

Seminar on Reinsurance

June 5-6, 2023

*Westin Philadelphia
Philadelphia, PA*

The Emerging Threat of Tech-Enabled Claim Instigation

Joseph Petrelli, Demotech & 4WARN, INC.



- Tech-enabled claim instigation is the confluence of litigation funding, litigation marketing, litigation platforms, and search engine optimization.
- Insurance carriers may no longer be in control of claim frequency, and the severity associated with litigated or contested claims is higher than the average.
- Research pioneered by Demotech lead to the discovery of this nationwide threat.



DISPARATE, DISPROPORTIONATE LITIGATION LEVELS SERVED AS CAMOFLAGUE FOR THE CONFLUENCE OF LITIGATION FINANCING, LITIGATION MARKETING, LITIGATION PLATFORMS AND SEARCH ENGINE OPTIMIZATION

- ▶ Lead to insolvency of multiple insurers



- ▶ Could TV, billboards, and radio be THAT effective?
- ▶ What else would be causing a surge in claims litigation frequencies?

St. John's Insurance Company
New Litigation Counts by Month - Homeowners Insurance - Florida

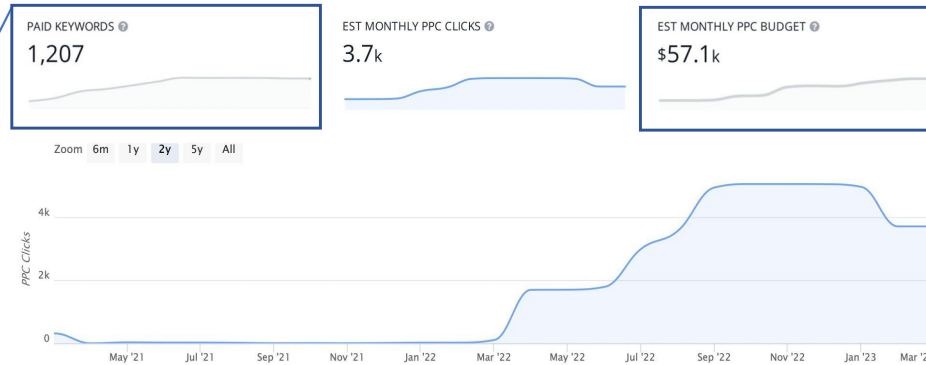
Year	2016	2017	2018	2019	2020	2021
January	6	41	67	110	154	386
February	8	45	84	89	118	426
March	6	63	95	93	112	425
April	11	55	91	109	98	393
May	7	47	101	170	82	351
June	8	48	78	177	106	415
July	1	44	76	162	164	390
August	4	50	112	181	207	205
September	9	30	76	163	273	159
October	39	46	78	183	356	148
November	42	52	111	162	294	119
December	39	48	89	123	376	91
Total	180	569	1058	1722	2340	3508*
Year	2016	2017	2018	2019	2020	2021

Source: Guy Fraker, Crea8tFutures

*Approximate 2021 claims count in California's \$12B HO market. Fifth largest economy in the world.

