

MINUTES OF THE 1985 ANNUAL MEETING

November 10–12, 1985

WESTIN CROWN CENTER, KANSAS CITY, MISSOURI

Sunday, November 10, 1985

The Board of Directors held their regular quarterly meeting from 1:00 p.m. to 4:00 p.m.

Registration was held from 4:00 p.m. to 6:30 p.m.

The Officers hosted a reception for new Fellows and their spouses from 5:30 p.m. to 6:30 p.m.

A general reception for all members and guests was held from 6:30 to 7:30 p.m.

Monday, November 11, 1985

Registration continued from 7:30 a.m. to 8:30 a.m.

President C. K. Khury opened the meeting at 8:30 a.m. He introduced Fletcher Bell, Kansas Commissioner of Insurance, who welcomed the membership to Kansas City.

Mr. Khury then announced the results of the elections of Officers and Directors:

President-Elect

Michael A. Walters

Directors

James R. Berquist

Charles F. Cook

David P. Flynn

Mavis A. Walters

Herbert J. Phillips was appointed by the Board of Directors to fill the remaining term of Michael Fusco, who resigned to take a position on the Executive Council.

Mr. Khury recognized the nine new Associates and presented diplomas to the twenty-eight new Fellows, who were introduced by Mr. Wayne Fisher, Vice President—Membership. The names of these individuals follow.

FELLOWS

Steven D. Basson	Gregory S. Grace	Gail A. Mendelssohn
Kevin H. Bursley	Ronald E. Greco	William S. Morgan
John E. Captain	Jonathan B. Hale	E. Toni Mulder
Joel S. Chansky	Jeffrey L. Hanson	John C. Narvell
Ross A. Currie	Gayle E. Haskell	Andre Normandin
Linda A. Dembiec	Timothy T. Hein	Robert L. Sanders
Claude Desilets	Kenneth J. Hoppe	Harvey A. Sherman
Robert V. Deutsch	Robert S. Kaplan	Jerome J. Siewert
Brian Duffy	Jeffrey H. Mayer	Joanne S. Spalla
N. Paul Dyck		

ASSOCIATES

Janet B. Dezube	Jeffrey R. Jordan	Sharon A. Mair
Scott H. Dodge	Robert S. Kaplan	Roger A. Yard
Steven B. Goldberg	Andrew E. Kudera	Mark A. Yunque

Mr. Khury then introduced Mr. George Morison, a past President of the Society, who addressed the new Fellows concerning their professional responsibilities.

Mr. Charles A. Bryan summarized the three new *Proceedings* papers. Paul Braithwaite delivered a review of James E. Buck's paper, "On Stein Estimators: 'Inadmissibility' of Admissibility as a Criterion for Selecting Estimators."

Mr. Khury concluded the Business Session at 9:30 a.m. and introduced the Keynote speaker, Mr. William A. Sherden, Vice President, Temple, Barker & Sloane, Inc., who spoke on "The Search for Competitive Advantage."

The remainder of the morning was devoted to concurrent sessions, consisting of four General Attendance Workshops, a Limited Attendance Workshop, a workshop presentation by the Committee on Ratemaking Principles, and three new *Proceedings* Papers.

The General Attendance Workshops are listed below.

1. "Are Auto Residual Market Mechanisms Effective?"
John Corbley—*Moderator*
President
AIPSO

Gary Grant
Actuary
State Farm Mutual Automobile Insurance Company

Michael A. LaMonica
Actuary
Allstate Insurance Company
2. "State-Of-The-Art Personal Auto Pricing Techniques"
Charles A. Bryan—*Moderator*
Senior Vice President, Actuary
USAA

Kyleen Knilans
Director, Personal Auto Pricing
Nationwide

Robert T. Muleski
Associate Actuary
Liberty Mutual

Glenn M. Walker
Associate Actuary
GEICO
3. "The Practical Implications of Insurer Insolvency"
David G. Hartman—*Moderator*
Vice President and Actuary
Chubb Group

James E. Gustafson
Senior Vice President
General Reinsurance Corporation

Richard Heydinger
Director of Risk Management
Hallmark Cards, Inc.

Chris Milton
Vice President
AIG Reinsurance

4. "Controlling Legal Expenses by Rebuilding the Courthouse Steps"

Patrick J. Grannan—*Moderator*
Consulting Actuary
Milliman & Robertson, Inc.

