

TIMELY NEWS AND INFORMATION FROM ACUITY

Infocus



APRIL 2016

FACE OFF!



**LATEST CE
VIDEO DEBUTS**

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ACUITY

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ACUITY'S NEWEST CE VIDEO CONNECTS VIEWERS WITH FAMILIAR FACES

ACUITY's continuing education (CE) videos have always been known for taking a creative approach, whether they retold a Christmas Carol, visited the Wild West, or blasted off into outer space. Our newest *ACUITY* U video is no exception, featuring puppets that tell the story of *ACUITY's* innovative Face to Face program.

"The whole concept of Face to Face is based on relationships. Using puppets is an interesting way to tell that story, rather than just having people talk into the camera," says **Ben Salzmann**, President and CEO. "**Stephanie Schreiber** deserves a lot of credit for being the project leader in our Face to Face program and promoting a new and unique way to educate agents about it."

Groundbreaking Production

"Puppets bring a whole new level of creativity to the production and allow us to build in a lot of humor that might not work using real people," adds **Sarah Dorzok**, Communications Specialist.

Having never produced a video with puppets before, *ACUITY's* first challenge was finding the resources that could make it happen.

"We started with the idea of using puppets simply to portray on screen what people would be doing in real life. Eventually that evolved into having puppets become the main 'actors' in the production and creating custom puppets to look like real people at *ACUITY*. It became quickly apparent that this was going to be a very complex, in-depth production," Dorzok says.

Dorzok reached out to *ACUITY* insured The Ridiculous Puppet Company, based in Minneapolis, Minnesota. Owner and puppeteer **Jeff Nepl** agreed to take on the project and connected *ACUITY* with The Puppet Forge, also based in Minneapolis, to create custom puppets in the likeness of *ACUITY's* Ben Salzmann, Vice President of Sales **Wally Waldhart**, and Vice President of Commercial Lines **Ed Warren**.

Although Nepl has worked with "portrait puppets" before during his career as a puppeteer, the *ACUITY* project was unique.

"We had never worked with an insurance company, so I wasn't quite sure what to expect," Nepl says. "However, it became clear right away that staff at *ACUITY* were willing to throw themselves into the production and have fun. People



who end up watching the video will definitely see that.”

Working with puppets was a new experience for *ACUITY* staff. “We take for granted how easy it is to work with a real person who can move. With puppets, we had to reposition a lot of props and realign shots because we couldn’t just say ‘take a few steps that way,’” explains Dorzok.

The puppets are fully articulated, with heads made of foam and covered with Antron Fleece, a specialized fabric used in puppet creation. **Gordon Smuder**, owner of The Puppet Forge, explains that getting the puppets to resemble the three executives required thinking like a caricature artist.

“There is usually a single feature that tends to make people recognize a puppet as a model of a real person,” Smuder says. “With Ben’s puppet, the salt-and-pepper hair gave it the right look. With Wally’s it was the iconic nose, and with Ed’s it was using little black dots for eyes because his gaze is so intense.”

One thing is certain: *ACUITY*’s newest CE video will be unlike anything else in the industry.

“Insurance is a serious business, but it was nice to see that people at *ACUITY* are willing to get a little goofy,” Neppel says. “We had a lot of fun making this video.” ●

Custom puppets in the likeness of Wally Waldhart, Ed Warren, and Ben Salzman were created for the production.

FACE TO FACE

At *ACUITY*, our people have always made the difference. Customers trust and enjoy working with our knowledgeable and professional local independent agents and our own staff.

Face to Face, the subject of the latest CE video from *ACUITY* U, emphasizes that our staff members are available to meet with agents, prospects, and clients to help seal the deal. Larger volume clients can meet with *ACUITY* personnel, including territory directors, commercial underwriters, loss control representatives, and claims adjusters.

Face to Face meetings are a way to educate prospects on the buying decision and to ensure that *ACUITY*’s largest commercial insureds are getting the best possible products and services. We want customers to understand that insurance is more than just a policy: the products, service, and experience that go along with the policy are what make the difference. ●



MINNESOTA AGENCY FOCUSES ON INSURANCE SOLUTIONS

In 1988, four agents came together in the Twin Cities suburb of Edina, Minnesota, to form a new agency specializing in business insurance. They gave their enterprise the name Corporate Four. Although the agency has grown from four to eight owners and 65 total staff members, the name has stuck.

Over the years, the agency has continued its focus on delivering insurance solutions for busy entrepreneurs and business owners. Commercial insurance makes up 65 percent of its business, with a particular emphasis on logging, hospitality and restaurants, and construction accounts. However, Corporate Four also writes a broad mix of personal lines, life, and health business with a focus on high-net-worth individuals.

“We try to be a one-stop shop,” says **James Werdin**, Corporate Four Vice President. “Our bread and butter is the mid-sized commercial account, but we also focus on rounding out that account by insuring owners’ personal lines, life, and health coverage. When you do that, your retention climbs.”

Trust and Teamwork

Teamwork has been key to the agency’s success over the past 28 years. “We work extremely well as a team,” says **Bob Leitschuh**, agency President. “When one of us doesn’t have expertise in something, there will be someone else on our team who does that we can work with. Everybody here helps each other out.”

The agency also focuses on fast, efficient service. “New customers who have worked with other agencies are shocked at how quickly we turn things around,” Werdin says. “We work very hard on the customer service side, particularly in delivering certificates of insurance.”

Corporate Four agents and associates average 20 years of insurance experience and are highly knowledgeable in delivering insurance solutions, staying on top of industry trends, and identifying

customer needs. Its agents have taught insurance education courses and published insurance articles. And one agent, **Jack Hungelmann**, has literally written the book on insurance advice: *Insurance for Dummies*.

