

Partnership with the Lightning Protection Institute An Overview of Communications Strategies

2012 ULPA/LPI Conference
Palm Beach Marriott, Singer Island, Florida,
Friday, March 2

Jeanne M. Salvatore, SVP, Public Affairs, Insurance Information Institute ♦ 110 William Street ♦ New York, NY 10038

Presentation Outline



Communications Strategies

- Integrated lightning related information into the I.I.I. website and ongoing communications
 - Facts and Statistics
 - News Releases
 - Podcasts
- II. Plans for 2012
 - Outreach to traditional media
 - Getting ULPI/LPI into the social media conversation
 - Web videos and extraordinary videos
 - Monitoring traditional and social media

LPI Featured on Front Page of I.I.I. Web site this week



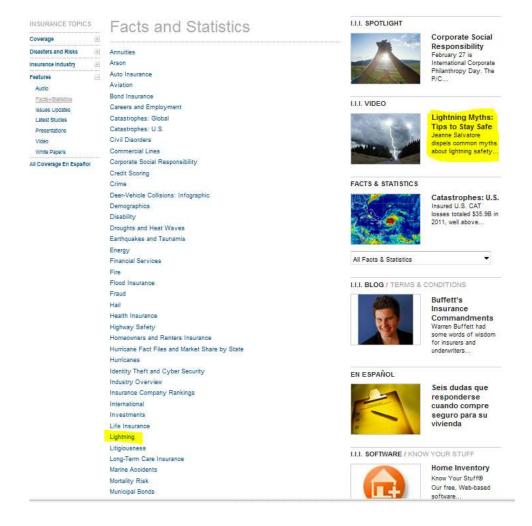


Integrated Lightning information into the I.I.I. Website



Lighting facts and statistics are updated and featured on the I.I.I. website with a link to the LPI.

In 2011, there were 658,149 visitors to the I.I.I. website.





Lightning strikes resulted in more than a billion dollars in home insurance losses in 2010. The cost per claim has been rising in part because of the increase in the number and value of expensive electronics

Lightning

LIGHTNING

In 2010 there were 29 lightning fatalities, five fewer than the 2009 total of 34 deaths and ten fewer than the 10-year average of 39 fatalities, according to data from the National Oceanic Atmospheric Administration.

HOMEOWNERS INSURANCE CLAIMS AND PAYOUT FOR LIGHTNING LOSSES, 2006-2010

						Percent	change
	2006	2007	2008	2009	2010	2006-2010	2009-2010
Number of paid claims	256,000	177,100	246,200	185,789	213,278	-16.7%	14.8%
Insured losses (\$ millions)	\$882.2	\$942.4	\$1,065.5	\$798.0	\$1,033.5	17.2	29.5
Average cost per claim	\$3,446	\$5,321	\$4,329	\$4,296	\$4,846	40.6%	12.8%

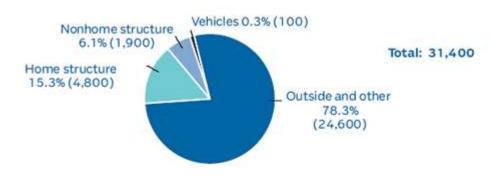
Source: Insurance Information Institute.

View Archived Tables

Note: 2011 Numbers will be updated as soon as the NAIC issues market share data estimated to be released in early April



FIRES STARTED BY LIGHTNING BY TYPE, 2002-2005 (1)



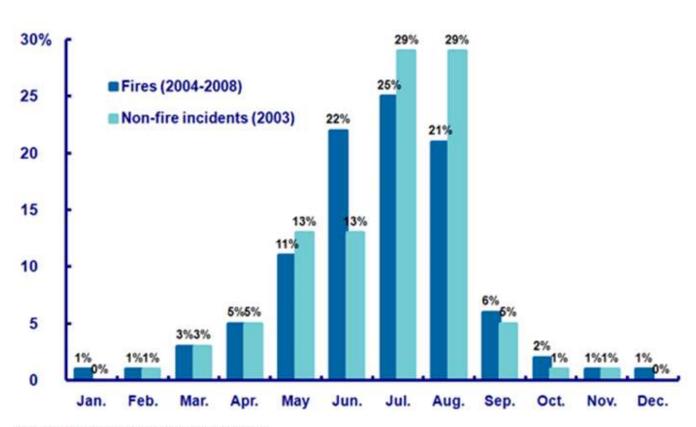
(1) Reported to local fire departments.

