

BEST'S REVIEW® ISSUES & ANSWERS: MUTUAL SUCCESS

Mutual insurers, reinsurers, agents, brokers and service providers explain why this form of insurance company remains a key sector, how it has changed and how mutual insurers are managing risk, investments, claims and other operations



Interviewed Inside:



Sean Briscoe
Pennsylvania Lumbersmens Mutual

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MUTUAL SUCCESS IS TIMELESS



For over a century PLM has insured the success of the lumber, woodworking and building material industries.

123 years have passed since we first started insuring the unique risks of wood-based businesses in 1895, but our core strategy remains the same – working together with wood-based businesses to protect their financial interests, sharing our success with our policyholders and helping brokers build a book of wood industry accounts.

WE INSURE:

- Wood manufacturers and distributors
- Lumberyards
- Small to mid-sized sawmills
- Building material dealers
- Woodworking shops

HIGHLIGHTS:

- No appointment required
- No premium commitments or contracts
- Easily Accessible Producer Portal
- A.M Best rating of A- (Excellent)
- Experts in the wood niche

Put our time in the wood industry on your side. Become a PLM Producer.

“Mutual insurance is an idea whereby every man might help another, without any disservice to himself.”

Benjamin Franklin,
Founder of America's Insurance Industry



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AMERICA'S OLDEST AND LARGEST MUTUAL INSURANCE COMPANY DEDICATED TO THE LUMBER AND BUILDING MATERIAL INDUSTRIES.

A Mutually Beneficial Relationship With the Wood Industry

Sean Briscoe, underwriting manager at Pennsylvania Lumbermens Mutual Insurance Company, said the company has insured wood manufacturers and distributors throughout the United States for over 100 years. The mutual insurer was founded by lumbermen for lumbermen. “We do wood and nothing else!” The following are excerpts of an interview.

Why does being a mutual matter to Pennsylvania Lumbermens?

Being a mutual company gives us the freedom and flexibility to focus on our stakeholders’ interests, our stakeholders being insureds, employees and our board of directors as well as our reinsurance partners. We don’t have to worry about the daily market fluctuations as a publicly traded company would. This helps us to keep our ears to the ground regarding trends in the wood niche and our customers’ needs from a product and service standpoint. We also attend hundreds of wood manufacturing trade shows annually. We conduct a countless number of site visits with our insureds and we sponsor numerous wood-related association events each year. We do wood and nothing else!

Commercial auto is an industrywide concern. Why is that?

We have noticed an increasing trend with regard to the amount of losses relating to distracted driving. A big part of this issue stems from texting and driving. We are making sure our field staff, both loss control and business development reps, communicate this concern to our insureds while doing site visits. We provide window clings to remind customers’ drivers to not text and drive, as well as avoid making calls while driving.

We have seen estimates close to \$6.4 billion in premium leakage over the past six years for the commercial auto industrywide. Some of the bigger influences causing this are: the amount of rate charged per power unit, misclassification of vehicles and incorrect garaging addresses. In addition, we need an accurate understanding of the annual miles driven per vehicle. In years past, this may not have been tracked as closely but when you look at customers that are maintaining older fleets, the same vehicle that was driven 50,000 miles last year is being driven perhaps 80,000 to 100,000 miles this year. This can lead to increased frequency of loss. We are also noticing an increased cost in both physical



- Recognized insurance leader in the wood and lumber industry.
- More than 120 years of experience solely focused on the wood industry.
- Insurance coverages and services specifically crafted for our policyholders.



“Our size and structure enable us to react and make changes quickly to the needs of our customers within the wood niche.”

Sean Briscoe

Underwriting Manager
Pennsylvania Lumbermens Mutual Insurance Company

damage as well as medical claim settlements.

How is the shortage of drivers affecting the commercial insurance industry?

Our insureds are finding it hard to hire qualified drivers. How do you find the most qualified drivers? We’re recommending that our insureds use services similar to SambaSafety, which offers a continuous MVR monitoring process. We advocate that our insureds have programs in place for up-front vetting of drivers and continuous MVR monitoring.