The people at Corporate Four also focus on having fun. “We have an annual trip to Mexico for our top producers, a summer picnic, chili cook-offs, outings to Twins games, and more,” Werdin says. “We try to keep it light and have some fun.”

Growth Goals

Corporate Four plans to grow its business in the Twin Cities and beyond and is staffing for that growth.

“We have added several new producers in the past few years,” Leitschuh says. “We have terrific markets, we run a really lean shop, and we are still paying our producers more commission, both regular and contingent, than other companies. We have a lot to offer—much more than other companies from a compensation standpoint.”

Although the agency has grown far beyond its original staff of four, it has no intention of changing its name any time soon.

“When you build a brand around a name, there’s value to retaining that,” says Leitschuh. “It’s our identity and we’re proud of it.” ●



Front, left to right: Jim Sakara, Jim Werdin, Bob Leitschuh, and Cindy Johnson. Rear, left to right: Glenn Carlson, Gary Andren, Dwight Lewis, and Mike Hoppe.



NEW STATE SUCCESS STARTS WITH CAREFUL PLANNING

In 2004, *ACUITY* expanded into Missouri, which at the time was our first new state in many years. By the end of 2006, we had moved into Tennessee, Kansas, and Arizona. Over the next 10 years, we would add more and more territories. Our total of “new” states added over the past 12 years currently stands at 13, and we are poised to move into Vermont very soon.

Our rapid, successful expansion into states may imply that the process is easy, but it is actually an extensive and detailed process. It starts by deciding which states will help *ACUITY* grow profitably and, ideally, that will also provide new resources for agents in our existing states. We follow a defined, objective process when choosing a state, starting

with our New State Committee, which consists of individuals from many business areas. This team’s responsibility is to research specific issues within a state and identify the positive and negative aspects of doing business in that particular state.

Once that research has been completed, recommendations made, and plans approved, Regulatory

Affairs starts working to make certain we understand everything about a state prior to entry. It’s our top priority to ensure compliance with the laws of each new state.

But that’s just where the work starts, because putting in new states is not a one-department job. It takes the efforts of people in all areas of the company to guarantee that the forms, rates, systems, and processes are working the way they need to so the end product you see is correct and compliant.

Even though this is a complex process, it typically takes less than a year from the time we receive approval to move forward on a state until the time it becomes available to you. That short turnaround time is due to the diligence of many people at *ACUITY*, but we owe it to our agents to provide them the best opportunities to sell more *ACUITY* business! ●



BY CHRISTINE MATYSIK,
GENERAL MANAGER -
REGULATORY AFFAIRS



ASK THE SPECIALIST

ASK MIKE

What do the changes to the research and development tax credit mean for my business?

The federal government's research and development (R&D) tax credit has been described as a "major windfall" for manufacturers, and for good reason: the credit is estimated to return up to \$10 billion in taxes to manufacturers nationwide in 2016!

The R&D tax credit has existed for years on a temporary basis. In December 2015, Congress made the R&D credit permanent, meaning manufacturers can now count on it when planning product research. Also, by turning off the Alternative Minimum Tax (AMT) provisions for businesses with less than \$50 million in revenue, Congress made the R&D tax credit more accessible to small- and mid-sized companies.

Most important, this is not just a tax deduction—it's a dollar-for-dollar credit against taxes you owe or pay. What this means for your business is that you now have a greater opportunity to receive some extra cash you can use in your manufacturing operations.

Some manufacturers mistakenly think this credit only applies to lab work and believe they don't qualify. However, the government's definition of R&D is much more expansive. In fact, many improvements you do to enhance your products qualify for the credit, such as:

- Improvement of existing products
- Enhancements to current processes
- Developing new products, technologies, or formulas
- Certification testing
- Building manufacturing facilities
- Other steps you take to make your products or processes better, faster, cleaner, or cheaper

You can take the full R&D credit in the year you incurred the expenses, or you can amortize it over a period of no less than 60 months.

To claim the credit, start by talking to your tax professional, who needs to understand the requirements, including the traditional and simplified ways of calculation. There are records you need to keep and processes for filing the credit, and it's important to maintain ongoing documentation for projects over time, rather than looking back at tax time.

The IRS offers guidance in its Research and Development - Manufacturing Tax Tips section at irs.gov. Manufacturing industry associations can also provide valuable insight into how to determine what activities qualify, how to keep the records you need, and how to file for the credit.

It's worth taking a closer look at the R&D tax credit to see if your product and process improvements are eligible. In a competitive marketplace, this can give you a much-needed cash infusion that fuels your growth and success!

Michael Schlagenhauser is ACUITY's Manufacturing Business Segment Specialist. Contact him at Mike.Schlagenhauser@acuity.com.



DICK RILEY NAMED TO ACUITY BOARD OF DIRECTORS

Richard F. Riley, Jr. (Dick)

is the newest member of *ACUITY*'s Board of Directors. Dick is a tax partner in the Washington, D.C., office of the law firm Foley & Lardner LLP, which is headquartered in Milwaukee. Dick's areas of expertise in his law practice include tax and corporate matters for property and casualty insurance companies such as *ACUITY*.

"It is a real honor to join the Board of Directors of *ACUITY*," Dick says. "The company has a stellar reputation as a leader in the insurance industry for financial success, customer service, agent relations, and as a great place to work. I am grateful for the opportunity to join the *ACUITY* team and to help



maintain and grow its success from the corporate governance standpoint."

Dick is a native of Mississippi. He is a graduate of Yale University and Duke University School of Law. Dick has practiced law in Washington, D.C., for over 30 years as an associate and partner of the Foley & Lardner law firm and its predecessor firms. He has represented and advised insurance companies on tax and corporate matters throughout his career, and was a member of the Foley team that represented *ACUITY* in a successful case in the U.S. Tax Court in 2013.

