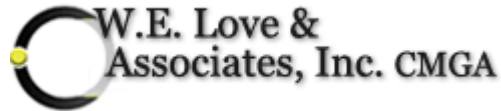


Derek Brooks

From: John H. Love [john.love@welove.com]
Sent: Friday, August 15, 2008 1:18 PM
To: Derek Brooks
Subject: WEL - Broker News - August 2008



W.E. Love Broker News

Number Nine
 August, 2008

Dear Derek,

We hope your summer has been both joyful and safe. Odds are better that your travels are safer. Have you noticed fewer cars on the highway? How about speeders? Fewer cars passing you doing 80mph? What percentage of your truckers govern their equipment at about 68mph compared to three or four years ago? The answers to these questions above yield the *best* insurance news for 2008. Huh? You didn't know of any?

Through July as a country we've traveled 50 billion fewer miles compared to last year, with June 2008 mileage down 4.7% from the same period last year. At an average of 15 miles per gallon that is a reduction of about 3,000,000,000 less gallons of fuel consumed. And it is clear that relative demand for fuel is decreasing at an increasing rate. In fact, oil imports in May 2008 alone were over six percent below May 2007.

With Toyota, Ford and GM announcing elimination of much large vehicle production, big business is betting that much of this change is permanent. Given the tremendous consumption of all types energy by the United States, significant conservation by Americans can dramatically effect world energy prices for years to come. In my opinion, deep conservation is critical as we now rush to consider and develop all practical alternatives, In order to rid ourselves of this self inflicted, poisonous, external threat to our security we must forever reduce our dependance upon Saudi Arabia, Nigeria, Venezuela, Iraq and even Mexico. Some interesting and articulate views of our energy pandemic are expressed at the address below:
<http://www.futurepundit.com/archives/005376.html>

Lost in all the horrible impact upon our economy, is this headline:

2008 will undoubtedly go down in history as the safest

Can The Worst Year Be Fun?



The Perfect Storm. That's what folks are calling the current truck insurance premium scenario. While 2006 and 2007 were the two most profitable years ever for the property and casualty industry, commercial trucking insurance certainly detracted from our industry's results. Now an underperforming line is in the middle of an intense, competitive premium war. What happened?

As truck insurers looked last year at holding the line or even raising rates, three things occurred. First, a few new deals popped up where the insurance company has little or no contractual interest in underwriting or rating. Add to that flame the desperate actions of a few financially stressed carriers.

Second, skyrocketing fuel costs dramatically lowered the supply of trucks to insure. Who would have guessed the amount of non pay cancellations we've all seen this year?

These first two events created a waterfall effect where, at least to a degree, all carriers began to price down renewal accounts as to just "hang on." How far down do we still have to go? Your October renewals know of the rate reductions achieved by every July 1 risk. Continued downward pricing pressure is assured in the near term. And that wonderful July 14 Transport Topics front page article sure didn't help -- what were some of those

year to travel on US roads ever.

Ever? Yes, Ever.

Accidents and fatalities per traveled mile have steadily decreased for over 30 years. Surely, in 2008 with dramatically less traffic on our highways this trend will accelerate (no pun). Though it will by May of 2009 before DOT statistics are available, our claims counts show the improvement right now. That is good news -- for all of us.

Trucker's loss experience is too often irrelevant in the determination of premiums. However, fewer accidents, injuries and deaths on our nation's roads can not be anything but good news. If you have end of the summer travels planned, drive efficiently, safely and happily during your time on the road. We know that you give much better respect on the road to our nation's truckers than the average motorist. Let your kids throw a friendly wave to the drivers of all 18 wheelers you encounter.

In our next issue of WEL Brokewr News, we will discuss our new national campaign to help bring more respect to and appreciation for our Nation's truckers. Being close to and depending upon such an important industry obligates us to serve as dedicated advocates for our Knights of the Road.

In This Issue

[Service, Service, Service](#)

[Non Trucking is COVERED!](#)

[ASI Cargo Program Expands](#)

[Canal Leads Again](#)

[Working with a Smile](#)

WEL Quote Service Overhauled

You read it right. Our quote service is not as good as we've convinced ourselves it must be. Our underwriters are sometimes slow to respond, or worse -- non responsive. Our communication is often poor in that we don't explain well or at all our underwriting thought process. This from the general agent that in a recent survey was ranked best in class by over 100 truck insurance agencies. What gives?

