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Message from the Chair

by Vernon K. Veal, CPCU, CLU



Vernon K. Veal, CPCU, CLU, is chair of the CPCU Society's Senior Resource Interest Group Committee. He retired following 40 years of service with State Farm. Veal's career involved underwriting, product development and project management; he drafted and implemented original versions of many commercial and personal lines policies in use today.

Veal is a past president of the CPCU Society's Central Illinois Chapter, and continues to serve as a member of various committees. He has served the CPCU Society for more than 20 years, including stints as director and regional vice president.

We bring greetings to everyone in these exciting, tumultuous and changing times! As of this writing, General Motors has entered into bankruptcy. Wow ... ! This would come as an unthinkable occurrence only a few years ago. Now what?

Our Senior Resource Interest Group helps senior CPCUs enjoy life in the autumn of their lives. We are about **“Adding Value”** to each of you and to everyone in our CPCU Society as we approach or live our senior years. In general, our group focuses on those ages 55 and above. These individuals are planning for and looking at retirement or are already retired. Our Senior Resource Interest Group *Adding Value* newsletter is one means of adding value for you.

Seniors — Retirement

What is retirement? Let me raise two schools of thought: “No longer

working — Now what?” and “Free at last, free at last, to spend time as I choose — Now what?”

These views present opposite sides of a “slice of bread.” Your best choice will be the one that serves “butter and jelly” for you. Many people leave work and seldom look back; rather, they look forward to opportunity. Other people change jobs to continue their professional lives or find other “activities” to constructively occupy their time.

Different age groups — traditionalists and baby boomers — may handle this differently. Within each view of retirement, we find “doers” and “watchers.” The doers have it all planned and are ready to move on, while the watchers look to see how others do it. Let's now look at the various aspects of retirement.

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Message from the Chair

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Planning

Planning helps you prepare to retire, or if you're already in retirement, helps you make good choices moving forward. Written plans that include money, other resources, location, family and relationships help greatly. Goals guide us to act and decide what, where and why. People who live with a purpose will be happier and more spirited in retirement. With transition from work to retirement, having a purpose becomes very important. Examples of purpose in a successful senior lifestyle can be illustrated by volunteering, part-time work, hobbies, health and fitness, traveling, caregiving, etc.

Relationships

One important theme for happiness at this life stage includes people-to-people. As we interact with people, we learn, grow and experience fun things in life. Our relationships key the joy and satisfaction we find in daily living. As we meet, greet and engage people, we energize ourselves and share with others — relating with people is joyful! For many, family may be big parts of these relationships. For others, volunteering brings them in contact with people.

Identity

Our jobs gave us identity when we worked and may do so as we prepare to retire. As we enter or plan for retirement, most people may need to define another identity for living in this new stage of life. For some this comes naturally, and for others it may be an effort to do this. We occasionally hear of people who are unhappy in retirement because of this issue. Many others happily set a new sail and quickly blow away into retirement.

Resources

Successful seniors in retirement access their resources and learn to utilize them to their advantage. Resources include wealth and income; health and fitness; cost of living by location; emotional and spiritual satisfaction; useful skills to offer others; travel plans; and goals to live a happy life in retirement. Another resource to learn and to use is personal technology, as computers, phones and cameras bring change in this digital age. Television and social networking challenge us, too. Keeping up with this is a major activity and a resource to learn, use and share with others.

Writing

Seniors may now have the time to write. With this interest come opportunities to share your life stories, create memoirs, plan an autobiography or become an author. This activity can be developed in many ways and can provide inner happiness as well as shared relationships with others who also write. Writing is a golden opportunity to explore.

Lifelong Learner

As seniors, our culture and society provide many opportunities to continue learning. Being a lifelong learner brings happiness and enjoyment to many people. Take advantage of free courses, Elderhostel, adult education, group sharing, etc., which offer fun activities that many people find extremely worthwhile. Using your minds brings challenges and happiness.