SEO-DRIVEN LEAD GENERATION

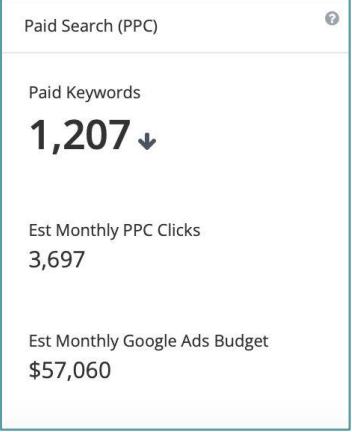
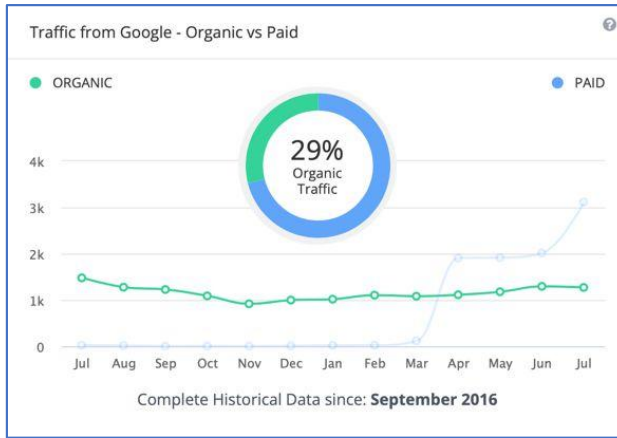
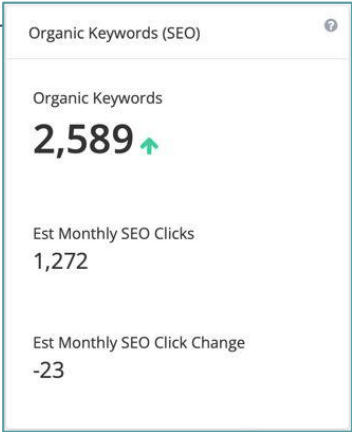
A Single Public Adjustor



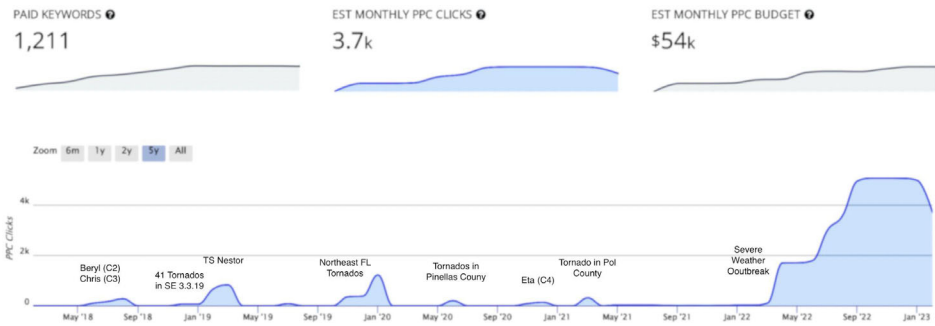
Total # of unique paid keywords. Each time one of these keywords is searched on Google, it shows this domain's ad in one of its paid results.

Estimate of what domain spent in Google Ads during the most recent month. (\$650K+/Yr)

What public adjuster can afford **\$650K** on advertising?



STORM DRIVEN PAID-PER-CLICK (PPC) ACTIVITY – March 2022



Total Keywords: 144 Total Volume: 13.9k

Keyword	Ad Copy	Volume	CPC (B)	Ads	Paid Clicks	Mobile Searches
<input type="checkbox"/> independent insurance brokers near me	\$	2.2k	-	20	5.41%	12.9%
<input type="checkbox"/> omega insurance company	\$	870	\$4.13	5	0%	48.9%
<input type="checkbox"/> wesco insurance company new york	\$	660	-	1	0%	37.3%
<input type="checkbox"/> mobile home insurance in louisiana	\$	570	\$6.09	16	16.1%	82.6%
<input type="checkbox"/> republic group insurance	\$	510	-	3	4%	41%
<input type="checkbox"/> noble public adjusters	\$	510	-	2	-	85.3%
<input type="checkbox"/> insurance adjuster wants to meet in person	\$	460	-	11	0%	74.5%
<input type="checkbox"/> public insurance adjusters near me	\$	440	-	12	-	-
<input type="checkbox"/> hartford insurance agent near me	\$	440	-	1	-	-

PAID KEYWORDS

PAID KEYWORDS
“GO-LIVE” PRIOR TO
NOAA CONFIRMED
STORM PATH.

COMPETITORS

“CORE” KEYWORDS ARE
COVETED BY PAs, LAW
GROUPS, &
CONTRACTORS TO DRIVE
TRAFFIC TO THEM

CONTENT

BLOGS, WEB FORMS,
EMAIL CAMPAIGNS,
BACKLINKING, WEB PAGE
SCHEMA GET PUBLISHED

TARGETING

HIGHLY TARGETED
CARRIERS WILL BE
IDENTIFIED & ENGAGED.
VISIBILITY AND BRAND
TURNED AGAINST YOU.



