



IN FOCUS
OCTOBER 2018

HEART OF A REGIONAL, STRENGTH OF A NATIONAL



ACUITY EARNS PIA
NATIONAL COMPANY
AWARD OF EXCELLENCE

ACUITY LOVES AGENTS— AND YOU LOVE US!

The National Association of Professional Insurance Agents (PIA) honored Acuity with the prestigious 2018 PIA National Company Award of Excellence.

“Acuity loves agents!” says **Ben Salzmann**, President and CEO. “Acuity has the heart of a regional carrier with the strength of a national who earned the PIA National Company Award of Excellence.”

“This is our Association’s highest annual company honor,” says PIA National President **Tim Russell**. “In all that it does, Acuity places a high value on creating the best partnership with independent agents. One of Acuity’s major priorities is making it easy for agents to do business with them. Acuity is a perfect business partner for independent insurance agents.”

The PIA National award honors an insurance company that demonstrates a commitment to the American agency system and seeks to further the interests of professional independent insurance agents by creating a better business environment.

“To be recognized as company of the year from PIA National is a tremendous honor and very humbling,” says **Wally Waldhart**, Vice President - Sales and Communications. “We work to be a strong business partner and the go-to company for independent agents. To receive national recognition for our efforts is a wonderful validation of the efforts of everyone at Acuity.”



Accepting the 2018 PIA National Company Award of Excellence are Acuity's John Kautzer, General Manager-Sales (center left) and Brian Little, Territory Director ME, NH, VT (center right). Also joining Acuity are Dennis Kuhnke, incoming PIA National President-Elect and Vice President at Robertson Ryan & Associates (left) and Jodi Cordes, Commercial Insurance Agent at Glass Insurance Center and Past President of the PIA of Wisconsin (right). The award was presented on September 28 in Portland, Maine, at a gala ceremony held in conjunction with PIA's Board of Directors meeting.

GET CYBER SECURE



AWARENESS, INSURANCE
KEYS TO CYBER SAFETY

CYBER SECURITY, INSURANCE ARE BOTH ESSENTIAL FOR TODAY'S BUSINESS

October is National Cyber Security Awareness Month, which is an annual campaign to raise awareness about the importance of cyber security. Cyber crime is a unique threat because companies that are victims of hacking suffer three times: first when their data is breached, second when regulatory action is taken, and third if they are sued by customers whose data has been compromised.

"If a company suffers a data breach or cyber attack, that company is liable for letting itself be hacked, which business owners may not realize," says **Ben Salzmann**, President and CEO. "It's as if you're walking down the street and a thief steals your wallet. You tell the police, and they arrest you for letting the crime happen."

This reality means that agents must stress the importance of both cyber security and cyber insurance within their own operation and to their customers.

Acuity's Cyber Security

For agencies, the stakes are high to make sure that not only their own data is secure, but that their business partners' data is as well.

"Companies need to understand they can be held liable not just for their own breaches, but those of their partners," says Salzmann. "Acuity takes information security very seriously and is committed to doing everything possible to protect the data that is entrusted to us."

"Acuity's security team and technology controls are top-tier. Educating employees on risks and best practices, which is essential to a sound cyber security program, is part of Acuity's culture as well," says **CJ Cox**, COO of Black Hills Information Security.

Data security is a priority at Acuity from the top down. From a Board of Directors committee dedicated to information security to an eight-person, front-line team focused exclusively on security-related items, Acuity targets all areas of prevention, detection, and compliance. We work constantly to stay on top of the

latest threats and have a detailed incident response plan to quickly handle any potential incidents that might arise.

"Compliance is an ongoing, continually evolving activity because regulations are constantly changing," says **Sarah Kroeplien**, Information Security Compliance Analyst. "There are new laws in different states, the NAIC model law, and even EU regulations, all of which have an impact on the insurance industry."

Acuity's Cyber Suite

Agents should also be recommending Acuity's Cyber Suite to their commercial clients.

"If a business thinks it's not at risk, think again," says **Marcus Knuth**, Vice President - Enterprise Technology. The following pages feature examples of real cyber losses that Acuity customers have recently suffered, where our Cyber Suite helped them respond and recover.

Acuity's Cyber Suite includes cyber liability coverage, identity theft coverage, and data breach coverage. Additionally, we are rolling out enhancements to Cyber Suite to expand coverages, increase limits, and lower deductibles (see page 5), and we continuously review our program to respond to changing threats and customer needs. All our cyber products also provide access to the eRiskHub® portal that links to risk management tools, best practice sheets, and a news center.

"Agents should definitely encourage their customers to make good use of eRiskHub in their cyber risk management," says **Mike Falk**, Manager - Information Security. "Security is not a 'set it and forget it' item—it takes constant education, training, and vigilance."

"Unfortunately, the weakest link in cyber security is the 'keyboard to chair' interface," Cox says. "The 'human firewall' is just as important as the technological one, so providing training and ensuring your employees have knowledge is key."

CYBER SUITE ENHANCEMENTS

Acuity's cyber insurance program is getting even better. Here are highlights of changes effective October 29 for new business and December 29 for renewals:

Cyber Liability

- Computer attack deductible options lowered
- Computer attack definition expanded
- New coverage added for cyber extortion
- Network security liability deductible options lowered
- New electronic media liability coverage

Data Breach

- Response expenses coverage expanded
- New regulatory fines and penalties coverage
- New PCI fines and penalties coverage
- New regulatory defense coverage

ACUITY'S CYBER SUITE CORE COVERAGES

Cyber liability coverage. Your clients need cyber liability coverage if they could be responsible for or sustain a business loss due to unintended spreading of malware or a deliberate act that prevents others from gaining access to their computer system through the Internet. We pay their defense for these claims. Data and systems restoration as well as expenses resulting from a computer attack are also covered.

Data breach coverage. If an insured accidentally loses or releases their customers' personal information, we will pay for data breach response expenses. In addition, we will pay the amounts they are legally responsible to pay along with their defense costs.

Identity theft coverage. Identity theft coverage pays the costs to repair personal identity. This goes above and beyond what financial institutions will pay.

"If a company suffers a data breach or cyber attack, that company is liable for letting itself be hacked, which business owners may not realize. It's as if you're walking down the street and a thief steals your wallet. You tell the police, and they arrest you for letting the crime happen."

—Ben Salzmann

PERSONAL CYBER SECURITY FUNDAMENTALS

CJ Cox, COO of Black Hills Information Security, recently spoke to Acuity staff on threats in cyber security, including current attack methods, mobile malware, and crypto-related threats. He identified five fundamentals of data security that everyone should follow.

