Corp	Winston, Claudy	General Accident



Chapter Pres. Larry Klein welcomes new designees and Chapter members to Philly's Hospitality reception in San Francisco



Our National Director Phil Spinelli (r) enjoys a moment with another National Director Bob Campbell (center) and Hugh McGowen at the National Convention



Current and past presidents at the Chapter's reception in San Francisco are left to right: Joe McNasby, Phil Spinelli, Larry Klein, Walt Butterworth, Boyd Bruce, Pete Pallestina and Don Cook.



The President's Corner

by: Larry L. Klein, CPCU
President

FULLFILLING THE PROMISE

A few weeks ago I received a letter in the mail from my automobile insurance company. The letter said the company wasn't going to renew my policy because it was getting out of the automobile insurance business.

The company plans to continue to provide coverage to customers for a wide range of other insurable risks (not including workers compensation, of course).

I have been following the turmoil of the private passenger automobile insurance market in Pennsylvania and New Jersey for over twenty years. In fact in the mid-seventies insurance agents in New Jersey used to jokingly say that their "lead carrier" was the assigned risk plan. So, I wasn't stunned.

Also, I'd like to think that I'm a reasonably sophisticated insurance buyer, but I never really thought much about the possibility of having my insurance non-renewed, unless I had an accident or traffic violations.

Thus, I pose the question, and for me it is in the first person:

Did my private passenger automobile insurance policy contain an implicit mutual promise of loyalty between me and my insurer? I promised not to shop my policy around each renewal to find the lowest price or the best coverage and the insurer promised to reciprocate.

If there was a mutual implicit promise of loyalty was the agent a party to that promise? Does the type of agent matter?

It is absurd to expect an insurance company, or any other business, to continue to sell a product below its cost. In fact, it is irresponsible to the owners and potentially dangerous to the buyers of other profitable products of the insurer.

Does the uninformed or untrained insurance buyer believe that there is an implicit promise. I would like to read your thoughts and suggestions about this.

By the time this Chaptergram hits the mail the policy expiration date will have come and gone, and so far I haven't found an insurance company willing to issue me a policy. I'm pretty sure I can buy insurance, but....?

CPCU PRIDE

Those of us who have attained the CPCU designation should take great pride in this accomplishment. It is one of the greatest honors; which can be earned in our profession. Many of us forget to add these important initials after our names in letters or other times when it would have been appropriate. You've worked hard to become a CPCU, show your pride, use your designation. The Society publishes a catalog with an extensive listing of jewelry and related items with the CPCU logo on them. The catalog can be obtained by calling 215-251-CPCU.



Barbara McCreery, Germantown High School's Project InVEST Coordinator is presented with Certificate of Completion for "Introduction to Insurance", by Anne M. Kopanski, CPCU, CPIW and Eleanor Kelly Clunk, CPCU, CPIW

National Director's Corner

by: Philip N. Spinelli, CPCU



The theme of the Annual Meeting, "Promises Kept: - Making a Difference," seems to be extremely relevant in this year of catastrophes. For an industry which is often maligned and fair game for any individual or group with its own personal agendas, we have once again demonstrated the positive impact of our industry on society. Yet the value of that positive impact is too often, like many other things quickly forgotten. Somehow, we need a sustained effort to keep our positive social contributions visible. The Society of CPCU is a major force in maintaining positive visibility of our industry as was demonstrated by the timeliness and quality of the seminar topics covered at the Annual Meeting.

And speaking of the Society, here are some additional bits of information which I thought you might find to be of interest.

- The first class of New Designees was in 1943 and totaled six persons. This year's class of New Designees is 2,566, a record number.
- A total of 34, 283 designations have been conferred since 1943.
- Only 2% of the eligible industry employees have earned the CPCU designation.
- The Society's membership for 92/93 is projected to be around 23,000.
- The governance of the Society consists of an Executive Committee composed of a President, President-Elect, Vice President, Secretary/Treasurer, immediate Past president, and the Society Executive Vice President. The President and the Executive Committee are supported by 6 Regional Vice Presidents and 37 National Director. These CPCUs compose the voting members of the National Board.
- And lastly, the Philadelphia Chapter, was formed in 1947, and is celebrating it's 45th anniversary.