HOW THEY GET TO YOUR INSURED?

By outranking the insurance company's claims department.

Keyword	Clicks/Mo	Cost/Click	Coverage	Ad
Claims Department	1.33k	\$1.76	8.33%	AD
<div style="border: 1px solid gray; padding: 5px;"><p>HighlightAd Copy Screenshot</p><p>Pays to Hire Public Adjusters - Hurricane Ida Claims Help</p><p>https://www.██████████.com/apply-for-help/hurricane-claim/</p><p>We're the option insurance companies don't want you to know about. Don't settle for less. ██████████ has the industry expertise and resources to get the maximum results on your claim.</p><p>Ad Position: 1 Date: May 2022</p></div>				
united states insurance	15.9	\$11.37	16.7%	AD AD
insurance company in usa	14.1	\$3.80	16.7%	AD AD
Log in to see all results	5.1	\$6.09	25%	AD AD
Log in to see all results	1.13k	\$4.07	8.33%	AD

VIEW FULL GOOGLE ADS HISTORY >

Storm-based Ad-driven sophistication

██████████

Universal North America Insurance Claim

██████████ — When you need to file a **Universal North America Insurance claim**, call 1-866-██████████ according to the timeline published on the company website ...

You've visited this page 2 times. Last visit: 2/7/23

Pays to Hire Public Adjusters - Hurricane Claim Assistance

<https://www.██████████.com/apply-for-help/hurricane-claim/>

Pays to Hire Public Adjusters - Hurricane Claim Assistance

Ad · <https://www.██████████.com/hurricane-claim/gulf-coast/>

Ad · <https://www.██████████.com/hurricane-claim/gulf-coast/>

About this ad

Ad · <https://www.██████████.com/hurricane-claim/gulf-coast/>

We're the option *insurance* companies don't want you to know about. Don't settle for less. ██████████ the industry expertise and resources to get the maximum...

Ad Position: 2 Date: April 2022



NO ONE IS IMMUNE

ONE month of targeting by ONE Law Group

cincinnati insurance claims	1.4k	21 11 ↑
https://www.millerandzois.com/car-accidents		
cincinnati insurance company	2.1k	34 3 ↓
https://www.millerandzois.com/car-accidents		
the cincinnati insurance company	810	36 20 ↑
https://www.millerandzois.com/car-accidents		
cincinnati insurance company address	460	32 2 ↓
https://www.millerandzois.com/car-accidents		
cincinnati insurance companies	360	41 —
https://www.millerandzois.com/car-accidents		
cincinnati life insurance	570	76 1 ↓
https://www.millerandzois.com/car-accidents		
cincinnati insurance customer service	110	20 4 ↑
https://www.millerandzois.com/car-accidents		
cincinnati insurance auto claims	55	19 10 ↑
https://www.millerandzois.com/car-accidents		
cincinnati insurance reviews	180	25 1 ↑
https://www.millerandzois.com/car-accidents		
cincinnati insurance rating	135	37 38 ↑
https://www.millerandzois.com/car-accidents		
cincinnati insurance claims phone numl	135	34 5 ↓
https://www.millerandzois.com/car-accidents		

90+
keywords
to rank for
10,000
searches
per month



Our Team Personal Injury Medical Malpractice Verdicts & Settlements Client Reviews In the Community Contact Us

Over \$100 Million in Settlements and Verdicts

CONTACT US NOW For a Free Consultation

Super Lawyers 10.0 BEST RATING 10.0

Home Personal Injury Car Accidents Insurance Claims & Settlements Cincinnati Insurance Claims and Settlements

Contact Us Free Consultation (800) 553-6902

Name (Required):
Email (Required):
Phone (Optional):

Cincinnati Insurance Claims and Settlements

The Cincinnati Insurance Company was created over sixty years ago. Cincinnati Insurance Company is a property and casualty insurance company headquartered in Fairfield, Ohio, a suburb of Cincinnati. The company was founded in 1950 by four independent insurance agents who saw a need for a company that would provide quality insurance products and personalized service to their clients.

