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# THE PANELIST

## Insurance Defense Marketing News

Fall 2016 | A publication of Legal Expert Connections, Inc.

### The Panel Manager Mystery



As insurance carriers continue to centralize claims management functions in a smaller number of central offices, insurance defense law firms are finding it difficult to maintain personal relationships with existing clients, or connect in a meaningful way with new claims professionals at current or prospective accounts.

In the past, a managing partner was often able to pay a visit to an insurance client in a local claims office. As some carriers consolidate their office network, local office closures can break the bonds of communication with claims professionals.

While keeping in mind the old adage, “out of sight is out of mind,” here are a few ways that law firms can stay alert to potential loss of personal contact:

- Offer to give an on-site CLE presentation on emerging topics whenever possible
- Be alert to personnel changes in your daily working relationships
- Monitor the source of incoming files for any changes in location or assignment contact
- Try to arrange an in-person meeting at least annually to review metrics and other factors

Speaking of metrics, most carriers know how law firms compare against competing firms. If you don’t have this information, you could be at a disadvantage. Work with your clients and/or build internal analyses to benchmark your performance.

**WE CAN HELP YOU:**

- Get new clients
- Retain current clients
- Create marketing materials



### Litigation Financing Expands

Litigation funding is an invisible force playing out behind the scenes in lawsuits large and small across the U.S. The judge and opposing counsel on a funded case are frequently not even aware of the financial dynamics underlying the matter.

In a world where litigation claims are viewed as “financeable assets,” law firms and general counsel are using outside funding in the following ways:

- Finance portfolios of litigation cases
- Pay litigation expenses
- Transfer risk to a third party
- Convert pending settlements into cash
- Sell law firm receivables at year end



This “non-recourse” funding is being used by both plaintiff and defense firms, particularly in commercial litigation. Funded winners share the proceeds but are able to walk away without obligation if

a case is lost. Parties agree on the definition of a “win” in advance.

In 2015 Senate Judiciary Committee Chairman Chuck Grassley and Senate Majority Whip John Cornyn opened an investigation into the impact third party litigation financing is having on civil litigation in the United States.

Leading players in the market include IMF Bentham, Burford Capital, Gerchen Keller and Juridica Investments. Smaller funds also exist.

Some funds are listed on a U.S. or international exchange, and a few are large enough to require registration with the SEC. Case investments are not typically subject to disclosure, however.

Read the full article on our blog at:  
[www.InsuranceDefenseMarketing.com](http://www.InsuranceDefenseMarketing.com)

# Marketing Matters

## *Focus Your Marketing on the Future*



There are so many advances taking place in the insurance industry these days that basing future law firm business development on past results is like looking in the rear view mirror to see on-coming traffic.

Insurance carriers are investing millions of dollars and undertaking drastic operational changes to understand the impact of new technologies. Changes already underway in claims sources today include:

- Tesla's first autopilot-related fatality
- Pokémon Go claims for injuries and property damage
- Cybersecurity risks (see related article)
- Uber's self-driving fleet test in Pennsylvania

Changes in technology and litigation financing are the leading topics in this issue of *The Panelist*. Insurance defense law firms seeking to gain a competitive advantage will want to keep pace with carrier clients in analyzing how current and emerging laws will apply to future claims.

Education-based marketing campaigns focused on future legal considerations of technological advances can be a very effective way to attract new clients and retain existing accounts.

Opportunities to publicize a law firm's analysis includes writing articles, publishing a newsletter, offering a continuing education seminar, posting a LinkedIn update, or creating a blog post.

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**Learn More! Call 1-866-417-7025**  
to discuss how your firm can enhance its visibility with a professional thought leadership campaign.

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## *State Farm Funds Driverless Research*

State Farm, a founding member at the University of Michigan's Mobility Transformation Center (MTC), is actively exploring driverless technology on the 32-acre outdoor lab for driverless equipment.

The auto insurer is working with automakers, suppliers, communications firms and infrastructure companies to gain insight into the potential risks and opportunities of insuring autonomous vehicles.

The MTC facility is testing connected auto technologies, including vehicles in communication with other vehicles (V2V) or with infrastructure elements (V2I), and levels of automation up to fully autonomous vehicles.

## *Drone Insurance Takes Off with FAA Rules*

The Federal Aviation Administration's (FAA) new Small Unmanned Aircraft Systems (UAS) Rule (Part 107) took effect on August 29.

Combined total hobbyist and commercial UAS sales are expected to rise from 2.5 million in 2016 to 7 million in 2020, according to the FAA.

Leading aviation insurers—including AIG, Allianz, and XL Catlin—are extending their expertise in the aviation market to include drone coverage. Commercial property insurers are using drones for property assessment and disaster management.



## *Liberty Mutual Launches Venture Fund*



Technical innovations in the insurance industry are the driving force behind a new \$150 million early stage venture fund titled Liberty Mutual Strategic Ventures. The focus will be on advances in the connected home, next-generation vehicles, and the sharing economy.

# Industry News

## GEICO Expands in Western NY

GEICO announced plans in August to expand its regional operations office in Western New York with an additional facility in Getzville.

