"It doesn't cost anything to give cheerful, prompt and good service to people."
–F.W. Hirt

# THE Bulletin

4,260th Week | ERIE "App" A Week Club | April 3, 2013

## This Week@ERIE

In the April 2 issue of *This Week@ERIE*, read these stories:

- **Get Helpful Hints for ERIE LifeSense®**
- **Illinois Workers' Comp Rate Change**
- **iPipeline System Update Scheduled**

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Above all in SERVICE℠

## By the Numbers

**50**

**The number of Pittsburgh Branch Agents who participated in the Pittsburgh International Auto Show. See back page for full story.**

# Spring Meetings Open the Door to ERIE-Agent Exchanges

This week we kick off ERIE's 2013 Branch Recognition Meetings. These events are ERIE's chance to thank you for your hard work and celebrate all that we've accomplished together. They are also a great forum to ask questions of ERIE's top leaders and share your feedback.

Yesterday we met with our Tennessee Agents. Tomorrow, we'll give the floor to Agents in Wisconsin and Illinois. Over the next two months, Agents across our footprint will take part in similar meetings. We want—and highly value—the candid input you share at these events. What we hear from our Agents eases the way to better working relationships.

This includes the conversations we recently had with the Agent task forces. About a week ago, we wrapped up our spring meetings. At those sessions, we welcomed many new representatives and enjoyed healthy dialogue, and some debate, on issues of mutual importance. Inside this issue, you'll find the highlights of those discussions.

I had the privilege of attending all five task force meetings. While listening to the feedback and suggestions brought forward, it was clear that your task force representatives continue to take their roles seriously. They were there as independent business owners—and as spokespersons for the Agents in your branch.

At ERIE, we recognize the importance of our role as well. That includes helping task force members share meeting outcomes with you. For this reason, we're giving our branch managers better tools to help facilitate that dialogue. All of our branch managers will reach out to task force Agents in the coming weeks. Together, they'll coordinate a report out to Agents throughout ERIE's territories. As a result, you can expect greater task force communication and consistency in that communication, in every state.

*Lou Colaizzo, senior vice president, Sales and Agency*

It's our goal to bring greater visibility and transparency to these exchanges. Publishing the summaries in *The Bulletin*—which we began with the Combined Task Force special issue on January 30—is part of that commitment. You can expect a similar approach following our summer task force meetings, which begin July 23 and conclude August 15.

Our theme for this year's Branch Recognition Meetings is again "open door." However, this policy doesn't just apply to a series of meetings in the spring. It's our desire that every Agent have the chance to share ideas and voice their concerns year in, year out. We look forward to these continued exchanges. ■

# The Product Corner

*ERIE LifeSense®*

ERIE LifeSense is an internet-based, point-of-sale term product sold much like an auto or home policy—with no medical exams and real time underwriting. Qualified applicants receive an approval decision in about 15 minutes.

## What is it?

ERIE LifeSense is a 5-, 10-, 15- or 20-year term policy with a face amount between $10,000 and $90,000 that features:

- A streamlined, e-based application system that takes about 15 minutes.
- Few medical questions and no medical exams.
- Automated underwriting that works while you complete the application
- e-Signature technology—Customers click to sign! This product offers the potential for your Customer to walk out of your office with immediate proof of coverage.

## Who can sell it?

Principals, producers and customer service representatives who are licensed to sell life insurance. They only have to fill out an easy online quote and application—while the system does the work. ERIE even offers automatic bank account withdrawal so the initial premium can be drafted at the same time the policy is issued and mailed. Training materials are available online and we strongly encourage all Agents and CSRs to complete the training before using ERIE LifeSense. While the system is very intuitive, there are a few important tips that will ensure the process flows smoothly.

## Good to know:

Currently Erie Family Life is offering Agents two links: a test "practice" system and a live "production" system. The test system is provided so you can practice and become comfortable with the ERIE LifeSense process. Because the automated underwriting system interacts with national databases during the application process, it is very important that test data is **never** entered into the LifeSense production system.