How To Sue Travelers Auto Insurance For Car Accident Injury Settlements

Legally reviewed by Luke G. Egoston April 8, 2022

ON THIS PAGE

Is Travelers Better Than Other Insurance Companies for Policyholders?

Over \$1 billion worth of case results

Awarded Best Law Firm in 2022 by U.S. News & World report

\$42 Million Dollar Jury Verdict: #2 Verdict in the State of Florida in 2016 (Motor Vehicle Case)

\$15 Million Dollar Jury Verdict (Motorcycle Accident Case)

How Does Travelers Handle Your Personal Injury Or Wrongful Death Claim?

Contact Form (Roebig About Your Travelers Auto Insurance Accident Claim)

Get free advice about the compensation you deserve.

Speak to a Specialist!

A car accident attorney becomes necessary when your claim is denied or underpaid. If you've been in a car accident and are dealing with Travelers auto insurance...

ONLINE NOW

Get a free, no-obligation quote. A live, real person is available 24/7 at no obligation.

HARTFORD INSURANCE CLAIMS: HARTFORD PERSONAL INJURY LAWYERS

Personal Injury Lawsuits Against Insurance Companies • Hartford Insurance Claims: Hartford Personal Injury Lawyers

We examined methods using hidden text and "cloaking" from page visitors while letting search engines crawl.

TARGETING EXAMPLES

ONE month of targeting by ONE Law Group = 10,000+

Keyword	Volume	Rank (Change)
travelers insurance personal injury settl 🔗 https://www.millerandzois.com/maryland-travelers-insurance-personal-injury-settlement	110	1 —
traveler insurance 🔗 https://www.millerandzois.com/maryland-traveler-insurance	2.9k	86 3↓
travelers insurance lump sum settlemer 🔗 https://www.millerandzois.com/maryland-travelers-insurance-lump-sum-settlement	28	1 1↑
travelers insurance settlement amounts 🔗 https://www.millerandzois.com/maryland-travelers-insurance-settlement-amounts	30	1 —
travelers insurance claims 🔗 https://www.millerandzois.com/maryland-travelers-insurance-claims	720	37 5↑
travelers insurance workers comp settle 🔗 https://www.millerandzois.com/maryland-travelers-insurance-workers-comp-settlement	200	12 4↑
travelers insurance lawsuit 🔗 https://www.millerandzois.com/maryland-travelers-insurance-lawsuit	65	6 3↑
is travelers insurance good 🔗 https://www.millerandzois.com/maryland-is-travelers-insurance-good	440	46 2↑
travelers insurance claims phone numb 🔗 https://www.millerandzois.com/maryland-travelers-insurance-claims-phone-number	480	42 1↓
travelers insurance jacksonville fl 🔗 https://www.millerandzois.com/maryland-travelers-insurance-jacksonville-fl	100	33 NEW
travelers insurance claim 🔗 https://www.millerandzois.com/maryland-travelers-insurance-claim	135	27 14↑
travelers insurance florida 🔗 https://www.millerandzois.com/maryland-travelers-insurance-florida	320	91 18↓
travelers insurance claim process 🔗 https://www.millerandzois.com/maryland-travelers-insurance-claim-process	90	24 13↑
how good is travelers insurance 🔗 https://www.millerandzois.com/maryland-how-good-is-travelers-insurance	135	38 2↓



WHILE YOU WERE WATCHING IAN'S PATH....

Naples Personal Injury Attorney > Hurricane Ian Insurance Lawyer

HURRICANE IAN INSURANCE LAWYER

If you have suffered a loss due to Hurricane Ian and you do not know where to begin, trust the [REDACTED] to assist you. Dealing with insurance companies can be difficult, frustrating and confusing. Without representation, you might not be fully compensated. Call us at [REDACTED]

Hurricane Ian is one of the most devastating hurricanes to hit the United States. Damages can include broken windows, debris cleanup, flooding, structural damage – your entire roof could have even blown off. Few people realize that you can be compensated for damage caused by hurricanes and other types of natural disasters. Your insurance may or may not provide reimbursement for the necessary repairs.