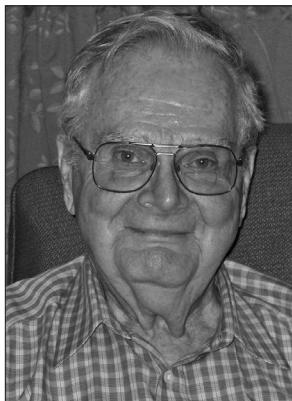
Senior Resource Help

Another opportunity for senior CPCUs is to serve our interest group in order to help our senior members. *Adding Value* includes writing articles of interest for our newsletter, serving on our committee, helping our webmaster maintain our Web site, being an assistant editor and helping with other creative ways to bring information to our members. Please e-mail me at vvea@verizon.net or call me at (309) 661-7802. Now what? Happy retirement!

Until we share again, this message comes from my chair — in your humble service. ■

Reflections of an Image Maker

by Joseph H. Long, CPCU



Joseph H. Long, CPCU, grew up in Illinois and served in the Army Air Corps in World War II. A graduate of the University of Illinois, Long began his insurance career in the claims department of Travelers. He then worked for The Hartford and retired as assistant vice president, claims administration, after 39 years. Following his retirement, Long worked as a consultant for Rimkus Consulting Group, forensic engineers. He received the CPCU designation in 1963. Long serves as webmaster for the CPCU Society's Connecticut Chapter and Senior Resource Interest Group. He enjoys photography, cycling, travel and senior organizations.

Editor's note: The photographs accompanying this article were taken by Joe Long.

Most of us have a bit of an artist in us. Some of us, however, lack the internal machinery that would enable

us to transfer an image from our brains to canvas. And for those of us, who as kids couldn't color within the lines, photography is an attractive artistic alternative.

My first visit to Arizona — and a copy of *Arizona Highways* — sparked my interest in this medium. *Arizona Highways* is a magazine devoted to dramatic landscape photographs of Arizona. After devouring a few issues, a question arose: "I wonder if I could do landscape photographs?" So, I sold my target shooting guns and bought an Olympus SLR (single lens reflex) camera. I was still shooting but with different tools.

This opened up a whole new world.

One of the first elements of this new world was light. Interestingly, the word photography is derived from two Greek words — *photo* meaning light and *graphy* meaning to draw.

Light is constantly changing. We see the "warmer" light in the sunrise and sunset periods of the day. In the middle of the day, "harsher" light prevails. Sunlight through a veil of clouds results in "flat" light. On a cloudy day, colors (flowers) seem to pop out.



A bison in Yellowstone National Park, Wyo.

Composition is another important element in photography. This is one of the key artistic elements of picture taking. It is the arranging of the physical elements and the lighting of the scene within the photo frame. A painter can compose the scene in his mind — he can arrange the elements and the light to suit his vision. The photographer must compose the elements of the image based on what he or she sees.

Visiting art galleries is a good way to study composition.

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Wheat in Wisconsin.

Reflections of an Image Maker

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The tools available to a photographer are many and varied. For example, there are film cameras and digital cameras. The major difference between the film image and the digital image is resolution. Film resolution generally exceeds that of the digital image, although digital is steadily narrowing the gap.

The most common cameras available are the point-and-shoot and the single lens reflex (SLR). The point-and-shoot has a non-interchangeable — usually zoom — lens. It may or may not have a viewfinder but will have an LCD monitor on the back of the camera. Either can be used to compose the image, although bright sun tends to wash out the image on the monitor. The point-and-shoot offers a wide range of controls to the photographer.

The SLR has a detachable lens; the image in the viewfinder is what will be recorded on the sensor (or film). The digital SLR also will have an LCD monitor. The SLR will provide more control over the settings.

Becoming a picture-taker does result in the enrichment of one's vocabulary — a few examples:

- **Shutter** — controls the amount of time light is allowed to reach the sensor/film.
- **Aperture** — the size of the opening through which the light passes. The larger the aperture number the smaller the opening (impacts depth of field).
- **ISO** — The speed of the film/sensor (the higher the number the faster the sensor/film). The ISO value is not adjustable within the roll of film. In most digitals, ISO value can be set frame to frame or set automatically.

