
Impact

*The Insurance
Industry's Contribution
to Community
Development*



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Creativity Abounds in the Industry

Many words come to mind when describing the insurance industry. With this issue of *Impact*, we hope to add the word “creative” to describe the insurance industry’s community efforts profiled here. From shaving heads for charity to building stronger homes, the industry continues to find new, creative and successful ways to help out at local and national levels.

Reinsurance executives came up with a fun, innovative way to entice their friends to donate money in support of childhood cancers. And when this deadly disease hit close to home at the National Association of Mutual Insurance Companies, employees rallied for the cause and raised thousands over their goal in just a few weeks. In the last eight years, St. Baldrick’s events held in 14 countries and 42 U.S. states have raised more than \$31 million in funds for childhood cancer research, saving lives and improving the long-term quality of life for children survivors.

Erie Insurance’s partnership with the American Red Cross springs into action in times of need but is also very active in assisting with educational and relief efforts throughout the year. More than 1,000 volunteer members willingly contribute their time to support the American Red Cross’ mission of providing for victims of disasters and of helping people prevent, prepare for and respond to emergencies.

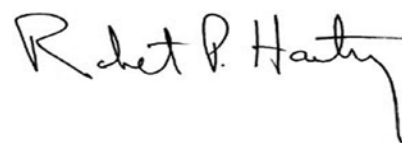
More and more families across the country are resting more easily knowing their home

has been “Fortified...for safer living,” thanks to the support of the insurance industry-supported Institute for Business & Home Safety and insurance company employee volunteers. What began as a pilot program seven years ago has grown into a nationwide initiative that is becoming the gold standard for stronger construction practices.

FM Global has created a new Fire Prevention Grant Program so fire departments and others can more effectively prevent fire, the leading cause of commercial and industrial property damage. Funding from the program is available to support a wide variety of fire prevention, preparedness and control efforts, all of which can have a significant impact on combating the global fire threat.

And KinderReady, an employee-driven initiative at the CUNA Mutual Group, aims to prepare minority kids for kindergarten in Madison, Wisconsin. Employees have embraced this initiative and are going through training so they can volunteer for educational play groups.

We hope you enjoy this issue and, as always, welcome your input on the many other creative ways companies and organizations are working together to improve the communities in which they live and serve.



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On the cover: Carolyn Pennissi shaved her head in support of her son’s kindergarten classmate, George Downs, who underwent chemotherapy. For the full story, see page 1. Photo courtesy of Motophoto, Louisville, KY.

Shaving the Way to a Cure

Three Irish guys are sitting around in a bar... No, this is not the start of a joke. It's actually the start of a simple idea that turned into the world's biggest volunteer-driven fundraising program for childhood cancer.

In 1999, Tim Kenny challenged his friends, John Bender and Enda McDonnell, to find a way to repay their good fortune by giving to others. All of Irish descent, these three reinsurance executives turned their industry's St. Patrick's Day party at a pub in New York City into a benefit for kids with cancer.

Looking for a fun, creative way to entice their friends and colleagues to open their wallets for this cause, Bender suggested shaving McDonnell's head, since kids typically lose their hair during cancer treatment. McDonnell's reply was, "I will if you will" – and St. Baldrick's was born. The name for St. Baldrick's is a fusion of "St. Patrick's Day" and "bald," as the original head-shaving event took place on St. Patrick's Day.

At the first St. Baldrick's event in 2000, the initial goal of 17 people each raising \$1,000 was surpassed with 20 volunteer shavees raising over \$100,000. From 2000 to 2006, over 26,000 volunteers, including more than 2,000 women, shaved their heads, raising more than \$20 million from St. Baldrick's events held in 10 countries and 42 U.S. states. As of this writing, more than \$11.5 million has been raised in 2007, with more events scheduled throughout the



Photo courtesy of St. Baldrick's Foundation.

Joey Chamness, shown here in 2005 at age 8 near the end of his chemotherapy, with his dad, Chuck, who shaved his head in solidarity for children with cancer.

summer and fall. And the events have now spread to 14 countries. Funds are directed to childhood cancer research, to save lives and to improve the long-term quality of life for children survivors.

“The St. Baldrick’s Foundation is committed to being the world’s largest funder of childhood cancer research. We pledge to remain an organization the public can trust by operating with integrity, efficiency and a pioneering spirit and sense of fun,” said St. Baldrick’s chairman and co-founder Kenny, who is president and chief executive officer of QBE the Americas. “Whether you have

hair or money to spare, we welcome your help,” he added.

By shaving their heads in solidarity with children who lose their hair during cancer treatment, young cancer patients and survivors see how many people do care and volunteers and donors see that they can make a difference.