Dick lives in Charlottesville, Virginia, with his wife, **Mimi**, a law professor at the University of Virginia. They have a daughter and two sons. ●

HINTS FROM THE HELP DESK

If you are having issues using our online rating system with Internet Explorer, including page timeouts or forms not responding, you may have your browser set to access *ACUITY*'s website in Compatibility View. Our website does not need to be in this setting.

To be sure your browser is not in Compatibility View, go to Tools on the Internet Explorer tool bar and select Compatibility View Settings. Make sure www.acuity.com is not listed among websites that have been added.

If you have a tip you'd like to share or a question you'd like to see answered in this column, email helpdesk@acuity.com using the subject line "Hints." ●

ACUITY'S COMMITMENT TO INNOVATION DELIVERS BENEFITS TO AGENTS AND CUSTOMERS

To say that technology has transformed business at *ACUITY* is an understatement. A great illustration of this is how different things are today than when I started at the company—and where we are headed from here.

When I joined *ACUITY*—then Heritage Insurance—27 years ago, we were primarily a COBOL-based “green screen” shop. Those of you who have been in the industry for a while remember having a large monitor on your desk that displayed nothing but glowing green text against a plain black backdrop. There were no PCs, no Internet, and little technological connectivity between systems and people.

Fast forward to today, and *ACUITY* has numerous web-facing applications written in Java, mobile apps, social media, and broad connectivity with agents through the systems that they use every day. Having these capabilities is crucial to support the way our customers—both agents and policyholders—want to do business with *ACUITY*. These efforts are essential because customer expectations for service and connectivity are being set not just by the insurance industry, but also by all the companies people interact with, and we need to meet those expectations.

At the same time, how we support employees, our “internal customers,” has undergone a transformation as well. We’ve made investments in underwriting, claims, and service technology that provides the essential “360-degree” customer view and helps our staff deliver fast, efficient service. We’ve rolled out iPads, not just to our field staff, but also to all employees. We are finding ways to use leading-edge technology, such as drones, to enhance the service our people provide in claims, underwriting, and more. We’re looking at how to harvest data from the growing, connected universe of the Internet of Things (IoT), such as wearable personal devices and building sensors, to create new products and services.

There is also a lot of work that goes on behind the scenes at *ACUITY* that, while not as visible

to everyone as drones and mobile technology, is just as important. We have made major investments in the architecture of our back-office systems to ensure they are flexible enough to integrate seamlessly with the technologies that agents and policyholders use and to support multiple channels of policy delivery. Building out our service oriented architecture (SOA) environment will help us gain that flexibility, minimize the time to market in developing our own technology capability, and utilize new products that come on line from technology vendors.

At the same time we’ve focused on online capability, we recognize that insurance is still a print-heavy industry. People want and need insurance documents, both paper and electronic, for all kinds of purposes. Years ago, we were one of the first companies to innovate a seamless print process for our policies, eliminating hand-typed and manually assembled forms. We have continued that technology leadership, and today we are replacing our legacy print system with a modernized platform. This new platform will allow us to take better advantage of branding, co-branding, and cross-selling opportunities, while also allowing us better support for online delivery, electronic signatures, and more.

ACUITY is committed to being an innovator. Whatever the next technology development or delivery channel will be, *ACUITY* is positioned to take full advantage of it for the mutual benefit of our employees, agents, and policyholders. ●



BY JIM GLAVAN,
GENERAL MANAGER -
INFORMATION SYSTEMS



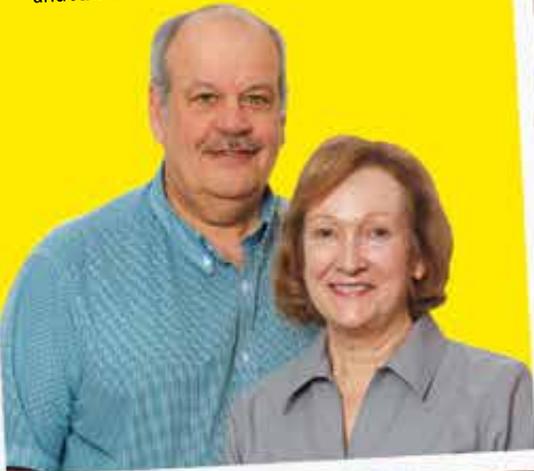
ALL IN THE FAMILY

You might think that working at the same company as your spouse or partner would be stressful, but *ACUITY* couples say that it's blissful. Our family-focused corporate culture not only earns us workplace awards, but also helps contribute to positive and healthy relationships between couples and among everyone who works at *ACUITY*.

We talked to just over two dozen *ACUITY* couples who were either attached before joining our staff or who found love in the workplace, and they share their stories on the following pages. ●

Dave Macco, General Manager - Information Systems, and **Cyndy Macco**, Inside Claims Representative, have been working at *ACUITY* for more than 40 years. They met at *ACUITY* while working on a claims project; however, at the time workplace romances were frowned upon, so it took some time for the couple to begin dating. They say one of the best things about working for the same company is that when there are company functions where spouses are invited, few introductions are needed!

The couple lives in Howards Grove, Wisconsin. They have three grown children, **Jennifer**, **Scott**, and **Amanda**.



Neil Argall, General Manager - Commercial Underwriting, and **Traci Argall**, Premium Receivables Specialist, met through friends at the *ACUITY* home office. Their first date together was a double date—but not with each other! Traci asked Neil if she could set him up with one of her friends. Neil, despite wanting to date Traci, agreed so he could get to know her better. His plan eventually worked!

The couple lives in Plymouth, Wisconsin, with their daughter, **Nora**, and son, **Tate**.



