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FOCUS is a bi-monthly publication of the Independent Agents Services Corp., a subsidiary of the Independent Insurance Agents of Indiana, Inc.

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Get to know the people of Arlington/Roe. We’ve been doing the right thing since 1964.

You’re in the business of protecting others.
We are entering one of the most contentious election years in our history. You have likely become weary from the constant barrage of political advertising. One thing that all candidates have in common is that the cost of running a campaign is astronomical. This brings me to a topic that very few people like to discuss, but is a necessary tool for organizations like the Big I and political candidates – political action committees or PACs.

PACs are formed to raise money to contribute to and help elect candidates that have similar views as those who contribute money to the PAC. Most PACs raise their money from like-minded people in increments of a few dollars here or a $100 there. The people that support a common position or trade are more likely to donate if they know their funds are being used to protect and promote their way of life.

For the Big I, we have a state PAC (IPAC) and federal PAC (InsurPac) that both contribute money to state and federal candidates, regardless of party. PACs do not buy votes. Rather, the Big I PACs help elect people who will make decisions (potentially positive and negative) that will impact every one of us in the insurance industry.

Whether you view PACs as good, bad, or somewhere in between, they are a way of political life and for organizations like the Big I, either you are in or you are out. Because of the heavily regulated nature of the insurance industry at every level, the Big I must be involved to help protect the interests of our members and clients in the upcoming election. Federally, control of the US House and Senate are both potentially in the balance. Here in Indiana, half of the state Senate and all 100 members of the Indiana House are up for re-election, so your participation is vitally needed.

Please allow me to leave you with one point to consider. As you write checks to the golf club or the local little league, please consider investing in your future by writing checks to InsurPac and IPAC. Remember that the goal of Big I Indiana and the national Big I is simple: elect candidates to public office that share the same philosophies on small business and insurance issues that we do, regardless of party affiliation. We have included a complete list of those who contributed to InsurPac in 2019 on page 13. A big thanks to all of those individuals!

If you would like to donate to either InsurPac or IPAC, or both, please go to www.bigi.org/PAC. No amount is too small and we appreciate your support of our fine industry. Please let me know if you have questions.
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Preparing to take the reins as president of your association this year caused me to reflect on my career. It truly is an honor to have been chosen to lead this organization. I have joined an incredible fraternity of my peers that have made the Big I Indiana one of the finest state associations in the country. It is extremely humbling to be a part of this group and I will work hard to live up to the standards they have established.

My 34-year career in insurance has been quite a whirlwind. When I was 22 I started out in a small family-owned shop and within five years, we sold our agency to a national broker. This wasn’t what I really wanted, so in 1993 I went back to a small, family-run agency where I spent the next 20 years as an agent, owner, IT and maintenance person, etc. I now find myself aligned with a larger, independent agency after selling in January last year.

My reflection reminded me that the only thing consistent in our industry is change. Jobs change, underwriters change, carriers change, clients change and we as independent agents must adapt quickly on the fly. One only has to consider agency automation to get a sense of just how quickly things have evolved. When I started in the business in 1986 I learned to rate out of a carrier manual using codes and symbols. Now the information is entered into a rater and in no time the agent has multiple carrier quotes to consider. Nearly everything we do is in electronic form.

Change is a good because it helps keep us on our game, which we need in our evolving industry. That being said, there is a huge change coming that I candidly don’t think we are ready for. The baby boomer generation spans ages 55 to 70 and in the next ten years it is estimated that 500,000 of us will be retiring.

"Change is a good because it helps keep us on our game, which we need in our evolving industry."

Unfortunately, our industry is not looked upon as a good career path for younger generations because frankly, we have done a poor job of promoting ourselves as one.

