

**Editor's Note:** The views and opinions of the authors of the articles appearing in the Chaptergram are his or her own and not necessarily shared by the officers and members of the CPCU Society and the Philadelphia chapter.

## Preliminary Budget:

**Fiscal Year July 1, 1998 to June 30, 1999**

by: Richard Lee, CPCU, Chapter Treasurer

At its July 15th board meeting the chapter board of directors approved the following preliminary budget and was approved for the chapter year July 1, 1998 to June 30, 1999.

The final adopted budget is expected to be approved at the board's September meeting.

For the results of last year's budget and performance, see pages four and five of the Chaptergram.

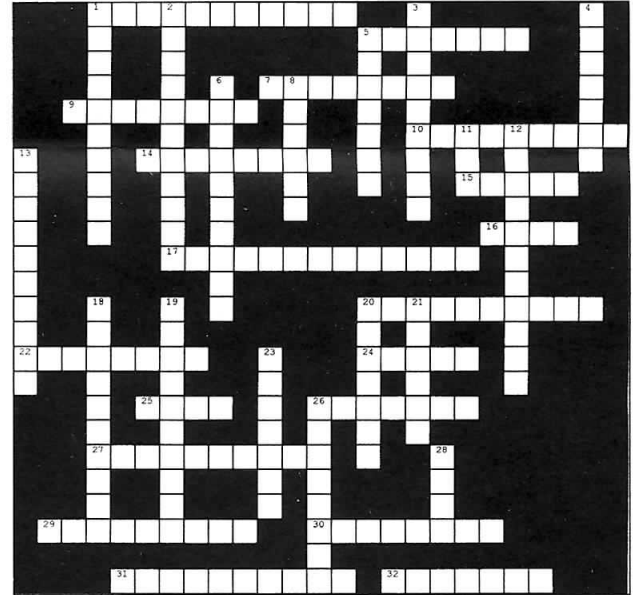
<i>Projected as of July 15, 1998</i>	<i>Budget 1998-99</i>
<i>Category</i>	<i>(\$)</i>
<b>Income</b>	
1 Directory .....	1,500.00
2 Donations/Scholarships .....	200.00
3 Dues .....	21,500.00
4 Franklin Award .....	5,000.00
5 Fundraising for Good Works .....	100.00
6 Interest .....	650.00
7 Breakfast Meetings/Programs .....	12,000.00
8 Seminars .....	1,100.00
9 Social .....	1,500.00
10 50th Anniversary .....	-
11 Miscellaneous .....	50.00
<b>Total Income .....</b>	<b>43,600.00</b>

<b>Expenditures</b>	
20 Administration .....	1,500.00
21 Annual Meeting .....	1,000.00
22 Candidate Development .....	900.00
23 Careers in Insurance .....	-
24 Chaptergram .....	9,600.00
25 Chapter Resources .....	300.00
26 COLC .....	1,000.00
27 Directory .....	2,100.00
28 Fire Essay .....	3,000.00
29 Fiftieth Anniversary .....	-
30 Franklin Award .....	5,000.00
31 Good Works .....	300.00
32 HJ Loman Foundation .....	800.00
33 I-Day Foundation .....	-
34 ISOP Membership Dues .....	150.00
35 Membership .....	1,500.00
36 Miscellaneous .....	500.00
37 New Designee .....	5,000.00
38 I-Day Reception .....	1,000.00
39 Programs .....	21,000.00
40 Project Invest .....	3,000.00
41 Public Relations .....	2,200.00
42 Research Project .....	1,000.00
43 Scholarship .....	3,000.00
44 Seminars .....	100.00
45 Social .....	1,500.00
46 Systems Automation .....	500.00
47 Web Site .....	1,200.00
<b>Total Expenditures .....</b>	<b>67,150.00</b>
Revenue over (under Expenditures) .....	(23,550.00)

## The CPCU Checkup Crossword Puzzle

Let's see what you really remember!

by: Val Katz, CPCU (Solution appears on page 7)



### ACROSS

- |   |   |  |
|---|---|--|
| 1 Recovering payments made to the wrong doer.   | 24 Loss document required to settle a property loss                   | 11 A commercial property policy providing broadened coverage with higher limits  |
| 5 Water damage over time, usually not covered   | 25 Civil wrong  | 12 A business entity viewed as a legal person  |
| 7 Implied covenant of fitness   | 26 What the insured must pay for coverage                             | 13 That portion of a policy that details what the insured must do  |
| 9 Funds set aside to provide for potential payments of claims   | 27 Reduction of loss  | 18 Policy type in which the loss must be reported within a specified time limit (N.B. two words must connect as one word). |
| 10 Responsibility to a third party  | 29 Conditions prior to a loss   | 19 What the economy and the insurance industry has become  |
| 14 Relationship existing when property is delivered into hands of another party under an agreement that the property will be returned per the agreement | 30 What additional living expenses must be                            | 20 Explicitly stated   |
| 15 Stands for Center for Advanced Risk Management Education   | 31 Information shared between the insured and attorney is called this | 21 Revenue minus expenses equals this  |
| 16 Of no legal effect and not binding on anyone   | 32 The relationship between two parties of a contract                 | 23 Provides a stream of payments   |
| 17 A saved expense  |   | 26 Damages intending to punish   |
| 20 Cost expense incurred to reduce overall claim  |   | 28 Used to refer to claims incurred but not reported   |
| 22 Changing a contract  |   |  |

### DOWN

- |   |
|---|
| 1 Conditions after a loss                                 |
| 2 A letter advising insured that coverage may be at issue |
| 3 What the 'C' in CPCU is not                             |
| 4 Used to be Workman's Compensation                       |
| 5 An intentional tort that verbally defames another       |
| 6 Failure to exercise due care                            |
| 8 Master-servant relationship                             |



Board of 1998-99 led by chapter president Sandra Loeb, CPCU deliberates at the July 15th board meeting in approval of a preliminary budget programs, chapter activities and committee responsibilities.