## Who can use it?

ERIE LifeSense is perfect for your Customers without a major health history who need a small term policy to cover short-term debts or loans. In addition, Agents are finding that it's a great way to start the conversation about life insurance with their Customers. What begins as an ERIE LifeSense sale often turns into an up-sell opportunity for a larger life policy.

## How to market:

Visit My Marketing 2.0 for a current list of marketing pieces to promote ERIE LifeSense® to your Customers.

**AC205**

# Band of Employees Preparing for Battle

This summer, Erie Insurance will be represented in *Fortune* magazine's Battle of the Corporate Bands. "Cover Story," a classic rock band made up of five ERIE Employees, is one of just 20 corporate bands to make it to regional competition.

They will play in the regional show July 13 in Nashville at "The 5 Spot." From there, eight bands—six finalists and two wild cards—will earn the right to compete at Cleveland's Rock and Roll Hall of Fame in September. ■

For more information, you can "like" Cover Story's Facebook® page.

**Left to right: Employees Billy Stiles, Paul Bittner, Sonia Esfahbodirad, Matt Myers and Paul Borden make up the band "Cover Story."**

# Five Tips on Thriving in a Limited Market

**Brad Van Vleet**

**Eric Van Vleet**

**Agency:** Van Vleet Insurance Agency in Richmond, Ind.

**What they're doing:** Promoting a solid referral program, hiring ambitious producers, and making the most of a new, high-profile location.

**What's the benefit:** An 88.4 percent retention rate, a 75 percent referral conversion rate and a steady stream of new leads.

Van Vleet Insurance is on the move. For starters, the 32-year-old agency in the small "Rust Belt" city of Richmond, Ind., (population 38,000) recently moved from a two-story home converted into an office with a finished attic in a quiet part of town to a former bank on its Main Street.

But **Eric** and **Brad Van Vleet**, the father-son team that serve as the agency's principal Agents, are banking on more than their new location to grow the agency. Here are a few of their tried-and-true tips to attract and retain Customers in a small market.

- **Ramp up your referrals.** Referrals are the lifeblood of Van Vleet's growth efforts: They're always asking for them, and one of the most prominent links on their website invites visitors to join their "referral club." The agency spent $1,240 on gift cards last year—which was worth every penny considering the fact that they write business for three out of every four referrals they receive.

"We also hold an annual "Beer and Brats" VIP referral party at a local minor league baseball game," says Eric. "We also share which Customers made referrals at our monthly sales meeting. This way, employees can thank any customers they see out in the community."

- **Hire young, ambitious employees and train them.** Six of the agency's 11 staffers are under 35, and most came to the agency with no insurance experience. Eric says this "youth movement" has revolutionized their business.

"They're all fantastic. And it's good that they didn't come to us with bad habits acquired from other agencies," says Eric. To get new hires up to speed, the agency offers many kinds of training. "We have them shadow more experienced employees one-on-one and take advantage of any training programs offered by our DSM, branch office and the Independent Agents & Brokers of America," says Brad. "We also do evaluations at the three- and six-month marks."

- **Take marketing seriously.** Brad's wife Kelly serves as the agency's part-time marketing director, a role that Brad, Eric and District Sales Manager **Rachel White** call essential. "Marketing isn't something Van Vleet does occasionally—it's high on the priority list and is an integral part of the agency's identity and brand," says Rachel.

In addition to managing the referral program, coordinating traditional print advertisement opportunities and measuring the return on various marketing activities, Kelly also awards dozens of sponsorships every year (special preference is given to their Customers' favorite charities) and sends out a quarterly newsletter.

- **Choose the right location and invest in it.** Van Vleet says its new Main Street location is generating more walk-in inquiries and increases the agency's visibility. Eric and Brad also make the most of the bank's unique features: They've moved the reception area into a light-filled atrium, filled the open space with plants and repurposed the drive-in as a way for Customers to make quick payments and sign policies. (Lollipops for kids and bones for dogs are still included.)