While the situation may seem daunting, I think it presents us with an incredible opportunity. Because we all know the career possibilities in our industry, I challenge all of you to get engaged with this next big change. Talk to kids in high school, hire new talent out of the great programs at Ball State, Indiana State, Butler, and Ivy Tech. Also consider established people that want to make a career change. Our industry offers great careers and we must to do a better job of attracting talent. The Big I can help with this monumental task so please reach out to me or one of our incredible staff members if you would like input on how to get involved.
Reaching a summit takes years of training and experience. We’re here to educate our businesses, and help them achieve their safety goals. A safe workplace with healthy employees makes for the best view at the top.
The Big I Indiana is excited to congratulate Indiana’s very own Representative Matt Lehman (R-Berne) on being installed as the new president of the National Council of Insurance Legislators (NCOIL) on Dec. 13 at its meeting in Austin, Texas.

NCOIL is a 50-year-old organization that works to preserve state jurisdiction over insurance and educate state legislators on insurance issues. Lehman served NCOIL in a wide range of capacities before ascending to his new post, the most recent being vice president of the organization.

Rep. Lehman, who serves as the Indiana House Majority Leader, has been an active member of the Big I since he joined the industry more than two decades ago. He has served as the chair of the Big I Government Affairs Committee, on its board of directors and on the Indiana Young Agents Committee.

“I know that I speak for the entire membership of the Big I Indiana when I say that we are so proud of Matt and what he has accomplished in our industry and the world of insurance policymaking in a relatively short period of time,” said Big I Indiana CEO Steve Duff. “That he has risen so far so fast is a testament to his unmatched character and integrity. He has been a champion for independent insurance agents and our clients in Indiana for years, and now brings his strong talent and industry knowledge to the national stage.”

“Matt has been a dedicated member of the Big I for years,” says Bob Rusbultd, national Big I president & CEO. “His proven experience and dedication to his role as an independent agent and a public servant will be invaluable as he continues to lead NCOIL in championing the ability of
independent agencies to help people in their time of need.”

The Big I was fortunate to be part of a sizable contingent of state legislators and trade groups that traveled to Austin in support of Rep. Lehman. Representing the Big I were Duff, Tony Mitson from Catalyst Public Affairs Group, and Wes Bissett, senior counsel for government affairs for the national Big I. Indiana legislators who attended were: Reps. Peggy Mayfield (Big I member), Martin Carbaugh (House Insurance Committee Chair), Doug Gutwein, Chris Judy, and Senators Travis Holdman (former Senate Insurance Committee Chair), and Andy Zay.

The Big I would like to offer special thanks to the Insurance Institute of Indiana for organizing the events in honor of Rep. Lehman in Austin and for including the Big I in the festivities.
Insurance and NCOIL 2.0

By Representative Matt Lehman

In November I wrote about my path to the NCOIL presidency and I scratched the surface on how NCOIL works.

Now I want to put some meat on the proverbial bone. NCOIL has taken the lead on several issues that are finding their way to Statehouse chambers. Peer-to-peer ride sharing and rebating reform are two of the most important ones.

I noted in my last article how we processed the gap in ride sharing and now on the heels of that comes the newest variation: Turo. I can post my auto on this ride sharing site and rent it out to anyone who wants to drive it. When we dealt with the Uber ride sharing aspect it was based on me driving my car while hauling people. Now, total strangers are driving my car around. Is this a problem for insurance? If you check out Turo’s website, you will find that many of the people doing this are posting their unique or exotic autos, many of which are high value, like if Bruce Wayne rented the Batmobile for the weekend. Does your client renting out his Hummer or driving the Batmobile over the weekend cause an insurance issue? Of course it does. But here is the kicker – some of the major carriers have said “we are good with this plan.” As agents we need to educate ourselves on these issues. NCOIL passed a model that dealt with putting guardrails around the industry and I guarantee you new ideas will pop up that will keep us busy.

Rebating reform is another issue for which I have a model law drafted. We all know the rules on what is and is not considered rebating in Indiana, but are they fair? Many states have stricter laws and some are more lenient. Some focus on dollars and others on the value of a product. One state considered sending flowers to a deceased client’s funeral as rebating. Every state is different.