# The President's Corner

by: Sandra L. Loeb, CPCU

From the feedback the CPCU Society received, presented at the East Chapter Officers Leadership Conference (affectionately known as the East COLC) this past April 2-4 in Ft. Lauderdale, FL they want the following:

**Visibility, Professionalism**

**Good meeting topics & speakers**

**and Customers to recognize the CPCU designation**

At the COLC, Bill Sleeper, then incoming CPCU Society President, elaborated on some of his goals, i.e. raise professionalism, raise the quality of our programs and speakers in spite of the fact that we are all very busy with work and family commitments and that some CPCUs may lack the support of their employer. In keeping with Bill's goals, I am challenging YOU to be more visible, more professional, promote the CPCU designation and become involved with your chapter. In turn, your chapter officers, directors and committee chairs are working very hard to put together good meeting topics and speakers for both our breakfast meetings and the seminars we host for the upcoming year.

what do CPCU members want from their chapters?

large chapters to discuss education, research, membership and visibility topics. This helped to prepare me for the upcoming year and to challenge each of you to BE VISIBLE - GET INVOLVED!

Each year your chapter sends two officers, the incoming president and program chair, to the COLC which takes place from Thursday evening to Sunday afternoon. This year the East COLC began with a welcome reception Thursday evening followed by dutch treat dinners organized by our National Director, Don Dudey, CPCU for chapters in the region, Washington, D.C., Maryland, Brandywine, Valley Forge and, of course, Philadelphia. The second evening I had dinner with the Central Jersey chapter's incoming President Bridget Carducci, CPCU.

Two years ago when I attended by first COLC in Hartford, CT, I got my feet wet being exposed to other members and ideas-which was somewhat overwhelming. This year was different. In addition to renewing acquaintances I had made 2 years ago, the days were full of planning sessions from breakfast starting at 7a.m. to sessions late in the afternoon on Friday and Saturday and a half-day session on Sunday. This was time to do serious planning for the upcoming year. This time around I knew more about chapter activities and had made more contacts and now I was ready to take notes - 13 pages of notes! Topics included chapter award criteria, specifics on running a chapter, ethics, and a run-down of the multitude of resources available from the CPCU Society in Malvern. The second morning, over a sit down breakfast sponsored by the Institutes, Larry Brandon, CPCU brought us up to date on the Institute's work. From panel discussions at general sessions to individual sessions, it was an exhaustive but energizing experience. By the way, next year the East COLC will be in Providence, RI.

During the coming year, in addition to our regular breakfast meetings, additional activities will involve a Buddy Program for members transferring into our chapter, putting together a Chapter Director, both on the Web and in "hard copy", enhancing our Chapter website and working with the CPCU Society in Malvern (through its Corporate Connection initiatives) to update the employers list detailing support of the CPCU Society!

Again, in keeping with the desires of CPCU members, I am challenging you to **BE VISIBLE-GET INVOLVED** and I offer the following suggestions:

**Visibility** - Get your names and pictures in the paper, advertise in non-trade papers, congratulate your New Designees in trade papers and send us a copy. Speak at high schools or other organizations.

**Professionalism** - Perform good works and let organizations know you are a member of the CPCU Society.

**Good meeting topics and speakers** - Let us know your preferences. Fax your suggestions to us at 215-627-2754.

**Customers to recognize the CPCU designation** - Use the CPCU logo on your business cards and stationery. Use the CPCU initials after your name. You may get questions as to what they mean, I know I do. As a computer consultant, I am constantly being asked what the initials stand for.

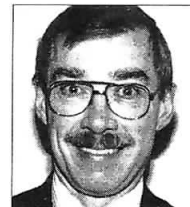
And lastly, **Get Involved!** - Come to a breakfast meeting. We'd like to see you become more involved. Suggest a meeting topic, or perhaps you know a good speaker. Enhance your leadership skills - volunteer for a committee. Write an article for the Chaptergram - and get your picture taken. Are you CPD qualified? It takes about 10 minutes to fill out the application and there is no paperwork to submit. you would be surprised how involved you already are. And many companies will send you to the annual meeting when you are CPD qualified. Applications will be at the meeting or call the CPCU Society at 1-800-932-CPCU.

As I write this I have just completed the Committee Chair appointments and am going through the copious notes I took at the COLC to get ready for our summer planning meeting. But I challenge you during this coming year "Be Visible - Get Involved" as we look forward to another great year!



Be Visible-Get Involved!

# National Director's Corner



by: Don L. Dudey, CPCU

I had the privilege to attend your June 18th meeting and to conduct your Installation of Officers for the 1998/99 administrative year. I want to congratulate Anne Kopanski, CPCU for an outstanding year as your Chapter's President. She maintained and even expanded the effectiveness and professionalism your chapter has established over its 51 years. Through her leadership and the many hours of participation and hard work from your chapter's officers, committee chairpersons and members, the Philadelphia Chapter will once again be a recipient of many awards during the San Diego Annual Meeting in October 1998.

Sandra Loeb, CPCU, your 1998/99 Chapter President, is thoroughly trained and ready to continue the rich traditions of the Philadelphia Chapter. She has studied hard, thought out her action plan and now is ready to put it into place. After her mid-July planning meeting with the chapter's elected officers and appointed committee chairpersons, you will begin to see her vision(s) for your chapter.