- **White Balance** — unique to digital — refers to color temperature.

Film cameras require film to fit the light level of the shot — daylight, fluorescent, incandescent (one roll of film per light condition). The digital camera will either automatically adjust for the color temperature of the existing light or allow the photographer to set it manually. This is done frame to frame.

- **Depth of Field** — the range of distance within the image that is reasonably sharp

Digital vs. Film — A Picture-Taker's View

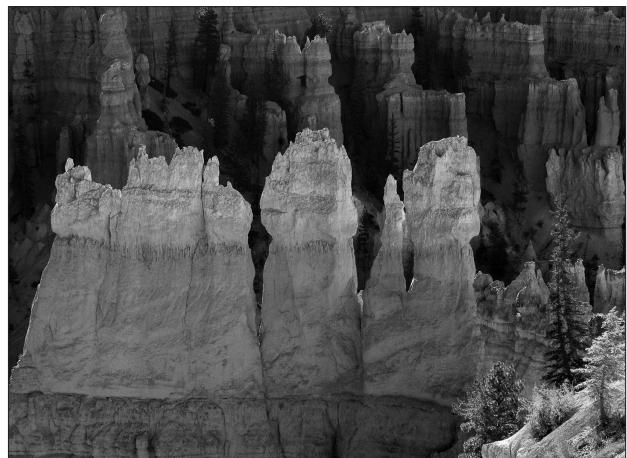
For years, slide film was the medium that I favored. A slide projector and a decent screen resulted in an impressive "show & tell." When projected, the slide resulted in an expanded image that was sharp.

Digital presentations are a bit more challenging. Most of my show & tells are on a 15-inch laptop and are not as remarkable as the slide projector and screen. One can buy a digital projector, but this can be a very expensive investment. Another alternative is to connect the laptop to a large screen television.

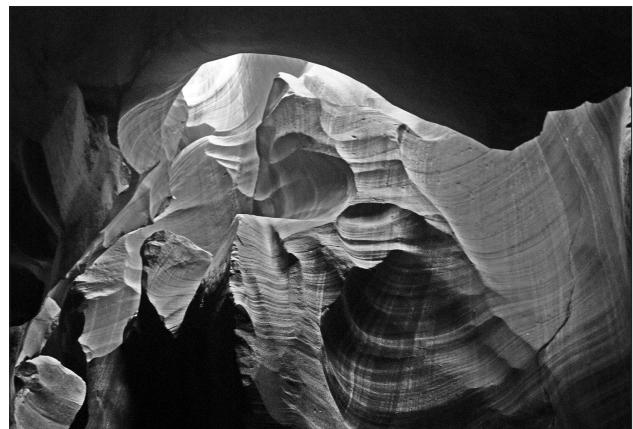
There are negatives to the use of slide film. One of the most important is the impact on the pocketbook. A

photographer might go out on a trip and shoot 20 to 30 rolls of 36 frames per roll. During the purge process, half or more of the slides may be discarded. This is expensive.

The number of pictures that can be taken with digital equipment is limited only by the format (raw/JPG/etc.), the size of the card and the number of cards available. Thus, if one is confronted with an incredible scene, the photographer can create a number of different compositions and a variety of settings, increasing the chance of recording a fantastic image. Images that are not retained can be discarded — at no cost.



Bryce Canyon National Park, Utah.



Antelope Slot Canyon near Page, Ariz.

Generally, the use of a digital camera does require a computer. (There are exceptions — some printers allow direct transfer to paper from the camera card.)

Another important feature of the digital medium is the ability to edit the images using the computer. There are a number of software packages of varying complexities available. One can crop, alter the lighting, burn/dodge, sharpen, transfer elements of one image to another and make a host of other adjustments. Pictures that would be discarded if they were on film can, when taken digitally, become acceptable through editing.