The agency also added a glass-walled conference room that boasts a large-screen projection unit. "It lets us project a Customer's policy on the screen so we can scroll through everything together," says Eric. As a finishing touch, the agency redesigned their logo and invested in a new sign.

One of Van Vleet's goals for 2013 was getting a new producer who speaks Spanish. In January, **Michael Elorreaga** was hired and he's proving to be a major asset to the agency because of the growing Hispanic population. "Other than that, we want to continue to grow," sums up Brad. ■

**The VanVleet team (left to right): Val Huffman, Marcia Stroud, Eric Van Vleet, Michael Elorreaga, Christina Martin, Kyle Zajdel, Mary Lou Runnels, Brad Van Vleet and Michelle Ledgerwood. Not pictured, Marketing Director Kelly Van Vleet.**

## New ERIE Agents

Welcome to ERIE's newest Agents:

### Columbus

**Brett Buechner**
BIG Agency /Buechner Insurance Agency
Milford, Ohio

### Indiana

**Theodore Karas**
Karas Insurance Services
Crown Point, Ind.

### New York

**Nicole Johns**
Nicole C Johns
Dobbs Ferry, N.Y.

### Tennessee

**Joel Mosby**
Mosby Insurance
Memphis, Tenn.

**William Shelton**
Insurance Specialists of the South
Knoxville, Tenn. ■

## *Need to Know for...*

### My Marketing 2.0

ERIE brings you helpful tips, reminders and answers to FAQs about ERIE's new My Marketing 2.0 system.

### Enhancements Coming Next Week

Starting next week, you'll learn about many new data, functionality and creative updates that will make it even easier—and more effective—to use My Marketing 2.0.

Brand-new features, many of which were requested by ERIE Agents, include the ability to purchase prospect data, access Commercial customer data, post-date mailings and much more.

Watch your email next Monday, April 8, for more details on the new, expanded My Marketing 2.0. ■

# Agents in the News

- **DRIVING AWARENESS AT THE PITTSBURGH AUTO SHOW**—Erie Insurance is a platinum sponsor of the Greater Pittsburgh Automobile Dealers Association and for the second year in a row was the "Official Insurance Company" of the Pittsburgh International Auto Show. The annual show was held Feb. 15–18 at the David Lawrence Convention Center in the heart of Pittsburgh, Pa. Platinum sponsorship garnered advantageous exposure of the ERIE brand on the auto show's official website, radio and television advertising of the event as well as a prime location for ERIE on the auto show floor.

**Potential ERIE Customers lined up to "Unlock A Prize" at ERIE's display during the Pittsburgh International Auto Show in February.**

More than 50,000 people attended the family-friendly event that included more than 500 vehicles on display, celebrity performances, childrens' events and television and radio personality appearances.

More than 50 Agents from 25 Pittsburgh Branch agencies represented ERIE during the show. Agent **Jennifer Nolfi O'Connell**, with Thomas A. Nolfi in Moon Township, Pa., was among them.

"ERIE sponsoring the show gave us a great position on the show floor," said Jennifer. "Participating was well worth the time spent because it raises ERIE awareness and helps with retention by being so visible. Besides that, it's fun. This was my second year helping at the show and I would definitely do it again.

ERIE hosted an "Unlock a Prize" promotion that attracted many visitors to the Erie Insurance display where Agents, Employees and the ERIE sprinter van were on hand to promote the company. Show visitors could learn about ERIE Rate Lock® and get a key to try their luck at unlocking a padlock that might net them prizes like Penguins hockey tickets, digital cameras, Kindle Fires or Apple iPad Minis.® Additionally, people who registered and were seen sporting an ERIE sticker while browsing the auto show could win prizes from ERIE spotters.