All chapter presidents are anxious to get more members involved in chapter activities. All of us have our individual priorities for both work and home. The experience of earning the CPCU designation is unique to only 34,000 individuals in this vast insurance industry. We have studied and worked hard for this designation. We should not let the designation gather dust on the shelf or wall, but rather put it to use for both ourselves and for others. There is a tremendous satisfaction in making yourself better or helping someone else less fortunate than ourselves.

Monthly meetings are informative, helpful and sometimes even fun. Helping that child or family during the holidays in purchasing gifts that they never would get, or helping the student obtain a scholarship to continue their education, are just a few examples of getting involved. From one hour a month to many, it doesn't matter, just as long as you get involved. The CPCU Designation it is something special and we should always work towards ensuring that is something special. Let's show others what it really means to be a CPCU.

## Celebrating CPCU Excellence!

In keeping with the Celebrating CPCU Excellence theme for the 1998-99 year at the CPCU Society, the Philadelphia Chapter of the CPCU Society would like to recognize the following employers for their support of our Chapter's board members. Without their support the Officers, Directors and Chairs could not continue their work. We recognize and thank these employers for giving the board members time off from work to attend chapter meetings, board meetings and workshops but most of all, we thank them for supporting their employees work with the CPCU Society. These employers will be recognized with a Certificate of Appreciation at the September 17th Breakfast Meeting.

**Bryson Associates, Inc. • CIGNA • CNA  
Cohen-Seltzer, Inc. • Delaware Valley Insurance  
Trust Insurance Services Office • Keystone  
Insurance Company • Loeb Information Resources  
Paist & Noe, Inc. • Royal Insurance  
Spectator Management Group**



# Philly Chapter Programs

## 1998-99 Year

**H**i! I'm Val Ullman Katz, CPCU, second Vice President and our Chapter Program Chairperson for this current Chapter year. I have arranged the programs shown below for our monthly meetings. The ticket price for our meetings is \$15 for chapter members and \$20 for non-members. "Season Tickets" are also available for purchase at a price of \$120 for 8 meetings or \$75 for 5 meetings. Table sales are also always available for each regular monthly meeting at a cost of \$180 for a table of 10. Your check should be made payable to: "Philadelphia CPCU Chapter" and mailed to Peg Dence c/o Philadelphia CPCU Chapter, P.O. Box 1499, Philadelphia, PA 19105 so that it is received at least 3 days prior to the meeting date. You may call Peg at 215-627-5306 for further details and information about reservations. Many of our meetings will be filed for CE credits and you will be so advised on the flyer. Our meetings are also open to the public and we welcome all to share and participate. If you have any suggestions about programs you can e-mail me at valraykz@erols.com or call me at 215-761-3876.

DATE	TIME	LOCATION	TOPIC & SPEAKERS
9/17/98	8 am	Franklin Plaza Hotel 17th & Race Streets, Philadelphia	"View from the Top" Panelist: Karen Foley, CNA and others to be announced when confirmed.
10/20/98	8 am	CIGNA, 1701 Market Street Philadelphia	"Risk Manager and the CFO: The Financialization of the Risk Manager". Speaker will be David Katz, Journalist of the National Underwriter.
11/17/98	8 am	CIGNA, 1701 Market Street Philadelphia	"Information Technology and the Industry". Speaker will be John Roblin, CIGNA
12/4/98	8 am	Wyndham Franklin Plaza, Center City, Phila.	<b>PHILLY I-DAY.</b> Program to be announced
1/21/99	8 am	DoubleTree Hotel Broad and Locust Sts., Philadelphia	"Career Management". Speaker will be John Crevling, Career Resource Management
2/18/99	8 am	DoubleTree Hotel Broad and Locust Sts., Philadelphia	"Diversification within the Insurance Industry" Speaker will be Joseph Lesko, Harleysville.
3/18/99	11:30 am	DoubleTree Hotel Broad and Locust Sts., Philadelphia	"Franklin Award" recipient to be determined and announced at the appropriate time.
4/15/99	8 am	DoubleTree Hotel Broad and Locust Sts., Philadelphia	"Ethics Awareness". Speaker will be Eric Wienen, CPCU, American Institute. We will also hold the election of officers and directors for the 1999-2000 term.
5/20/99	8 am	DoubleTree Hotel Broad and Locust Sts., Philadelphia	"Politics and Investments in the Emerging Markets". Speaker will be B. Kingsley Stewart, CIGNA.
6/17/99	8 am	DoubleTree Hotel Broad and Locust Sts., Philadelphia	"Management Skills and the Diverse Labor Pool". Speakers will be Paulette Blake and Sharon Helldorfer of CIGNA and another person to be determined. This meeting is also the Chapter's annual business meeting and your newly elected officers and directors for the 1999-2000 year will be sworn in.

# May Meeting Recap

**"Reinsurers Going to Hell in the 21st Century?"**

by: Bill Seefried, CPCU

The entire Philadelphia Sedgwick Re Casualty Facultative Staff sat posture perfect politely nibbling on their bacon and eggs. Our May breakfast meeting was blessed with a variety of reinsurance celebrities but how unusual to see the Sedgwick crowd before noon! We were all baffled until our guest speaker was announced, Jon Goodman, Sedgwick Re National director of Casualty Facultative Insurance.