I have found editing to be almost as enjoyable as actually taking the shot. Through the editing process, one can relive the trip.

A landscape picture-taker not only passes judgment on his or her results but also is very interested in the opinion of others. In many cases, the views will be different. The photographer may view a picture as "outstanding;" another will consider it "nice." By the same token, a viewer might consider a photo "great" that the taker considers "so-so."

Judging an image is in the eyes of the beholder, but the final authority always is the picture-taker. ■

THE
**SENIOR RESOURCE
INTEREST GROUP**
PRESENTS

**FINANCIAL EDUCATION AND
COUNSELING IN THESE
CHALLENGING TIMES**

Monday, Aug. 31, 2009 • 1:30–3:30 p.m.

Daniel J. Eck, CPA, CFP, of Ernst & Young LLP, will discuss the present state of employee financial education and counseling programs at large companies as well as topics of current concern. Be sure to invite your CPCU and non-CPCU friends to attend this highly informative session with you!

**SENIOR RESOURCE INTEREST
GROUP DINNER**

Monday, Aug. 31, 2009 • 5:30–9 p.m.

All are invited to attend the Senior Resource Interest Group dinner, to be held off-site at Sullivan's Steakhouse in downtown Denver. The cost per person is \$45. Tickets are required and may be purchased in advance when registering.



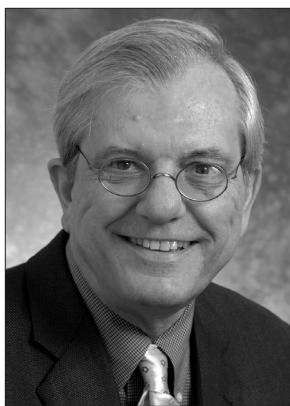
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What We Can Learn from a Challenging Economy — Six Business Lessons from the Recession

by John R. Graham



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Editor's note: This article appears on Graham Communications Web site (www.grahamcomm.com) and is reprinted with permission.

Paying attention to business is one of the major benefits of a recession. Ford figured it out. And so has Starbucks by bringing back the founding CEO, closing nearly 1,000 marginal stores and — most significantly — introducing its own instant coffee. This could be a brilliant move. While proudly passing up its \$4 cup of coffee, we take the

instant stuff home and keep a little Starbucks in our lives.

But the recession has worn on so long, we're tired of hearing so much bad news. Yet, pushing all that aside misses the point and so do all the layoffs and foreclosures. Dwelling on the real but negative skews our perspective: *We are so preoccupied with getting through the recession, we can easily fail to learn from the experience.* We're like students who are so focused on graduating they miss the education.

To help avoid missing our recession education, here are six clarifying lessons from the current state of the economy:

(1) Cutting prices can kill business.

In a recent Yankelovich Partners survey, 70 percent of the respondents assume a brand that lowers its prices during a recession is already overpriced. Further, 62 percent believe the products are old, perhaps ready to expire or are about to be revamped.

There's more. In the same survey, 65 percent assume that leaving prices unchanged is a sign that the brand is popular, while the same percentage believes it indicates that the product is already a good value.

In the food business, McDonalds, Burger King, Chili's, Applebee's and others recognize the price-cutting problem by creating new value menus that don't compete

with their regular offerings. Some car manufacturers are responding with the same strategy by introducing new, lower-priced models such as the Nissan Cube and the Kia Soul.

(2) Figure out that tough is normal.

Referring to the devastation of the recession, we hear people say, "We didn't need this." Of course, we didn't need all the job losses, dashed personal plans and families forgoing basic necessities.

What we need is an attention-getting wake-up call. Whether you agree with it or not, that's what the president gave the banks and the auto industry.

The lesson in all this is simply that tough is normal. Just ask the people of Fargo, N.D., about tough. They didn't whine or whimper when the Red River reached a crest at more than 40 feet. They filled and stacked more than three million sandbags in record time. They won some and lost some and after the river began receding, the plain-talking, gutsy mayor, **Dennis Walaker**, gave the city a new challenge: "Our word for the day is restore and recharge." That's the right memo!

