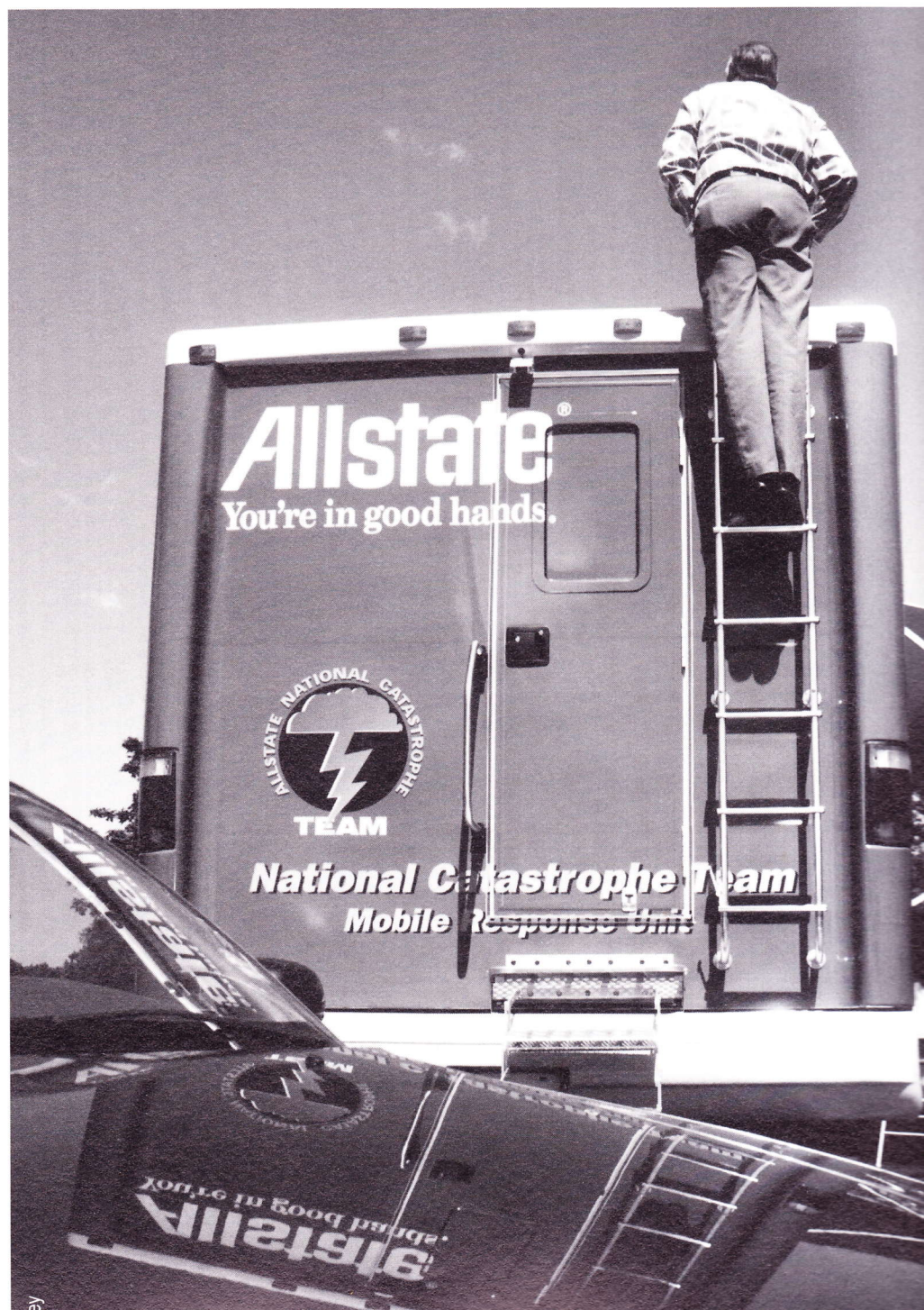


The Eye of the Storm: ALLSTATE'S NATIONAL CATASTROPHE CENTER AND NATIONAL CAT TEAM

Ask anyone who's been there: the aftermath of a catastrophe is a telling moment. It's what Allstaters call the ultimate moment of truth, when a crisis hits and the overwhelmed individual turns to his or her insurer for help. The customer never forgets who reached out, who cared, and who was there quickly, to provide relief when it was needed most. Allstate's National Catastrophe Center and National CAT Team are delivering hope and concrete results faster than ever before in the wake of catastrophes across the country. ➤

Allstate's new Mobile Response Unit is an island of calm in storm-ravaged Detroit.