Source: National Fire Protection Association.

For more information on lightning, please see The Lightning Protection Institute. Link to LPI in many parts of the I.I.I. web site



LIGHTNING INCIDENTS BY MONTH



Source: National Fire Protection Association.



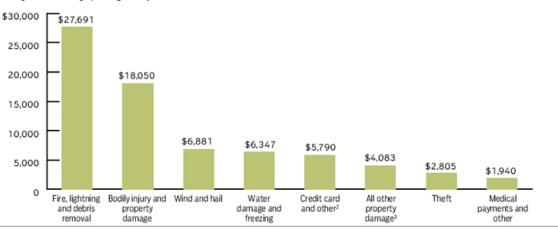
Homeowners and Renters Insurance

CAUSES OF HOMEOWNERS INSURANCE LOSSES

In 2009 6 percent of insured homes had a claim, according to ISO. About 95 percent of those claims were for property damage, including theft. Changes in the percentage of each type of homeowners loss from one year to another are partially influenced by large fluctuations in the number and severity of weather-related events such as hurricanes and winter storms. There are two ways of looking at losses: by the average number of claims filed per 100 policies (frequency) and by the average amount paid for each claim (severity). The loss category "water damage and freezing" includes damage caused by mold, if covered. Every state except Arkansas, New York, North Carolina and Virginia has adopted an ISO mold limitation for homeowners insurance coverage, which allows insurers to exclude the coverage unless the condition results from a covered peril.

HOMEOWNERS LOSSES RANKED BY CLAIMS SEVERITY (AVERAGE CLAIM), 2005-2009 (1)







AVERAGE HOMEOWNERS LOSSES, 2005-2009 (1)

(Weighted average, 2005-2009)

Cause of loss	Claim frequency (2)	Claim severity (3)
Property damage		
Fire, lightning and debris removal	0.49	\$27,691
Wind and hail	2.19	6,881
Water damage and freezing	1.44	6,347
Theft	0.50	2,805
All other (4)	0.88	4,083
Liability		
Bodily injury and property damage	0.11	18,050
Credit card and other (5)	0.08	5,790
Medical payments and other	0.05	1,940
Average (property damage and liability), 2005-2009	5.73	\$7,876

 In the six-year period, 2005-2009, 5.7 percent of insured homes had a claim.

- For homeowners multiple peril policies. Excludes tenants and condominium owners policies.
- (2) Claims per 100 house years (policies).
- (3) Accident year incurred losses, excluding loss adjustment expenses, i.e., indemnity costs per accident year incurred claims.
- (4) Includes vandalism and malicious mischief.
- (5) Includes coverage for unauthorized use of various cards, forgery, counterfeit money and losses not otherwise classified.

Source: ISO, a Verisk Analytics company.

View Archived Tables



HOMEOWNERS INSURANCE LOSSES BY CAUSE, 2005-2009 (1)

(Percent of losses incurred)

Cause of loss	2005	2006	2007	2008	2009
Property damage	94.95%	93.17%	93.07%	94.97%	95.70%
Fire, lightning and debris removal	22.01%	32.80%	39.22%	29.05%	29.22%
Wind and hail	49.10	28.64	18.71	34.59	31.31
Water damage and freezing	14.60	18.90	23.00	20.90	23.70
Theft	2.27	3.47	3.45	3.15	3.36
All other property damage (2)	6.97	9.37	8.74	7.25	8.11
Liability	5.06	6.83	6.93	5.04	4.29
Bodily injury and property damage	4.29	5.57	5.42	3.64	2.86
Medical payments and other	0.18	0.29	0.25	0.22	0.23
Credit card and other (3)	0.59	0.97	1.26	1.18	1.20
Total (4)	100.00	100.00	100.00	100.00	100.00

⁽¹⁾ For homeowners multiple peril policies. Excludes tenants and condominium owners policies.

Source: ISO, a Verisk Analytics company.

View Archived Tables

⁽²⁾ Includes vandalism and malicious mischief.

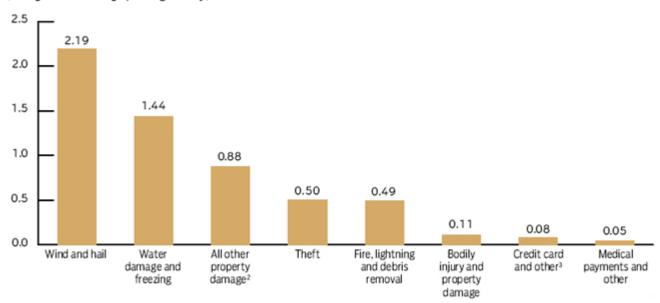
⁽³⁾ Includes coverage for unauthorized use of various cards, forgery, counterfeit money and losses not otherwise classified.