The Berkshire Hathaway company expects to add more than 600 new jobs in Western New York over the next six years. GEICO plans to invest up to \$11 million to build out office space for the new positions.

## Farmers Targets Ride-Hailing Drivers



Farmers Insurance now offers “rideshare insurance coverage” in 26 states. It is designed for ride-hail drivers covered by a Farmers personal auto insurance policy. The new offering provides coverage when a driver turns on a ride-hailing application and during the time the driver is awaiting a match. The transportation network’s commercial insurance coverage (through Uber, Lyft, etc.) applies once the driver accepts a ride.

## Westchester Extends Industry Coverage

Westchester, an E&S specialty product group within Chubb, is expanding the availability of its wholesale property, casualty and specialty small business insurance coverage to nine new industries, including restaurants, retail, lessor’s risk only, caterers and concessionaires, fitness centers, and personal improvement schools.

## Tokio Marine Adds New P&C Offerings

Tokio Marine Management, Inc. is expanding its commercial P&C offerings of large casualty and general/products liability lines in the U.S. The heavy industrial manufacturing sector is being targeted, including motor vehicle parts, electric equipment, industrial machinery, and food products.

## Cyber Insurance Continues Growth Trend



AIG announced the launch of CyberEdge Plus in July. Primary insurance protection for cyber risks includes property damage, bodily injury, business interruption, and product liability.

Philadelphia Insurance Companies, a member of the Tokio Marine Group, now offers a cyber security liability endorsement with lower limits and premiums designed to cover certain first and third party exposures. Coverage for a security event costs includes attorney fees.

Allianz is introducing its next generation cyber and professional liability coverage product called ACCEPT Protect®. Coverage can be blended for emerging threats across the cyber, media, technology and miscellaneous Errors & Omissions (E&O) markets.

Erie Insurance now offers cloud computing coverage as part of TechAdvantage™ on business insurance policies.

*“By 2020, the global cyber market is expected to more than triple from the current \$2 billion per annum. The majority of coverage will continue to be written in the U.S.”*

-- Nigel Pearson, Global Head of Fidelity at Allianz Global Corporate & Specialty

## What’s New with Your Clients?

The law firm that stays abreast of new products being offered by their clients has an advantage in trying to get more business.

Monitor client news by setting up Google Alerts, checking the news page at client websites periodically, personal meetings, or reading product announcements.



### *Promote Your Law Firm with Professional Marketing Services*

- Panel campaigns
- Marketing brochures
- Blog copywriting
- Proposals (RFPs)
- Press releases
- Social media

Call **866-417-7025** or email **mg@legalexpertconnections.com** for details.

## Plaintiff Contingency Insurance Launched



The plaintiffs' bar may find losing more affordable, following the introduction of contingency insurance that pays an attorney when they lose a case to a defense verdict.

Level Insurance is a new Miami-based insurance agency behind the contingency insurance concept. Created by trial lawyers for plaintiffs and their attorneys, the firm's "Litigation Cost Protection" (LCP) service offers insurance protection for litigation expenses up to policy limits if the attorney loses an insured case.

Coverage levels range from \$10,000 to \$100,000, with higher caps planned for the future. Policies can be purchased within 60 days of filing a complaint. The program is managed by Socius Insurance Services Inc. and underwritten by Aspen Specialty Insurance Co.

Coverage is currently available nationwide for cases in federal court. State court case coverage is available in California, Florida, Illinois, New Jersey, New York and Texas. Level Insurance is working to expand state court coverage in additional states.

Policy premiums are 7 percent of coverage, exclusive of taxes and (undisclosed) fees, for all case types. Premiums start at \$750. Attorney's fees are not included in the costs covered.

Read the full article on our blog at:  
[www.InsuranceDefenseMarketing.com](http://www.InsuranceDefenseMarketing.com)



## **Insurance Panel Business Development**

*We assist insurance defense law firms across the country with:*

- Business development campaigns
- Responses to RFPs

Call **866-417-7025**  
to learn more.

## About Us

Legal Expert Connections, Inc. is the leading U.S. legal marketing agency specializing in the insurance defense sector. We understand the panel counsel process, and help insurance defense law firms connect with litigation panel managers at insurance carriers, third party administrators and self-insured entities.

You can focus on your law practice when we handle your marketing and lead generation. Our clients include small to mid-sized law firms that don't employ a marketing professional but do rely on our services for marketing communications and business development campaigns.



Margaret Grisdela, president, is an insurance defense marketing consultant with specialized knowledge of business development for defense law firms across the country. She leads a team of researchers, writers, graphic designers and others all focused on helping small to mid-sized law firms attract new clients.

We are available to create targeted marketing campaigns for a wide range of practice areas, including those outlined below.

- Personal and commercial auto
- Employment practices liability
- Professional liability
- Inland marine / trucking
- Construction defects
- Product liability
- Premises liability

Geographically, we have conducted business development campaigns for insurance defense law firms in California, Florida, Idaho, Kentucky, New Jersey, New York, Oregon and Washington, among other states.



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