Alison Downes, Regulatory Affairs Analyst, and **Sam Manegold**, Programmer Analyst, met at a small natural and organic grocery store five years before they began at *ACUITY*, and then spent two years working at *ACUITY* before becoming engaged in December 2015. They enjoy working in the same place, including the perks of a consistent carpool partner.

Allison and Sam, who plan to be married in 2017, own a home in Sheboygan, Wisconsin, that they share with their one-year-old puppy, Ramsey.



Al Meyer, General Manager - Sales, and **Melissa Meyer**, Manager - Commercial Underwriting, met in the training class for Commercial Lines Underwriting in 2005. When Al asked Melissa on their first date, she told him that if they started dating, either he would have to be the one to quit if they broke up, or he would have to agree to marry her and avoid the breakup altogether. Thankfully, he chose the second option!

Al and Melissa live in Howards Grove, Wisconsin, with their two children, **Lilly** and **Blake**.



When high school sweethearts **Rachael** and **Justin Nagode**, both Commercial Underwriters, applied at *ACUITY*, they were placed into the same training class. The couple went undercover when, unsure of *ACUITY*'s stance on relationships between coworkers, they decided to enter the class pretending to be strangers. Fate had a different plan; in the training room, their desks, with extensions one number off from one another, were adjacent to one another!

For the Sheboygan, Wisconsin, couple, the rest, as they say, is history.



Andrew Bayliss, Business Analyst, and **Anna Bayliss**, Programmer Analyst, each graduated from UW-Whitewater with degrees in journalism and math, respectively. During the summer after her junior year, Anna interned with *ACUITY*'s programming staff and later landed a full-time job; Andrew applied two years later and found Business Systems as the best fit for his journalism major. Coincidentally (or perhaps purposefully), their teams often work together in meetings.

Andrew and Anna live in Howards Grove, Wisconsin, with their two cats, Kenai and Granite.



Stephen Katz, Manager - Central Claims, and **Kelly Katz**, Senior Inside Claims Representative, began working at *ACUITY* in 1999 and 2001, respectively. They met in the everyday workflow of delivering mail, emails, and phone calls, began to talk, occasionally went out for lunch, and began dating. In January of 2005, they married.

Stephen and Kelly live in Manitowoc, Wisconsin, with their three children, **Emily Behnke**, **Tyler**, and **Henry**.



David Herwig, Senior Commercial Underwriter, and **Sandy Herwig**, Staff Claims Consultant, married prior to joining the *ACUITY* staff. David previously worked at Bemis Manufacturing for 21 years in financial positions, and Sandy worked at Sheboygan Memorial Hospital and Froedtert Memorial Lutheran Hospital as an Occupational Therapist, specializing in hand therapy. They both sought a career change that would allow for increased flexibility and family time, and they particularly like the ability to commute together to and from work.

The couple lives in Howards Grove, Wisconsin, and they have two daughters, **Anika** and **Alyssa**.



Matt Passini, Senior Programmer Analyst, and **Brittney Passini**, Product Development Analyst, were high school sweethearts who got engaged during their senior year of high school and attended UW-Green Bay together. *ACUITY* contacted Matt during his senior year, and the couple took the opportunity to move back to the area they had grown up in. Matt describes their ability to work on projects together as a benefit (although Brittney begs to differ).

Matt and Brittney live in Plymouth, Wisconsin, with their daughter, **Azaria**, and their son, **Enzo**.



Tyler Olson, Commercial Underwriter, and **Carissa Olson**, Manager - Commercial Underwriting, became engaged while Carissa was working at *ACUITY*. Tyler discovered from Carissa how exceptional *ACUITY* was as an employer and, seeking a change from his current retail management position, he took a job at *ACUITY*. The Olsons enjoy the flexibility of their positions, which allows them to work similar hours and still be able to handle emergencies such as a sick child.

Tyler and Carissa live in Sheboygan, Wisconsin, with their daughter, **Eleanor**.



Michael Haskett, Commercial Lines Staff Underwriter, and **Stacey Haskett**, Manager - Business Systems, met in college and married before they began at *ACUITY*. At first, they had limited interaction with one another in the building because they worked in different departments (Commercial Underwriting and Commercial Processing), but for the past three years they have both worked in Business Consulting and spend between 5 and 15 hours a week in meetings together. They're thankful for their ability to work together and challenge one another freely.

The couple lives in Howards Grove, Wisconsin, with their two sons, **Nathan** and **Isaac**.



Joe Kaestner-Provencher and **Rose Provencher**, Commercial Underwriters, share the distinction of being the first married couple to be hired at the same time for the same job and go through training together at *ACUITY*. The two were married in 2011 before they began at *ACUITY*. Joe applied first, encouraging Rose to apply as well. Interestingly, they previously had worked at two other companies together, but in different positions.

Joe and Rose live in Plymouth, Wisconsin, with their two Shih Tzus, Luna and Leo, and they plan to move to Sheboygan within the year.



Katie Krechel, Commercial Underwriter, and **John Krechel**, Senior Benefits Specialist, officially met by the *ACUITY* cafeteria salad bar; however, Katie had seen John earlier at an event called *ACUITY* Idol, where he was reenacting Robert Palmer in "Addicted to Love." Their first date involved the completion of a game of Life, though they never thought they would end up acting it out with each other.

Katie and John live in Belgium, Wisconsin, with a daughter, **Payton**, and a son, **Liam**.



Garrett Renzelmann, Manager - Services, and **Megan Renzelmann**, Senior Business Analyst, married before working at *ACUITY*. Megan joined *ACUITY* first, and Garrett joined a year later after Megan told him how great it was to work here! They say working at the same company is amazing, despite the fact that they don't often carpool due to differing hours and initially working on opposite ends of the building.