What brought this issue to NCOIL was states trying to determine where tools used to mitigate loss (like water detection devices) fall with regard to rebating. Where is the line between giving a client a tool to prevent or mitigate loss and giving a client a really cool thing that the carrier claims is a tool? Can I give every client an Amazon Echo because it will tell them if it is going to snow and improve their driving? These are the debates that we have had over the last couple of meetings. NCOIL is working with the National Association of Insurance Commissioners (NAIC) so that both regulators and the industry are on the same page as we move to standardize rebating laws so that each state is operating off a similar standard. This model is up for final debate and adoption at our upcoming spring meeting and if adopted, I will be introducing this for the 2021 Indiana legislative session.

There are so many issues that we could still talk about, from flood insurance expansion into the private insurance market to health care transparency. Please feel free to visit www.ncoil.org to check out these models and others that will have an impact on our industry. Feel free to contact me with any thoughts on these issues as I zip around Berne in the Batmobile.
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Unlike many other carriers, West Bend believes in the value of long-term relationships. That’s why many of our personal lines underwriters, like Amy, have worked with their agents for so long. Amy trusts her agents as resources for many important things, including “life stuff” and they trust her, too. And that makes the relationships that much stronger.
Thank you to the individuals who have contributed to the IIABA’s federal political action committee, InsurPac. We are off to a great start, but we have a long way to go. If you have not yet contributed, there is still plenty of time to do so. Go to insurpac.com to contribute online, or contact Steve Duff at duff@bigi.org for more information.

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2019 was a banner year for Big I federal advocacy with tangible results for Big I member agencies.

The year started with a huge win giving independent agencies access to significant tax relief and ended with a trifecta of longtime Big I priorities being signed into law by President Trump. While the accomplishments were significant on their own, they were even more impressive as they were completed during a heightened sense of partisan gridlock in Washington, D.C. with the specter of impeachment hanging over Capitol Hill for much of the year.

Throughout the year, the advocacy efforts by the government affairs team included countless meetings with members of Congress and their staff, providing testimony to key committees and sending numerous letters to congressional offices on important issues. In addition, nearly 1,000 independent agents advocated during the annual Big I Legislative Conference in May. These efforts by Big I members were vital in achieving so much this year.

In January, the IRS issued final regulations governing Section 199A of the tax code to implement a new small business tax deduction. The rule confirmed that owners and shareholders of insurance agencies and brokerages organized as pass-through entities are eligible for the new deduction of up to 20% on “qualified business income” – regardless of taxable income level. The deduction is available for taxable years through 2025 and reduces the top effective rate from 37% to 29%.

When the tax reform legislation was first signed into law there was concern that insurance agencies would be considered a “specified service trade and business,” and therefore owners and shareholders with annual taxable income above certain levels would be prohibited from utilizing the new deduction. Once the law passed, the Big I spent the next year aggressively and successfully advocating that agencies and brokerages organized as pass-throughs should be able to fully benefit from tax reform. The Big I met with the administration and congressional offices on numerous occasions, submitted multiple written comment letters to the administration before and after the release of the initial draft regulations and submitted congressional testimony.

Another big win for the Big I included securing an exclusion for agents and brokers from proposed new federal reporting requirements. Legislation introduced in both the House and Senate would require nearly every small business with fewer than 20 employees to file...
new reports on their “beneficial ownership” with the U.S. Treasury Department’s Financial Crimes Enforcement Network (FinCEN). All businesses would have to comply annually, starting within two years of the law’s enactment for existing businesses or upon incorporation of a new business. The penalties for failure to comply are severe, with both bills imposing a civil penalty of up to $10,000. For criminal penalties, the House bill imposes up to three years in prison while the Senate bill calls for up to four. The bills have momentum going into 2020 and could be law soon. The Big I was the only producer group to advocate for the exemption for agents and brokers in both bills.

Similarly, the Big I opposed expansion of Risk Retention Groups (RRGs) into the commercial property market. Congress created RRGs through broad federal preemption of state regulation in the 1980s in response to a specific market crisis. Currently, there is no evidence of a market crisis and needlessly expanding RRGs would put consumers at risk and undermine the state-based insurance system. While government affairs staff was able to stave off efforts to push legislation to allow RRGs into property insurance, it promises to be an issue of concern in 2020.