⁽⁴⁾ May not add up to 100 due to rounding.



HOMEOWNERS LOSSES RANKED BY CLAIMS FREQUENCY, 2005-2009 (1)

(Weighted average, 2005-2009)



- (1) Claims per 100 house years (policies). For homeowners multiple peril policies. Excludes tenants and condominium owners policies.
- (2) Includes vandalism and malicious mischief.
- (3) Includes coverage for unauthorized use of various cards, forgery, counterfeit money and losses not otherwise classified.

Source: ISO, a Verisk Analytics company.



AVERAGE HOMEOWNERS LOSSES, 2005-2009, RANKED BY CLAIMS FREQUENCY (1)

(Weighted average, 2005-2009)

Cause of loss and type of coverage (2)	Claim frequency (3)	Claim severity (4)
Wind and hail (property damage)	2.19	\$6,881
Water damage and freezing (property damage)	1.44	6,347
All other property damage (5)	0.88	4,083
Theft (property damage)	0.50	2,805
Fire, lightning and debris removal (property damage)	0.49	27,691
Bodily injury and property damage (liability)	0.11	18,050
Credit card and other (liability) (6)	0.08	5,790
Medical payments and other (liability)	0.05	1,940

⁽¹⁾ For homeowners multiple peril policies. Excludes tenants and condominium owners policies.

Source: ISO, a Verisk Analytics company.

View Archived Tables

⁽²⁾ Types of homeowners coverages are property damage and liability.

⁽³⁾ Claims per 100 house years (policies).

⁽⁴⁾ Accident year incurred losses, excluding loss adjustment expenses, i.e., indemnity costs per accident year incurred claims.

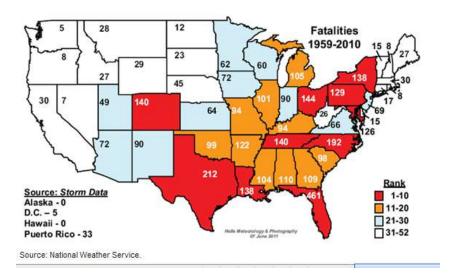
⁽⁵⁾ Includes vandalism and malicious mischief.

⁽⁶⁾ Includes coverage for unauthorized use of various cards, forgery, counterfeit money and losses not otherwise classified.



Lightning fatalities by state and compared to other natural disasters with a link to LPI

LIGHTNING FATALITIES BY STATE, 1959-2010



2010 WEATHER EVENTS, FATALITIES, INJURIES AND DAMAGES (1)

Weather events	Fatalities	Injuries	Property damage (\$ millions)	Crop damage (\$ millions)	Total damage (\$ millions)
Lightning	29	182	\$71.13	\$0.45	\$71.58
Tornado	45	699	1,106.92	27.64	1,134.57
Thunderstorm wind	15	325	214.04	10.56	224.61
Hail	0	42	924.11	99.82	1,023.93
Total	89	1,248	\$2,316.20	\$138.47	\$2,454.69

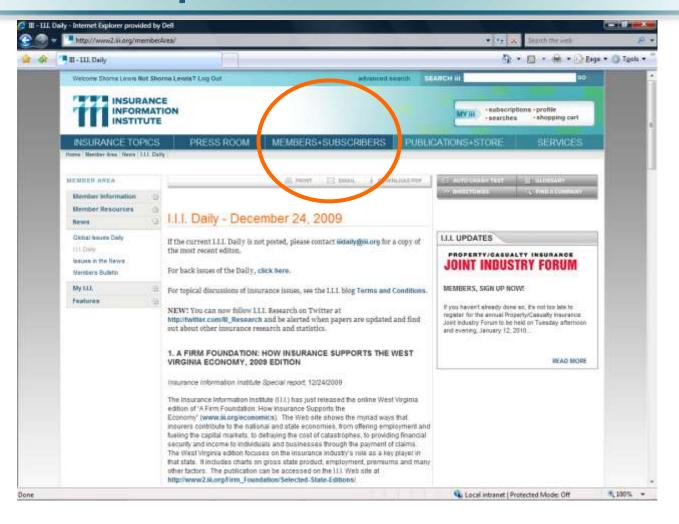
(1) Includes the 50 states, Puerto Rico, Guam and the Virgin Islands.