Garrett and Megan live in Sheboygan, Wisconsin, with their two daughters, **Addison** and **Lauren**.



Ben Klaas, Business Analyst, and **Jessilyn Klaas**, Executive Secretary, made the move to Sheboygan two weeks after their marriage. Ben was hired in the last few weeks of college as part of *ACUITY*'s team; Jessilyn was hired shortly after. They say that the *ACUITY* work environment proves very conducive to their relationship, giving them common conversation topics, a shared love for their jobs, and an abundance of chocolate.

Ben and Jessilyn live happily close to headquarters in Sheboygan Falls, Wisconsin.



Keith Kraemer, Systems Architect, and **Nikki Kraemer**, Senior Strategic Information Analyst, met at an EAC event at *ACUITY* and, a few months later, went on their first date to the Horse and Plow. Ironically, the EAC's annual holiday dinner was taking place in another part of the club, so the prospective couple was joined by **Ben Salzmann**, President and CEO, and the entire EAC!

Keith and Nikki live in Sheboygan, Wisconsin, with their children, **Aidan** and **Brooklyn**.



Deidre Raulin, Product Development Analyst, and **Tyler Raulin**, Manager - Information Systems, met on a blind date in college and married before beginning at *ACUITY*. Tyler began working at *ACUITY* right after college; Deidre worked at an insurance agency for a few years before joining our staff. They enjoy the ability to bring one another coffee or cookies to remedy a stressful day. However, they are also careful to keep some aspects of their work life separate and to leave work at work.

Deidre and Tyler live in Sheboygan, Wisconsin, with their Welsh Corgi, Reggie.



Brad Werger, Property Claims Specialist, and **Lisa Werger**, Senior Claims Representative, met on a roof in Bismarck, North Dakota, while inspecting claims. Many years later, they met again working on storm claims and, realizing they had a lot in common, began a long-distance relationship. When the right time came, Brad created a story of a deer damaging an insured's roof in order to get Lisa up on the roof, just like their first meeting, where he proposed.

Brad and Lisa live in Wausau, Wisconsin, and have three children, **McKenzie**, **Alexis**, and **Mitchell**.



Rod Hess, Senior Loss Control Representative, and **Christina Hess**, Senior Commercial Field Underwriter, were introduced to one another while working at Hastings Mutual and became engaged. *ACUITY* recruited Rod to provide loss control service to Michigan clients, and Christina accepted an offer to work for *ACUITY* two years later. Rod and Christina say that whenever *ACUITY* sends them packages, they open them at the same time to preserve the excitement.

Rod and Christina live in Middleville, Michigan, with their daughter, **Maddie**.



Thomas Walchesky, Senior Workers' Compensation Representative, and Stephanie **Walchesky**, Staff Claims Consultant, met while working at The Hoffbrau, a Sheboygan restaurant, where Thomas was a bartender and Stephanie a waitress. After Stephanie had joined *ACUITY*, Thomas planned on proposing and secretly contacted Stephanie's manager so she would have the next day off to visit her family to celebrate the engagement. Stephanie says, in retrospect, her manager's cheerful, "I think you will have a great evening," as she left work that day made perfect sense.

The couple lives in Howards Grove, Wisconsin, with their three children, **Bridget, Charles, and Lydia**.



Jenny Kjin, Workers' Compensation Claims Representative, and **Trevor Tanck**, Inside Claims Representative, met while studying at Lakeland College. Jenny graduated in December 2014; Trevor finished his studies in May of the following year. Both started working at *ACUITY* immediately after graduation.

Jenny and Trevor live in Sheboygan Falls, Wisconsin.



Jordan Harrington, Senior Inside Claims Representative, and **Tessa Harrington**, Commercial Underwriter, married before beginning at *ACUITY*. Both previously held jobs at other companies—Jordan at Kemper Corporation and West Bend Mutual and Tessa at Huntington National Bank. Tessa used to joke—having grown up in Sheboygan—that she would get a job at *ACUITY* and that she and her husband would work for competing companies. Little did they know that they would both end up working at *ACUITY*!

The couple lives in Milwaukee, Wisconsin, with their three dogs, Moche, Bommer, and Kodak.



Ryan Augustine, Programmer, and **Megan Augustine**, Inside Claims Representative, became engaged after graduating college. Ryan began working at *ACUITY* within the year, joining Megan, who had begun in January of that year. They describe *ACUITY*'s culture as that of a big family, where familial relationships—from spouses to second cousins—are welcomed with open arms.

Ryan and Megan return home to Oostburg, Wisconsin, from *ACUITY* headquarters to their adorable goldendoodle puppy, Nala.



Andy Hughes, Senior Loss Control Representative, and **Terri Hughes**, Manager - Personal Lines Underwriting, met at the coffee machine that separated the Personal Lines and Insurance Engineering and Auditing departments in the USF&G Insurance Company in Baltimore, Maryland. Terri was offered a job working for *ACUITY* in Wisconsin, her home state, which she accepted; shortly after, she and Andy moved to Sheboygan, and after a few years, Andy was also offered a position.

The couple lives in Sheboygan, Wisconsin. They had a daughter, **Emily**, who lost her life in an accident in July of 2009, three days before her 19th birthday.