Dawson DeCap, a cancer survivor, attended the March 2007 St. Baldrick’s event at the Boathouse in New York City’s Central Park. Dawson’s hair had just grown back after losing it to chemotherapy, yet he insisted on shaving his head so he could “be just like the other great guys.”

According to St. Baldrick’s, 160,000 kids worldwide are diagnosed with cancer each year. Childhood cancer kills more U.S. children than any other disease – more than AIDS, asthma, diabetes, cystic fibrosis and congenital anomalies, combined. In 2005, the St. Baldrick’s Foundation established the first fellowship to encourage promising new medical professionals to pursue pediatric cancer research as a specialty. In 2006, the program was expanded and now has a total of six fellowships across the U.S.

The Foundation also makes grants to research organizations that meet



Photo courtesy of St. Baldrick’s Foundation.

School kids participated in the Napper Tandy’s Irish Pub event in Northport, New York, where more than 600 heads were shaved in support of children with cancer.



Photo courtesy of Mitchell Dyer Photography.

A newly shorn Hannah Marx gets ready to shave her brother, Sam, at a St. Baldrick's event in Portland, Oregon. Sam is currently undergoing chemotherapy treatment.



Photo courtesy of St. Baldrick's Foundation.

Even though cancer survivor Dawson DeCap (r) grew back his hair after undergoing chemotherapy, he and his brother, Dalton, shaved their heads at this year's St. Baldrick's event in New York City. Their mom, Kelly, is so proud!

stringent criteria and that share the Foundation's commitment to fiscal responsibility and emphasis on research. It supports cooperative research on a national scale to help doctors work together to develop the best treatments for all children with cancer. St. Baldrick's research grants help fill crucial funding gaps at medical institutions where children are treated for cancer, ensuring the finest care for every child.

"With our government continuing to cut funding for childhood cancer research, with more and more childhood cancer post-treatment studies on late effects being published, and where often the cure is harder on the child than this deadly disease, now more than ever, our children need everyone's help," urged John Bender, chief underwriting officer, Platinum Underwriters, and one of the co-founders of St. Baldrick's.

"I am truly humbled and honored to be associated with everyone

in the St. Baldrick's family. I never imagined that what started out as a friendly challenge between friends would turn into one of the most important and rewarding things in my life," said Bender.

In January 2005, Joey Chamness was a typical 8-year-old boy playing indoor soccer with his twin brother, Robbie. After complaining of pain in his leg, his parents, Chuck and Briget Chamness, sought the advice of their pediatrician. Joey became one of the thousands of children who are diagnosed with cancer each year.

Joey began his treatment in February and by early March he started to lose his hair. "I remember it happened all in one week, really. His brown hair was just getting a little bit thinner, and then it started to fall out in clumps," said Chamness, president and chief executive officer of the National Association of Mutual Insurance Companies (NAMIC).

A friend of the family came to the house to shave Joey's head. Next, Robbie sat down to don the Mr. Clean look in solidarity with his brother.

"They both went to school bald, and within a couple of weeks, nearly every boy in the classroom had shaved his head," said Chamness. "It was March, and I told Joey that if it would make him feel better, I'd shave my head, too."

"I would have done it anyway, but with St. Baldrick's it had a purpose and a tangible positive impact. It's the perfect fundraiser because it combines a good cause with the right amount of personal humiliation on the part of the individual requesting the contribution," Chamness said. "I wanted to raise money for this cause that had recently become the most important thing in our lives."

Chamness set his fundraising goal at \$5,000 and sent an email to

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Serving Together

When Theresa Gamble heard that her colleagues at Erie Insurance were organizing teams of employees to support the local chapter of the American Red Cross seven years ago, she was eager to offer her support.

“I know how it feels to lose everything,” said Gamble. Just a few years before, she and her daughter, Rosie, had become homeless when a nighttime fire ravaged their home.

“I’ll never forget the feeling of utter devastation. In one evening, we lost everything.”

Like more than a thousand other employee and agent volunteers, Gamble is a member of Serving Together, the Erie Insurance/American Red Cross Volunteer Network.

The Erie Insurance/American Red Cross Volunteer Network is a companywide initiative that matches Erie Insurance volunteers with the needs of American Red Cross partner chapters in 11 states and the District of Columbia. Members like Gamble willingly contribute their most valuable asset, their time, in support of the American Red Cross’s 125-year-old mission: providing help to victims of disasters and helping people prevent, prepare for and respond to emergencies.

From 150 original founding members in Erie, Pennsylvania, in 2000, Serving Together has grown to more than 1,000 members in 23 chapter locations from New York to North Carolina and Wisconsin to Tennessee.

Erie Insurance employee and

agent volunteers assist the American Red Cross in educational and relief efforts throughout the year.

In Raleigh, North Carolina, for example, members helped staff an American Red Cross-sponsored Hurricane Preparedness Expo last June.