The Big I also continued to advocate for a robust and strong Federal Crop Insurance Program (FCIP). With the farm bill signed into law, the Big I focused on strengthening its relationship with the Risk Management Agency (RMA) and educating members of Congress and their staff on the critical role the FCIP plays in our country.

As 2019 drew to a close, the Big I government affairs team successfully lobbied to have three longtime priorities added to government funding legislation that was signed into law by President Trump. The first was the reauthorization of the Terrorism Risk Insurance Act (TRIA). That provision would reauthorize the program for seven years without significant changes. The Big I spent much of 2019 pushing Congress to reauthorize TRIA well in advance of its scheduled expiration at the end of 2020. The Big I provided testimony to both the U.S. Senate Banking Committee and the U.S. House Committee on Financial Services requesting a clean, long-term reauthorization of the program and also worked closely with other insurance industry stakeholders, meeting with numerous members of Congress and their staff and sending multiple letters to congressional offices advocating for the reauthorization.

The year-end legislation also included an extension of the National Flood Insurance Program (NFIP) through Sept. 30, 2020. The program had been scheduled to expire on Dec. 20, 2019. While not perfect, this provides more certainty to a program that has seen several short-term extensions recently, with some as short as a few weeks. The Big I provided testimony to the House Committee on Financial Services on the NFIP and met with members of Congress and their staff throughout the year to make sure the program didn’t lapse. The Big I will continue to advocate for modernization and long-term reauthorization of the NFIP in 2020.

In addition, the government funding legislation included a provision to repeal the “Cadillac” tax, a 40% excise tax on employer-sponsored health insurance plans that exceed a certain cost threshold. The tax was previously delayed twice and was set to take effect in 2022. Our efforts included numerous meetings with members of Congress and their staff as well as sending several letters to congressional offices showing broad support for repeal.

With 2019 “in the books” we will look toward 2020 and the continued work to be done on behalf of independent agents.
McEldowney Wins 2019 Agent of the Year

By Melissa Hall

Jason McEldowney, MBA, CIC, CRM, knew from a young age that he wanted to go to college and was willing to work hard to get there.

His first job was butchering chickens in a slaughterhouse when he was 13-years-old. After that, he did everything from bailing hay to loading freight planes in the middle of the night. Those hard jobs helped shape the man he became. He was the first in his family to earn a college degree. His father was a factory worker and his mother was a homemaker. His early years, spent on a farm in Ohio, taught him a deep respect for manual labor and the toll it takes. It also made it clear to him that he wanted a different path. “My humble beginnings gave me the drive and ambition to get where I am today,” he said. “I think every generation wants to do better than the previous one and we want better for our kids.”

The 2019 Big I Agent of the Year was just 17 when he graduated from high school and started attending the University of Toledo. He originally went for a degree in computer science and engineering, but quickly switched to accounting and then finance. His first job out of college was a defining one and brought him to Indianapolis. He was hired as the director of chapter development, handling risk management, for Theta Chi Fraternity. He was a member of the organization while earning his bachelor’s degree, but being on the leadership side was a very different experience.
“That job really prepared me for the difficult discussions you have to have with clients in our industry,” he said. He was only 21-years-old and was trying to teach college students how to manage their risk at parties and dealing with disciplinary issues within the fraternity. He traveled around the country dealing with the aftermath of hazing rituals and binge drinking. During his time in the position, he implemented the TIPS (Training for Intervention ProcedureS) program, helping fraternity brothers learn when their guests had over imbibed. During that time he was also earning his MBA in marketing at Butler University.

“After two years I was ready to move on,” McEldowney explained. He took a position with American United Life (now OneAmerica). His next position came when he answered a newspaper ad and then joined the staff of St. Paul Fire and Marine (now Travelers) as a bond underwriter. He went on to work at CNA Surety in that role, but after a decade he felt like his career was becoming stale. Instead of taking an out-of-state promotion with CNA, he left his comfort zone to go work for Pillar Group (now Dimond Brothers Insurance) in a sales, commission-based position. The new challenge was just what he needed.

Everything felt new and fresh and he was able to grow as an agent.