- Antivirus protection. "Have it, and keep it updated. You'd be surprised how many people don't."
- Regularly or automatically update all software so critical security patches are in place.
- Use the latest network router technology and secure home networks. WPA2+AES is best.
- Use complex passwords. "Longer is better, and 'passphrases' are especially difficult to crack."
- Minimize your risk by eliminating software and networked devices no longer being used.

CYBER CLAIMS HIGHLIGHT NEED FOR COVERAGE

Account usernames and passwords were found on the insured's web portal. Forensic IT review and legal review costs exceeded \$3,500 to confirm no breach had occurred.

The insured's computer systems were attacked by an encryption virus that rendered all the insured's files unusable. Remediation costs to restore the information exceeded \$12,000.

The insured was the victim of a ransomware attack. Remediation costs paid under system restoration and data restoration exceeded \$15,000.



COMSTOCK INSURANCE FOCUSES ON MAKING LIFE EASIER FOR CUSTOMERS

In the complex business of insurance, Comstock Insurance believes a key part of its job is to make things simpler for customers.

"We focus on explaining things better, doing things better, and making insurance easier than other agencies," says **Michael Herschbach**, Manager of the Nevada-based agency. "When customers select coverages, it's important that they are fully informed and understand the decisions they are making."

The agency has established a reputation not just for its insurance expertise, but for a focus on service that puts customers first.

"Everyone here is committed to taking care of our customers and being responsive when they need service," explains **John Sweatt**, agency President. "Our people are known for being straightforward, honest, and accurate."

Relationship-Focused

John founded Comstock Insurance in 1957. Over the past 60 years, the agency has remained family owned, independent, and focused on building customer relationships.

"We are extremely relationship-driven and have relationships that have spanned decades, both with customers and carriers," Mike says. "Acuity is such a good fit for our business model because they have the same type of focus and have put together a great team to implement it."

The agency's emphasis on simplifying the complex means that agents and staff have to be coverage experts. "We have always invested a lot in education and training," John says, adding that most staff are CICs and CISRs.

"Our people are timely and extremely technically proficient. They take care of any issues for clients quickly and are a pleasure to work with," he says. The agency's staff turnover is also extremely low, and it's not uncommon for people to retire with more than 30 years of service.

About 70 percent of Comstock Insurance's business is in commercial lines, with 20 percent in employee benefits and 10 percent in personal lines. The agency has carved out niches in construction, agriculture, sports

and fitness, light manufacturing, and nonprofits, including churches.

Headquartered in Reno, the agency's geographic reach encompasses the entire state of Nevada plus northern California. "We are licensed in 26 different states and, with rapid advances in agency technology, we definitely have been able to expand our geographic reach," says John.

Perpetuation Plans

Comstock Insurance plans to grow by several employees over the next few years.

"We need to bring in new, young talent not only to grow the business, but to best position ourselves for perpetuation," Mike says. "We will also likely continue to hone our focus and become more niche-oriented because that's where we are most efficient and experienced."

"The biggest challenge is finding the right people to be successful in sales. It's a tough market for employers. Unemployment is low, and there are many choices for people seeking jobs," John says. "Our number one goal in hiring will be finding people who care about customers as much as we do and are committed to always doing the right thing for them."



John Sweatt (left) and Michael Herschbach

THE 12 STRENGTHS OF ACUITY

Each month, this column highlights unique strengths of Acuity that benefit you—Acuity's agents—as well as our employees and customers.

1. Deep relationship with our agents
2. Being a mutual insurer
3. Being a great workplace
4. In-house systems
5. Generalists in employee skills
6. Commercial customer understanding
7. Underwriting discipline
8. World-class claims
9. No sales goals
10. Cycle management
- 11. Pursuing complex risks**
12. Coming in November

#11

PURSuing COMPLEX RISKS

Acuity avoids commoditization by pursuing risks many companies can't handle.

WINNERS OF “KIDSXPLAIN INSURANCE” CONTEST ANNOUNCED

Acuity’s “Kidsxplain Insurance” video contest invited children ages 5-19 to explain in their own way what insurance is and why people need it.

“Insurance is a topic most kids probably don’t think about,” says President and CEO **Ben Salzmann**. “We wanted to provide the opportunity for children to tell us

what they thought about insurance and to have fun doing it.”

Submitted videos were up to a minute in length and could address any question related to auto or home insurance. Prizes included \$250 for first-place winners, \$100 for second-place winners, and \$25 for judges’ choice awards.

Winners were selected in three age categories:

- Age 5-10 winners: **Justus Teagarden** (1st place) and **Ava Archer** (2nd place)
- Age 11-14 winners: **Stephanie Sithu** (1st place) and **Wylie Teagarden** (2nd place)
- Age 15-19 winners: **Jackson Kuja** (1st place) and **Anthony Ducharme** (2nd place)
- Judges’ choice winners: **Davyn Chambers** and Marshfield Insurance Agency

Davyn Chambers, who earned a judges’ choice award, answers the question of “What is Insurance?” with creativity and humor.



Age 5-10 category winner Justus Teagarden wonders if you don’t have insurance, how are you going to pay for the stuff that people broke?



Marshfield Insurance received a judges’ choice award for a collaborative production featuring Ayden, Addyson, Jackson, Keegan, and Mason.



THANKS FOR JOINING OUR INNER CIRCLE

It was an honor to invite agents to a very special Agent Town Hall on September 20 to hear the latest in Acuity news and strategy from the executive team. Agents could participate either in person or online, and agents who were able to visit our headquarters for the event also experienced our unique corporate culture first-hand.



Agents attending both in-person and online had the chance to win \$1,000! Congratulations to our 12 winners:

Eric Strobel, Strobel Insurance Agency, Inc. - Eau Claire, WI

Jeff Daley, Insurance Producers Network - Cedar Rapids, IA

Deanna Troi Murchie, United Insurance - Fort Fairfield, ME

Michael Cunningham, Professional Insurance & Financial Services, Inc. - Ozark, MO

Amber Krogman, Johnson Insurance Services - Madison, WI

Marsha Wolfe, Clemens Insurance Agency - Parsons, KS

Kerri Cummins, SBInsure Agency - Union, MO

Doreen Cardona, Kyes Insurance - Farmington, ME

Misty Larson, Miles City Insurance Services, Inc. - Miles City, MT

Toby Bartos, Dimond Bros. Insurance, LLC - Springfield, IL

Debra Kaad, Brier Payne Meade Insurance, Inc. - Topeka, KS

Cassandra Messmer, Western Dakota Insurors - Rapid City, SD



WE LOVE AGENTS!