Insurance claimants typically don’t see claims staff until after a disaster strikes, but those visiting the Erie Insurance Serving Together booth had the opportunity to meet claims personnel under more pleasant circumstances.

Erie Insurance agents Joshua Matthews of Matthews Insurance and Allen Gayle of Downing & Gayle Insurance Services provided consumer information on how to protect homes and businesses from damage, especially from falling trees and limbs.

“Learning how to prepare for a disaster is critical,” emphasized volunteer Gayle. “I experienced a hurricane firsthand when Fran hit in 1996. While my home was spared, the trees in my neighborhood looked like a child played Pick-up Sticks with them.”

“All of us are committed to helping people understand that insurance is an important part of the disaster-preparedness equation,” said Christy Yousefnejad, Raleigh claims manager.

In addition to volunteering in the local community, Erie Insurance/



Photos courtesy of Erie Insurance.

Serving Together member Tim Guzek, an information technology resource scheduler at Erie Insurance’s home office, has served as shelter manager and as an emergency response vehicle driver for the Erie Chapter of the American Red Cross. “The most memorable experience I’ve had while driving the ERV was responding to tornadoes in Mercer County, Pennsylvania,” said Guzek. “It really felt good to deliver cots and emergency supplies to those in need.”

American Red Cross Volunteer Network members have assembled nearly 40,000 comfort care kits containing toiletries and personal hygiene items for disaster victims nationwide

during the past four years.

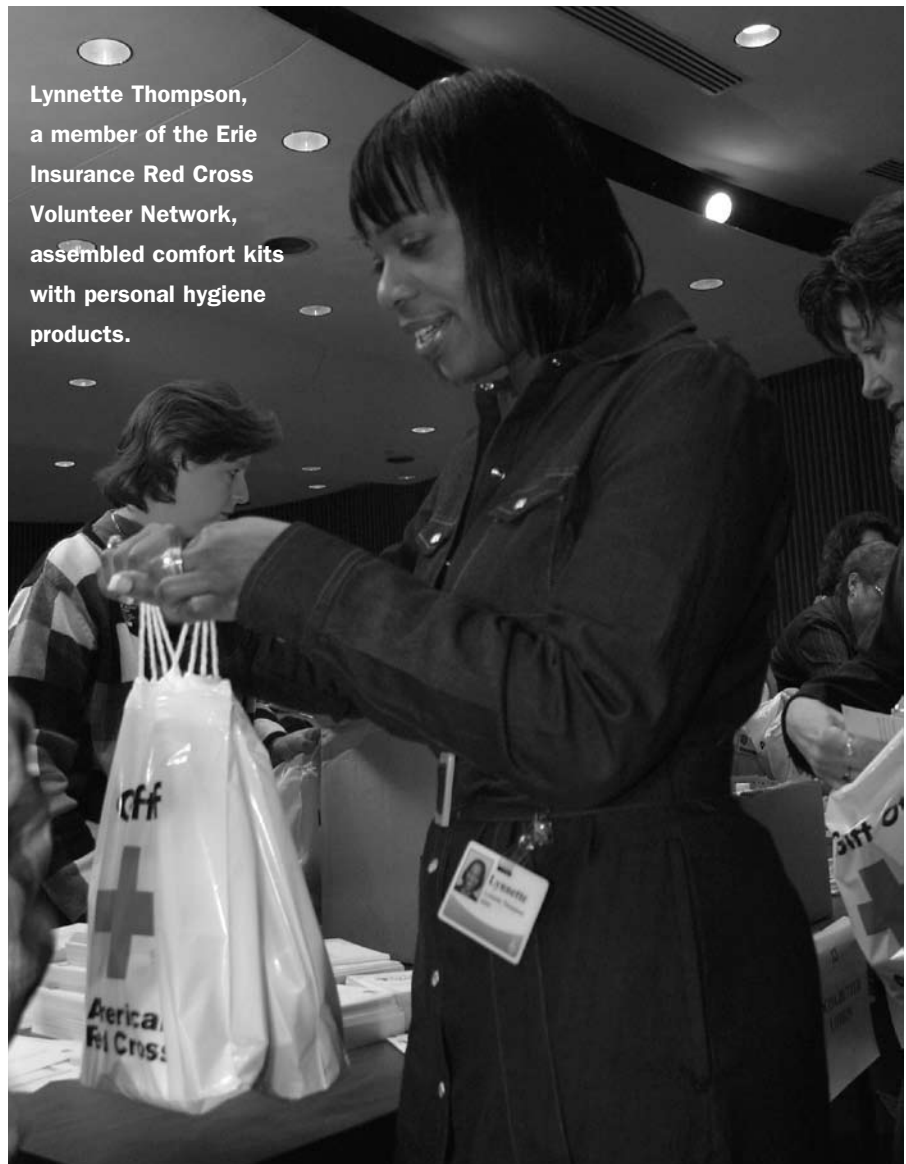
Upon completion, these small drawstring bags, traditionally assembled in March during American Red Cross month, are boxed for delivery to partner American Red Cross chapters in 11 states and the District of Columbia. Every kit contains a card identifying it as a gift from Erie Insurance.