Jon addressed the issue of the future role of reinsurers in the 21st century. The reinsurance marketplace has been softening due to a number of reasons such as the lack of catastrophes, high investment returns, tort reform and reconstruction and revitalization of Lloyd's. Mergers and acquisitions have resulted in increased capitalization of primary carriers leading to an increased net retention of risk. Are reinsurers going to get squeezed out of the picture? Simply answered-the extinction of reinsurance is not going to happen. Reinsurers have been turning the world of insurance for a century. A few of the current needs for reinsurance include capacity, natural disasters, asbestos and environmental issues. However, insurers may become more selective in choosing their reinsurance partner.

Insurer's want solid reinsurers. Today's sophisticated reinsurers are underwriting their reinsurer's financial integrity. One of the greatest threats to a reinsurer's financial stability continues to be past liabilities from asbestos and environmental pollution. A diligent reinsurance purchaser now inquires what effect these past liabilities will have on the reinsurer's future balance sheets. The insurer wants to know the strength of the reinsurer's loss reserves. Determining the adequacy of loss reserves often requires significant due diligence considering some of the alternative reasons for suppressing reserves (i.e. financial rating, stock price, acquisition, etc.)

Jon predicted consolidation and intense competition within the reinsurance market into the 21st century. There will be fewer and larger reinsurers competing not only for domestic business but for foreign business as well. A "globalization" plan will be essential in obtaining and maintaining superior financial strength via worldwide growth and spread of risk. The larger reinsurers will lose interest in servicing small clients and the small reinsurers will become "niche" players. Strong personal relationships will play less of a role in closing business transactions as the pressure to appease shareholders increases. Look for more flexibility in reinsurance products. Expect to see finite risk placements, financial products and products that blend treaty and facultative programs emerge from the reinsurance marketplace. Although reinsurers will become larger and financially stronger, the availability of catastrophe protection may be reduced due to fewer players in the industry.

The distribution and marketing of reinsurance may change during the next century. Currently, most reinsurers choose to market their product either directly using their own employees or through an intermediary. Reinsurance intermediaries, who represent numerous reinsurers, have seen their markets shrink as insurers whittle their list of approved insurers. Jon believes some direct market reinsurers may abandon the direct only philosophy and accept business from any source.

The year 2000 issue may also play a significant part in determining the role of reinsurers in the 21st century. The ISO year 2000 exclusions are out, approved in some states but not all. Some insurers have decided to attach year 2000 exclusions to exposed coverages, some have not, many simply have not made up their minds yet and a few are even marketing a year 2000 coverage. Reinsurer's attitudes seem to be just as diverse regarding this exposure as insurers.

Are reinsurers going to hell in the 21st century? Yes, one could argue, unless they get off the tracks!



Jon Goodman, Executive Vice President, Sedgwick Re gave the "Reinsurance Philosophy for the 21st Century" at our May 21st meeting.



Some of the members at our May 21st meeting on "Reinsurance Philosophy for the 21st Century."

# 1997-98 ANNUAL REPORT TO CHAPTER MEMBERSHIP

Prepared by: Anne M. Kopanski, CPCU

The President for the 1997-98 Chapter year was Anne M. Kopanski, CPCU. The Philadelphia Chapter prepared to "Influence the Future" during this year. We accomplished outstanding results. The board started the year discussing filing for various National committee awards and the Society's President's award as what we should accomplish as your elected officials for our chapter. The Chapter Planning and Activity Report was completed and filed with National. We have filed for various committee achievement awards and some committees have even filed for the excellence (highest) award they can achieve within their category.

Several members and new designees represented the Chapter at the National Convention in Dallas this past fall. We hosted a hospitality suite for the new designees and any attending members. At the conclusion of the convention, we found out that we had won six awards for the work our committees had done in the prior year (1996-1997).

We sent two officers to the Chapter Officers Leadership Council - a forum where they pick up ideas and contacts to help them lead our Chapter. The Board set up a Chapter's Future Committee, to work on future strategic goals and objectives, to guide us into the future. Our members, officers and directors are challenged by changes in the insurance profession in the 90s. We are affected by restructuring, careers in transition, founding new business; all with elongated work hours and hectic travel schedules. Our officers and directors are challenged by distance with an average of a 45-minute commute to get in a central location. We explored meeting by teleconference to accommodate an additional meeting. Many of our officers commute two to three hours a day. The net impact is reduced availability to carry out the increasing criteria forever-growing number of required award activities.

We have seen a substantial increase in the number of participants in many of the activities we conduct (e.g., the average attendance increased at the breakfast program by 30% over last year). During the breakfast programs, we started selling 50-50 tickets, the proceeds of which will go to donations our Scholarship Committee suggests.

We continue to sponsor and conduct many highly successful major events including Philly I-Day, The Franklin Award, the 15th Annual Fire Essay Contest in Bucks County and the 5th Annual Fire Essay Award in Philadelphia, and partner with the Insurance Society of Philadelphia and Independent Insurance Agents to host Philly I-Day.

One last activity we proudly accomplished this year was funding, authoring and presenting the Project InVEST Workshop for teachers. The success of the Workshop can be measured by the fact that three schools are committed to implementing the program in their school districts. Project InVEST is a business simulation based on an insurance company ad agencies organized to sell personal automobile insurance. Success is measured at Germantown High School, who hosted the workshop, by 95% attendance at a 7:15 a.m. InVEST class, compared to 35-45% average attendance in other classes.

## CHAPTERGRAM

Peter F. Palestina, CPCU, Editor of the Chaptergram since 1983, published four issues (eight pages each) which were distributed in September '97, December '97, March '98, and June '98. In addition, two two-page interim Chaptergrams were published, one in February 1998 and May 1998. These issues were mailed piggyback with monthly meeting mailings in order to save postage. Compliments from both internal and external readers are made about the Chaptergram; ours is used as a model for other chapters.