Acuity's first-ever Agent Town Hall was an overwhelming success. 174 agents attended in person, and nearly 4,300 viewed the Town Hall via live streaming. In-person attendees were also treated to lunch, and agents also had the opportunity to participate in a social media training session after the main event.



Nearly 4,300 online viewers



174 agents visited Acuity



DISASTER RECOVERY— ACUITY IS PREPARED

Acuity's customers and agents depend on us to be there when disaster strikes. If a catastrophe impacts our headquarters, it's imperative that we restore operations as quickly as possible so we can fulfill our promise of protection. For nearly 15 years, we have maintained a separate disaster recovery center in Saukville, about 30 miles from our Sheboygan headquarters.

"We are uniquely positioned that if our headquarters is ever taken out of operation, we can bring up our recovery site immediately," says **Ben Salzmann**, President and CEO. Incoming phone calls and Internet traffic are automatically rerouted and exact backup copies of systems and files are available within just hours.

The facility can house nearly 500 employees. Combined with Acuity's work-from-home capabilities, including issuing nearly every employee a notebook computer, all 1,300-plus employees can be performing their regular job duties and serving our agents and customers in time of disaster.

Acuity has a 12-member disaster recovery team made up of key staff members from IT, Business Systems, and Services. On a regular basis, Acuity tests our partial and total disaster recovery capabilities by conducting several annual exercises. Our most recent full-scale test was on September 26 and simulated the communication, timeline, and feel of a real widespread emergency. Participants did not know the exact date or scenario being tested to make the simulation as genuine as possible.

"We hope we never have to use our recovery facility in a real emergency, but we are prepared for the worst," says **Marcus Knuth**, Vice President - Enterprise Technology. "Having the facility and a comprehensive recovery plan provides peace of mind and is essential to fulfilling our mission as an insurance company."



Our separate disaster recovery facility in Saukville contains a duplicate data center and computer hardware that can provide access to exact backup copies of systems and files.



Marcus Knuth (left) speaks to some of the team assembled during our September 26 full-scale disaster recovery test.



OUTSTANDING!

Thanks to outstanding efforts by Acuity employees, our recent disaster recovery test was an astounding success!

- 1,221 employees called in out of 1,297 total—a 94% success rate!
- 568 employees who called in brought their laptops home.
- 970 employees received a text notifying them of the test, 140 received a call, and 26 received both a text and call.
- Out of 151 managers, 70 were able to reach their employees in fewer than 5 minutes.
- Managers accessed their phone lists through multiple methods, including iBooks, cell phone contact lists, laptop or desktop files, and printed hard copies.



There are many great reasons to Sell Acuity! Each month we'll highlight sales tips, important coverages, and Acuity differentiators across the retail, manufacturing, construction, trucking, services, and personal lines market segments, written by different members of our Customer Focus Teams.

Manufacturing

Manufacturing 4.0 and the digital future is here. In the era of smart manufacturing and technology, it is important that manufacturers large and small take cyber security seriously. With the digital connection of supply chains, factories, and customers, a greater potential for cyber risk is created.

According to the National Cyber Security Alliance (NCSA), one in five small businesses fall victim to cyber crimes, and 60 percent close their businesses within six months of attack. Cyber risks manufacturers face include stolen intellectual property such as engineering data, business and customer data, and loss of production in the event of a cyber attack. Losing this information or production time can be devastating.

Manufacturers can take steps to address cyber security. Have a cyber security policy in place, including password strength and protection guidelines. Limit the number of people who have access to sensitive information. Train employees regarding handling of business data and the use of appropriate devices and networks. Companies should invest in system protection and ensure software is up to date. On-site IT personnel should have the education, support, and tools to maintain secure networks and systems. Acuity can also assist manufacturers in protection of their digital assets with Cyber Suite, a comprehensive cyber security policy.

Services

October is National Cyber Security Awareness Month, providing a great opportunity to discuss with real estate professionals how devastating cybercrime can be to their business and why they need cyber coverage with Acuity!

Real estate businesses face threats of email compromise, ransomware, other malware, and more. Contracts and documentation involved with buying and selling a home hold highly personal information; therefore, it's important to use encrypted email, a transaction management platform, or a document-sharing platform to share sensitive information.

With all protective measures taken, real estate businesses are still at high risk of cyber attack, making it critical to carry cyber liability insurance. Acuity's Cyber Suite protects against malware attacks, loss of devices, unauthorized access to computer systems, misplacement and theft of documents and files, identity theft, and more to help mitigate risk. Insureds also have access to eRiskHub to help them learn their risk level and educate on cyber security. Find brochures on Cyber Suite coverages at acuity.com/brochures.

Personal Lines

It's easier than ever for identity thieves to strike: credit card skimmers; data breaches at stores, hospitals, or work; compromised social media accounts; and documents in the trash are just some of the many ways one's identity can be compromised. Thankfully, Acuity can help with our Identity Fraud Expense Coverage.

Identity Fraud Expense Coverage automatically includes Life Stages Identity Management Programs administered by CyberScout™, America's leader in identity theft resolution and education. Household members receive one-on-one advocacy services for any of the following scenarios:

- Account takeover or identity theft
- Lost wallets or purses
- Compromised personal information
- Minor children risking identity theft
- Military leaves
- Medical identity theft
- Surviving spouses
- Worldwide travelers
- Owners or renters who change residence
- Disaster recovery

Be alert and have peace of mind knowing expert assistance is available. A call to Acuity will connect insureds with a fraud specialist from CyberScout™ who will help them through the entire resolution process. Identity Fraud Expense Coverage can be added to any renters, condo, or homeowners policy.

BY WHITNEY CHRISTOPHERSON,
WORKERS' COMPENSATION CLAIMS
REPRESENTATIVE



BY DANA BEAR,
PRODUCT ANALYST



BY NATHAN MUTSCH,
PRODUCT ANALYST



Construction

The right technology can make contractors more efficient, accurate, and safer, both on and off the job site, and the use of various technologies will only continue to grow over time.

With that increase in utilization comes an increase in risk. Sensitive information, such as employee records, company trade secrets, and customers' personal information, is being saved electronically on laptops, phones, tablets, and in the cloud.