"The storm blew the roof off our house. I need a place for my family to stay and food for the kids."

"My car is flooded with water from the hurricane — I don't know when I'll be able to drive it again."

Just two of thousands of calls during July's destructive tornadoes and hurricanes, these pleas for help were handled by Allstate's newly created National Catastrophe Center (NCC) and National CAT Team. In fact, the NCC was activated to assist a tornado site in Detroit within days of the Center's opening in South Barrington, Ill. on July 1. And just weeks

later, the NCC and National CAT Team were helping customers devastated by Hurricane Danny along the Gulf Coast.

A new level of preparedness and timely response is the essence of Allstate's state-of-the-art NCC and expert National CAT Team. Working together using advanced technology, 65 NCC employees and about 50 National CAT Team members are poised to handle customer crises nationwide with unprecedented speed.

"We average 55 catastrophes a year, sometimes with multiple events in different parts of the country," says Doug Rauch, national catastrophe claim manager. "It used to take us four days to a week into a storm to set up a CAT center at each site and only then could we reach out to help the customer."

"With employees dedicated to the task, our start-up time



now virtually non-existent, and we can deliver customer service immediately after a storm," says Anita Stallings, communication and public affairs manager for the National CAT Team. "We can now get money for food, clothes, shelter—whatever is needed—into customers' hands faster than ever before."

In the initial wake of a catastrophe, local MCOs and agents are the first to dig in and seek out their customers to help them file claims. When the National CAT Team arrives, local MCOs usually can return their focus to customers unaffected by the event, except after major crises when all hands are needed. On-site MCOs also help the National CAT Team make contact with local officials and media, getting vital information out to the public.

"Agents are also critical to us in a storm, because the agent is the person the customer looks to first for assistance," notes Stallings. "We count on agents to help customers file their claims."

For it is the NCC that administers a host of critical storm-related systems. "The NCC is the heart or backbone of the operation," says Stallings.

"A big event can generate 15,000 to 20,000 claims and even more telephone queries," says Raucy. "A central office staffed by CAT experts facilitates speed of response to this heavy load of inquiries."

A claim/field representative match is made almost immediately at the NCC when a customer loss report is filed by the agent or via the 800 number. "Center employees then start proactively calling customers, saying, 'Your representative, Joe Smith, is on the way, and here's my name and 800 number if you have any questions,'" explains Joe Lopez, National CAT Center manager. "They answer customer questions and pass on anything that needs special handling to the Customer Care Hot Unit."

A new representative/buddy system, aided by Internet technology, pairs a NCC employee with a specific field representative. The NCC buddy calls customers to schedule property ➤



Disaster in Detroit: The tornadoes that ripped through Detroit in early July left hundreds homeless, over 100 injured, and caused 16 deaths.

THE CAT-MOBILE'S MANY LIVES

It's bold, it's colorful, it's technologically savvy and it's probably on the road right now to help ease customers through a major catastrophe. It's Allstate's innovative Mobile Response Unit (MRU). (See photo on page 3.) Covered from rear to roof with Allstate logos, the MRU went to work before it was even unveiled. The unit was en route to its initial demo at the South Barrington, Ill. National Catastrophe Center (NCC) in mid-July when it was diverted to a major catastrophe site, Hurricane Danny on the Gulf Coast.

"Unlike the motor homes we've rented in the past, the Mobile Response Unit is our own vehicle and can be equipped with the latest technology," notes Doug Raucy, national catastrophe claim manager.

The CAT-mobile, as the emergency vehicle has been dubbed, is a powerful piece of Allstate's strategy for fast, efficient catastrophe relief.

It's an instant office on wheels, a stand-alone customer service station. The unit's five work cubicles allow claim representatives to meet with customers and access Allstate's mainframe computer from their laptops to quickly handle inquiries and claims. The pre-wired unit boasts a 24-telephone line capability as well as printer, faxes, and copy machine.

The MRU solves communication problems in a single unit. And it's a hopeful presence in the midst of chaos. Allstate's MRU is a visible reminder that help is at hand.



ALLSTATE'S NATIONAL CATASTROPHE CENTER AND NATIONAL CAT TEAM *continued from page 5*

inspection appointments for the claim representative even as he or she is traveling to the site. Field representatives can download their assignments en route to the area, then contact their buddies in the Center when they arrive and actually get to appointments the first day. Handling the scheduling beforehand frees up the representatives to spend their time meeting with customers and processing claims.