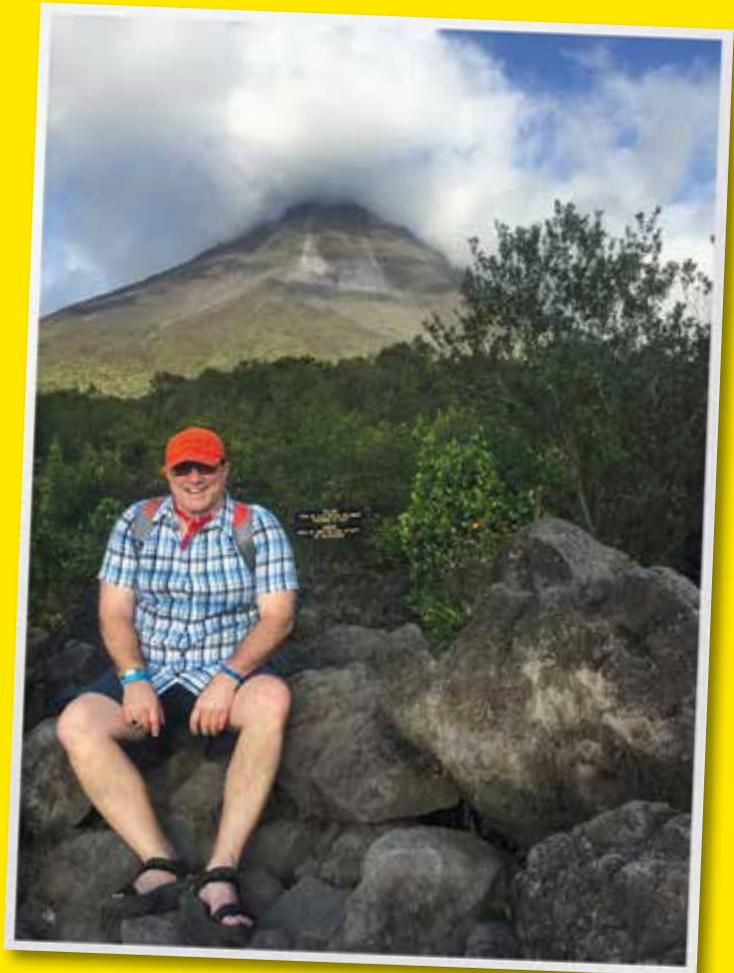
David Miller, Director - Land Maintenance, and **Michelle Miller**, Senior Personal Lines Underwriter, began dating while Michelle was attending college and working at Kohler and David was working at *ACUITY* as an intern on the grounds crew. The couple, who both eventually held jobs at *ACUITY* (with a brief reprise in between when David started his own landscaping company), find that working for the same company increases communication between them.

David and Michelle live in Plymouth, Wisconsin, with their three children, **Ashley**, **Preston**, and **Emily**.





Warren Weniger, Senior Workers' Compensation Claims Representative, poses in front of Arenal Volcano in Costa Rica wearing his *ACUITY* cap.

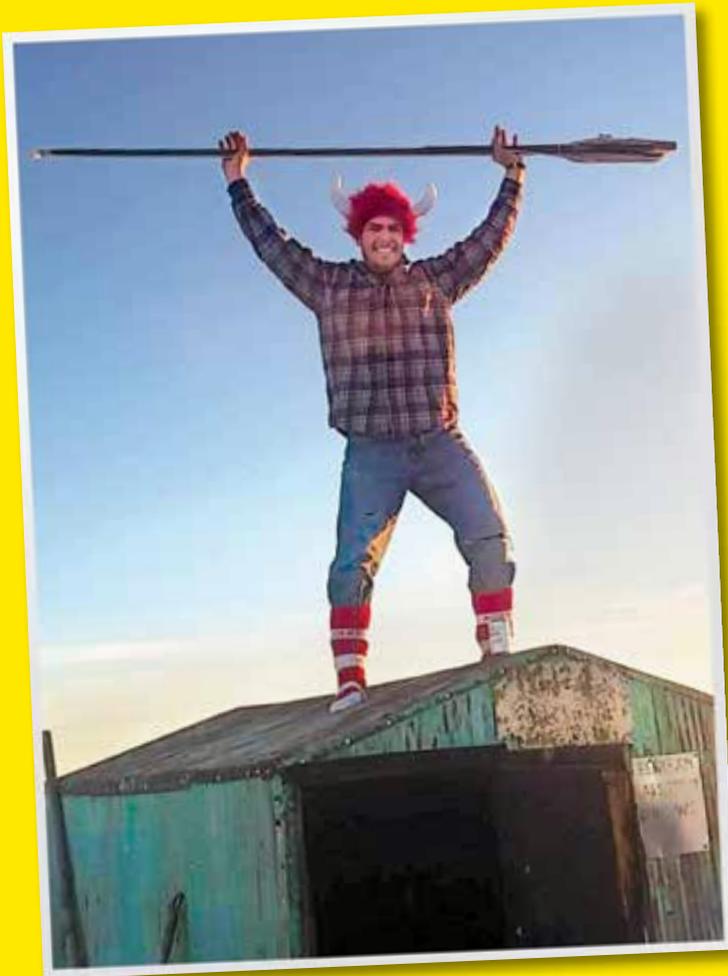


Cindy Balfour of VTC Insurance Group in Troy, Michigan, traveled to Ireland to visit her daughter, who was on an internship in Dublin. Her *ACUITY* scarf kept her warm at the Cliffs of Moher in County Clare. In the background is the famous O'Brien's Tower, which marks the cliffs' highest point.





Commercial Underwriters
Ben and Jenna Miller traveled to Riviera Maya, Mexico, on their honeymoon. While there, they visited the Mayan Ruins of Chichen Itza.



Andy Bertram, Advisor with North Risk Partners in Rochester, Minnesota, returned to his home state of Wisconsin to do sturgeon spearing on Lake Winnebago. He is standing atop a vintage-1953 shanty built by his grandfather.