With more and more devices interconnected and constantly communicating, it creates a myriad of avenues for an attacker to intercept or gain access to sensitive information. Here are some tips you could pass on to your insureds to ensure their business is not the next victim of these increasingly common attacks:

- Enforce difficult-to-guess, unique passwords that must be changed every 90 days for all employees.
- Ensure any device used to view sensitive information has a PIN, password, or other authentication mechanism enabled. If your device or operating system has encryption capabilities, ensure they are turned on. (Most mobile phones have this enabled by default once a PIN is set.)
- Secure your company's Wi-Fi network, both at the office and at the job site, by confirming the network requires a password (security key). This not only safeguards from unknown users accessing your network, but also encrypts the data while it is being sent between devices so it cannot be captured by unknown users. Also, be sure the password used to access the router's administration settings is changed from the default to something unique.

BY CRYSTAL KULTGEN,
COMMERCIAL LINES STAFF UNDERWRITER



Retail

Progression in technology has seen more facilities opt for advanced IP (internet protocol) cameras. IP cameras offer better resolution and a wider field of vision than traditional analog models and often feature the convenience of remote monitoring capabilities.

Without proper safeguards on these cameras, hackers may gain access to system networks and use them to observe a retailer's security measures, rendering these cameras counterproductive. If you have or are considering IP surveillance cameras, the following tips will help protect them from cyber attacks.

Place your video surveillance system on a dedicated network or a virtual private network (VPN) separate from your main network. If a security camera does become compromised, it won't provide easy access to other critical systems on your main network.

Change the default settings by constructing unique usernames (not "admin") and strong passwords. Update your passwords on a regular basis. An alarming number of hacking incidents result from individuals plugging in generic, default login information.

Register your products with the manufacturer, which is an often-overlooked step that ensures you receive firmware update notifications. Reputable manufacturers will make updates available to stay ahead of cyber threats. Monitor and update your systems and their security parameters continuously.

BY TROY EISENRICH,
SENIOR LOSS CONTROL REPRESENTATIVE



Trucking

What could a cyber attack do to a trucking company? In 2015, a Texas fleet was hit with a ransomware attack via an innocent-looking email. The company had to pay to regain access to their systems. In addition, the hackers stole all the company's customer data, booked false loads, and demanded cash payment upfront. This damage to a company's reputation takes longer to repair than simply writing a check for losses.

Cyber threats to the trucker extend beyond the email system in the office. Cell phones, tablets, telematic devices, and ELDs are all points of connectivity and are vulnerable to attack.

How can your trucking customers minimize their exposure to cyber attacks? Here are a few suggestions:

- Stress the importance of physical security of all devices, including limiting access to employees only.
- Encourage the use of strong passwords.
- Provide a list of allowed software to employees and encourage that updates be installed automatically.
- Use a VPN service to further protect data.
- Stay up to date on cyber security issues and developments.

The importance of cyber security cannot be emphasized enough. The consequences to you, your company, and your customers are too great.

BY SANDY HERWIG,
CLAIMS CONSULTANT



FORE ROGER GOLF OUTING SUPPORTS **ALZHEIMER'S RESEARCH**

Nick Arnoldy, Owner of Marshfield Insurance Agency, and his family managed the Fore Roger golf benefit held in September. The fundraiser is named for **Roger Arnoldy**, who passed away in 2012 of Lewy body dementia, with proceeds supporting a Marshfield Clinic Health System Foundation fund earmarked to help families affected with Alzheimer's and dementia and to provide capital for research.

According to research from the Centers for Disease Control and Prevention, approximately five million people are living with Alzheimer's disease in the United States, and 83,000 die from the condition each year. Factoring in the growing population, by 2050 the number of people living with the disease could rise to 16 million.

"Alzheimer's is the sixth leading cause of death in the United States. It kills more than breast cancer and prostate cancer combined. One in three seniors is affected with Alzheimer's or another form of dementia," Nick says. "This annual event in honor of Roger will help families affected by this devastating disease."

Supporting the 2018 Fore Roger golf benefit was an Acuity foursome comprised of (left to right) Ryan Iseler, Loss Control Representative; Dan Gluch, Territory Director; Paul Emerick, Manager - Commercial Underwriting; and Jeremy Thomas, Commercial Field Underwriter



IDAHO CFU NAMED IIABI COMPANY PERSON OF THE YEAR

Congratulations to **Debby McClure**, Senior Commercial Field Underwriter for Idaho, who has been honored as the 2018 Company Person of the Year by the Independent Insurance Agents and Brokers of Idaho (IIABI). Debby was recognized for her years in Idaho serving as an underwriter, an underwriting manager, and a field underwriter.

"Debby is very deserving of this award because of her expertise in her field, her efforts to assist agents in writing more commercial business, and her efforts to provide training to many people in today's commercial insurance marketplace. Her desire and abilities to give everything she has to help is second to none—she is simply the best," says **Clint Paskewitz**, IIABI past President.

Debby joined Acuity in 2008. An Idaho native, she attended Boise State University and resides in Boise.

Debby McClure (center) receives the IIABI 2018 Company Person of the Year Award from Tracy Forsythe, Commercial Lines Agent at Higgins & Rutledge Insurance, and Clint Paskewitz, Strategic Insurance and Risk Advisor at Associated Insurance Services and past IIABI President



JESSIE ACKLEY

COMPETITIVE DRIVE POWERS JESSIE ACKLEY'S ECLECTIC PURSUITS

Equestrian, artist, sharpshooter: just some of the diverse interests of Technical Support Analyst **Jessie Ackley**. Although each is quite different, connecting all these pastimes is Jessie's competitive spirit.

"I'm competitive by nature. With anything I do, I want to win," says Jessie, who joined Acuity in 2016.

On Display

Jessie has been drawing for as long as she can remember and has studied art through both classroom instruction and independent study courses. She has worked with many different materials, won several awards in art competitions, and has earned several commissions, including a 10x7-foot mural installed at her former high school, Sheboygan County Christian High.

Charcoal is Jessie's favorite medium, and it was what she used to create her winning entry in our "Flat Pat" gargoyle drawing contest last year. That drawing caught the eye of President and CEO **Ben Salzmann**.

"I came in and had a voice mail from Ben asking to see my portfolio. I met with Ben and **Sheri Murphy** [Vice President, Services and Administration]. They liked my work and came up with a concept of a series of drawings based on some of my previous bodies of work," Jessie explains.

Using charcoal, pastel, and colored pencil, Jessie created four crucifixion-themed drawings.

Primarily in black and white with color accent, the dark and highly emotive pieces are displayed near the information technology staff section at our headquarters.