SOME NEWS ON PROJECT INVEST

by: Anne M. Kopanski, CPCU

"Thank You for helping to bring project InVEST to Germantown!", says Barbara McCreery, M.S., Germantown High School's Project InVEST Coordinator. "CPCUs have given me a new meaning for networking and for problem solving in the business world. I was able to visit members' offices and gain a better understanding how insurance works and what insurance people do. We are proud to announce that Project InVEST is a part of our curriculum as of September, 1992."

Project InVEST (Insurance Vocational Educations Student Training) is a business simulation program that helps high school students to prepare for the world of work, and introduces insurance career opportunities. InVEST is sponsored by Philadelphia Chapter Society of CPCU, NAIW of Eastern Montgomery County, and the Independent Insurance Agents of America.

"The students' involvement and response," says Ms. McCreery, "is a great way to start a new program in a new school year. The students already see the applicability of typing drills to help them get ready for business correspondence."

HERE IS HOW WE CAN HELP:

1. CPCUs ARE INVITED TO "ADOPT AN INVEST PEN PAL"

We can "Adopt an InVEST Student." Ms. McCreery will provide us with a class roster and letters from the students. We then can choose a student with whom we will correspond, by mail. Ms. McCreery will act as the conduit or "Post Office" for incoming or outgoing letters. The goal is to help the students increase letter writing, composition, key stroking, and critical thinking skills. "The letters--neither students nor yours - will be graded," teases Ms. McCreery. "I would like the students to experience the same support and friendship that has been extended to me by members of CPCU. The students may ask you about your career, what you do, etc."

2. OFFICE "GARAGE SALE"

Since InVEST is a start-up opportunity, the students can use items that may no longer be needed by your office. Please check your office for furniture, typewriters, computers, book racks, calendar stands, rubber stamps, obsolete forms, reference materials, textbooks, etc., etc.

Arrangements can be made to pick up your donations.

For further information contact:

Chairman, Project InVEST, Anne Kopanski, CPCU, CPIW 884-2525

ANOTHER SUCCESSFUL PHILLY I-DAY

by: Shirley Funkhouser, CPCU
Philly I-Day Co-Chair



Philly I-Day was October 19 and nearly 900 Insurance Professionals enjoyed the day's activities at the Wyndham Franklin Plaza Hotel. This year's theme, "FOCUS '92: A Need for Change," was set with a speech by Ronald E. Compton, Chairman and CEO, Aetna Life and Casualty. His topic was "The Insurance Industry's Image, Its Social Responsibilities, The Need for Change and the Economics of Making Change."

Participants had a choice of five seminar topics during two seminar sessions before the luncheon. Mr. Bruce Hockman, Senior Vice President of PMA, moderated a lively debate on the always popular topic, Workers' Compensation Reform and its Future in the Commonwealth. Positions were heard from representatives of labor, the legislature, AFL-CIO, PA Medical Society and The Hospital Association of Pennsylvania.

The concepts and definitions of Total Quality Management were examined by John T. Riordan, Arthur Andersen and Co., in "TQM-Making Quality Work for You." Peter A. Synnott, Jr. Executive Vice President The Society of CPCU moderated.

A panel discussion, "Social Responsibilities of the Insurance Industry," was moderated by H. Wayne Snider, Ph.D. of Temple University's Risk Management and Insurance Department. Varying views of these issues were expressed by David M. Katz, Assistant Managing Editor of National Underwriter; John Cantrill, Vice President, Leonard & Cantrill, Inc., and Steven Milliken, Vice President Alliance of American Insurers.