When he joined the team at Pillar, his mentor Dan Touw gave him some advice. “He said that you can’t just be a bond guy, you need to learn the insurance side of the business,” McEldowney explained. “So I made it my job to learn everything I possibly could about the insurance products, policies, coverages, and claims. I wanted to be a sponge and I took it very seriously.” That experience was a game-changer for him and he’s continued to strive for excellence for his agency. He encourages new independent agents to be open to push themselves as they start in the industry. “Be willing to learn and put yourself out there. Ask a million questions!”

He’s now been at Dimond Brother Insurance for 11 years and is the vice president of Indiana sales and an owner. He and his wife Jill and three kids, Owen, 17, Evan, 14, and Addie, 8, live in Fishers, Ind.
Big I Legend: Ron Smith

By Melissa Hall

“I’ve always been all in on my job, the association, and my family.”

That’s Ron Smith in a nutshell. If you’ve met him and worked with him, you can’t help but respect him. In 1969 his life catapulted him forward. In the span of a single year he graduated from college, married his hometown sweetheart Maurine, got his insurance license, joined the family agency, Smith Sawyer Smith, Inc., and learned he was going to become a father. Those huge life milestones came in rapid succession, but Smith took them in stride. In the 50 years that have passed since then, his rich career in insurance has taken him from trips to Tokyo to a chat with President Bill Clinton in the oval office. He received one of the industry’s highest honors, the IIABA’s Woodworth Memorial award, after serving on the national level and was given the Harry P. Cooper, Jr. award by his Indiana peers. He has testified in front of Congress and the National Association of Insurance Commissioners, but his start was much humbler than those later achievements would indicate.

When Smith’s mother’s family started the agency in the 1930s it was originally called Jones and Jones. Since then it has grown through the addition of family members and a talented staff. Smith was the first of his siblings to join. He was fresh out of college and he’d received a few job offers from companies, but working at his family's agency allowed him to return home from Bloomington, where he’d attended Indiana University, and start his family in the area where he’d grown up.

His father, Wayne, set a wonderful example for him. From his earliest years as an agent he constantly strove to emulate his father’s dedication to his community and his clients. “I was driven to do anything I could for somebody. That’s the way I was raised,” Smith explained. “I had a great mentor in my Dad. He really helped pave my path.”

Smith’s experience taught him the value of having a great mentor and he has continued that legacy. “Ron’s presence is still felt within the industry today, and will be greatly felt into the future. Personally, he has helped me find my footing in our agency,” said Ryan L. Zimpleman, MSM, Smith Sawyer Smith Agency. “He took a chance on me, and I will always thank him for that opportunity. "He has been an excellent ambassador for our industry, but he has proven to be more than that; he's a good man."

As Smith grew as an agent, he started a decades-long commitment to giving back to his industry and community. He got involved with the Kiwanis, chamber of commerce, and the Big I. His activism helped shape

Ron Smith (back right) with his son Craig and father Wayne.
his career as he saw the insurance trends play out on the national level. Smith was elected to the national executive committee in 1993 after serving on the Indiana Big I executive committee and as the Indiana state national director. While serving as the national association's president he traveled around the country attending Big I conventions in almost every state. "It gives you a whole new perspective," he explained. "Every place is different and you learn that you have to adapt to survive."

From Alaska to Hawaii, east coast to west, he spoke with agents who faced similar struggles to those in Indiana and he saw agencies tackling other issues that demonstrated our state's strengths and weaknesses. Over five years, he helped spearhead the creation of Trusted Choice, the brand that unites independent insurance agents. He also spent five years serving on the state government affairs committee and working with the National Association of Insurance Commissioners.

His time serving on the national level highlighted the importance of what Big I lobbyists do in Washington D.C. He watched the fruits of their labors trickle down through the entire country and saw how critical that role is to creating a healthy insurance climate. "Ron Smith is the gold standard when it comes to political advocacy. Over the years he has spent countless hours advocating for the independent agency system at the national, state and local levels," said Nathan Riedel, the national Big I VP of political affairs. "Whether encouraging participation in political action committees or grassroots, Ron truly understands the value and effectiveness of agent participation, which at its core is the strength of our national and state associations."