"Ghost" Rider

Jessie has been riding horses for many years, a pastime that is also fueled by her competitive spirit. A few years ago, she acquired Ghost, a gray Appendix gelding, which is a cross-breed between a quarter horse and a thoroughbred. She boards Ghost at a ranch in Plymouth and can be found many weekends competing in English riding, which

consists of dressage, cross country, and stadium jumping components. She and Ghost have weekly lessons with a trainer and took second place in her last competition.

"I enjoy the jumping—it's a rush," Jessie says. "Ghost actually knows how to do a lot more than I currently do, so there is a lot of learning we can still do together."

Among Jessie's other eclectic interests are trap shooting and archery. She has earned several awards, including first place trophies at the Wisconsin State Shoot in 2010 and 2011.

"I guess I'm just drawn to competition," Jessie says. "It's not just about the desire to win, but about constantly pushing yourself to get better at doing things you enjoy."



Crucified, one of Jessie's four drawings commissioned and displayed at Acuity headquarters

Jessie and Ghost



Jessie learned to fly in high school and is also an FAA-licensed drone pilot. Acuity tapped Jessie's talents when we launched our drone program several years ago, and she has also used her piloting skills to capture footage used in Acuity corporate videos. To read more about our drone program, check out the story on page 27.



Jessie and her winning "Flat Pat" gargoyle drawing

ACUITY *U* *update*

The latest video from Acuity U, *Agent IQ*, will begin rolling out this month. The one-credit course pits three game-show contestants against each other in a battle of wits to see who knows the most about the complex world of P&C insurance. The winner will land a job at the prestigious U.R. Covered Insurance Agency!

This unique, innovative course is hosted by the renowned **John McGivern**. Starting with questions

about basic insurance terminology, the game progresses through increasingly challenging insurance claims and coverage scenarios.

Are you smart enough to be an insurance agent? Take this course and find out! Learn more at acuityu.com.





Dave VandenOever, Commercial Insurance Advisor at Ansay and Associates, and his wife, **Jill**, visited London. They are pictured at the Tower of London with Tower Bridge and the Thames River behind them.

Would you like to win \$100? Email a picture of you or your family with Acuity logo gear featuring an interesting location to infocus@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.

To increase your chances of being selected, consider these tips for a winning shot:

- Prominently display your Acuity swag—and the more the better!
- Location, location, location! Photos taken in exotic, amazing, and breathtaking locations catch the reader's eye.
- Send high-resolution images that have good lighting and focus.
- Send multiple pictures of your trip, even if they are taken at the same location.
- Keep in mind that all recognizable people will need to agree to a photo release if your picture is chosen.
- Have fun!



Commercial Underwriter
Lindsey LaBissoniere
 stands atop Arthur's Seat in
 Edinburgh, Scotland.



Zachary (left) and
Jordyn Jimenez,
 Assistant Account
 Manager at PDR
 Insurance Agency,
 visited Australia. They
 are pictured in front of
 the iconic Sydney Opera
 House.

AVOID AN UNPLEASANT AUDIT SURPRISE WITH **ACUITYSMARTPAY**

Agents who have had accounts faced with large additional audit premiums undoubtedly remember how unhappy those customers were with an unexpected amount due. Perhaps customers even blamed the agent for not updating the policy estimates or warning them that a large audit was likely. Fortunately, audit problems can be avoided by choosing AcuitySmartPay.

AcuitySmartPay is a smarter way for businesses to manage their workers' compensation insurance premiums. With AcuitySmartPay, workers' compensation premiums are calculated monthly based on the payrolls

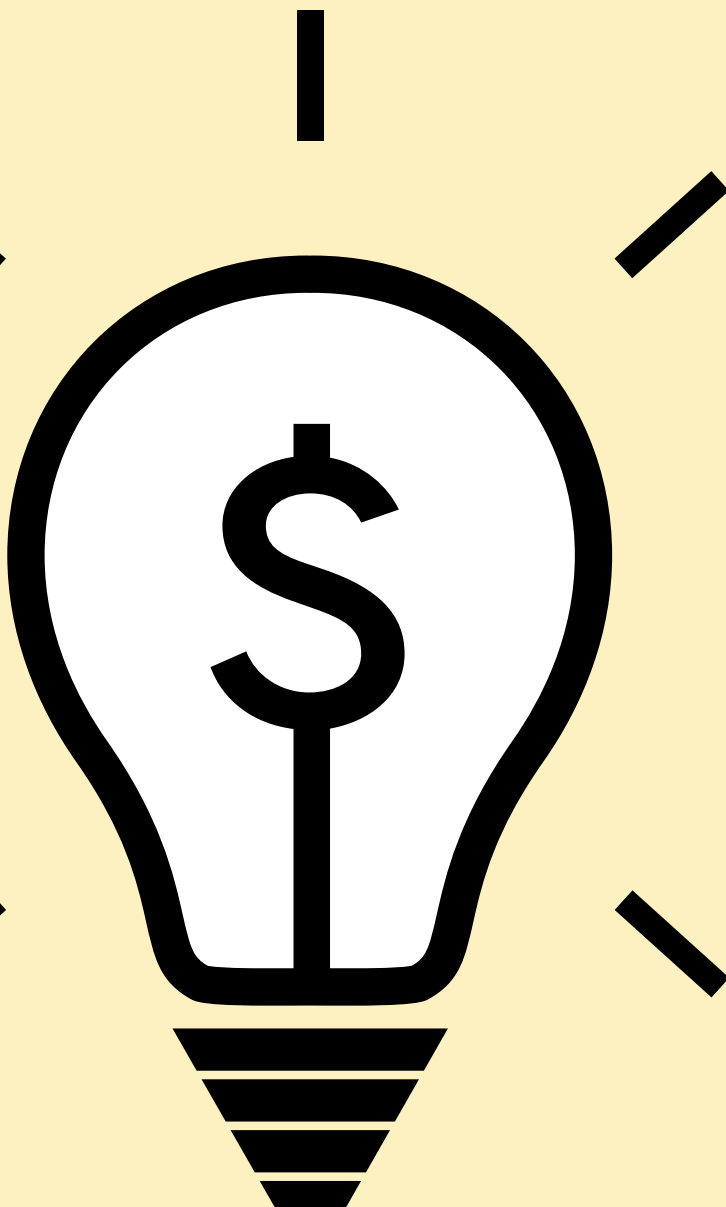
reported by a policyholder. Other lines of business can be written on the same policy and billed monthly along with workers' compensation on a single statement.