Additional seminars related to changes of interest beyond the insurance arena. The timely topic of gender relations was explored in Ellen Bravo's "Handling Harassment" session. Ellen is the co-author of *The 9 to 5 Guide Combating Harassment*. The final seminar selection, the vision of the office of the future was presented by Rich Morgan, Agency Editor of "The Automated Agency Report."

Prior to the Luncheon the Chapter hosted a reception for 42 of our 77 new designees and their guests. Following lunch, Pete Synnott, Executive Vice President, was assisted by Edward W.S. Neff, Regional Vice President of our East Central Region, and Chapter President Larry Klein with the diploma presentation.

In addition to our CPCU Chapter, Philly I-Day is sponsored jointly by representatives of RIMS, the Independent Insurance Agents and the Insurance Society of Philadelphia. Our Chapter representative next year will be Bruce Tuttle. Chapter members interested in contributing to the function are encouraged to contact me, Bruce, or any board member.



Tony Ramirez and Shirley Funkhouser sign up our new designees for Chapter job tasks at the I-Day reception.



New Designees left to right are Bob Seefried, Allen Dunlap, Bill Seefried and Kathy Cole after picking their job task tickets at the I-Day reception.



Left, Pete Synnott, CPCU, Executive Vice President of the Society was on hand to greet Chapter members and new designees at I-Day



Chapter President Larry Klein (l) introduces our new designee representative Geoffrey Pratt (m) and last year's representative, Tony Ramirez to the new designees attending our I-Day reception.



1992 Annual Meeting Re-Cap

Dateline San Francisco

by: Larry Klein, CPCU, Chapter President

The 1992 Annual Meeting and Seminars theme "Promises Kept: Making A Difference" was perhaps more timely this year than theme in any recent year. The seminars continue the tradition of examining critical issues that confront the insurance industry.

This year, after Hurricanes Andrew and Iniki devastated parts of Florida, Louisiana and Hawaii, and Typhoon Omar wrecked similar destruction on Guam the insurance industry is being called on to meet the challenge to keep its promise. It is apparent that insurers have risen to the occasion, while many have criticized FEMA for its shortcomings. A special additional seminar was added to the program to update attendees on disaster response efforts of our industry.

The CPCU Major Issues Forum sponsored by the Loman Foundation has grown to become a candid "no-holds-barred" conclusion to the seminar program. Moderated by Harvard Law School professor Charles Ogletree, a blue chip panel of leaders were challenged to defend the insurance industry from challenges presented by representatives of consumers, regulators, the press and each other.

Rounding out the San Francisco meeting was the Society's Annual Business Meeting and Recognition Luncheon. The Philadelphia Chapter received ribbons marking out accomplishments last year in Continuing Professional Development participation and Educational Programs.

The annual New Designee welcome reception held Monday evening served to congratulate our newest members and introduce them to other chapter members attending the convention. Photos appear elsewhere in the Chaptergram.

The Annual Meeting and Seminars return to the east coast in 1993 to visit Baltimore. The revitalized harbor area including the National Aquarium make next year a "must go" for Philadelphia CPCUs.

1992 Annual Meeting & Seminars

A Spouse's View

by: Mary Ann Klein, Spouse of
Chapter President Larry Klein, CPCU

There is much I could write about the Annual Meeting and Seminars and the city of San Francisco. In fact, since this trip included a coincidental meeting in Carmel-by-the-Sea on the preceding Thursday and Friday I could recall and share countless sights and experiences.

One of the most memorable was a leisurely lunch at Neptune's Bay View Cafe at the end of Pier 39. Neptune's is really two restaurants side by side. One faces the bay and is somewhat upscale, cloth table covers, leather covered menu, you know the type. When the fog lifts the diner has a great view of the bay and Alcatraz Island. The other faces the floating docks. Since lunch was the event and the fog was dense, we chose the dock view.

The next hour or so were spent watching ahead of about 80 sea lions as they alternately worked on their tans and cooled off in the water. Between the antics of a group of about fifteen, right under our window, we tasted some of San Francisco's world famous seafood.