Homeowners and other property owners are often uninformed about their rights and what to expect after a hurricane. Not having the guidance and knowledge of what is possible for you can allow insurance companies to take advantage. Expert representation from experienced **Hurricane Ian insurance lawyers**, like at our firm, can help you navigate your policy, the claims process, and the law.

How Can We Help File a Claim Dispute?

The Best Public Adjusters in Fort Myers

Get a Free Estimate

This advertisement features a background image of palm trees and a house. The text is overlaid in white and red.

ADVERTISEMENT

Damage from Hurricane IAN? We're here to help you.

REQUEST A FREE QUOTE TODAY ▶

This advertisement shows a damaged roof with missing tiles and a red sign with white text. Below the image is a black box with white text.

Why Is [REDACTED] the Best Lawyer to Help with Hurricane Ian Damage

At [REDACTED] we provide personalized service and attention to our clients, ensuring that they are treated like individuals rather than just numbers.

We understand that every case is unique, and so we tailor our approach to each client's specific needs, rather than offering a one-size-fits-all solution.

If you're looking for quality, individualized service to help with your Hurricane Ian damage claim, contact [REDACTED]

Do You Have Hurricane Ian Damage?

Do not wait on your carrier. Our insurance specialists accelerate the process to get you a full and fair settlement.

As licensed public adjusters, we protect insured property owners and prepare and present their claims after hurricanes, storms, and more.

Our team:

- Is local and the leading public adjusting firm in Florida, specializing in hurricanes.
- Leverages your policy, and handles every step and deadline.
- Accurately documents all hurricane damage and proves it to your carrier.
- Negotiates on your behalf the best possible settlement.

Get Expert Claim Help Today

First Name * Last Name *

Email * Phone *

City * State * Florida

Description of Damage...

Help Me With My Claim

This advertisement has a blue background with white and green text. It includes a list of bullet points and a contact form with a red button.

SCALE OF ENGAGEMENT BY OPPORTUNISTS



VS.

**National
Law Firm**

Average Monthly
Spend on Paid SEO
By International Icons
\$296,000

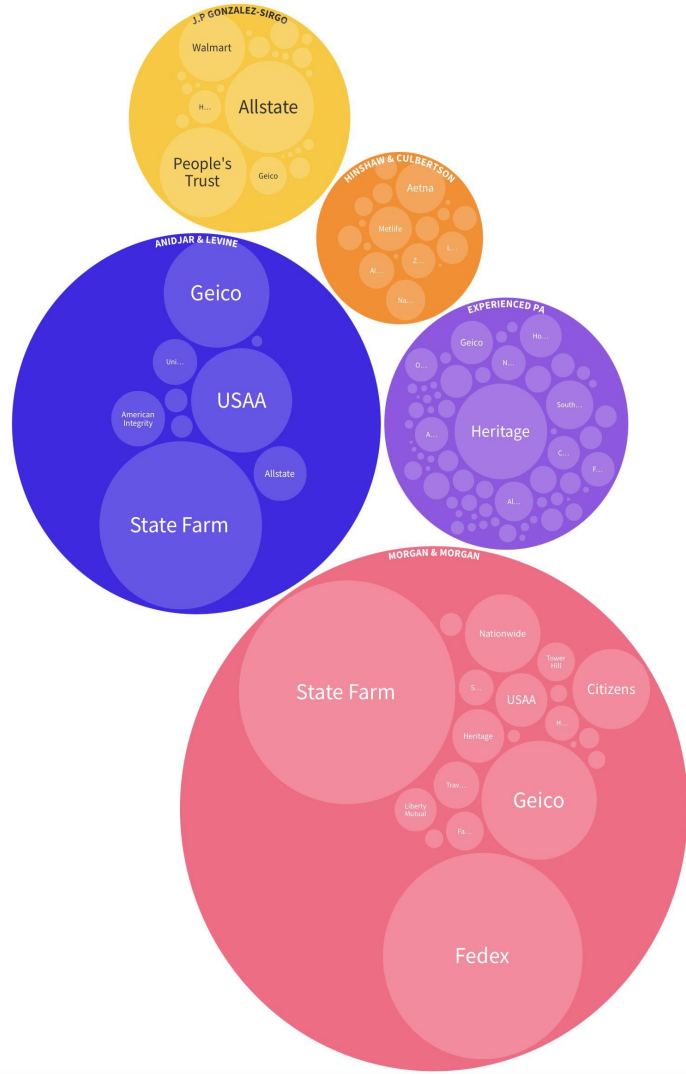
Average Monthly
Spend on Paid SEO
By a Substantial Law Firm
\$861,000