"No two storms are alike," Stallings says, "but technology helps us prepare for and better manage a crisis." For example, managers can track a hurricane's progress with Allstate's hurricane

tracking software. Then, using the company's Tactician program, they can pull up data on how many policies are in force within the storm's range, allowing them to predict the number of claims that will come in. This information also is used by the NCC to map the area and deploy the right number of representatives to the right places.

Although technology helps speed the process, one-on-one assistance still makes the difference to the customer.

"During the Detroit tornadoes in early July, Allstate personnel combed the streets on foot, visiting thousands of customers in their homes, because these

NEW YORK MODEL

"The New York Metro CSA has one of the best CAT preparedness programs in the country," says Doug Raucy, national catastrophe claim manager. "In fact, we have adopted many of New York's innovations for our national CAT strategies."

Roger Louise, claim process specialist for the New York Metro CSA, explains how New York's preparedness techniques evolved and how he expects them to mesh with the NCC and the National CAT Team: "We've had to learn to plan for a catastrophe. This is a big area, with over a million

What's more, if an Atlantic storm impacts us, we're the last to get resources because those resources have to be deployed to Georgia and Florida where the storm first hits. We have to be prepared.

"Our sales force sells claim service, and we try to deliver what they sell. One way to come through was to form a permanent 32-member CAT team. It represents every MCO in the CSA and every job description, so we are staffed to fully support the customer. And we handle all of our CAT claims out of one center so the MCO



Shawn J. O'Malley

National CAT Center Manager Joe Lopez and National CAT Claim Manager Doug Raucy welcome employees to the opening of the National CAT Center in South Barrington, Ill.

ACCLAIM FOR HURRICANE EDUCATION IN FLORIDA

Allstate's "Florida Hurricane Survival Test" program, designed to help consumers prepare for a hurricane, received the 1997 Corporate Award from the National Hurricane Conference in April and from the Governor's Hurricane Conference in June. Allstate was cited for its "continuing dedication as a corporate citizen to furthering hurricane education and awareness in Florida."

The winning program features a 30-minute interactive television show designed to engage viewers through a hurricane preparedness test. The script has the official seal of approval from the Department of Emergency Management of the state of Florida.

"The program appeared in all 11 media markets in Florida twice last year, and has been in demand by public school systems," says Leslie Chapman-Henderson, Allstate media and community relations manager for Florida. Chapman-Henderson was commended, along with Jaime Morales of the home office safety and prevention team, for leadership efforts on behalf of the program.

"We're gratified that the show is being exported to Georgia and the Carolinas in the coming months," Chapman-Henderson adds. "In filming, we intentionally made the scenery as neutral as possible—without palm trees or local signage—so it could be more widely used."

Hurricane Prevention materials available free of charge to the public include:

- a hurricane preparedness brochure
- a printed copy of the television program test, complete with answers
- a refrigerator magnet with hurricane quick tips and dos and don'ts
- a poster

To receive these materials, call (850) 574-2412.

people had no power and no phones. Some were afraid to leave their homes to report losses for fear of looting," recalls Stallings. "We always have a full back-up plan when technology fails—and it does fail during storms."

Working closely with local MCOs and agents, the NCC and National CAT Team are setting industry standards for catastrophe preparedness and timely relief. Whether it's a calm voice after a storm or high-speed access to important records, Allstate emerges as a reassuring entity in difficult times, a company customers can count on in a crisis. ■

"Our CAT center, which focuses solely on the crisis event, is a space in a field claim office where we keep supplies, equipment and phones. We can immediately activate all the current technology like group e-mail and pages, broadcast fax, and so on. All the processes are in place so if a catastrophe is declared, we simply bring the team in, setting up the center the same way with the same people, every time. The center also has access to a commercial generator, as well as a cellular phone system, to keep it operating even during a

"The buddy system started here. Our representatives are out the first day looking at losses, and we're making appointments for them at the center as they travel so they can visit more customers. It's simply more efficient.

"The key, we've found, is to contact the customer immediately. Most people are nervous and frustrated when they haven't heard from anyone. So we act right away, in the first couple of hours of the storm.

"When we talk to customers, we advise them on what they can do to protect or

and when we can do it, in terms of emergency or mitigating relief. It takes the apprehension out of the claim process right away for the customer.

"A good partnership between the local team and the National CAT Team is key. Storm damage typically creates a transportation problem, and the National CAT Team can't always get into the area as quickly as they would like. So we're prepared to work the storm until they get here, then work it together, and finally hand it off to them.