The travel guides for tourists tell about the other city sights, the magnificent Golden Gate Bridge, the cable cars, Chinatown, Alcatraz and of course, the rest of Fisherman's Wharf. But, on your next trip to San Francisco be sure to stay for lunch and ask for a table with a dock view.



Norm Baglini, Ph.D., CPCU, CLU chats with Chapter member Don Rickards, CPCU and wife Janet at the San Francisco reception.



Former Phila. Chapter member Patricia Coleman, CPCU now with the Connecticut Chapter serving as their VP and program director stopped by the Philly Chapter San Francisco reception with Bill O'Conner, CPCU, also of Hartford to say hello to old friends.

Quotes on the Light Side heard at the National Meeting in San Francisco

• Keynote speaker Warren Bennis, Professor of Business Administration, University of California and author of "On Becoming a Leader" told us that when he was fired from the University of Cincinnati: he said at his farewell party "I leave Cincinnati exactly as I came, fired with enthusiasm."

• Prof. Bennis mentioned that a former president of the Philadelphia Zoo ended up with him at the University of Cincinnati and told him "There was no difference between the two jobs."

• "Any text without context is pretext."

• Harvard professors are known for being arrogant and Mr. Bennis told of the University of Harvard professors prayer "Dear Lord, please deliver us from the terrible sin of arrogance, which for your information means....."

• Leaders don't just catch waves, they make them.

• Henry Kissinger was asked how the world would have changed if Krushchev was assassinated instead of John F. Kennedy? He answered "Who knows, but I'll tell you one thing, Mrs. Krushchev would never have married Mr. Onnasis."

• If you're not confused you don't know what's going on.

• The Berlin Wall, Trump Plaza, the Soviet Union and Mike Tyson, all of them collapsed in the same year.

• Mae West once said "Too much of a good thing can be wonderful."

• Leaders feel they can make a difference, can influence people, and view the glass as more than half full instead of half empty.

• Said George Burns at his 92nd birthday party, "I can't die, I'm booked."

• Seminar panelist Pete Conway tells of a story of someone calling a dead attorney. Receptionist picks up the phone and man asks "Is attorney Jones there?" "No" says the receptionist "He was killed in an accident." The guy calls two more times asking the same question. Finally, the angry receptionist asks "Why do you keep calling?" answers the caller "I just love to hear what you have to say."

• Panelist James Klagholz said "Last night I slept like an attorney, first I lied on one side and then I lied on another."

• Finding your way around in the San Francisco Hilton, the Headquarters Hotel, was a little complex and took a couple of days to get the hang of it. In fact, one seminar moderator remarked that "A CPCU in the Hilton is kind of like a rodent in a maze."

**FUTURE
ANNUAL
MEETING
SITES**

Baltimore, MD	Oct. 24-27, 1993
Chicago, IL	Sept. 25-28, 1994
Honolulu, HI	Oct. 8-11, 1995
New York, NY	Oct. 13-16, 1996
Dallas, TX	Oct. 12-15, 1997
San Diego, CA	Oct. 25-25, 1998
Boston, MA	Oct. 17-20, 1999
San Antonio, TX	Oct. 22-28, 2000
Seattle, WA	Oct. 21-24, 2001

PHOTOS OF OUR NEW DESIGNEES, THEIR GUESTS AND CHAPTER MEMBERS AT THE CHAPTER'S RECEPTION HELD IN SAN FRANCISCO



Randal Temple, CPCU & wife Diane



Rita Hoffstein, CPCU is flanked by son Ben (r) & John McConnell (l)



Ken Shefcik, CPCU & wife Beverly



Ted Adelberger, CPCU & wife Kathy



Al Kamara, CPCU & wife Patricia



Al Jordan, CPCU & wife Suzanne



Marina Demes, CPCU & Tom Nolan, Jr, CPCU



Don Cairns, CPCU & fiancée Kelly St. John



Mike Coleman III, CPCU & wife Nancy



Joe Rossi, CPCU with wife Joanne & daughter, Allison



Doug Thomas, CPCU (l) & Jerry Mellen, CPCU



Colleen McGrath, CPCU and husband Bob



Cathy Needle, CPCU (r) with Don Rickards, CPCU & his wife Janet(l)



Larry Klein, CPCU, Phila. Chapter President with former Chapter member Mike Cabot, CPCU now with the Golden Gate Chapter who was the program's chairman for the convention.