“Before Erie Insurance made it its endeavor to assemble Red Cross comfort care kits for disaster victims, we literally pounded the pavement begging for supplies,” said Laura DiPasqua, director of emergency services for the Erie County Chapter of the American Red Cross. “We would knock on dentists’ office doors for toothbrushes, scrounge dollar stores and go from hotel to hotel hitting them up for soap and shampoo. This initiative has made a huge difference for us.”

While large scale disasters are something the American Red Cross is accustomed to responding to, the Erie Insurance/American Red Cross Volunteer Network makes it possible for all of its employees and agents to make a difference.

In August of 2005, when an unprecedented Category 4 hurricane crushed the Gulf Coast, the entire nation mobilized to support those suffering in the wake of Hurricane Katrina.

When Erie Insurance Serving



Lynette Thompson, a member of the Erie Insurance Red Cross Volunteer Network, assembled comfort kits with personal hygiene products.

Together members were alerted to the need for American Red Cross volunteers, members from as far away as Illinois organized fundraisers on behalf of disaster victims.

Erie Insurance employees, agents and members of the board

Scouts helped Serving Together volunteer and Erie Insurance claims employee Roberta Hunter distribute fire safety information to Home Depot customers in Erie, Pennsylvania.

of directors ultimately raised nearly \$233,000 to support Red Cross relief efforts. With the company donation of \$100,000 – the largest donation received from the local area – the Erie County Chapter of the American Red Cross alone collected more than \$1 million for relief efforts.

In addition, a total of 3,500 Serving Together volunteer-assembled comfort care kits previously amassed for the state of Wisconsin were redeployed to the Houston Astrodome, where evacuees were housed, while an

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Building Stronger Homes and Safer Communities

More and more families across the country are resting more easily knowing their home has been Fortified...for safer living[®], thanks to the support of the insurance industry and the helping hands of its employees. What began as a pilot program in Florida nearly seven years ago has blossomed into a nationwide initiative that is becoming the gold standard for stronger construction practices.



Photo courtesy of IBHS.

American Family Insurance employees work to help complete the first two-story *Fortified...for safer living*[®] Habitat for Humanity home in St. Joseph, Missouri.

Fortified... for safer living

Projects by IBHS members,
associate members and partners

The Institute for Business & Home Safety (IBHS) first launched the Fortified...for safer living® program in 2000 with three homes in West Central Florida. The disaster-resistant new home construction designation program goes beyond local building codes, which represent minimum acceptable standards, to implement even stronger hazard-resistant products, materials and construction techniques.

In 2001, IBHS member First Floridian Auto and Home Insurance Company of Tampa (now Travelers of Florida) funded the construction of a Fortified home in Pasco County, Florida, to demonstrate the benefits of building code-plus.

“My company does business only in Florida, so creating better building stock is very important to the insurance community as a whole, as well as to residents in communities across the state,” said Nancy Baily, president and chief executive officer of Travelers of Florida.

Today, the Fortified program not only affords the insurance industry a good opportunity to show support for better built homes, it also presents consumers with a choice to live in a safer environment. The program continues to gain ground and has expanded to 12 states. There are now 2,500 Fortified homes that have been built, are under construction or are planned in Florida, Illinois, Iowa, Georgia, Louisiana, Missouri, New Jersey, North Carolina, South Carolina, Texas, Washington and Wisconsin.

Builders in three states have embraced the program by constructing entire communities using Fortified standards. IBHS is actively engaged in expanding into Alabama and Mississippi and further into the Midwest.



Nancy Baily, president and chief executive officer, Travelers of Florida, hugs new homeowner Kim White during a dedication ceremony for the new Fortified...for safer living® Habitat home in Thonotosassa, Florida.

“The program is definitely gaining acceptance, particularly in areas that have been hit recently by major disasters,” said Chuck Vance, IBHS Fortified program manager.

IBHS, a nonprofit initiative of the insurance industry, has been working with its members to highlight the advantages of building to Fortified standards, which are tailored primarily to better protect against local perils. For example, homes in Illinois have added protection from high wind, freezing weather and hail, while in South Carolina homes include seismic, flooding and high wind requirements, and in other areas there is greater wild-fire protection.

Equally important has been the need to demonstrate the program’s affordability. IBHS member companies and partners have helped to drive home this point by supporting the building of Habitat for Humanity Fortified homes around the country.