## CHAPTER OFFICERS' LEADERSHIP CONFERENCE

The Society's COLC for our Chapter region was held by the National Society. This two day conference was attended by first Vice President Sandra Loeb, CPCU who attended East Coast and Secretary Val Ullman-Katz, CPCU, who attended West Coast Conference.

## DIRECTORY

Keeping with the three-year tradition, we are in the process of publishing our Chapter's directory of members so each member will receive one. The Directory is published on a three-year cycle due to the printing costs of close to \$2,000.00. This will be a priority in the coming year.

## FIFTIETH ANNIVERSARY

Under the direction of Art Hanebury, CPCU, and T.C. McDonnell, CPCU, the committee co-chairpeople, the committee started its celebration of our Chapter's fiftieth anniversary. As of this writing, we heard about our chapter and insurance history during our Chapter's 50 year history. The final gala was I-Day, a reception in the late afternoon. A logo and large banner were created. Past presidents were invited to attend our Franklin Awards. We also have a list of all the officers and directors of our chapter since its inception.

## FIRE ESSAY CONTESTS

We held our 15th annual "Fire Safety in the Home" essay contest cosponsored by the Council Rock School District located in Bucks County. The essays were written during National Fire Prevention Week. Peter F. Palestina, CPCU, chairs this contest. Awards were presented to the winning elementary students on November 20, at the Council Rock Board meeting and November 25th, at the Northampton Township Board of Supervisors public meeting. Elected officials of Northampton Township, Newtown Township and Newtown Borough presented citations to the winning students, who reside in the respective municipalities. Both meetings were broadcast live over the local cable network to five municipalities. Peter F. Palestina, CPCU, and Anne M. Kopanski, CPCU, made the presentations.

We held our 4th annual "Fire Safety in the Home" essay contest cosponsored the School District of Philadelphia on May 28th at the Districts' officer's boardroom. Shiang Wu, CPCU chairs this contest. Wade Communications also assisted in this event. On hand for the presentation were Shiang Wu, CPCU, and Anne M. Kopanski, CPCU.

## GOOD WORKS

Cynthia Gantz, CPCU chaired the Committee which again participated in the May Philadelphia Special Olympics held at Northeast High School in Philadelphia. The committee for the second year in a row, conducted a Holiday charity drive which brought in over monetary and packaged gifts which the Chapter donated to Big Sisters of Philadelphia, Inc.

Anne Kopanski, CPCU, chairman of Project InVEST, co-authored grant proposals, wrote and delivered a two day workshop for school teachers to increase interest in this excellent school to work program. The session was attended by Barbara Miller Richards, National Coordinator Project InVEST. Germantown Project InVEST will be the cover story for the Independent Agent Magazine in September.

## MEMBERSHIP

The membership committee, headed by Rina Williams, CPCU, met monthly. Some of their accomplishments this year included: Acquiring correct names and addresses for publication of the Chapter directory; telephoning to solicit dues from potential Chapter members. Our number of paid members increased this year because of the encouragement of Rina and her committee members "Buddy" system will begin in the Fall that will help newcomers to meet and network with members.

## NEW DESIGNEES

The new designees were welcomed to our Chapter in personalized letters after their completion of the CPCU program. They were also invited to one of our breakfast programs, free of charge. At I-Day, we recognized their accomplishment with the local conferment; and followed up with this by publishing their name in our Chaptergram.

## PHILLY I-DAY

The chapter again joined with the Independent Agents of Philadelphia and its suburbs, and the Insurance Society of Philadelphia to sponsor Philly I-Day held on October 16, 1997. There were approximately 400 participants. Maria Perez-Freedman, CPCU, chaired this event. Continuing Education credits were instituted this year. New designees were recognized by a local conferment held at the luncheon. Larry Gross, CPCU, is now the co-chair with chairmanship next year. There have been meetings to revitalize this event and formalize the understanding between the various organizations as to what is expected of them as participants in this event.

## PROGRAMS

Bernadette Fuller, CPCU, organized Programs this year. There were eight given this year and the average attendance increased by over 30%. The excellent activity provides a great means for networking and learning about current events in insurance. Dr. Norm Baglini presented our Ethics Awareness Program. At that program we presented Norm with a Resolution honoring his 25 years of dedication to our profession. Season tickets are available and that makes it easier for member or guests to attend.

We successfully receive Continuing Education Credit from the Pennsylvania Department of Insurance in getting a few of these meetings approved for continuing education credit, as a way to attract more agent members.

## PUBLIC RELATIONS

The Chapter's public relations committee plays an important role in: securing public recognition for chapter activities, advising the public through the news media of important events, and gaining recognition for the CPCU designation. The committee sent out press releases, recorded a number of speaking engagements, reported on fire essay contests this year for two school districts, had a few articles published in local publications. Chairperson Larry Gross, CPCU, also reported on the press releases for the I-Day, fire essay contests and Project InVEST Workshop.

## RESEARCH

A Chapter research project entitled "Do You Hear What I Hear?" was published in May, 1997. Presentation work on this project continued over the summer. Interest continues to grow in the results. This addressed the impact of jargon on the relationship between the insurance industry and their customers. The author is Larry Gross, CPCU, and his contention is that the works we speak, the language or jargon of the insurance industry creates an environment where communication goes wrong and meaning is distorted. The result of this is that people form strong negative emotions about the messengers, despite the fact that the insurer, the producer of other insurance professionals might do everything correctly. The objective of this project was to establish this premise and support it by literature review of other industries that have their own language (information systems, technicians, politicians, journalists, etc.) He cites how others outside these cultures react to them and look to see where there might be anecdotal evidence to tie together any similarities to the industry.