PERSONAL INJURY FIRM (NYC)

2,566 Paid Keywords Monthly Paid Search



4WARN TOPOLISTICS TARGETING ANALYSIS



SCALING CLAIMS LITIGATION

- ▶ Six Florida carriers failed. Reason appears to be a significant increase in new suits at levels exceeding the aggregate new suits brought in entire states!
- ▶ Law groups used Litify and competing litigation platforms to increase suits, in at least one instance a **500% increase in 5 years.**

**From 10 → 400 NEW
litigations/month**

THE NATIONAL LAW JOURNAL

NOVEMBER 15, 2021

An ALM Publication

Inside the 'Google-style' Tech Hub Driving Plaintiffs Firms' Growth

Litigation software has been a "game-changer" for plaintiff firms, revolutionizing how cases are processed and ultimately increasing their bottom line.

BY CHRISTINE SCHIFFNER

What You Need to Know

- Litigation software allows plaintiffs firms to process cases consistently and at scale.
- Investment in legal technology ultimately translates into revenue increases, experts suggest.
- Past legal tech adoption proved key to plaintiffs firms' success during pandemic.

For anyone who has seen Morgan & Morgan's national TV ads, founder John Morgan's stance on law firm growth is clear—size matters and bigger is better for getting clients the best results. But what has enabled much of that growth, Morgan said, is the behind-the-scenes technology that fundamentally changed the way cases were processed in his firm.

Morgan's vision was to build a "Google-style" operation with technology ultimately transforming his company from a law firm to a technology firm. With firm COO Reuven Moskowitz, a separate entity, Litify, was formed in 2016. Five years in, the practice management software has helped Morgan & Morgan and many of its competitors grow their caseloads.

Morgan & Morgan, by the firm's own account, now employs 801 attorneys and almost 3,000 support staff nationwide. Since the introduction of Litify growth has been up 500 percent both in case numbers and total revenue, the firm said without specifying any further.



SCALING CLAIMS LITIGATION

- ▶ Six Florida carriers failed. Reason appears to be a significant increase in new suits at levels exceeding the aggregate new suits brought in entire states!
- ▶ Law groups used **Litify** and competing **litigation** platforms to increase suits, in at least one instance a **500% increase in 5 years.**

From 10 → 400 NEW litigations/month

New Litigation Claim Count of Florida Focused Carriers That Were Litigated to Death

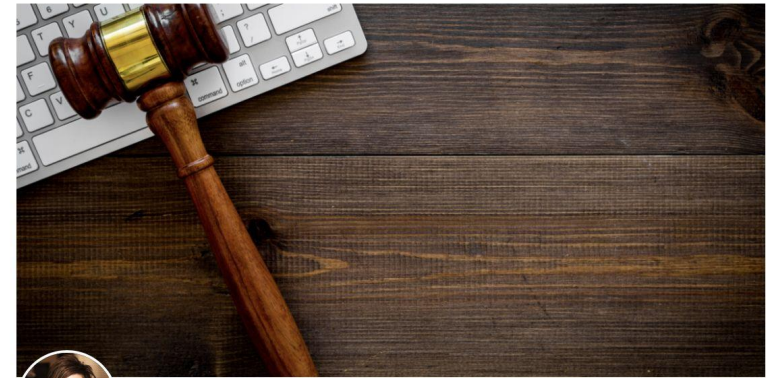


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**From 10 → 400 NEW
litigations/month**

Arizona Is Deregulating the Practice of Law. What Might that Mean for You?