Would you like to win \$100? Email a picture of you or your family with *ACUITY* logo gear featuring an interesting location to infofocus@acuity.com and include a brief description of Where in the World *ACUITY* has been. If we use your picture, we'll send you \$100! This offer is open to all employees of *ACUITY* and our independent agencies. ●

FOCUS ON *in*STRUCTION

Congratulations to many staff members who earned insurance designations and completed coursework!
Zach Fivecoate, Commercial Underwriter, **Tyler Olson**, Commercial Underwriter, and **Laura LeMahieu**,
Manager - Commercial Underwriting, earned the Chartered Property Casualty Underwriter (CPCU) designation.



Zach Fivecoate



Tyler Olson



Laura LeMahieu

Sabrina Bethke, Commercial Underwriter, earned the Associate in Commercial Underwriting—Management (AU-M) designation.

Pam Wittkopp, Senior Commercial Underwriter, earned the Associate in General Insurance (AINS) designation.

Becky Beck, Manager - Workers' Compensation Claims, and **Katie Phillips**, Manager - Workers' Compensation Claims, earned the Foundations of Management certificate.

Completing insurance coursework were:

Joseph Balge, Commercial Underwriter – CPCU 552
Deb Bates, Manager - Commercial Underwriting – CPCU 530

Alec Bernander, Commercial Underwriter – AU 62
Addie Buechler, Marketing Product Development Analyst – AINS 21

Josh Drebenstedt, Commercial Processor – AINS 23
Heather Ebert, Commercial Processor – AINS 23

Trisha Fischer, Commercial Processor – AINS 23
Meghan Hemmer, Commercial Underwriter – CPCU 500



Josh Hipke, Programmer – AINS 24
Cory Kelley, Commercial Underwriter – AU 61
Tami Koriath, Commercial Underwriter – CPCU 540
Michelle Miller, Senior Personal Lines Underwriter – CPCU 555
Amy Pascoe, Senior Inside Claims Representative – CPCU 500
Ruth Raab, Regulatory Affairs Analyst – AINS 21
Andrew Siegel, Regulatory Affairs Analyst – AINS 21
Joseph Skalmoski, Manager - Commercial Underwriting – CPCU 551 ●

MARKET FOCUS

Trucking

Are your customers following the industry trend of hiring new drivers? According to the Department of Labor (DOL), the for-hire trucking industry added approximately 1,500 new jobs in January 2016. The DOL reported a total employment figure of 1.465 million for the industry, which is 24,000 jobs higher than January 2015.

Help your insureds ensure their drivers' Driver Qualification (DQ) files are ready for inspection, while also protecting everyone by making sure all federal regulations are being met.

Basic DQ files must contain:

- The driver's application for employment
- A copy of the motor vehicle record (MVR) received from each state record
- The certificate of the driver's road test issued to the driver or a copy of the license or certificate that the motor carrier accepts as equivalent to the driver's road test
- The MVR received from each state driver licensing agency to the annual driver record inquiry
- A note relating to the annual review of the driver's driving record
- A list or certificate relating to violations of motor vehicle laws and ordinances
- The medical examiner's certificate or a legible copy of the certificate

Mercantile

For consumers, convenience is key. When something breaks and a replacement is needed, you likely reach for your smartphone. Mobile activity is often the first step in checking options, pricing, and reviews.

Statistics from business2community.com show how engrained mobile is in our society and how important it is for the mercantile market to take advantage of it.

- More than half the population owns a smartphone.
- 10 percent fewer young adults own a desktop or laptop, and time spent watching television has declined by 12 percent compared to 2010.
- Mobile ads achieve a more emotional response than those on television, particularly with millennials, according to a study by Yahoo Advertising.
- Facebook research shows people are more attentive and feel more positively toward information when it is presented on a smartphone.

Mobile is an important part of connecting with customers and will be an increasingly critical part of marketing to mercantile customers.

Manufacturing

Are your manufacturing clients primed and ready to tackle their need for experienced workers in 2017 and beyond? One of the most common concerns in the industry is the widening skills gap and a perception that there is a lack of qualified talent in the pool of applicants. As baby boomers hit the magical age of retirement, a new generation must take the reins and drive the industry forward. However, 82 percent of manufacturing executives believe the skills gap will impact their ability to meet customer demand. Lack of experience can also increase claim frequency or severity.

Successful manufacturers have partnered with local chambers of commerce, technical colleges, and high schools to implement fine-tuned training programs for the future workforce. Others have developed apprenticeships, internships, and work-based learning opportunities right in their plants in order to train firsthand. Many have even expanded industry tours and engaged the next generation with cutting-edge technology, innovation, and expansive roles in the workplace in order to smash old stereotypes. Are your clients ready to thrive in an evolving talent market?

Construction

Your construction insureds are looking for help and talent in a competitive and tight construction job market. According to the Association of General Contractors, 71 percent of construction firms plan to expand payrolls in 2016, and the overall construction unemployment rate is now back to levels not seen since 2007.

Communicate with your customers about making sure their pay and screening programs are current so they are not hiring someone else's problem employee. Also, make sure your customers are well informed on the latest issues in the employee versus independent contractor debate. If your insured is trying to move to an independent contractor model, be sure they understand all the potential legal, insurance, and tax payment ramifications that may arise.

All signs point to continued health in the construction market. Thanks for playing your part in making sure that health carries through to the businesses too. ●

Searching for a Job?



Sheboygan Corporate Headquarters
Commercial Lines Staff Underwriter
Commercial Processors
Commercial Underwriter (Experienced)
Customer Segment Specialist (Construction)
Customer Service Representative - Billing
Director - Mechanicals
Imaging Processor
Programmers

Virtual Office Openings
Commercial Field Underwriter
Denver, Colorado
Field Claims Representative
Eastern Michigan
Las Vegas, Nevada
Albuquerque, New Mexico
Santa Fe, New Mexico
Loss Control Representative
Western North Dakota/South Dakota

For more information, contact **Joan Ravanelli Miller, General Counsel and Vice President - Human Resources**, at 800.242.7666, extension 1666. ●

ACUITY provides equal employment opportunities to all employees and applicants for employment without regard to race, color, sex, sexual orientation, gender identity, religion, disability, age, genetic information, veteran status, ancestry, national or ethnic origin, marital status, and all other protected categories in accordance with applicable federal, state, and local laws.