## SEMINARS

The Seminars Committee, headed by Cynthia Wolkiewicz, CPCU, presented five seminars this year:

*December 4, 1997, "Advanced Umbrella"*

*January 22, 1998 - "Employment Practices" - Satellite Broadcast*

*May 7, 1998 - "Year 2000 Crises" - Satellite Broadcast*

*May 20, 1998 - Business Income*

*June 4, 1998 - Developing Personal Resilience*

## WEB PAGE

In May, 1997, our Chapter went on-line through National with our web site on the Internet. The basic page has been setup. With the efforts of Sandra Loeb, CPCU, and past president Peter Palestina, CPCU, and other volunteers, we expect to have several pages of informational value to chapter members and the general public on-line within the next month or so. Our page can be accessed through the Society's site and the Worldwide Web at

<http://www.cpcusociety.org/members/chapters/websites>.

## YEAR END 7-1-97/98 OFFICERS AND DIRECTORS

President	Anne M. Kopanski, CPCU
First Vice President	Sandra Loeb, CPCU
Second Vice President	Bernadette Fuller, CPCU
Secretary	Val Ullman-Katz, CPCU
Treasurer	Richard Lee, CPCU
Director	Josephine Battisti, CPCU
Director	Pete Palestina, CPCU
Director	Maria Perez-Freedman, CPCU
Director	Richard Ventura, CPCU
Director	Rina Williams, CPCU
Director	Cindy Wolkiewicz, CPCU

## Budget Report Fiscal Year July 1, 1997 to June 30, 1998

*As of June 30, 1998*

*by: Richard Lee, CPCU, Treasurer*

Category	Actual (\$)	Budget (\$)	Variance (\$)	Percent Rept/Exp
<b>Income</b>				
1 Directory		1,500.00	1,500.00	0
2 Donations/Scholarship	210.50	200.00	(10.50)	105.250%
3 Dues	21,855.00	22,000.00	145.00	99.341%
4 Franklin Award	9,095.00	4,500.00	(4,595.00)	202.111%
5 Fundraising for Good Works		100.00	100.00	
6 I-Day	1,000.00			
7 Interest	758.63	550.00	(208.63)	137.933%
8 Breakfast Mtngs/Prgms	10,800.00	15,500.00	4,700.00	69.677%
9 Seminars	1,201.00	1,250.00	49.00	96.080%
10 Social		1,500.00	1,500.00	0
11 50th Anniversary		3,000.00	3,000.00	0
12 Miscellaneous		50.00	50.00	
<b>Total Income</b>	<b>44,920.13</b>	<b>50,150.00</b>	<b>6,229.87</b>	<b>89.572%</b>
<b>Expenditures</b>				
20 Administration	1,309.96	1,500.00	190.04	87.331%
21 Annual Meeting	845.52	2,000.00	1,154.48	42.276%
22 Candidate Development	424.34	700.00	275.66	60.620%
23 Careers in Insurance		50.00	50.00	0
24 Chaptergram	8,434.99	9,600.00	1,165.01	87.864%
25 Chapter Resources		300.00	300.00	0
26 COLC	680.84	1,000.00	319.16	68.084%
27 Directory		2,100.00	2,100.00	0
28 Fire Essay	1,662.45	3,000.00	1,337.55	55.415%
29 Fiftieth Anniversary		4,000.00	4,000.00	0
30 Franklin Award	9,525.83	5,000.00	(4,525.83)	190.517%
31 Good Works	300.00	250.00	(50.00)	120.00%
32 HJ Loman Foundation	642.00	700.00	58.00	91.714%
33 I-Day Reception	539.81	500.00	(39.81)	107.962%
34 ISOP Membership Dues	126.00	150.00	24.00	84.000%
35 Membership		430.00	430.00	0
36 Miscellaneous	234.16	1,000.00	765.84	23.416%
37 New Designees	976.67	1,000.00	23.33	97.667%
38 I-Day Luncheon		-	-	
39 Programs	16,513.72	18,500.00	1,986.28	89.263%
40 Project InVEST	3,000.00	3,000.00	-	100.000%
41 Public Relations		1,500.00	1,500.00	0
42 Research Project		1,000.00	1,000.00	0
43 Scholarship		500.00	500.00	0
44 Seminars		200.00	200.00	0
45 Social		1,500.00	1,500.00	0
46 Systems Automation		500.00	500.00	0
47 Web Site	145.90	1,000.00	854.10	14.590%
<b>TOTAL EXPENDITURES</b>	<b>45,362.19</b>	<b>60,980.00</b>	<b>15,617.81</b>	<b>74.389%</b>

### Carryover Balance from 1996-97 includes \$1,367 dedicated to scholarships

Account balance	As of:	6/29/98
Checking account balance: Mellon		\$1,963.49
Savings account balance: Mellon		15,074.15
Checking account balance: CoreStates		208.98
Savings account balance: CoreStates		26,582.84
		<b>\$43,829.46</b>

# Thanks for a Great 1997-98 Year

As you can tell by reading the Chapter Annual Report on the previous two pages, the Chapter had a very successful 1997-98 year. On this page are photos and mention of some of last year's board members who were acknowledged at our June 1998 Annual Business Meeting starting with outgoing president Anne Kopanski, CPCU and ending with new incoming president Sandra Loeb, CPCU.



Bernadette Fuller, CPCU for Program Chair



Richard Lee, CPCU for Treasurer and Scholarship Chair



Rina Williams, CPCU for Membership Committee Chair



Val Ullman Katz, CPCU for Candidate Development Chair



Josephine Battisti, CPCU for Franklin Award Chair



Peter Palestina, CPCU for Chaptergram Editor



R. Bruce Tuttle for Ex-Officio Member and Nomination Committee Chair



1997-98 President Anne Kopanski, CPCU (l) passes the gavel to 1998-99 President Sandra Loeb, CPCU at the June Annual Meeting.