Source: National Weather Service.

For more information on lightning, please see The Lightning Protection Institute.

Use I.I.I. Website to Promote LPI work to Insurance Companies





News Releases – Since I.I.I. began Partnering with the UPLA/LPI 10 releases were issued and posted to our website



Content Type	Result	Ranking
Press Release	Believing Lightning Myths Is Dangerous, Especially In Florida; Get The Facts To Protect Yourself And Your Property	****
	Everyday storms during summer months may cause people to disregard lightning , and that could have deadly consequences. On average, lightning is responsible for more weather-related deaths in Florida than all other weather hazards combined, and Florida has the highest number of lightning casualties of all 50 states. POSTED: JUNE 15, 2011	
Press Room Landing	Press Room	****
Press Release	Lightning Is an Underrated Killer; Knowing Fact From Fiction Can Save Lives and Prevent Injuries	****
	Lightning safety tips. POSTED: JUNE 13, 2011	
Press Release	Claim Costs From Lightning Continue to Rise; the Culprit Is Often Expensive Electronics	****1
	Lightning claims costs on the rise. POSTED: JUNE 20, 2011	
Press Release	Lightning Protection Institute Hosts "Search For Storm Heroes" During Lightning Safety Awareness Week	****
	Lightning Protection Institute offers tips for protecting homes against damage from lightning. POSTED: JUNE 18, 2010	
Press Release	Lightning Protection Systems Offer A Key Form Of Fire Prevention POSTED: OCTOBER 04, 2010	*****
Press Release	Lightning Striking Again and Again: New I.I.I. Study Finds Increase in Lightning Claim Costs POSTED: JUNE 21, 2007	****

Lightning Information - Distributed to Florida-Specific Audiences



can help make creating your

home inventory a breeze.

Uninsured Motorists: Threats

Drivers with no auto insurance coverage are more common than you think. And

on the Road

I.I.I. VIDEO

Press Release

Believing Lightning Myths Is Dangerous, Especially In Florida; Get The Facts To Protect Yourself And Your Property

Everyday storms during summer months may cause people to disregard lightning, and that could have deadly consequences. On average, lightning is responsible for more weather-related deaths in Florida than all other weather hazards combined, and Florida has the highest number of lightning casualties of all 50 states.

Posted: June 15, 2011



value to real estate value before the housing.

overinsured. Getting the inscredivatue right on

buttile burst you would have been

MORE FROM THE STRAIGHT TALK BLOG

My midination education lessons from a home inspection (sees) usy on 2012

te money means you are properly protected so that you can rebuild if your home is damaged or destroyed.

Issued News Releases in English and Spanish to Announce **New Lighting Claim Stats and Promote Lightning Safety Awareness Week**



Claim Costs From Lightning Continue to Rise: the Culprit Is Often Expensive Electronics

INDUSTRY SEES MORE THAN \$1 BILLION IN INSURED LOSSES, LLL.

Ung 25, 2011

INSURANCE INFORMATION INSTITUTE New York Press Office: (212) 346-5500; media-Sili.org

NEW YORK, June 20, 2011 - While the deadly ternadoes that have caused massive destruction in multiple states have been making the has dlines recently, intense lightning storms have also done extensive damage. In fact, lightning strikes cost more than \$1 billion in insured leases in 2010-s significant increase from 2000, according to the insurance Information treatmus (LLLT).

An analysis of homoowners insurance data by the LLL found there were more than \$13,000 lightning claims in \$010, up nearly 15 percent from 2009. These leases ranged from damage to expensive electronic equipmen to structural fires that destroyed entire homes.

The LLL puts the average lightning claim at \$4,846. By comparison, in 2009, there were about 185,000 lightning claims, which caused nearly \$800 million in insured lesses with the average claim totaling \$4,296. The average cost per claim rose nearly (5 percent from 2000 to 2010, and more than 20 percent from 2004 to 2010, over an the actual number of claims fell by a little over 23 percent in the six year period.

"The number of claims is down, but the average cost per claim continues to rise, in part because of the buge increase in the number and value of consumer electronics in homes," said Lorets Workers, vice president of the I.I.I. "Plasma and high-definition television sets, home entertainment conters, multiple computer households, garning systems and other expensive devices—which can all be destroyed by power surges—are having a significant impact on claims losses."