Regional Vice President Ed Neff, CPCU (r) admiring Anita Johnson, CPCU as Anita's husband Al wonders what is going on here.

New Jersey Grants Continuing Ed Credits In A Don't Make Sense Manner

by: Peter F. Palestina, CPCU

Many CPCUs attending the National Seminars in San Francisco were left amazed over the manner in which New Jersey made allowance for CE credits. The program information sheet put out by the National Society listed NJ as follows:

APPROVED TUESDAY PROGRAM FOR 3 CREDITS - Must attend both

Fighting Fraud	8:45 am - 10:15 am
24 Hour Health Coverage	10:30 am - 12 noon

APPROVED WEDNESDAY PROGRAM FOR 3 CREDITS- Must attend both

Managing Certifications and add'l Insured Endorsements	8:45 am - 10:15 am
The Insurance Contract of Tomorrow	10:30 am - 12 noon

First of all, of 14 seminars offered, why did New Jersey only approve the above four? Secondly, why did you have to attend both in order to get three credits? Why not make them 1-1/2 points each?

Because there were other seminars which I believed better suited my educational needs I could only attend two of the four cited by New Jersey. Unfortunately they were the "24 Hour Health Coverage" and "Managing Certificates." So it looks like I get no CE credits for New Jersey even though I attended two of their four approved seminars. Why did I have to attend two in a row on the same day? The two aren't even related for gosh sakes! You mean to tell me that if I take two in a row of their four I get three credits, but if I take two of their four, not back to back, I get no credits? What is the logic here?

If any of you are in this predicament I suggest you contact the appropriate authority in New Jersey to appeal. I have to assume that National has already checked this out and was unsuccessful, therefore it is up to us to carry the banner. If there is a sound explanation for the logic behind New Jersey's credit allocation we would be interested in knowing about it.

Philadelphia Chapter Receives Two Awards From the National Society in San Francisco

Our Chapter received a total of two awards which were presented at the national convention in San Francisco:

- Continuing Professional Development Award for Excellence
- E. Adrian Teaf Memorial Education Award-For Conduction of Outstanding Educational Programs.

In the past, the Philadelphia Chapter has won as many as six awards and has been in contention for the president's. But last year we did not fair as well as in prior years and was indeed disappointing. We are all officers, directors and members, going to have to work harder this year by increased participation in Chapter events and programs if we are going to be in contention once again. Hopefully 1992-93, under the leadership of Chapter President Larry Klein, CPCU will be a banner year.



Chapter President Larry Klein picks up the Chapter Awards from Sheila Todd of National after the Awards Luncheon in San Francisco

San Francisco Seminars and Continuing Ed Credits....Signing In and Signing Out

The method of filing and signing up for continuing ED credits at the National Convention was changed this year from past procedure. Some gripes were heard but for the most part the change was for the better. Now, if you want to file for CE credits, you must sign a log sheet prior to entering the room and before the session begins. In addition to completing a verification card found on your seat inside the room and handed in while exiting, you must also sign the log sheet again, this time after the session is concluded. This now insures that if you want the credit you have to earn it. No more quick exits soon after a session begins or long before its over.

People leaving early has always been a problem at previous national conventions but the new system seemed to work and has been a long time coming. Congratulations to National for taking this harder but fair stand.



National director Phil Spinelli on the streets of San Francisco talks to a pig being walked by his master. Seems the pig was the only one who listened to Phil.



Anne Kopanski, CPCU and Phil Spinelli, CPCU were getting things in ship-shape in San Francisco.

