

Customer Case Study

Pennsylvania Lumbersmens

About Lumbersmens

Pennsylvania Lumbersmens Mutual (PLM) is proud to be the oldest and largest mutual insurance company dedicated to the wood products and building materials industries. Looking back on the 125 years that have shaped PLM's company and culture, their mission has never changed: Providing specialized coverages to fit the unique needs of the industry and helping policyholders better manage their everyday risk to ensure their businesses continue to flourish., acquisition and sales growth.

“LC360 supports the core and most critical piece of Pennsylvania Lumbersmens Mutual Insurance Company's business.”

— **ERIN SELF**

Operations Director, Pennsylvania Lumbersmens Mutual

Company Overview

- Founded: 1895
- Lines of business (Supported by LC360): Property, General Liability, Commercial Umbrella, Commercial Auto, Inland Marine, Business Interruption and Extra Expense
- Annual Revenue: \$249M
- Assets: A- (Excellent) with a Stable Outlook by A.M. Best Rating Services, Inc.
- Geographic Coverage: Policies written in Contiguous US states
- Employees : 160
- Independent agents : Approx. 4932
- Policyholders : 6,000

Why Loss Control 360?

LC360 is considered a core system, integral to PLM's insurance policy underwriting services, for the wood and building materials industry. PLM's surveying and underwriting processes are extremely hands-on because of the severity and nature of what they insure. LC360 allows those work processes to be built in right from the point of submission or even before, when a loss control rep is dispatched to determine if the risk is something they want to quote.

"For us LC360 is not just a system that we send out to collect some basic information, the system is truly baked into the bread and butter of our company."

— **ERIN SELFE**
Pennsylvania Lumbermens Mutual

Business Challenge: System Consolidation

Indiana Lumbermens Mutual (ILM) affiliated with PLM in 2013, requiring a system consolidation between their survey platforms. PLM's system was heavily form dependent and unable to provide users the ability to enter narrative about accounts. ILM's system was a combination of an info-path form, a standard photo sheet, and cad-zone for mapping. The output was essentially "digital paper" with no inherent abilities to mine data, to track recommendation response, or to track recommendations withstanding to get an overall picture. Representatives started from scratch on each survey, with no ability to clone and edit the details. A couple of survey "types" existed, mostly to provide a shorter and less labor-intensive option for renewals, rather than to go through the whole form submission each year. Making any changes or updates to forms was time-intensive and cumbersome.

Solution

A comparison of the merging companies' systems with LC360 was made by taking the legacy systems' forms and survey reports and combining them into LC360. Once completed, the value of the single combined form in LC360 was realized, including self-service configurability of form updates inside of LC360.

Benefits

- Client communication and notifications were no longer primarily paper-based.
- Consolidation of the two merging companies' systems policy and inspection information was completed.
- Direct access was gained to production data for real-time ad hoc reporting and data mining

“LC360 was the preferred solution of our merging companies, Indiana Lumbers Mutual (ILM) and Pennsylvania Lumbers Mutual (PLM) in 2013.”

— **DAN BRAIMAN**
Pennsylvania Lumbers Mutual

Business Challenge: Automated Survey Generation

PLM had defined a rule in the original LC360 survey generation process where any properties under a certain value were ignored, which was a strategic decision at the time, but caused unintentional issues. Due to the potential severity of a claimed loss, even at a lower-valued location, PLM could expect to pay policy limits which could potentially be a significant dollar amount.

Solution

PLM wanted to define new automated survey generation rules within LC360 assigning reps to look at those lower valued locations. In the prior rules defined in LC360, there was an ability to cancel and to close out a report. Under that prior definition, if you closed out rather than canceled, it would eliminate all future ordering for that location. Through re-evaluation, it was decided that every piece of property with a written policy needed to be visible inside of LC360.

Benefits

- The most recent LC360 automated survey generation update corrected the needed rules coding for background ordering visibility on all properties.
- Every piece of property with a written policy is now visible inside of LC360.
- Visibility within LC360 is allowing all locations to now be visited on their ideal scheduled basis.

Business Challenge: Strategic Investment

PLM benchmarks their loss control spend as a company, creating a budget and plan for contingency, to leverage as additional opportunities to invest in the system arise. Their spend is a strategic investment in loss control because of its criticality to their business. They allocate spend for LC360 as a core system along with the policy admin system, the billing, and the claims system. Internally they have a user group and steering committee that manages change requests for LC360 – consisting of customer service, underwriting, loss control, IT and policy services, showing how LC360 touches the entire company.

Solution

PLM is looking towards improving customer experience modeling and customer experience design – through portal capabilities and external facing systems that can streamline communication of recommendations. Additionally, PLM is looking at sharing more information electronically with their CRM system so that any types of events that might impact the risk and/or opportunity from their accounts are going through the CRM system. Any messaging coming in and out of LC360 through API integrations is on the roadmap