"Businesses with fluctuating or seasonal payrolls can use AcuitySmartPay to plan and budget their expenses by paying more during busy times and less during slow times. Also, with the economy improving and payrolls increasing, AcuitySmartPay is a great way to avoid large audit premiums after the policy term," says **Neil Argall**, General Manager - Commercial Underwriting.

To qualify for AcuitySmartPay, an account should have a total workers' compensation premium of at least \$10,000. Based on reported payrolls, premium payments are withdrawn from the policyholder's bank account via ACH. A 15% down payment, based on the total policy premium, is required for the first term of an AcuitySmartPay policy.

Reporting payroll is easy: AcuitySmartPay is a paperless process where insureds simply go to the Customer Care site at **acuity.com** and enter their payroll information each month. There is no need to mail monthly reports.

With AcuitySmartPay, your customers improve cash flow and budgeting and avoid audit surprises, making your job as an agent easier. To enroll in AcuitySmartPay, agents should contact their underwriter on behalf of policyholders who are interested in the program.



Industry Insider

The Insurance Institute for Highway Safety released a “Reality Check” report that found that vehicles with semi-automated controls may put drivers and passengers at risk. It is important that drivers continue to stay alert. Issues found include:

- Vehicles with adaptive cruise control off and automatic braking on mitigated a crash, but still caused a collision.
- Many lane-centering systems failed, especially on curves and hills.
- Automatic braking and other crash avoidance features helped reduce property damage and bodily injury claims, but adding “autopilot,” including automatic steering and lane-changing, only helped lower collision claims.



Q. What's new with Acuity's Personal Auto Enhancements Endorsement?

A. This extra bundle of auto coverages now includes coverages when renting a car—more coverage without any increase in premium!

Q&A CUITY

Q. Which coverages were added?

A. Loss of use and diminution of value. These are two lesser known fees that rental car agencies can charge if a rental vehicle is in an accident.

Q. Aren't these fees already covered elsewhere?

A. Most unendorsed auto insurance policies do not provide coverage for loss of use and diminution of value for rental vehicles. Rental fees can add up fast. Look no further than Acuity's Personal Auto Enhancements Endorsement for this great value!

Searching for a Job?

Headquarters

Building Mechanical Specialist
Business Analysts
Commercial Processors
Commercial Underwriters (Entry Level)
Commercial Underwriter (Experienced)
Document Composition Developer
Inside Claims Representatives
Programmers
Programmer Interns
Telephone Premium Auditor

Virtual Office Openings

Field Claims Representative
Minnesota
Field Premium Auditor
Pennsylvania

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.

SERVICES PROMOTIONS ANNOUNCED



Skye Soberg

Skye Soberg is promoted to Director - Commercial Processing. Skye joined Acuity as a services clerk in 2001 and moved to the Commercial Processing department in 2002. In 2007, she was promoted to Commercial Lines Processing Consultant, joining Business Consulting and the Commercial Staff Functions team. Skye earned an associate's degree in music from Crown College in St. Bonifacius, Minnesota.



Kristin Stangel

Kristin Stangel is promoted to Manager - Services. She joined Acuity in July 2009 as a Commercial Processor. Kristin earned her associate's degree in applied science/interior design and is currently pursuing her bachelor's degree in business administration from UW-Whitewater.



Chelsea Shireman

Chelsea Shireman is promoted to Manager - Services. She joined Acuity in October 2014. Chelsea earned her associate's degree in human resource management from Lakeshore Technical College.



Acuity partners with Trustpilot, an independent, Google-certified review platform that provides verified reviews from people who do have a service experience with us. See all our reviews at trustpilot.com/review/acuity.com.

Peter



Best Insurance Company . . .

Best insurance company I ever had. Great service, dependable, and great rates.

FOCUS ON INSTRUCTION

Congratulations to Acuity staff members who earned insurance designations and completed coursework:

Designations

Nathan Simons, Commercial Underwriter – Associate in Risk Management
Nicole Wuestenhagen, Claims Consultant – Senior Claim Law Associate

Courses

Everette Berchmans, Programmer Analyst – AINS 24
Chris Gottsacker, Programmer – AINS 24
Jennifer Miller, Commercial Underwriter – AU 62
Ben Socha, Commercial Underwriter – AU 60
Tiffany Vorpapel, Commercial Lines Staff Processor – APA 091
Arion Yedinak, Programmer – AINS 24

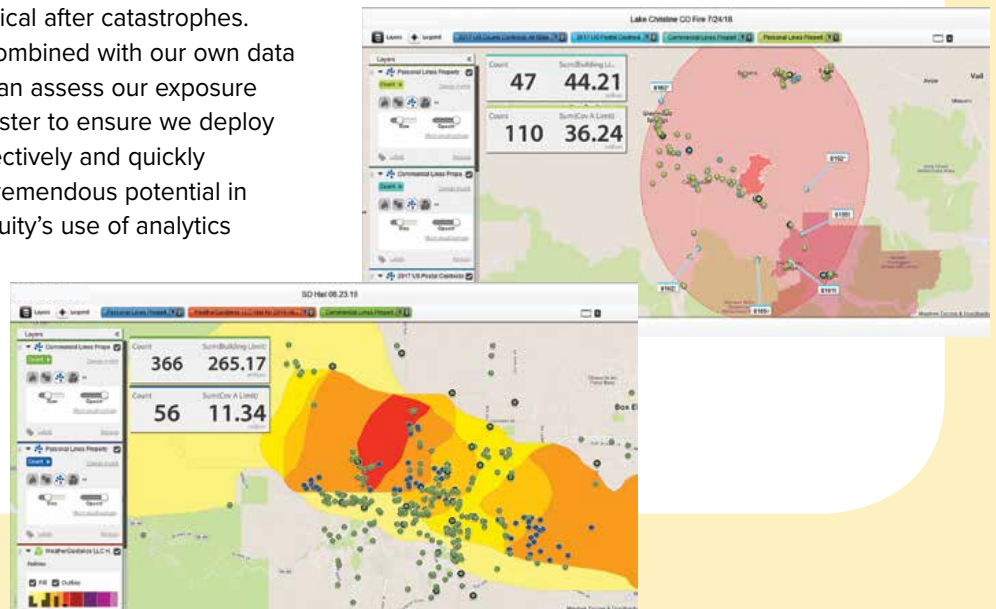


TECHNOLOGY SUPPORTS PEOPLE IN **LARGE PROPERTY LOSS ADJUSTING**

People make the difference in Acuity's world-class claims service. Supporting those people is an effective and ever-growing array of tools and technology. In large property claims, we call this combination of people, process, and technology the "property superstructure," and it consists of several key parts: our claims specialists, who were featured in last month's *Infocus*, geospatial analytics, drones, satellite imagery, property estimating software, 3D rendering, and video connect.