First, old fashioned oversight has been lacking from a service prospective. We concentrate so hard on crossing our "T"s that we sometimes overlook the importance of speedy service. The truth is we can underwrite well and market well, but only with changes in attitudes and work practices. These improvements are not optional if we are to succeed with American Southern, Meadowbrook, Canal, Stratford and the other fine insurers we represent. Second, you have told us well, that our service reputation took a

folks smoking? One and two produced three: the industry panic. Every account is being marketed everywhere. Quote against quote each seemingly a bit lower. We see more misrepresentation of risk as an industry today, which is being compounded and supported by sloppy underwriting. Beware of the stunning effect of greed mixed with fear. We have created a recipe for stress, strain and red ink.

Can you survive, thrive and even have fun in this environment? Yes. Yes. Yes!

Remember, this is why they call it "work." We all have support from our good business friends, we are not alone in our daily struggles. In spite of our stupidity, our industry has many more good apples than bad. Challenging, intense, demanding times do bring out the best in most of us. Here is what we're telling our employees: 1. We are blessed with -- not entitled to -- opportunity. 2. If there was ever a time to work "hard" --this is it. New ideas abound to improve our communication, service and success. 3. Put our best foot forward every day. Study both our failures and achievements to stop a pattern of the former and build a reputation for the latter. One of our underwriters, who is enjoying a fine year remarks "I stay in their face, constantly contact and bring up our quotes, see if I have to adjust, and just work hard."

Vince Lombardi said,

"The difference between a successful person and others is not a lack of strength, not a lack of knowledge, but rather a lack of will."

We are determined to serve you and our insurers better than ever in this most competitive market. We really desire to help you retain the accounts you have and expand your client base with good new customers. Do us one favor. If you believe WEL has more potential within your agency than we are currently achieving, please let us know. We will work smarter and with more energy to help your agency and ours succeed. Even in 2008. Or 2018 for that matter.

WEL Info with Links

significant hit whilst we were doing business with LGIC. Rather than dwell or make excuses, we've made changes to do a better job for you:

1. We tightened all of our submission response standards and began direct management review of every quote. If you've sent us a submission, but not heard from us, that is wrong. Our underwriters set our new service standards as a group last month. We will unveil our new service theme next month after you confirm our improved service.

2. We updated and improved our quotation format for all quotes. The email quote template links you to important policy detail information on our website. Our quotes to you are now consistent in format and more detailed. Also, our underwriters are now writing at the top of each quote a summary of our consideration of multiple insurers to better assure you of a more thorough underwriting effort. You will continue to notice improvements in our quote format.

3. We removed the password requirement to access our applications and policy forms on our website. We've also added coverage form examples by insurer in case you need to review a potential coverage form in detail. We reworded and clarified all forms for your reference. We are in the process of building a much improved "Our Services" web section, that will highlight our insurers and their offerings in a more usable fashion.

4. We divided our underwriters into three teams for the purposes of internal oversight. It is clear some of our folks are more organized, focused and responsive than others. We have not done enough to enforce "best practices" in all areas of underwriting. We intend to work more as a team and less as independent individuals.

5. We are scheduling more visits with you. Face to face at your office -- face to face in Dallas in November -- via conference call to better understand your needs and relay our abilities. When we travel each underwriter must "clear the deck", take a Blackberry and laptop to respond and forward work to others who remain in the office.

Our "best service" must be the standard for every account -- every day! We have so many talented folks here at WEL that failure is just not an option for us. On the other hand, no one's security is guaranteed in business. Our abilities to adapt, respond and grow with and for you certainly exists. We just have to work a good bit smarter. All of us. We hope you have noticed our improvements and that they are worthwhile.

National Specialty Group Policies

This program has finally "gotten off the ground" so to speak. Let us look at your non trucking liability risks. With a slick web based group policy system



WEL Markets By State

Updated July 1st, 2008 Watch for a new "Our Markets" page on our website within the next month.

Continuing Education

Dallas, Texas
November 11-12

When does a North Carolinian know that he is around a Yankee? When that Yankee hears him talk and says, "You must be from Texas." But, it ain't all bad 'cause no matter from where in the South you hail, there is no such thing as bad Bar-B-Q, be it pork or beef. Or a bad WEL Continuing Education Seminar, either. If you were not in Burlington in June, you need to meet us in Dallas at the Renaissance Dallas Richardson Hotel on November 11th and 12th for this great get together. Join Tommy Ruke, John Love and his staff as we discuss the most important issues surrounding trucking insurance in a friendly, energetic environment.