Jerome Wolf
Spencer, Fane, Britt and Browne

Deborah R. Hensler
Senior Social Scientist
The Rand Corporation

The Limited Attendance Workshop was

"The Insurer's Market Identity Crisis"

William A. Sherden—*Moderator*
Vice President
Temple, Barker & Sloane, Inc.

The Committee on Ratemaking Principles workshop was an "Open Discussion on a Statement of Ratemaking Principles." The session provided an open forum for the review and discussion of the Committee's first draft of a Statement.

The three new *Proceedings* papers are listed below:

"An Analysis of Experience Rating"

Author: Glenn G. Meyers
University of Iowa

"The Valuation of an Insurance Company for an Acquisition Involving a Section 338 Tax Election"

Authors: Orin M. Linden, James A. Hall, III, Stephen Gerard,
Michael Heitz
Coopers & Lybrand

"An Introduction to Underwriting Profit Models"

Author: Howard C. Mahler
Massachusetts Rating Bureaus

Lunch was served from 12:15 p.m. to 2:00 p.m. Mr. Jake P. Mascotte, Chief Executive Officer of the Continental Corporation, delivered a luncheon address on the dual topics of negligence law reform and capacity management to smooth out cycles. He also offered his thoughts on four key elements of defining a competitive strategy.

The remainder of the afternoon was devoted to a continuation of the concurrent sessions.

The President's Reception was held from 6:30 p.m. to 7:30 p.m.

Tuesday, November 12, 1985

Mr. Khury reconvened the Business session at 9:00 a.m. Mr. Lewis H. Roberts presented the Woodward-Fondiller prize to Mr. Glenn Meyers for his paper "Empirical Bayesian Credibility for Workers' Compensation Classification Ratemaking." Mr. Charles A. Bryan presented the Dorweiller prize to Mr. James Stanard for his paper "A Simulation Test of Prediction Errors of Loss Reserve Estimation Techniques."

Mr. Herbert J. Phillips presented the report of the Vice President—Administration.

Mr. Khury then delivered his Presidential Address.

A panel on "Competitive Strategy" followed. The participants were:

Charles F. Cook—*Moderator*
President and Chief Executive Officer
American Universal Insurance Company

Dennis E. Hoffman
President
John Deere Insurance Group

Geoffrey Furtney
Secretary
The Hartford Insurance Group

Edward R. Kuby
Vice President, Product Marketing
Allstate Insurance Company

Richard G. Taylor
President
Independent Insurance Agents of America

The meeting adjourned at 11:45 a.m.

In attendance as indicated by registration records were 146 Fellows; 64 Associates; and 21 guests, students, and subscribers.

FELLOWS

Asch, N. E.	Dean, C. G.	Heersink, A. H.
Bass, I. K.	Degerness, J. A.	Hein, T. T.
Basson, S. D.	Dembiec, L. A.	Hoffmann, D. E.
Barrette, R.	Desilets, C.	Hoppe, K. J.
Baum, E. J.	Deutsch, R. V.	Hunt, F. J., Jr.
Beer, A. J.	Dolan, M. C.	Jean, R. W.
Bell, L. L.	Donaldson, J. P.	Jerabek, G. J.
Bensimon, A. S.	Drobisch, M. R.	John, R. T.
Ben-Zvi, P. N.	Dropkin, L. B.	Kaplan, R. S.
Berquist, J. R.	Duffy, B.	Karlinski, F. J., III
Bill, R. A.	Dyck, N. P.	Khury, C. K.
Biondi, R. S.	Egnasko, V. M.	Kist, F. O.
Blanchard, R. S., III	Eland, D. D.	Knilans, K.
Bland, W. H.	Eliason, E. B.	Kollar, J. J.
Boone, J. P.	Fisher, R. S.	Kucera, J. L.
Bornhuetter, R. L.	Fisher, W. H.	LaMonica, M. A.
Bowen, D. S.	Flynn, D. P.	LaRose, J. G.
Bradshaw, J. G., Jr.	Foster, R. B.	Lehman, M. R.
Braithwaite, P.	Furst, P. A.	Lehmann, S. G.
Brooks, D. L.	Fusco, M.	Leimkuhler, U. E., Jr.
Bryan, C. A.	Gannon, A. H.	Levin, J. W.
Bursley, K. H.	Gleeson, O. M.	Lino, R. A.
Camp, J. H.	Gorvett, K. P.	Lowe, R. F.
Captain, J. E.	Grace, G. S.	Lyle, A. C.
Carpenter, T. S.	Grady, D. J.	MacGinnitie, W. J.
Chansky, J. S.	Grannan, P. J.	Mahler, H. C.
Childs, D. M.	Grant, G.	Makgill, S. S.
Cie zadlo, G. J.	Greco, R. E.	Masterson, N. E.
Conger, R. F.	Haffling, D. N.	Mayer, J. H.
Connors, J. B.	Hallstrom R. C.	Mendelssohn, G. A.
Cook, C. F.	Haner, W. J.	Meyer, R. E.
Currie, R. A.	Hartman, D. G.	Meyers, G. G.
Dahlquist, R. A.	Heer, E. L.	Miller, M. J.