Tough is normal, and it's time to get used to it.

(3) Get the right vision.

In *Epic of America*, **James Truslow Adams** explored what

it was that gave America its prominence. As **David Kamp**, writing in *Vanity Fair*, notes, “What Adams came up with was a construct he called ‘that American dream of a better, richer, and happier life for all our citizens of every rank.’” He wrote those words in 1931, the heart of the Great Depression.

We all know someone from a dirt-poor family who gained a college education and later looked back and said, “How the hell did that ever happen?” It happened because someone had the right vision.

(4) Give customers a reason to have confidence in you.

GM’s “value-added” strategy for clearing out its obese inventory included a 100,000-mile warranty, a plan to make up to nine monthly car payments of up to \$500 each if you lose your job, and to throw in its OnStar emergency system for a year. Unfortunately, GM has an unparalleled credibility crisis: *Consumers don’t believe them.*

If GM would ever consider leveling with consumers, they might inspire confidence and sell more cars. The pitch might go something like this: “Look, folks, we’re in a jam (We’re all aware of this). We’ve got hundreds of thousands of cars sitting around the country on dealer lots (We’ve seen dozens of pictures of acres of cars), and we need to sell them fast because we need the cash

(Now, we’re listening). We can’t give them away (Makes sense), but we’re going to do everything to give you more value than ever for your dollar.” (Seems reasonable) Come in and let’s talk about it” (Call to action).

Far-fetched? Impossible? Everything else has failed, so why not try it? Honesty creates confidence and trust.

(5) Give the customer a solution pitch.

Why do we think a “sales pitch” is what it takes to make a sale? What the customer wants is a *solution pitch*.

A good example is Kraft Foods. Even though we all know Kraft Mac & Cheese, we probably draw a blank when it comes to the company’s other brands. In the past, they would have poured on the ad bucks to get our attention, but not today.

Since more of us are eating in, but have less time to prepare meals and are watching our budgets, Kraft came up with an incredibly creative solution: an iPhone app called iFood. The promise is saving time and having great meals.

When you pick your recipe on iFood, you can also pick the store where you want to shop, and iFood not only gets you there, but it also tells you the aisles in your store where the items are located! And when

it comes to ingredients, Kraft products are highlighted as you might expect.

Best of all, the iFood app is free and it’s so effective, it has one guy I know cooking for the first time in his life. His creamy chicken enchiladas are terrific. By the way, how do you think he feels about Kraft Foods?

Give consumers a solution pitch if you want to pull more customers.

(6) Improve customer experience.

Many companies talk about “delighting customers,” but few seem serious about giving customers what they want. Apple is a major exception. While shopping traffic is less than robust these days, there’s always plenty of action in the Apple retail stores.

Here’s why: Apple focuses on improving the customer experience. For example, the customer greeters serve a specific purpose. They don’t just say, “Welcome to Apple.” They ask the people coming in what they are interested in. They then log them in on a Mac, which connects the customer instantly with a personal shopper who stays with them, answering questions, providing detailed product information and offering helpful suggestions on how to get the most from what they buy. The personal shopper delivers the product

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What We Can Learn from a Challenging Economy — Six Business Lessons from the Recession

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to the customer and takes care of the transaction right on the spot. There's no handoff or unanswered questions. Most of all, the customer feels valued.

The salesperson performs one more surprising, but highly appreciated task — the rebate. No need to mail it in and wait 10 weeks, hoping the check will arrive. The rebate is immediately deducted from the price of the total sale and the customer receives an e-mail confirmation.

Apple's personal shoppers send a powerful message to customers: "We want you to

know that our service, as well as our products, goes beyond your expectations." Instead of cutting back in a challenging business environment, Apple has further improved its customer service.

Here they are, six business lessons taught by a recession. Instead of just trying to get through or survive a trying period, the lasting benefits will be learning from it. ■

The Senior Resource Interest Group newsletter is published by the Senior Resource Interest Group of the CPCU Society.

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