HOMEOWNER 8 IN SURANCE CLAIM 8 AND PAYOUT FOR LIGHTNING LOSSES, 2004-2010

	2334	7332	2338	2887	200	2339	2010	Percent ofrance 2007-2010	(Negent change 2004-2010)
Number of paid claims	216,000	265,700	296,000	177,100	248,200	100,700	212,275	14.57%	-22.30%
(Smillional)	\$725.50	\$819.80	\$882.30	\$942.40	\$1,085.50	\$795.00	\$1,022.50	22.57%	40.50%
Average cost: per claim	\$2,545	\$1,084	\$1,442	\$5,221	\$4,229	\$4,226	\$4,546	12.57%	83,10%

"The record lesses are a result, in part, of the large number of storms occurring last year," said Worters. "Catastrophe losses in 2010 totaled

Worters noted that given last year's repord ternade activity and the fact that ternadors are usually accompanied by severe thanderstorms, it was not surprising that the number of such claims increased substantially in

Damage caused by lightning, such as fire, is covered by standard homoowners and business insurance policies. Some home and business insurance policies provide coverage for power surges that are the direct result of a lightning strike. There is also coverage for lightning damage



Uninsured Motorists insurance coverage are

FACTS & STATISTICS



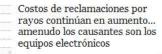
Catastrophes: U.S. reured U.S. CAT losses totaled \$25.92 in 2011.



Weather Events The biogosphere has been extreme weather events...



Sels dudes que responderse quando compre seguro para su vivlenda



UN ESTUDIO DEL I.I.I. ENCUENTRA QUE LA INDUSTRIA PAGA MÁS DE \$1,000 MILLONES EN PÉRDIDAS AL AÑO

INSURANCE INCORMATION INSTITUTE Oficina de Prenau New York: 212-346-5500; media Sili.org Elianne E. González, Florida: 954-389-9517 é 954-684-4410

NEW YORK, 29 de junio de 2011 - Mientras los protagonistas de los titulares de noticias han sido los ternados y sus desastadores efectos, los efectos de los rayos no han sido tan notable pero si muy costoso. De hoche, los efectos de las descargas de rayos costaron en el año 2010 pérdidas ascruradas nue sumaron más de \$1,000 millones, lo nue adomás os un sustancial incremento de los costos del año previo 2009, indicinal transpose information treatmin (T.I.I.).

Un análisis de los dates recepilades de reclamaciones de seguros de propietazios de viviendas (homeowners insurance) mostró más de 213,000 reclamaciones de seguros debidas a rayos en 2010, un 15% de incremento con respecto al número de reclamos presentados en 2009. Las pérdidas que este tipo de fenómeno causa van desde daños a equipos dectrónicos costosos hasta incendios que consumen casas entera:

El I.I.I. coloca en \$4.846 el monto promodio de una reclamación po daños de rayos o termentas eléctricas. En comparación, en 2000 se registraren 185.000 reclamaciones per rayes a un costo promodio di \$4.296 y con un total de \$800 millones de pérdidas cubiertas en todo el

El costo promodio de las reclamaciones aumentó un 13% entre 2009 y 2010 y más del 80% entre 2004 y 2010, inclusive cuando el número de reclamaciones bajó en un 23% en el mismo período de seis años.

"El mimero de reclamaciones ha bajado pero el costo por reclamacione sigue en aumento, en gran parte debido al enorme incremento del costo de los equipos electrónicos que hoy dis hay en una vivienda", dijo Elama E. Gonzáez, portavos del I.I.I. "Televisores de plasma, equipos electrónicos, computadoras y juegos electrónicos, son sólo unos de los muchos equipo: costosos que hoy día se encuentran en las essas y que están expuestos a iañarse con los cambios bruscos de corriente eléctrica que suelen cav las descargas de rayos y por tanto, han generado un impacto sustancial en el costo de las reclamaciones de seguros

RECLAMACIONES DE SEGUROS DE PROPIETARIOS DE VIVIENDA CAUSADAS POR RAYOS Y COSTO DE LOS PAGOS DESDE 2004 HASTA 2010

	2004	2005	2006	2007	2333	2333	2010	% Cambio 2009-2010	% Cerritico 2004-2010
Número de Recismos Pagados	278.000	265, 700	256.000	177,100	245,200	155.759	212.275	14.5%	-22,2%
Përddas Aseguradas (5 milones)	\$725.5	\$512.6	\$882.2	\$942.4	\$1.085,5	\$795,0	\$1.022.5	22,5%	40,5%
Costo Promedo por Reciemo	\$2.648	\$2.084	\$2.446	\$5.321	\$4.229	\$4.298	\$4.545	12,8%	82,1%

"Las pérdidas récord son el resultado en parte de la gran cantidad de entas clóstricas que ocurrieron el pasado año", esplicó Gonzálea "Las pérdidas catastróficas totalizaron los \$13,600 millones en 2010.