BILLIE TARASCIO

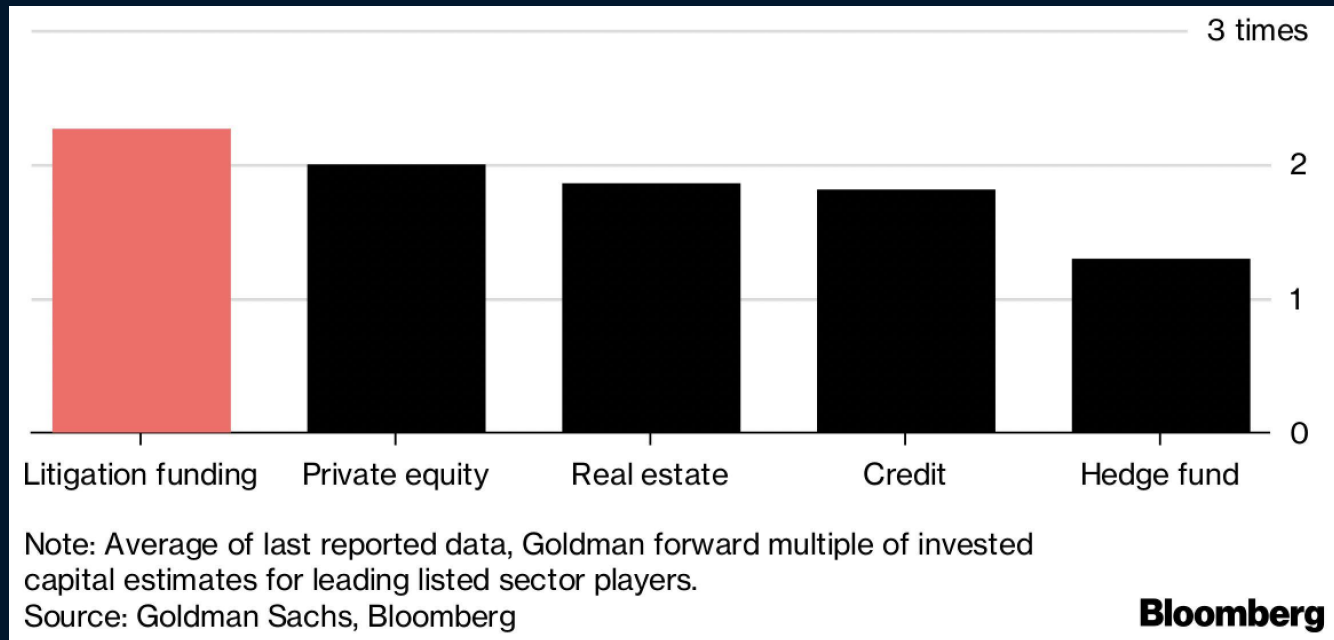
September 23, 2020

Alternative Business Structures, Legal News

The Arizona Supreme Court has just passed sweeping reforms to the practice of law, including the elimination of rule 5.4 that prohibited fee splitting and ownership of law firms by non-lawyers. Law firms can now be owned by non-lawyers and register as an “ABS” or alternative business structure. Additionally, LLLPs, or Limited License Legal Practitioners will be eligible to practice law including the ability to file