The first of the Habitat homes built using Fortified guidelines was

- April 2007 – The Aurora Fortified Project is launched through a partnership between Allstate Insurance Company, Safe Home Illinois and the American Red Cross of Greater Chicago. High school students, with professional and union support, are building the handicap-accessible, 1,400 square foot, single-family home. The house will be sold to a low-income family and will be the area’s first Fortified home.
- December 2006 – Coastal Empire Habitat for Humanity breaks ground on three homes that will earn the Fortified designation. Located in Savannah, these will be the first Fortified homes in the state, thanks to the efforts of the Georgia Insurance Information Service.
- October 2006 – The first Fortified home in Wisconsin is completed. West Bend Mutual Insurance Company helped to introduce the Fortified program in the state.
- July 2006 – The Greater Des Moines Habitat for Humanity dedicated Iowa’s first Fortified home. A grant from EMC Insurance Companies made the disaster-resistant upgrades possible.
- January 2006 – The first two-story Fortified Habitat for Humanity home is completed in St. Joseph, Missouri. American Family Insurance provided financial support and organized volunteers from the company’s regional office.
- November 2005 – Construction began on a subdivision of Fortified homes in Myrtle Beach, South Carolina, with the involvement of the South Carolina Farm Bureau Mutual Insurance Company.
- April 2005 – A St. Paul Travelers Foundation grant funded the disaster-resistant upgrades for Florida’s first Fortified Habitat home.
- August 2004 – Construction began on a Fortified Habitat home in Monett, Missouri. The project is sponsored in part by State Farm Fire and Casualty Company.
- July 2004 – The state’s first Fortified home is constructed in the Bolingbrook, Illinois, area with the participation of the AAA Chicago Motor Club.
- June 2002 – Habitat for Humanity broke ground on the state’s first Fortified home in Wilmington, North Carolina, thanks to the support of Nationwide Insurance.
- August 2001 – First Floridian Auto and Home Insurance Company (now Travelers of Florida) sponsored a Fortified home in Pasco County, Florida.

constructed in Wilmington, North Carolina, in 2002 and was sponsored in part by Nationwide Insurance. The home was designed to incorporate building and landscaping techniques to reduce its vulnerability to wildfire and hurricanes. It utilized noncombustible roofing materials capable of withstanding high winds and was outfitted with shutters to protect the windows; securely-anchored exterior structures, such as a carport; and reinforced entry doors.

The Fortified program returned to its Florida roots in 2005. A St. Paul Travelers Foundation grant funded a series of disaster-resistant construction upgrades for the state's first Fortified Habitat homes.

"It was surprising how affordable the upgrades were in the Habitat home. It was rewarding to see that and also to see the smiles on the faces of the homeowners," said Baily.

The house in Thonotosassa, Florida, is home to a single mother, who has limited mobility, and her daughter. Two other Fortified Habitat homes have since been built in the state thanks to Travelers' financial support. And the company offers a homeowners insurance premium discount for these homes.

"By involving insurance industry employees in the process of building stronger homes, it helps to both educate them about how easily it can be done and the need for it," said Baily.

American Family Insurance continued the Habitat trend by purchasing building materials for a home in St. Joseph, Missouri, and also contributing 90 percent of the physical labor. Employees dedicated their nights, weekends and days off to help build the five-bedroom, 1,800-square-foot home which has housed a family

of nine since January 2006. The home was designed to withstand high winds, hail and other severe weather that frequently plagues Missouri. Disaster-resistant construction materials included impact-resistant shingles, reinforced windows, and additional roof and foundation bracing.

Meeting the challenges of Iowa's severe winter weather was the goal behind a series of Fortified upgrades made to a Habitat home in Des Moines, thanks in part to a grant from EMC Insurance Companies. The house features stronger connections that tie each part of the structure together and anchor it to the foundation; well-attached roof sheathing with a secondary moisture barrier; impact-resistant shingles; ice dam protection; and higher design pressure-rated windows and doors. A mother and her four children moved into the home in July 2006.

IBHS member companies continue to demonstrate their commitment to the Fortified program by encouraging people, builders and community groups to build and live in stronger and safer homes. The latest project involves the construction of a 23-home community in Bloomington, Illinois, which is being developed by Mid Central Community Action (MCCA), a NeighborWorks® America affiliate. MCCA and IBHS became partners with the help and support of State Farm Insurance.

Construction began in May on MCCA's Trailside subdivision. Trailside will be the first Fortified subdivision in the Midwest and the first to be constructed with an emphasis on affordability for low- and moderate-income residents. With the inclusion of escape rescue ladders in second-story bedrooms and whole-house

electrical surge protection, these homes will exceed Fortified standards. Several industry groups partnered with State Farm to provide some of the building materials for free or at reduced costs to help MCCA in its building efforts.

Meanwhile, American National Property and Casualty Company, which is taking a leadership role in encouraging code-plus building standards in Louisiana, has been involved with two homes under construction near Baton Rouge, Louisiana.