1998-99 Board Members present at the June Meeting are sworn in by National Director Don Dudey, CPCU (right) Left to right are: Larry Gross, CPCU, (Secretary) Richard Lee, CPCU (Treasurer), Josephine Battisti, CPCU (Director) Anne Kopanski, CPCU (Ex. Officio, past President), Rina Williams, CPCU (Director), Val Katz, CPCU (2nd Vice President), Bernadette Fuller, CPCU (1st Vice Pres.) and Sandra Loeb, CPCU (President).

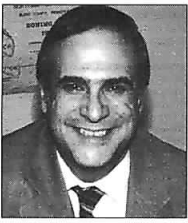


New President Sandra Loeb, CPCU presents plaque and certificate of appreciation to past President Anne Kopanski, CPCU at the June Annual Business Meeting.



Josephine Battisti, CPCU for Franklin Award Chair

Not present for photos during presentation but also acknowledged for their contribution by Anne Kopanski were: board members: Maria Perez-Freedman, CPCU (I-Day Co-Chair), Richard Ventura, CPCU, Cindy Wolkiewicz, CPCU, (Seminars Chair), Larry Gross, CPCU (Public Relations).



# From the Editor

by: Peter Palestina, CPCU

## OLD FACES, NEW FACES AND SOME EXCITING THINGS ARE ABOUT TO HAPPEN

Another great year has ended for the Chapter and an even better one has just begun. I am past Chapter President (1982-83) and have been a board director at various times during the last two decades. My proudest moment was when I received the Chapter's "Franklin Award" in 1996 but my most enthusiastic role as a Chapter member is that of Editor of your Chaptergram. I have served as Editor since 1983 and 15 years is a long time! During these many years of involvement I have seen our Chapter grow and prosper. Many individuals have come and gone, but most are remembered for the work and time they put in.

As good as the past was, the Chapter can always get better and I believe it will. Exciting things are about to happen and more and more of you are becoming involved. After all the Chapter is only as good as the members who participate.

One of the things I'm trying to do this year is to launch our new Chapter Website on the worldwide web. As of the time this issue is going to press, I have spent the last week constructing what I believe will be the best Chapter site the Society of CPCU will have. I will soon be arranging for a Web Host domain name, etc to launch our site and I hope it will be ready for you to view by the time you read this Chaptergram. Thinking of all those good CPCUs of the past and the future, who have given so much to our Chapter, I thought of many ways to memorialize them through our website. In addition, we wanted to bring wealth of information to our members and the general public who will be visiting our site.

**As of now, you can expect to visit our site and see the following:**

**HOME PAGE** - with a little background of the Chapter and the Society, Listing with photographs and e-mail links to all of your officers and directors

**PROGRAMS PAGE** - listing the upcoming meetings and speakers for the entire year.

**8 PAGES** of the latest issue of the Chaptergram

Franklin Award pages that will highlight the last recipient as well as a link to all of the previous recipient complete with photographs. In addition, we'll have a nomination form that can be downloaded, printed or e-mailed by anyone wishing to nominate someone for the next award.

**A PAGE FOR EACH OF THE VARIOUS CHAPTER COMMITTEES** with photographs and e-mail links to the current chairperson

**A CHAPTER HISTORY PAGE** that talks about the Chapter and links to a Hall of Fame page complete with listings and photographs of each president since our 1947 beginning

**ANNUAL REPORT PAGE** - which will display the previous years' Annual Report such as the one on pages 4 and 5 of this Chaptergram

**PHILLY I-DAY PAGE** with info about the upcoming I-Day and pictures taken at previous I-Days.

**FIRE SAFETY ESSAY CONTEST PAGE** which highlight the 3 current contests and pictures of past contests and award winners.

**NEW DESIGNEES AREA PAGE** with info from our 3 new designee chairs and e-mail links. Also listing names of our latest new designees

**SOCIAL PAGE** - highlighting past Chapter Social Events with pictures

**PHOTO ALBUM PAGE** - Rich in photographs from various years

**BULLETIN BOARD PAGE** where members can post messages

**PHILADELPHIA PAGE** to highlight what our city has to offer visitors.

All of this is optimistic yes, but I want it to be the best, just as our Chapter is. With a little luck and some hard work and cooperation of others, I hope its ready for when we kick off our 1998-99 Programs on September 17th. See you in September and hope you all had a great summer.

## Membership Committee Looking Forward to 1998-99 Year

Hello everyone, I'm Patricia Rakowski, CPCU and I'm looking forward to my role as the Chapter Membership Committee Chairperson for the current year. I will have news to report from time to time in future Chaptergrams. I'm newly appointed, so I did not have time to report on anything in time to meet this issues deadline. But watch this column in the future.



## June Meeting Recap

by: James F. Fryer, CPCU

### Exposures in the 21st Century



The June Chapter meeting provided an interesting look at prospects for exposures in the 21st century. Angel Edmond, CPCU and Steve Harris combined to make an excellent presentation. They looked at three trends that will affect exposures: globalization, technology, and consolidation.

Globalization was considered as the "most important factor in economic development". They saw exposures developing as companies expand their operations into foreign locations. The new exposures will deal with the physical offices, an increased demand for travel accident coverage, and contingent business interruption.

Technology will create a number of new exposures. Edmond and Harris centered on increased demand for coverage relating to EDP software and systems in two areas: failure of the software (proprietary) and equipment (especially at dependent premises) and in the area of theft. They also projected heightened exposures in Internet-related commerce, workstation ergonomics, and the telecommuting arena.