Some Stats on this Year's Convention

This year's new designee class and number of CPCUs attending the annual meetings and seminars in San Francisco was well attended with about 4,830 paid registrants. This includes a total of 2,005 new designees. Philly Chapter's new designee class was represented with 51 of 75 new designees attended and of those new designees attending 36 of them took a guest.

In addition to the 51 new designees, 70 Chapter members also attended and 33 of them brought a guest. All in all, a total of 240 Philly Chapter related people attended. The total new CPCUs entering the Society is 2,566.



From the Editor

by: Peter Palestina, CPCU

PREDICTIONS & WISHES FOR 1993

The Chaptergram is going to press the last week of October so I don't know who will be our nation's president come January. As a person involved in politics as a staunch Republican I hope it's George Bush but Clinton appears to be too far ahead. Unfortunately for Bush, the continued recession will likely do him in. Instead of trying to predict what will happen in 1993 based upon who might be president I will make up a prediction list I believe will occur regardless of who is in office followed by a wish list.

PREDICTIONS

- Top of the line computers and software products will cost 50% less than the September 1992 prices.
- New housing starts will pick up dramatically in the spring.
- Eagles get to the Superbowl and win it by one point on a 62 yard run by Herschel Walker.
- 30 municipalities and school districts in the Delaware Valley institute a personal income tax.
- At least 3 more foods or products will be linked to a disease.
- There will be another Freddy Kruger movie and a Friday the 13th Part whatever.
- New evidence will show that it wasn't butter and margarine that caused high cholesterol after all, but rather the plastic container you keep it in while in the refrigerator.
- Loss cost rating becomes lost cause as companies rethink their rating process.

WISH LIST

- Worker's Comp reforms instituted and insurers re-enter market.
- Recession ends and insureds able to afford purchase of worker's comp coverage
- Layoffs cease and employment rises
- Those we know who have lost jobs find employment
- Products liability tort reforms instituted
- Service becomes as important as price
- Continued education gets more emphasis and support
- More CPCUs get involved in Chapter activities
- Underwriters and agents have better relationships
- More people realize that the computer is not a cure all and that you still need to have the personal touch for success
- That everyone we know have happy and healthy lives
- That I'm able to continue getting this Chaptergram out on time
- That you all enjoy the Holiday Season and have a Happy New Year

Until the next issue, keep the faith.

The On-Going Saga of "Seepy Seeyou"



First came transition adjustments on audits, now loss cost rating. I upgrade to 10 gigabyte hard disk, 200 megabyte RAM and I still can't figure out who's quoting what!!

New Designees Column



by: Geoffrey N. Pratt, CPCU
New Designees Rep

GOALS BEING SET

Congratulations to all of the 1992 New Designees and welcome to the Philadelphia Chapter of the Society of CPCU. My name is Geoffrey Pratt and I am the New Designee Representative on the board of the Chapter.

During the next year I will be working closely with Tony Ramirez as co-chairman of the New Designee Committee. Two of our goals this year are to publish a bi-monthly New Designee Newsletter, and to set up a communications network amongst chapter membership. At this time, we are still in need of more members on the committee. If you are interested in helping out, please call me at 981-7049.

I had the opportunity to meet many of you at Philly I-Day on October 19th, when I approached with the job jar. I hope that those of you who picked a job (and received a CPCU pewter pin as well) have thought about the task at hand and how you want to approach it. For those of you who did not pick a job, and are interested in doing so, please call me and I'll let you know what is available. The jobs range from writing articles for the Chaptergram to speaking at career days at high schools to join Chapter committees.

I am looking forward to the year ahead as you representative on the Chapter board. Again, please always feel free to call me should you have any questions or want to get more involved in the Chapter.