A subdivision of homes in Myrtle Beach, South Carolina, continues to be built to Fortified standards with the involvement of the South Carolina Farm Bureau Mutual Insurance Company. The company, which is the state's largest domestic property/casualty insurer, also offers a premium discount on Fortified homes that incorporate Fortified elements that offer greater resistance to high winds and earthquakes – the state's two greatest natural threats.

West Bend Mutual Insurance Company helped to bring the Fortified program to Wisconsin by working with a local builder and offering a discount. The first house was completed in October 2006 through a cooperative effort between IBHS, Excalibur Builders LLC and West Bend.

Also in the Midwest, AAA Chicago Motor Club supported the first Fortified home built in Illinois in 2004. The company offers a premium discount to homes built to the Fortified standard.

"Fortified offers a holistic view of the home; everything from all of the window openings to the roof attachments," said Baily. "With IBHS' help, you can identify the incremental costs of these upgrades and make smarter decisions." ■

Answering the Alarm

Man first learned how to create fire more than one million years ago. Since then, it has become one of the most important elements in the advancement of humankind. But, preventing “unfriendly” fire is a priority of insurer FM Global. The company is making funding available through its new Fire Prevention Grant Program to help those organizations that support fire prevention but need additional financial assistance.



Photos courtesy of FM Global.

“With increasing arson incidents every year, early detection is a vital component to help organizations identify and prosecute perpetrators.”

As organizations and agencies work to prevent fire at commercial and industrial properties, budget constraints often extinguish their most ambitious efforts. Fortunately, for a prevalent worldwide problem, some additional relief may be in sight.

FM Global, one of the world’s largest business property insurers, has created its new Fire Prevention Grant Program so fire departments — as well as national, state, regional, local and community organizations — can more effectively prevent fire, the leading cause of commercial and industrial property damage.

Funding from the program is available to support a wide variety of fire prevention, preparedness and control efforts, all of which can have a significant impact on combating the global fire threat.

“At FM Global, we believe the majority of fire damage can be prevented and we are dedicated to helping those who share the same philosophy,” said Michael Spaziani, the manager of the program. “Working together, we can make a difference in preventing fire loss, rather than simply responding to it.”

Instead of relying on actuarial data to forecast property loss, FM Global’s 1,500-plus engineers work on a day-to-day basis alongside its clients, which comprise more than one-third of Fortune 1000 compa-

nies, to customize loss prevention solutions that will best protect their properties from threats to their business, such as fire. It’s a strategy that has proved successful for more than 170 years, yet remains one that relies heavily on the involvement of the fire service and other fire prevention agencies to bring the total asset preservation effort full circle.

“Everyone has a stake in loss prevention,” said Spaziani, “the public fire service, whose duty is to help protect the community; the clients, who strive to keep their businesses operating and profitable; and FM Global, whose mission is to help protect the value our clients’ businesses create. Awarding these grants is a great way to introduce a relationship between the fire service and related agencies, and our clients,” said Spaziani.

Year after year, fire continues to be the most destructive property peril to business, which is why FM Global’s Fire Prevention Grant program is designed to support many efforts that can ultimately prevent fire or, at the least, mitigate the damage it can quickly cause. For example, arson is one of the most frequent causes of commercial and industrial fire loss and is the most damaging.

“With increasing arson incidents every year, early detection is a vital component to help organizations identify and prosecute perpetrators,”

said Spaziani. “If we can help prevent arson from happening, either by apprehending the arsonists or, in the case of juveniles, preventing them from ever becoming arsonists, we can have a demonstrably greater impact on reducing the threat of arson.”

In this example, funding may include arson-prevention or investigation-related items like educational material to support juvenile firesetter programs or continuing education courses for arson investigation professionals. It may also be used to purchase digital and specialized cameras, air-sampling devices, arson/fire investigation computer software and other equipment specifically tailored to arson investigation.

Support from the new program is also available to help bolster the fire service’s prefire planning efforts for commercial, industrial and institutional facilities. Prefire planning is designed to specify the actions both the facility’s emergency response team (ERT) and the public fire service will take in the event of a fire — and for good reason. According to FM Global statistics, facilities without adequate prefire plans suffered more than \$16 million in gross loss per incident.

“Essentially, the prefire plan is a blueprint that details how to best respond to a fire based on the unique property hazards inherent in a facility,” explained Spaziani. “Because many

fire departments respond almost exclusively to residential fire incidents, it is especially important that they become familiar with the larger buildings within their jurisdiction, in advance of a fire.” Requests for funding may include computer software programs for prefire planning in commercial and industrial buildings, laptop computers and the like.