FIND THE FLAGPOLE

Our March flagpole was hidden on page 11, topping the tent in the upper right. The three winners selected from among correct entries we received are:



- Linda Ownby** Naught-Naught Insurance Agency Marshall, MO
- Tim Andersen** Agency Services Johnston, IA
- Shari Fogel** USI Insurance Services Phoenix, AZ

To enter this month's contest, find the  hidden elsewhere in this issue, then send an email with its location to contest@acuity.com by May 7, 2016. This contest is open to agency staff only. ●



INDUSTRY'S CLAIM SATISFACTION SLIPS

A recent J.D. Power study revealed that satisfaction among homeowners filing a property claim slipped from 85.1 percent (851 on a 1,000-point scale) to 84.5 percent. The study measured customers' satisfaction with the settlement, first notice of loss, property estimation, service, and repair processes. Additionally, the industry averages 2.3 days to make contact after first notice of loss.

ACUITY maintains a 96 percent Good or Excellent rating from claimants, and achieves meaningful same-day contact on claims 99 percent of the time. ●



Q. What are ACUITY's homeowners coverage tiers?

A. When quoting homes on Internet Rating, you can select a package of coverages: Essential, Enhanced, or Premier. After selecting a tier, you retain the ability to revise coverages as desired.

Q & A **ACUITY**

Q. Which tier is most often selected as the starting point?

A. The Enhanced tier is most popular, which includes Guaranteed Dwelling Replacement Cost, Personal Property Replacement Cost, Identity Fraud Expense, Coverage Enhancements Plus, and \$5,000 Sewer Backup.

Q. Can I choose to add endorsements individually without selecting a coverage tier?

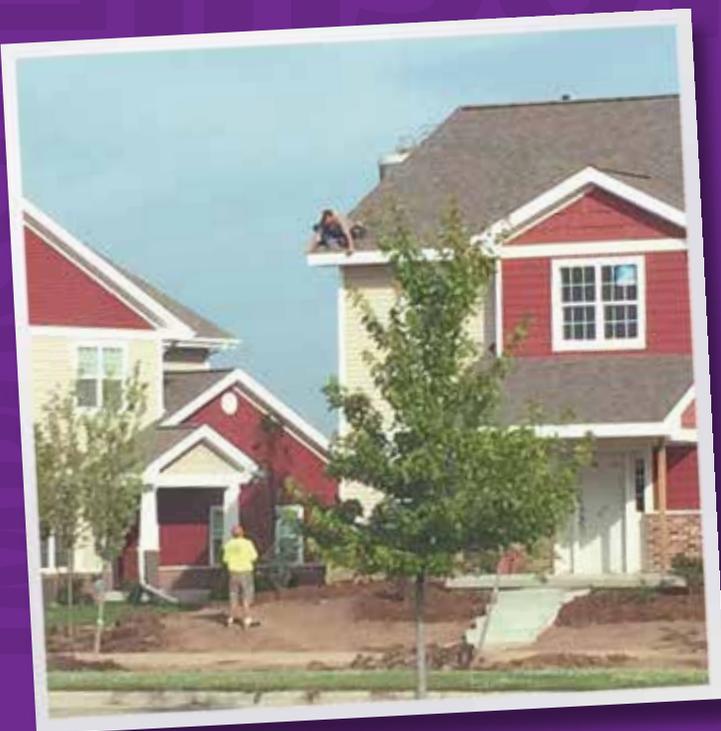
A. No problem. About one-fourth of homeowners applications are submitted without any tier selection. ●

MIND OVER MATTER

Spring is a good time to get out and check for any damage that winter weather has caused. However, roof inspections call for a safer approach than this!

We wouldn't take a chance insuring this risk, but it is our Risk of the Month.

Do you have an "Impossible Insurable" to share? Send your pictures to infocus@acuity.com. Pictures must be original photos taken by an employee or agent, can not be of a prospect, insured, or claimant, and the subject of the photo must be in a public location. If we publish your photo, we'll send you \$100. ●



JOAN KJONAAS PUTS CUSTOMERS FIRST

Customers of Choice Financial Insurance, based in Fargo, North Dakota, can count on the service **Joan Kjonaas** delivers.



“Joan demonstrates a true commitment to our customers on a daily basis,” says **Chuck Klabo**, Agency Manager. “She is a tremendous asset to our agency. She consistently demonstrates our desire to partner with our customers and provide services that go beyond reacting to their daily needs. We are fortunate to have talented individuals like Joan on our team.”

Joan joined the agency in 2014 and has over 30 years of experience in the insurance industry. She says that strong

teamwork at the agency helps Choice Financial deliver the best customer service.

“Our agency’s team approach to building solid relationships with clients, along with meeting customers’ needs with quick and accurate responses to requests, earns their trust,” says Joan.

As Commercial Account Manager, Joan handles both new and renewal business and all aspects of account service. She enjoys the variety of her job and the personal rewards it provides.

“The daily contact with people keeps things interesting,” says Joan, who holds the CIC designation.

Congratulations to Joan Kjonaas, an Outstanding Service Professional! ●



WORD OF MOUTH



Paper logs will soon be a thing of the past in trucking. A post on the final electronic logging requirement rules reached 120,000 viewers and generated over 2,000 comments, reactions, and shares.

To join the discussion, visit [facebook.com/acuityingear](https://www.facebook.com/acuityingear). ●