STELLAR RETURNS

Litigation finance has outperformed on a multiple of invested capital basis

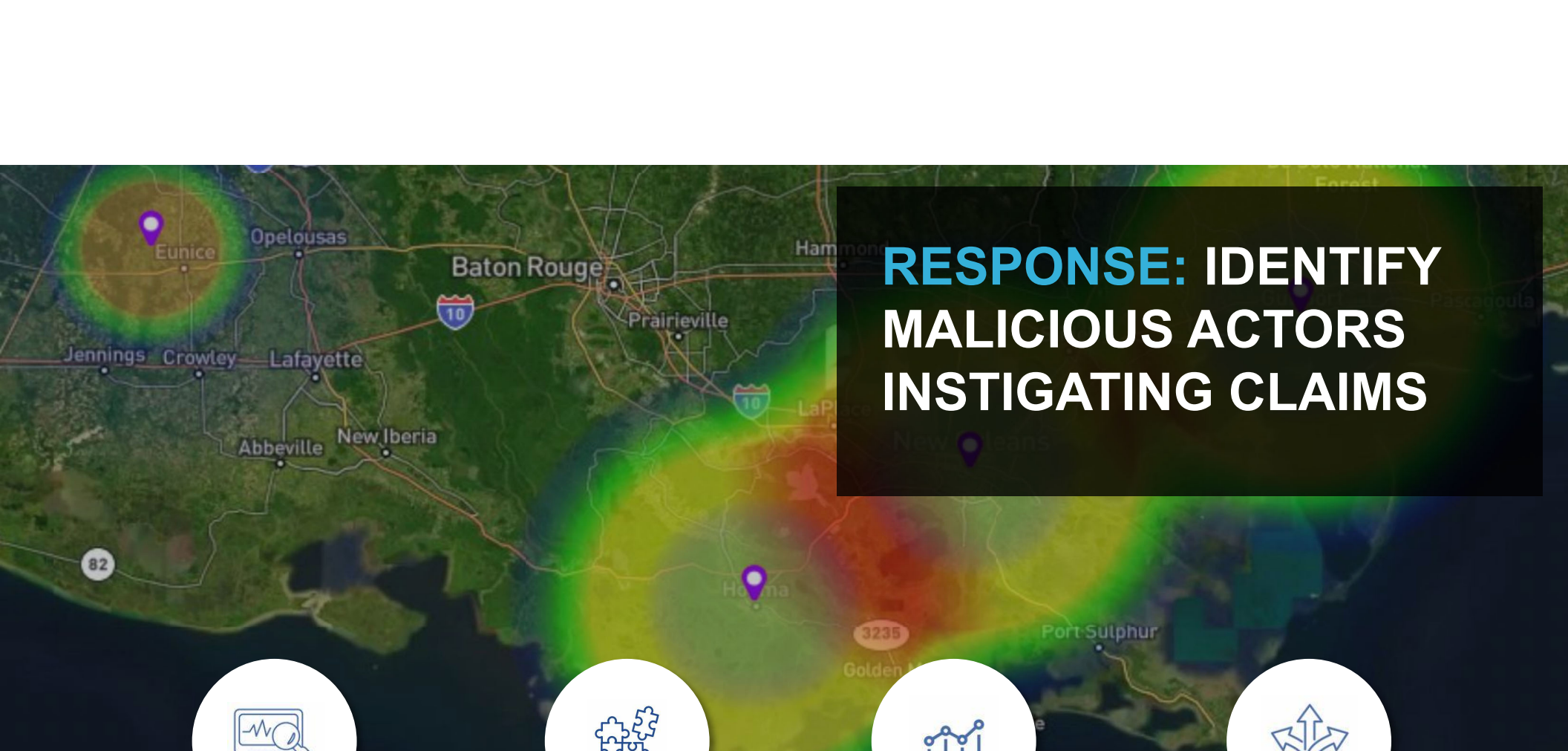


4WARN

4WARN provides data-driven analytical insights to identify tech-enabled claims instigated risk to brands.

Working alongside your team, we monitor, assess, and mitigate the emerging threat undertaken by sophisticated adversaries.





RESPONSE: IDENTIFY MALICIOUS ACTORS INSTIGATING CLAIMS



SURVEILLANCE

Monitor and detect suspicious activity with customized rules to focus on the markets you most care about.



PATTERN ANALYSIS

Understand and assess potential fraud through deep data analysis and behavior pattern mapping so teams can be alerted sooner.



RISK PROJECTIONS

Compare your data to competitors and aggregated industry data for meaningful context and scale of risk.



COUNTERTHREAT PLANNING

Formulate a strategic response to threats, counter target with actionable tactics and fine-tune your monitoring.

HOW 4WARN, INC. CAN HELP

We dive deep by leveraging millions of data points from multiple global sources to identify claim instigation efforts, who are the initiators and associated risk magnitude, and how best to reduce claim frequency and educate stakeholders.



Reduction in Claims Frequency, Brand Protection, and Mitigating Downstream Risk.

- Promoting Your Brand Safely
- Producer Alignment with Brand
- Coordinating Litigation Analysis



THANK YOU!

To learn more, visit 4WARN.com and register.

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