Despite the many changes he's witnessed in the industry over the years, he still believes that an agent's goal should be to connect directly with their clients. "I think we should be as personal as we can with as many people as we can," Smith explained. It's that personal aspect that has kept Smith Sawyer Smith so deeply rooted in its community. The agency had one account that was opened in 1948. Smith took over its management from his father and in the decades that followed he continued to handle it, even when the business grew and was sold, first to a company
in Lafayette, then to one in Japan, and eventually to Germany. Through all of those transitions, the account remained in Smith’s hands because each new owner recognized his expertise. While it was headquartered in Japan he was even asked to serve on the company’s board for 13 years, which included traveling to and from Asia for meetings each year.

After that experience, international travel became a passion for both Smith and his wife, Maurine. “I think travel changes your perspective so much,” he said. “It’s incredible!” After years of work and serving others, the pair loves having the chance to enjoy this sweet stage of life together. Smith vividly remembers seeing his wife of 50 years walking across the street before they were dating. In a moment that seems straight out of a movie, he knew that was it and a year later they were married. Now their family has grown to include four grandchildren and as Smith begins to step back from his work, he feels blessed to be able to focus on them. He said, “It really is an incredibly rich life.”

The Big I Legends series features individuals who have had a positive impact on our industry through their hard work and dedication. If you’d like to nominate someone, please email Melissa Hall at Hall@bigi.org.

Golfing with his son and grandsons in Scotland.
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National Ink and Stitch, LLC v. State Auto Property and Casualty Insurance Company was decided by a federal district court in Maryland in January.

The issue was cyber coverage, but with a twist: National Ink and Stitch sought coverage under its businessowners policy (BOP).

National’s network was hit by a ransomware attack. National paid a ransom but didn’t regain access to its system and files. A security firm became involved, and replaced and reinstalled software.

The system functioned it seemed, but just barely. Certain art files remained inaccessible and the system slowed considerably. The prospect of a “reinfection” from software bug remnants remained. National was faced with the daunting task of starting over. According to the opinion, “The options, to eliminate the risk of further infection, would be to ‘wipe’ the entire system and reinstall all of the software and information, or to purchase an entirely new server and components.”

National turned to State Auto, its BOP carrier. State Auto had an endorsement that expressly included Electronic Media and Records as “Covered Property” under its policy. State Auto declined the claim, though, based on the relevant insuring clause. This said that the company would pay for “direct physical loss of or damage to Covered Property...”

State Auto argued that National lost data and could still use its system. That’s not, in its view, “direct physical loss." National said it did suffer a "direct physical loss" because the computer system itself “sustained damage in the form of impaired functioning."

The Maryland federal court made a finding in favor of National. The loss of data and software was covered, particularly because National lost the functioning of the system. On the "functionality" finding, the Court wrote:

In the instant case, State Auto seems to equate ‘physical loss or damage’ to Plaintiff’s computer system to require an utter inability to function. The Policy language, and the relevant case law, impose no such prerequisite. The more persuasive cases are those suggesting that loss of use, loss of reliability, or impaired functionality demonstrate the required damage to a computer system, consistent with the ‘physical loss or damage to’ language in the Policy.

The National Ink and Stitch case, and others like it, demonstrates the ongoing battle between insureds and carriers as to what is and what is not covered in the electronic or virtual world. Both parties cited extensive case law with results favorable to them. In this sort of a coverage environment, producers should avoid making snap judgment calls about coverage.

Cannabis legalization continues to make news, even in states in which a strong movement toward full-blown legalization has not gotten any traction yet. (For those keeping score at home, that would be Indiana.)

The insurance coverage issues are by now well-known. For instance, the standard industry Commercial Property Coverage form excludes as “Covered Property” anything...
that is, “Contraband, or property in the course of illegal transportation or trade.” Regulators in at least one cannabis-legal state, Oregon, have advised carriers:

**Insurers issuing property and casualty policies that could potentially cover loss, damage, or liability associated with marijuana items and marijuana activities should explicitly state in the policy whether, and to what extent, these interests are covered or excluded.**

We don’t have those types of issues here in Indiana. What we do have are bordering states that have legalized adult use or recreational cannabis use. (Again, for those keeping score, that would be Michigan and Illinois.) We also have a national system in which cannabis having a content of more than 0.3% THC is still illegal under the Controlled Substances Act.