Pollution Liability Workshop Well Attended

by: Cindy Kelly-Wolkiewicz, CPCU

The Philadelphia Chapter hosted a half-day workshop on 9/29/92. Over 80 people registered for the program which was held at the Downtown Club. Robert J. Mason, Senior Vice President of Environmental Strategies Corporation, located in Reston, VA, was the speaker. He focused on regulatory updates, cases examples and solicited audience participation thru role playing.

A seminar on Professional Liability is now in the planning stage. A March 1993 date for the program is anticipated. Details to be announced shortly by direct mail notices.



Exciting speeches and seminars at the National Convention in San Francisco as attested to here by Pat Wippel, CPCU, CLU, ChFC and Sleepy. In all fairness to Pat, your editor just couldn't resist taking this shot of Pat in a weak moment during one of the dinners in San Francisco. As vice president of membership and chapter activities for the Society, Pat works very hard and keeps long hours especially at the convention. By the way, the nap only lasted one minute...The flash was just the thing needed to re-energize Pat.

September Meeting Recap: Trends & Predictions

by: Pete Palestina, CPCU, Editor

The September kick-off meeting was well attended with much of the discussion centering on worker's comp. A three man panel comprised of Stephen Bisbee, Res. V.P., American International, Walter Farnum, Chairman & CEO, General Accident Group, and Daniel McCutcheon, M.V.P., Alexander & Alexander of Phila. provided us with their viewpoints as to the problems and future of worker's comp and other P & C lines.

Steve Bisbee led off the discussion by stating that the workplace is more safe today yet the cost of worker's comp is higher, therefore, the solutions thus far have been inadequate. The industry is running at 123% loss ratio. Steve believes things can improve as evidenced by Oregon, where they have attempted to control medical costs and fight fraudulent claims. So far their rates have come down 20%. Texas is also showing signs of improvement and if legislation stays favorable there, companies should start coming back in. Steve pointed out that Maine is the direct opposite and will now face having no worker's comp insurance available, not even by the state. "What will the employers do?" Steve asked. A key in helping control claims is "Getting claims response in the first 72 hours" says Steve. He believes that the injured employee wants to get back to work, psychologically, during this time frame. After that, we are too late as the psychology is to start thinking about how much one can collect.

Dan McCutcheon followed and said that large accounts will cope in the diluted worker's comp market because they have the finances to structure a program of self insurance, large deductible, or PPO, etc., but the small firm is shut out as they can't do those things. Dan also believes that deductibles are a scam used to avoid fair share of the residual market charges incurred in certain states while the small guy is getting the shaft.

According to Walt Farnum, one third of the people collecting worker's comp are making more money by staying out, "If PA doesn't do something soon they will end like Maine and some of the other states where companies are pulling out." He feels there is hope for worker's comp on a state by state basis as long as there is opportunity to make a profit.

On the subject of 24 hour coverage, McCutcheon mentioned that in Wisconsin there is a new player - Blue Cross and Blue Shield and they believe they can make an impact there. It will be interesting to see what happens. Travelers has offered it for 15 years and they haven't gotten much out of it. Dan doesn't believe 24 hour coverage is a viable solution. Walt Farnum added that "PA did a good job with medical costs in automobile insurance and if they can transfer that system to worker's comp it would go a long way."

Some of the closing comments on turning the cycle of the soft P & C market were: Per Bisbee "Cash flow of the industry is now giving negative numbers. The money is no longer there but the soft market is still here as long as the reinsurers keep buying lunch for the company officers." Per McCutcheon "One thing that may change the market is a major player going under."



Program moderator Frank Mason (standing) observes the Sept. meeting distinguished panel of (l to r) Dan McCutcheon, MVP Alexander & Alexander, Stephen Bisbee, RVP American International, and Walter Farnum, CEO General Accident



Some of the crowd at our September kick-off meeting.



Some of the Chapter's new designees in attendance at our September meeting.



No, Chapter President Larry Klein is not ordering from a menu. Larry is conducting a Board of Directors Meeting which immediately followed our September breakfast meeting.

PHILADELPHIA CHAPTER, CPCU

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BULK RATE
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