González destacó que las termentas de rayos son parte de los aistemas de termentas severas que acompañan a termados y estos tuvieron actividad récord el año pasado, por lo que no sorprende que les reslamos de rayos

Los daños causados por rayos, tales como los incendios que produces



FACTS & STATISTICS





Study On Extreme The biogosphere has bee abuzz over a report on



responderse ouando compre seguro para

> Chart also translated

Podcasts and Video



Lightning Myths



LIGHTNING MYTHS: TIPS TO STAY SAFE

Jeanne Salvatore dispels common myths about lightning safety and provides the basic tips for staying safe when a storm approaches.

GET EMBED-CODE DOWNLOAD YOUTUBE

Link to the video

Podcasts and Video



How to Pick a Lightning Protection System



Corporate Social Responsibility February 27 is International Corporate Philanthropy Day. The P/C...

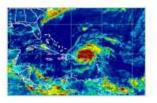


I.I.I. VIDEO



Lightning Myths: Tips to Stay Safe Jeanne Salvatore dispels common myths about lightning safety...

FACTS & STATISTICS



Catastrophes: U.S. Insured U.S. CAT losses totaled \$35.9B in 2011, well above...

All Facts & Statistics





Buffett's Insurance Commandments Warren Buffett had some words of wisdom for insurers and underwriters...

HOW TO PICK A LIGHTNING PROTECTION SYSTEM

Lightning can be a dangerous hazard to your home with a single bolt carrying as much as 30 million volts of electricity. Fortunately there are lightning protection systems available to keep your home safe. Find out how to choose the right system from the right professionals to protect yourself from disaster.

GET EMBED CODE DOWNLOAD

Plans for 2012 – Outreach to Traditional Media



- Issued a news release on LPI/ULPI resources 2/28 to PR Newswire, insurance trade press, Florida-specific media, Spanish language outlets and insurance writers nationwide.
- Drafting news releases on the conference with a special emphasis on LPI Inspection – Process & Forms.
- Will promote the Recreational Facilities Lightning Education Initiative and Campaign.
- Will promote Lightning Safety Awareness Week with updated insured lightning stats.
- Reissue news releases promoting the two videos (How to pick a lightning protection system and lightning myths) when new lightning stats are developed.

Web videos and extraordinary videos



I.I.I. will also be taping at the conference



I.I.I. Will Include UPLI/LPI in Social Media Conversation



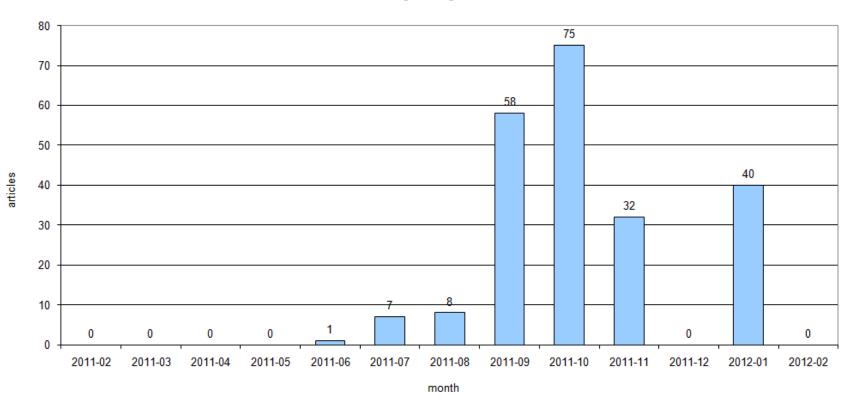
Social Media Statistics							
	564 likes						
	5,223 followers						
You Tube	553,569 video views						
8+	26 users in our circle						
TERMS + CONDITIONS INSURANCE INDUSTRY BLOG	131,225 visitors						

Will create a Bit.ly tag for distribution to members

Media Coverage of LPI in 2011 by Month Insurance Information Institute



Lightning Protection Insitute



Tracking Lightning for Trends in Social Media in 2012





Insurance Information Institute Website

www.iii.org

http://twitter.com/JeanneSalvatore