FELLOWS

Mohl, F. J.	Renze, D. E.	Tresco, F. J.
Moore, P. S.	Roberts, L. H.	Tuttle, J. E.
Morison, G. D.	Rodermund, M.	Van Ark, W. R.
Mulder, E. T.	Ryan, K. M.	Van Slyke, O. E.
Muleski, R. T.	Sanders, R. L.	Walker, G. M.
Murdza, P. J., Jr.	Sherman, H. A.	Walker, R. D.
Muza, J. J.	Shoop, E. C.	Walters, M. A.
Myers, N. R.	Skurnick, D.	Walters, M. A.
Narvell, J. C.	Smith, L. M.	Weimer, W. F.
Newlin, P. R.	Snader, R. H.	Weller, A. O.
Niles, C. L., Jr.	Spalla, J. S.	Wilson, J. C.
Normandin, A.	Stephenson, E. A.	Wilson, R. L.
O'Connell, P. G.	Streff, J. P.	Wiseman, M. L.
O'Neil, M. L.	Tatge, R. L.	Woods, P. B.
Otteson, P. M.	Tiller, M. W.	Wulterkens, P. E.
Phillips, H. J.	Tom, D. P.	

ASSOCIATES

Andler, J. A.	Gould, D. E.	Napierski, J. D.
Austin, J. P.	Harwood, C. B.	Nelson, J. K.
Bailey, V. M.	Henry, T. A.	Ogden, D. F.
Cadorine, A. R.	Jensen, J. P.	Pelletier, C. A.
Chorpita, F. M.	Jordan, J. R.	Penniman, K. T.
Cimini, E. D., Jr.	Kelly, M. K.	Peterson, S. J.
Clark, D. G.	Klawitter, W. A.	Port, R. D.
Cohen, A. I.	Kolk, S. L.	Potts, C. M.
Connor, V. P.	Koupf, G. I.	Ratnaswamy, R.
Crifo, D. A.	Kudera, A. E.	Rice, W. V.
Dezube, J. B.	Leo, C. J.	Rudduck, G. A.
Dodge, S. H.	Licht, P. M., Sr.	Sansevero, M., Jr.
Dornfeld, J. L.	Lis, R. S., Jr.	Schulman, J.
Eagelfeld, H. M.	Loper, D. J.	Schultheiss, P. J.
Edie, G. M.	Mair, S. A.	Smith, B. W.
Einck, N. R.	McDaniel, G. P.	Stroud, R. A.
Galiley, B. J.	Mokros, B. F.	Terrill, K. W.
Gapp, S.	Mozeika, J. K.	Townsend, C. J.
Goldberg, S. B.	Murphy, W. F.	Tucker, W. B.

ASSOCIATES

Waldman, R. H.
Whatley, M. W.
White, C. S.

Yard, R. A.
Yatskowitz, J. D.

Yau, M. W.
Yunque, M. A.

GUESTS-SUBSCRIBERS-STUDENTS

Armstrong, S. H.
Bradley, S.
Carpenter, J. G.
Colver, C. F.
Colvin, S. P.
Comstock, S.
Demarlie, G.

Didonato, A. M.
Dunn, J. T.
Farwell, R. A.
Furtney, G.
Graves, G. G.
Johnson, J. E.
Johnston, S. J.

Natte, B.
Peck, S.
Schmidt, L.
Smith, D. A.
Stenmark, J. A.
Sterk, J.
Wilson, G. S.