An important fire control-related initiative specifically for fire departments is knowing how best to fight fire in sprinklered buildings. Oftentimes, premature shutdown of sprinkler systems by firefighters or cutting power can severely impede effectiveness of extinguishing a blaze. “Knowing how to fight fire in sprin-

klered buildings can greatly assist fire departments in limiting the size and spread of fire, as well as mitigate water and smoke damage,” added Spaziani. Funding requests will be considered that include training programs or educational material that can enhance these efforts.

In addition to fostering the partnership between the fire service, first responders and FM Global clients, funding is available to help support fire prevention efforts in the community. For instance, fire prevention education can help educate the nation’s youth about the nature of fire and the extent of damage it can cause. “If kids can learn about the uses of fire as well as the dangers that

can come with it, they will learn to respect it,” said Spaziani.

Additional fire prevention training programs, community outreach initiatives and workshops will be considered as these activities can help to reduce incidents of fire-related commercial and industrial property loss.

The Fire Prevention Grant Program replaces FM Global’s former arson grant fund, which, since 1974, has contributed millions of dollars to help the fire service and related agencies to prevent arson worldwide. In the past 10 years alone, more than 250 organizations in North America, Europe and Australia have benefited from FM Global fire service-related grants. ■



Closing the Kindergarten Readiness Gap

KinderReady, an employee-driven initiative at the CUNA Mutual Group, aims to prepare minority kids for kindergarten in Madison, Wisconsin. Early signs indicate that things are on the right track.

Although a longtime leading corporate citizen in its hometown of Madison, Wisconsin, employees of the CUNA Mutual Group were not aware that many minority children are unprepared to enter kindergarten due to the lack of some basic skills. Yet when an employee group did some local research revealing the severity of this problem, the company and its employees began a communitywide early education effort and became engaged in a much-needed solution.

A companywide survey by CUNA Mutual's Foundation in early 2006 asked employees to indicate their top priorities for local community outreach programs. "Early Childhood Education" emerged as the clear winner, and the Foundation established an Employee Philanthropy Team to determine how to act on the survey results.

The 10-member employee team spent nine months researching early childhood education and interviewing local experts in this field. What they learned was alarming and compelling:

- Less than half of Madison's low-income and minority five-year olds have the skills needed to succeed in kindergarten (including the ability to recite the alphabet,



Photos courtesy of CUNA Mutual Group.

count to ten and recognize their printed name).

- The average white student enters kindergarten with a vocabulary of 10,000 words; the average nonwhite student enters with an 800-word vocabulary.
- The average white child has been read to 1,000 hours by the time he or she enters kindergarten; for nonwhite children, the average is only 25 hours.
- These gaps in academic skill levels don't change much after kindergarten; they're very "sticky" gaps, with enormous negative implications for all involved.
- The dynamics of "brain wiring" make birth-to-age-three the most critical period in developing a child's ability to learn.

Once the Employee Philanthropy Team decided that it wanted to tackle the kindergarten readiness gap, input was obtained from United Way of Dane County, the Madison Metropolitan School District and Dane County Human Services concerning the best ways to "move the needle" on this problem. Three core programs were identified as best bets: supervised play groups within an educational framework; in-home parent education; and group parenting workshops.

United Way of Dane County then helped the CUNA Mutual team calculate the annual cost of delivering each core program to various sites, with the intent of reaching as many low-income/minority kids as possible. Then the team conducted due diligence to determine which local

nonprofit agency should deliver these programs.

The Employee Philanthropy Team selected Children's Service Society of Wisconsin to administer the core programming, and the two groups came up with the name "KinderReady" to describe their new initiative.

The CUNA Mutual Group Foundation board approved the team's proposal to fund KinderReady programming at two Madison locations in 2007 and 2008, with the intent of funding a third site by 2009, utilizing existing facilities and referral services operated by the county's Human Services Department.

"What we have here is ideal synergy between corporate giving priorities, employee interest, community needs and a proven delivery system," said Steve Goldberg, executive director of the CUNA Mutual Group Foundation.

This new initiative got off to a fast start. KinderReady staff, all bilingual, were hired in the first quarter of 2007 and the program processed 67 referrals by early May, in line with its business plan to reach 200 kids in its first 12 months. All participating children will be "flagged" so their progress can be tracked through kindergarten.

"We know we'll have both early indicators and outcome metrics to track progress and results throughout this process," added Goldberg.

Andy Benedetto, community development director for Children's Service Society of Wisconsin, said KinderReady's goal is to help at least 80 percent of the three-year olds starting the program this year to be ready for kindergarten in 2009. "Frankly, we've never seen an initiative like this where a company's employees design



CUNA Mutual Employee volunteers work closely with youngsters in structured play groups called "KinderPlay," part of the company's KinderReady Initiative in Madison, Wisconsin.



and drive the program. This is powerful stuff," said Benedetto.