"The spotter contest was a unique way to provide a second chance to win and extend the interaction with prospective Customers," said **Megan Euston**, marketing communications consultant, who coordinated ERIE's presence at the show. "Overall, the prize giveaways and sponsorship of the show gave ERIE tremendous exposure. Plus the Agents saw current Customers and obtained sales leads from the prize entry information." ■

**Agent Ted Lanyi of Lanyi Insurance Agency and Agent Jennifer Nolfi O'Connell of Thomas A. Nolfi (both wearing Seriously Good ERIE t-shirts) explained ERIE Rate Lock® features and registered guests for the "Unlock A Prize" promotion at the Pittsburgh International Auto Show.**

Have news to share? Tell us about it! E-mail *The Bulletin* editor at: *tara.maciulewicz@erieinsurance.com.*

# Spring 2013 Task Force Meetings: Priorities and Discussion

Each of the five task forces met individually during the weeks of March 11 and March 18. During their discussions, the task forces reinforced their priorities for 2013 and covered other topics of mutual importance to ERIE and its Agents. The following are highlights from each task force. Full meeting reports are available on *agentexchange.com*.

## Personal Lines Task Force

### Top priorities for the task force in 2013:

- **Continued DSpro® Web Rollout**—The continued DSpro Web rollout will include quoting and binding ability for auto, home, umbrella, and boat in all states. The team is also working on Agent-identified system enhancements such as Bank list, Pay My Bill Prefill, e-Signature and Term life quoting.
- **Deliver Top Personal Lines Initiatives,** including automation of auto enhancement endorsement in one state.
- **Research New/Refreshed Products,** including PCL, Toys and Miscellaneous Vehicles, and Flexible Auto Plan.

### The top topics the task force discussed at the recent meeting:

- **ErieSecure℠ Surcharging**—ERIE agreed to re-evaluate the program's surcharge procedure, including the potential for existing Customers with multiple policies to only receive surcharges on policies with a claim.
- **Account Underwriting**—The goals of the account underwriting score are prioritization of underwriter attention, expanding our underwriting appetite for low-scored business, and shifting underwriter attention from auto to home.
- **Claims Renewal Initiatives**—The Claims team is implementing Construction Connection, a form of ERIE's Direct Repair Program (DRP) for homes, as well as determining a first notice of loss approach for auto and other than auto in 2013.
- **Customer Service Initiatives**—The March DSpro release provided many Agent-identified billing enhancements including Account Billing Summary Tab redesign and prior term balances displayed on the Accounting Tab.

## Commercial Task Force

### Top priorities for the task force in 2013:

- **Improving C-LION is Top Priority**—Releases planned for late March and June to deliver incremental improvements to the user experience. Core Upgrade will provide performance improvements and allow more flexibility in screen design.
- **Product Upgrades**—Ultrapack Plus℠ and Ultraflex℠ property and liability coverage part improvements, Data Compromise for Ultraflex, and a new Commercial Auto amendatory endorsement will be introduced in 2013.
- **Pricing Sophistication**—Enhancements to Tier Rating and other pricing variables are being planned.
- **Quote Tracking**—A new quote tracking system will soon be implemented to identify two Agents quoting the same account, provide enhanced hit ratio metrics and enable capacity planning.
- **Agency Renewal Review**—A monthly review between Agents and Underwriters of renewal policies to manage pricing adequacy and IRPMs prior to renewal is being piloted.

### The top topics the task force discussed at the recent meeting:

- **Premium Audits**—Agents requested notice of audit changes before they are processed. A pilot is under way to provide Agents and underwriters 10 days prior notice of changes.
- **Billing**—Agents were receptive to the upcoming billing enhancements. Additional suggestions included redesigning the account billing invoice to be more concise, adding the location address to the bill, online account setup, etc.
- **Improved Communication**—Agents supported the new Commercial Initiatives list that will be updated monthly for task force members and the new focus group meetings that provide more in-depth information on specific topics, such as claims, billing, rate indications, etc.
- **New Growth Subcommittee**—A new Commercial Task Force subcommittee will be formed to focus on growth and marketing opportunities in each of our states.