GEOSPATIAL ANALYTICS

Speed of response is critical after catastrophes. Using SpatialKey analytics combined with our own data on in-force policies, Acuity can assess our exposure in an area affected by a disaster to ensure we deploy our staff resources most effectively and quickly triage claims. This tool has tremendous potential in underwriting as well, and Acuity's use of analytics continues to grow across our entire enterprise.



VIDEO CONNECT

Acuity continues to look for new technology to enhance the claims process, and the next to come is video connect. This capability will allow us to collaborate with our customers who have suffered a property loss. Customers will be provided a secure link and use their smartphones to upload photos and video into our claims system. This will be a particular benefit to customers in remote locations as well as in property losses handled by Central Claims staff for which a field inspection is not needed.



BY AMY PASCOE,
DIRECTOR - CATASTROPHE CLAIMS

HOVER 3D RENDERING

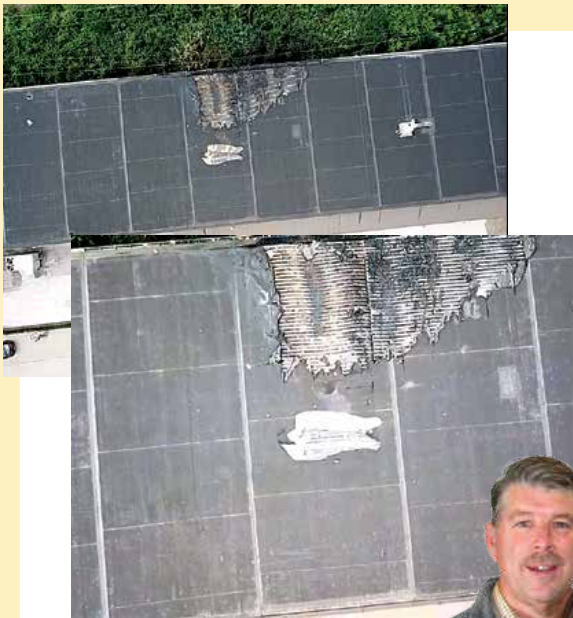


Another best-in-class tool that Acuity recently began using in claims is HOVER. By taking just eight photos of a home or property, claims representatives can use HOVER to create a 3D rendering with accurate measurements of the roof, siding, windows, and more. This reduces time previously spent manually measuring properties and making calculations. And, the 3D image can easily be imported into our claims platform.



PROPERTY ESTIMATING SOFTWARE

Acuity develops our core claims platform in house but makes use of best-in-class tools for certain processes, such as a property estimating. Symbility Solutions estimating software integrates seamlessly with our platform, so estimates can be automatically ordered, received, and uploaded, which creates efficiency, accuracy, and consistency.



DRONES

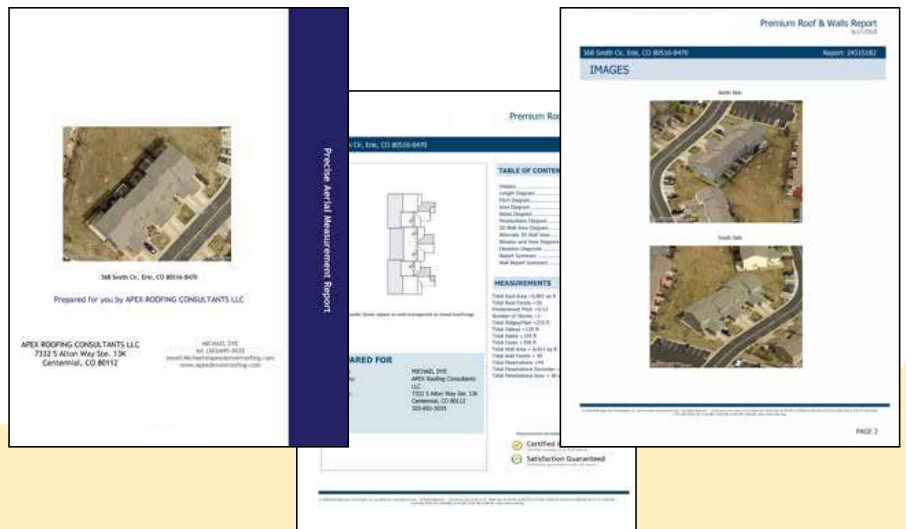
Acuity was one of the first insurers to use drones in the claims process. Drones have been particularly helpful in total losses and other property claims where the site is unsafe to access. We are also using drones in accident investigations as well as in our Special Investigations Unit, where aerial video provides valuable information that cannot be obtained from the ground. Our drone fleet has grown over the years, and claims now has nine licensed drone pilots on staff.

Acuity drone pilots. Back row (left to right): Larry Wilcox, Garrett Boeckeler, Paul Georgescu, and Paul Bloyer. Front row (left to right): Kelsey Ball, Rebecca Falzone, Michael Dodane, and Brad Werger. Not pictured: Andrew Murphy.



SATELLITE IMAGERY

Acuity's use of satellite imagery in property claims has continued to expand. These images are particularly helpful in verifying property dimensions and estimating large roofs featuring complex angles. Today, our use of satellite imagery integrates seamlessly into our claims platform, so our claims representatives can easily order and access information.



Although Acuity's use of technology in claims is already expansive, we continue to look for ways to help both our in-house and field staff provide the fastest, fairest, and best service to customers.

DAMAGED WINDSHIELD?

Call us first to schedule a repair
800.242.7666



If a windshield has a chip or crack, and if the break and surrounding cracks can be covered with a dollar bill, chances are it can be repaired instead of replaced!

Why repairing is the best option:



It's SMART. The deductible is waived for a windshield repair, making it free. And premiums will not be affected.



It's EASY. Repairing a windshield is faster, easier, and more affordable than a replacement. A repair service can perform the repair when and where it's most convenient.



It's SAFE. Repairs maintain the structural integrity of the vehicle and prevent small cracks from becoming a big problem.

Call us today to schedule a smart, easy, and safe repair.

NEW TERRITORY DIRECTORS NAMED FOR **NEBRASKA, KANSAS, AND TEXAS**

Two new Territory Directors have been named to help manage Acuity's growing book of business.