The employee-driven nature of KinderReady and the program's underlying data have generated significant attention from local media and community leaders. "We wanted to create something legendary, something that would add great value to the community while truly engaging our fellow employees," said CUNA Mutual Employee Philanthropy Team member Micah DiSalvo. "We are convinced that our financial investment and volunteer involvement will produce results we can all be proud of. Someday, I bet we'll have a party in our cafeteria to celebrate the closing of the kindergarten readiness gap."

CUNA Mutual employees have embraced this initiative and are already going through training so they can volunteer for the educational play groups. Some employees even

reported that their teenage children offered to volunteer after seeing television news reports.

Local print and television media have run editorials praising the company and its employees for spearheading this type of community effort. Madison Mayor Dave Cieslewicz has applauded CUNA Mutual's leadership on something so important to the community's quality of life.

An advisory board of community leaders from the local school district, United Way, county Human Services Department, Children's Service Society and CUNA Mutual provides oversight for KinderReady program implementation and strategy.

"We are extremely pleased that this will have such a positive impact on the community, and we are absolutely thrilled that it's employee-driven," said Jeff Post, chief executive officer, CUNA Mutual. ■

ST. BALDRICK'S

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friends, family and business associates. "It certainly came at a time when a lot of people were asking what they could do for us. So many people followed the link to St. Baldrick's and contributed money," said Chamness.

In a matter of weeks, Chamness had raised more than \$45,000. "It was a completely amazing response but not unbelievable considering the kind of people I work with. NAMIC has 1,400 member companies around the U.S. and Canada, and they are the best people that you'd ever meet. And

so, the money just started coming in."

The diseased portion of Joey's femur was replaced with a cadaver bone. He endured months of chemotherapy but is now finished with his treatments and is in remission. Today he is a normal 10-year old, who still goes to physical therapy three times a week to help strengthen his leg and reduce his limp.

This year "Joey's Team — Bald is Beautiful" raised more than \$60,000. Seven executives from NAMIC's home office in Indianapolis and two from its Washington, D.C., office shaved their heads at this year's St. Baldrick's event. Chuck Chamness

was part of the home office team and all of his four children, Joey, Robbie, Charlie and Sally, also shaved their heads. Joey's school, St. Thomas Aquinas, sponsored its own event for the first time and shaved more than 40 heads to raise \$22,000.

"I've spent my career in the non-profit world and I've never known such a dedicated or hard-working group," said Kathleen Ruddy, executive director of the St. Baldrick's Foundation. "And I've never heard of an industry that has united behind one cause the way the insurance world has come to bat for children with cancer," she added. ■

SERVING TOGETHER

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additional 5,000 comfort care kits were prepared for transportation to other locations.

When flooding from Hurricane Ivan devastated Pennsylvania, North Carolina, Ohio, Tennessee and West Virginia in 2004, Serving Together volunteers were also on the scene. With most of the local Red Cross volunteers helping repair Hurricane Ivan's damage, the Parkersburg, West Virginia, chapter needed volunteers to help the area's NBC affiliate television, WTAP, collect donations for flood victims. Erie Insurance/American Red Cross Volunteer Network members pitched in.

"Even the employees who couldn't volunteer helped out," observed Erie Insurance Parkersburg office coordinator Rosa Braham. "They covered the desks of the volunteers and kept everything running smoothly in their absence." In just two days, nearly \$11,500 was raised.

In 2001, barely a year after the creation of the Erie Insurance/American Red Cross partnership, came the terrorist attacks of 9/11. Thanks to the formation of Serving Together, some of the first volunteers who stepped forward to help in the wake of this tragedy were members of the Erie Insurance/American Red Cross Volunteer Network.

In Johnstown, Pennsylvania, for example, Erie Insurance employees working minutes away from the location of the downed plane in Somerset rallied to staff the local blood bank.

Serving Together volunteers in New York were just as quick to spring into action. In Rochester alone, phone bank volunteers helped the American Red Cross raise more than \$1.5 million in disaster relief funds.

"The original hopes we had for the Erie Insurance/American Red Cross Volunteer Network have far exceeded our expectations," said Executive Director John Fuhrmann, Erie County Chapter of the American Red Cross, instrumental in the for-

malization of the partnership with the national organization of the American Red Cross.

"Erie Insurance's support on the local and national level through the nationally recognized Serving Together partnership epitomizes meaningful corporate leadership, commitment and proactive community involvement," Fuhrmann continued.

Karen Kraus Phillips, vice president & manager, corporate communications and investor relations, Erie Insurance, who first envisioned this mutually beneficial relationship, is just as pleased with the accomplishments of the partnership.

"Serving Together parallels our company mission, extending our promise of service through our association with the American Red Cross," she said.

"Whether distributing disaster education information, assembling comfort care kits for disaster relief or wrapping holiday gifts for families in need, our Serving Together volunteers give of themselves to make life better for others," she added. ■