## Life Task Force

### Top priorities for the task force in 2013:

- **Life Integration into DSpro Web**—Task force members provided a "wish list" of functionality for discussion with Personal Lines.
- **Agent Web Portal Enhancements** have been prioritized by the Life Task Force, and Erie Family Life will evaluate the final rankings—prioritizing according to value to Agents, cost and time commitments. Progress will be reported to the LTF.
- **Ease of Doing Business System Enhancements**—EFL is on schedule to present Agents with e-Ticket Tele-app, e-Policy & e-Document Delivery, and the placement of more products on the IGO e-application platform.

**Continued**

# Spring 2013 Task Force Meetings
**Continued**

### Additional topics the task force discussed at the recent meeting:

- The Product Subcommittee held its first meeting right before the Life Task Force Meeting. The subcommittee will provide input and feedback to EFL as we develop a product roadmap that includes underwriting criteria.
- EFL will review the competitiveness of the term product, with special focus on face amounts above $500,000.
- EFL will investigate additional ways to expand the reach of ERIE LifeSense®, including the potential to develop a Customer version that would be available on an Agent's website.

## Marketing Task Force

Strategic Marketing's top priorities are digital enablement for Agents, creating brand awareness for ERIE and its Agents, and helping them better and more easily market to targeted consumers and businesses.

### Top three priorities for the task force in 2013:

- Prioritize and implement My Marketing 2.0 enhancements.
- Develop more turnkey marketing programs for Agents.
- Continue to improve Agent participation, engagement and marketing success.

### The top priorities for the task force in 2013 are aligned with these goals:

- My Marketing 2.0—In early April, ERIE will launch new features such as e-newsletters, a PCL/no PCL filter on personal lines Customers, commercial Customer data and the ability to purchase PL prospect leads. The task force is assisting with the prioritization of future enhancements with a focus on turnkey programs.
- GoLocal/Shared Media Buys Update—ERIE and its Agents are seeing positive results from both programs, which continue to expand and improve ERIE's total brand reach within our geographic footprint. The 2013 GoLocal plan includes the current six markets—Pittsburgh, Indianapolis, Richmond, Milwaukee, Nashville and Columbus—and eight additional contiguous markets. The shared buys program was expanded to 28 markets in 2013 and is expected to be an option for Agents again in 2014.
- Local Search Marketing—A growing number of consumers of all ages and in all areas go online before purchasing locally. In response, ERIE is engaging a new vendor to provide Agents with customized Yellow Page recommendations, including circulation data, usage and target demographics. Details will be available this spring. Services will expand this summer to include getting listed in local online search engines for a low, annual fee.
- Agent Engagement Scorecard—Task force members and branch personnel received an Agent Marketing Engagement branch scorecard at the meeting. The scorecard show the numbers of Agents in each branch that are participating in activities such as shared buys, EZ Greetings and the car wrap program.

## Technology Task Force

### Top priorities for the task force in 2013:

- DSpro Web—ErieSecure℠ rollout thru Q4, PCL rollout in Q3, and Pay My Bill improvements & Bank list phase 1 in April.
- C-LION—Completed the architecture review and delivered a late March release. Plans for 2013 include a June user experience release, Core Upgrade and expanding team capabilities.
- Billing—Enhanced Account Billing Summary to include real-time billing information and Policy Inquiry (for single-bill policies) to include prior term balances and EFT data.
- e-Signature—Currently in pre-pilot with three agencies using DSpro. Adding 15 agencies throughout our footprint in the next month. Targeting DSpro Web pilot in Q4.

### The top topics the task force discussed at the recent meeting:

- Leadership Development—Continued investment in leadership and IT team member development. **Keith Kennedy** appointed SVP, Strategic and Integrated Services.
- New Subcommittees—Established Billing, e-Signature, and Process subcommittees.
- Pilot Third Party Hosting for DSpro®—Two pilots completed; a second set of Agents will pilot running their entire office through a third-party, cloud-based solution.
- Information Security and what ERIE is doing to secure applications and data. A resource will be posted on *agentexchange.com* to assist Agents.■