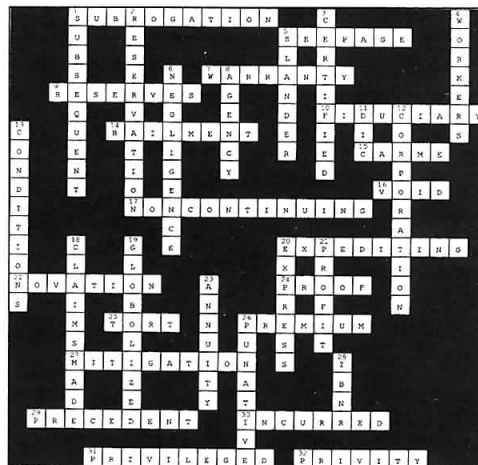
The area of consolidation was their final point. They began by noting that consolidation is increasing because of the availability of financing, investor pressure, perceived efficiencies, and the overall regulatory attitude towards mergers. The increased level of consolidation will result, according to Edmond and Harris, in demand for coverage in suites over new acquisitions (which could result in stockholders suites as they debate whether the best offer was taken), representations and warranties, and suites brought because of downsizing and other employment practices.



Steve Harris, and Angela Edward of Chubb gave a presentation on "21st Century Exposures" at our June 18th meeting.



Some of the members at the June 18th meeting on "21st Century Exposures."



Solution to Crossword Puzzle from page one.

# Calling all 1998 "New Designees"

by: Lilly Cowan, CPCU

New Designee representative (Jan. '98 completers)



Congratulations and welcome to the Philadelphia Chapter of the CPCU Society. Like you, I am also a "New Designee", and I will be serving as one of the Chapter's three ND Representatives. In this role, I will try to convey your ideas and concerns about the Society to the Chapter officers.

Way back when I began my CPCU studies, I felt as though I was traveling on VERY LONG and WINDING ROAD. Mostly, I studied independently; but for a few courses, I was grateful for the "prep" classes offered by the Insurance Society. Eventually (around the 6th exam), I began to see a glimmer of light at the end of the tunnel. And now, I am very excited about another journey, to a place far, far away (San Diego, CA) for the 1998 National Conferment Ceremony!

During the 97-98 year, I started attending monthly breakfast meetings. I can truly say that this is a very dynamic, active group. The members were friendly and most supportive of my efforts to complete the CPCU program. One of the highlights last year was the Chapter's celebration of its 50th anniversary! I enjoyed hearing about the chapter's "official" history plus some very funny "unofficial" anecdotes that were presented by former chapter leaders.

In the year ahead, I encourage you to become involved in the Philadelphia Chapter. You will find that you can take advantage of many educational and networking opportunities. In addition, you may want to volunteer for a specific Committee or Project. In a few weeks, you will be receiving an "Interest Survey" questionnaire. Based on the data you provide, the Chapter will try to match your unique talents, interests and leadership abilities with the appropriate Committee or Task Force.

I look forward to meeting you!

## To Move or Not to Move-This Was the Question!

by: Bernadette Fuller, CPCU

In May the Philadelphia CPCU Chapter surveyed its members about their desire to move the location of the breakfast meetings. We want to share the final results with you.

There were a total of 45 respondents. This represents 7% of the paid members. More than half of the respondents were satisfied with the current meeting location and didn't have a preference of hotel or insurance company for the selected site, particularly if the cost would be less.

Parking cost wasn't a factor for our respondents. Increased parking costs in exchange for a lesser meeting cost would not discourage members from attending meetings.

Time away from the office appears to be the number one reason for not attending meetings followed by topics that are relevant to work.

In summary, the respondents were not opposed to trying another location to see if it works.

We listened to you, and we will try three different locations to see if it works. The three locations we will try are the Franklin Plaza, CIGNA, and the DoubleTree Hotel.

Thank you for taking the time to respond and keep your suggestions coming.

## To June 1998 New Designees

from: Mary Ann Ryan,

June Class New Designee Rep.



The New Designee Committee extends a warm congratulations to the June 1998 New Designees. Your hard work and persistence has paid off. You have earned the CPCU designation, now reap the benefits! We welcome you to the Philadelphia Chapter and look forward to seeing you at the up-coming meetings. Stay tuned for details. I'll be in touch and hope to see you in San Diego!

## To September 1997 New Designees

from: Kristin McCuen, CPCU



Allow me to introduce myself as the New Designee Rep for the September 1997 Class of the Chapter. I am a Claim Specialist with CIGNA Reinsurance, with the bulk of my claim files consisting of environmental and other long-tail claims.

I began taking CPCU courses after coming to CIGNA in 1992. Initially, I began taking these courses to increase my insurance "IQ" and expand my career options. Although my current department does not require its employees to pursue the designation, management does value the knowledge and perspective that comes with CPCU training. I felt that continuing towards the designation demonstrated a willingness to increase my knowledge and a commitment to the insurance industry.

Achieving the CPCU designation has proven to be a huge personal and professional accomplishment. It took me five years to complete the 10 exams, and as you well know, this can often be a difficult task. Juggling, studying, job responsibilities, volunteer and personal commitment was a struggle (just ask my long suffering, but altogether wonderful husband!) However, looking back, I am really glad that I stuck with it and earned the designation.

For those of you working toward the designation, I encourage you to persevere. You won't necessarily come out of the process taller or better looking, however, the designation is personally rewarding and its benefits should not be underestimated.

## PHILADELPHIA CHAPTER, CPCU

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