Greg Jeffers will handle the majority of Nebraska and Kansas. Greg joined Acuity in October 2006 as a Commercial Field Underwriter in Nebraska and was promoted to Senior Commercial Field Underwriter in 2012. Prior to Acuity, Greg worked in underwriting for seven years with different insurance carriers. A graduate of Nebraska Wesleyan University, Greg

earned a bachelor's degree in business administration.

Jeff Boldig will manage central Texas and is Acuity's fourth Territory Director in the state. Jeff joined Acuity in January 2013 as a Commercial Underwriter and was promoted to Commercial Field Underwriter in the Dallas/Fort Worth area in 2017. A graduate of UW-Milwaukee, Jeff earned a bachelor's degree in business administration.



Greg Jeffers



Jeff Boldig

ASK THE SPECIALIST

ASK MIKE

What impact is 3D printing having on manufacturing?

Let me start off by clarifying that 3D printing is somewhat of a misnomer. It is not printing in the traditional sense, where ink or a similar substance is transferred to paper. 3D printing is an additive process by which layers of a variety of materials are placed on top of one another creating a physical three-dimensional part. You might hear the term additive manufacturing used when discussing 3D printing.

Before 3D printing was developed in the 1980s, the process of shaping or manufacturing a part was generally done by removing material. This is called subtractive manufacturing.

One of the first applications of 3D printing was quickly building prototypes, giving engineers and designers parts they could physically touch, see, and play with. They could make changes and reprint updated parts quickly, saving time, materials, and money.

As 3D printing developed, it moved from prototypes to manufacturing a limited number of small parts. The material, often plastic or resin, was fed through a small nozzle and low heat was applied, building up layers to make the part.

Parts were limited to materials that became semi-plasticized at low temperatures. As technology evolved and manufacturers realized the benefit of additive manufacturing, additional materials were used, including metals like steel

and titanium. The process had to be fine-tuned to allow the layering of metals.

Manufacturing is poised for large-scale use of 3D printers to make parts for aerospace, medical, and automotive applications. Recently, German automaker BMW Group won a 2018 Altair Enlighten Award for its 2018 BMW i8 Roadster metal 3D-printed convertible roof bracket. This innovative component marks the first time a metal 3D-printed part has been used in a production series vehicle.

Here are some of the most widely used 3D-printing technologies.

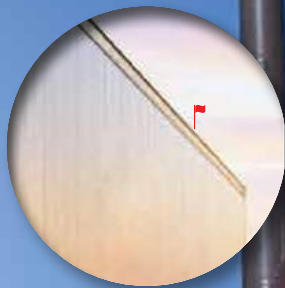
- **Fused Deposition Modeling (FDM).** A filament is fed through a nozzle, heated, and placed to create the desired part shape.
- **Stereolithography (SLA).** Uses two laser beams in two different axes to selectively solidify a resin, building it up.
- **Digital Light Processing (DLP).** Is like SLA, but uses digital light, which can expose a complete layer at one time, making it faster than SLA.
- **Selective Laser Sintering (SLS).** Laser light is applied to a powdered bed, hardening the material. Additional layers of powder are placed and exposed by the laser.
- **Material Jetting (MJ).** Multiple layers of photopolymer materials are sprayed on top of each other and cured with UV lighting. Metal Binder Jetting is used for parts made from metal powder. However, the parts need to be cured in an oven and then sintered to make them strong and usable.
- **Drop-on-Demand (DOD).** Is the closest to a traditional ink jet printer. It uses two separate nozzles, one spraying the material and the other melting the supporting material away, to leave the finished part.
- **Sand Binder Jetting.** The material used is low-cost gypsum. One head places the material with a liquid binder and the other injects color.
- **Direct Metal Laser Sintering (DMLS) and Selective Laser Melting (SLM).** Works on the same principals as SLS printers. However, they are used for metal parts.
- **Electron Beam Melting (EBM).** Uses a high-power energy beam of electrodes to fuse metal powder particles.

The latest development is to combine some of the features of an additive 3D printer within conventional subtractive CNC machines, allowing you to use both technologies on one part. Once the overall technology is more widely accepted, machine costs will be reduced, resulting in more applications for 3D printing.

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




Find the Flagpole



Our September flagpole was hidden on top of the truck on page 11. The three winners of \$100 chosen from among those who found it are:

Erin Koscienski The HDH Group Inc, a HUB Intl Co Erie, PA
Nicholle Larson North Wyoming Insurance Inc Buffalo, WY
Eugene Rudnicki Beth & Rudnicki Insurance Agency Rockford, IL

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 November 1, 2018. This contest is open to agency staff only.



HAVE FAITH!

This church needed some roof repairs. However, the contractor's approach of stacking ladders on top of each other, rather than using a boom or cherry picker, isn't the safest approach. To "top" it off, the uppermost worker has no fall protection equipment.

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, cannot 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.

JEWELINE OKOJIE CARES ABOUT DELIVERING GREAT SERVICE

In her 16 years at Cragin & Pike, **Jewelene Okojie** has developed a reputation for truly caring about people.

"Jewelene cares," says **Todd Morse**, Producer and Vice President of the Las Vegas, Nevada-based agency. "She cares about her fellow employees by providing her time and expertise to assist whenever needed. She cares about our clients by counseling them and providing the best coverage at the most competitive price. She cares about

her family by making personal sacrifices so they can have a better life. Because Jewelene cares, all who

encounter her are better off."

"Jewelene takes the time to listen to our customers and truly understand their needs," adds

Sheree Pendergrass,

Commercial Lines

Manager. "She has

a positive and upbeat personality that makes

it impossible not to smile

when you talk to her. She has also

developed very personal relationships with our customers, and they know they are number one on her list at all times."

As Marketing Administrator for Commercial Lines, Jewelene works with the agency's customers and carrier representatives. She says that attention to detail in dealing with both groups is the key to great service.

"Whether you're sending a submission to an underwriter or communicating with a customer, people want to be informed and they want information structured. You also have to take the time to stop and listen to what customers are asking for," says Jewelene, who holds the CISR and CIC designations and is working on her CRM. She adds that everyone at Cragin & Pike share a commitment to service excellence.

"Everyone here is very focused on great customer service and well educated in insurance," she says. "We are all resources for each other and make a great team."

Congratulations to Jewelene Okojie, an Outstanding Service Professional!



WORD OF MOUTH

facebook

Although physical theft at retailers may be on the decline, cyber theft is going in the opposite direction. Read about this and other threats retailers face and how you can help customers manage risk at facebook.com/acuitymercantile.