Every year, we get our best reviews for our Retail Agent Gathering & Continuing Education Seminars Our objective is to offer our retail agent customers relevant, interesting and useful CE. We qualify 12 hours in each state and file all CE paperwork. We also socialize, allowing time to meet with our staff and our insurance company representatives.

Below is the outline for this year's Texas Class:

- I. Intro - What Makes the Trucker Special
- II. The Insured and the Retail Agent
- III. The Current market and What Is Happening at W.E. Love -- John Love
- IV. The Latest State and Federal Regulations

for adding single owner operators to a master policy, the policy itself is controlled at the retail agency level and administered by WEL. This automated and simple system is a real step forward compared to traditional policy oversight methods. Please contact your underwriter for a quote.

ASI Cargo Program Working Well



We're quoting and binding new cargo policies daily in this great and exclusive market available in over 30 states. Policies are often mailed and emailed on the day coverage is bound. The ASI coverage form is posted in our Apps and Forms section of our website. Claims are handled by our excellent TPA, Truckclaims. <http://www.truckclaims.com/>

Canal Responds Well!



We are sure you have noticed how well Canal is responding right now to your client's needs. In all states, Canal has never been more willing to help than today. We've written new, good risks in all states over the past couple of months -- most with intense rate competition. Canal is very responsive in both the consideration of new risk and protecting good renewals. The Company has reversed rate increases in Texas and other area in realistic response to this unusual marketplace. What hasn't changed is that Canal is the most stable, most experienced, most dedicated insurer of trucks available to any insured. Thank goodness, some things never change!

All you need is LOVE..... W.E. Love that is!

Our commitment is to offer the best truck insurance markets, service and expertise of all firms. We really appreciate your business and look forward to working with you for years to come. Call us today!

Sincerely,

- V. Trucking Industry Updates - Tort Liability - Drivers - Speed Limits
- VI. Public Information - Safer - DOT Inspections
- VII. Coverage Considerations - Physical Damage, Cargo, WC and the Motor Carrier Coverage Form
- VIII. Internodal Considerations
- IX. Contractual Considerations - Exposures from Contracts that the Trucker Signs

Tommy Ruke, President of Insurance Business Consultants, Ft. Myers, FL, is our lead instructor. We all benefit from his instruction, which is completely "new" each year. Tommy has worked closely with the American Association of Managing General Agents and was the first Director of Education for the AAMGA University.

Tommy received his Certified Wholesale Insurance Specialist designation in 1997 and was designated a lifetime Certified Professional Insurance Agent in 1990. He instructs in the James K. Ruble Certified Insurance

Counselors (advanced) seminars and in CIC's Institutes and was the developer of the CIC advanced seminar on insuring trucking risks.

Register today by clicking on the Continuing Education link above to reserve your seat.



Check Out Who is "In"

Eric Hicks is available every workday until 6pm Eastern / 3pm Pacific. All WEL underwriters have BlackBerrys and all of our software is available to our staff at home. So we can really burn the midnight oil for you!

WEL Featured Insurer

Meadowbrook Insurance Group

We feature again this month



John H. Love

Meadowbrook (We underwrite with Star Insurance Company) as a mature, stable and reputable organization. For over 50 years, they have been providing risk management solutions to businesses, groups, associations and individuals. Meadowbrook's knowledge, resources and integrity are a unique blend that enable Meadowbrook clients to accomplish their insurance needs. By now, you should know that we have and are delivering hundreds of respectable "Star Quotes" each month that are available only through WEL.

WEL is honored to represent Meadowbrook's Star Insurance Company in:

- Alabama
- Arkansas
- Florida
- Georgia
- Illinois
- Indiana
- Iowa
- Kentucky
- Maryland
- Michigan
- Minnesota
- Missouri
- North Carolina
- Ohio
- Oklahoma
- Pennsylvania
- South Carolina
- Tennessee
- Virginia
- Wisconsin
- West Virginia

Speak directly to our underwriters and management for more details of this great appointment for WEL and ultimately your insureds!



[Visit Meadowbrook's Website](#)

[Forward email](#)

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