So, why should Hoosier producers care about this? Simply put, multi-state employers and multi-state employees. Legal or permissible in one state is not necessarily legal or permissible in another. Further, the overlay of federal law creates complexity in terms of both liability and coverage.

A recent article in *The Indiana Lawyer* by Lynsey David and Katherine English looked at “How Marijuana use by Commercial Drivers is Evaluated”. The authors noted the federal standard under the Federal Motor Carrier Safety Regulations that still does ban marijuana: “Simply put, failing a drug test for marijuana is automatically disqualifying for a CMV (commercial motor vehicle) driver, and there are no caveats. The FMCSRs also prohibit a driver from possessing any Schedule I controlled substance, including marijuana, while on duty.”

David and English go on to note, however, that a violation of this rule will not “automatically establish” intoxication on the part of the driver. That means that the liability for an accident – and any coverage issues connected to it – will not be determined solely because of the FMCSR violation. Instead, the outcome of that issue will depend on further evidence to show mental and physical impairment.

As with the cyber issue, this is no area for off-the-cuff coverage or liability determinations.

* * * *

Indiana has been quite consistent in its hostility to pollution exclusions and has rejected the approaches taken by other states, the “literal” and “situational” approaches. Essentially, unless the policy language at issue is specific and clearly applicable to the facts, that language is ambiguous and therefore unenforceable.

Legislative “fixes” to this problem have been attempted and have not passed. This carries its own set of industry and social concerns. Occasionally there is the proverbial silver lining, small though it may be. The silver lining is that we don’t have to decide whether rocks can be pollutants. One court recently did: *Eastern Concrete Materials, Inc. v. Ace American Insurance Company* was decided by the federal Fifth Circuit Court of Appeals in January. The issue involved “rock fines,” which are small rocks “…collected by being washed off larger stones and gathered into settling ponds, after which they are removed, dried, and stockpiled on site to be used at the quarry or sold.” An inadvertent discharge of rocks brought about an environmental claim and a coverage problem, to boot.

The conclusion, for the curious: while rocks are certainly natural, when they find their way into a creek that is rendered unfit for use “as a habitat for trout and other species,” then they are “contaminants.” That makes them “pollutants.”
IAI gratefully acknowledges these fine companies, our 2020 Partners. They are generously supporting the annual Big I Convention and other events held in 2020. Without their assistance, fees for these events would be significantly higher and/or the quality of programming would be restricted.
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Big I Announces 2020 Farm Ag Conference
By Melissa Hall

The Farm Ag Conference is back this year with a whole new selection of classes.

Since moving to the Beck Agricultural Center in West Lafayette in 2015 the annual event has grown each year. More than 200 people attended last year and the event is expected to continue to grow.

“I look forward to the 2020 Farm Conference to meet up with fellow agents and company representatives, listen to a lineup of great farm-related speakers and learn what to look for to advise our farm clients during the walking tour,” said Jim Schoen, Big I Farm Committee chair.

The conference will include six hours of continuing education.

What:
Farm Ag Conference

When:
9 a.m. to 4:30 p.m. on May 5, 2020

Where:
The Beck Agricultural Center at Purdue University

Cost:
$130 for members / $160 for non-members
Includes 6 CE hours and lunch

Dress:
Business Casual

Register now at bigi.org
credit, which satisfies the six hour annual update requirement for the AFIS designation. The classes offered include: Workers’ Comp, Farm Insurance 201, Crop/Hail, and a Crisis Response class covering how to deal with issues like product recalls or an active assailant. There will also be a risk management walking tour of a grain facility, equipment shed, and chemicals facility.

The conference is co-hosted with the Mutual Insurance Companies Association of Indiana and the cost includes a catered lunch. “This is great and practical conference for anyone who is involved with insuring farms,” Schoen said.
Quick Hits

Big I New Member **Welcome**
A&A Insurance LLC, Valparaiso, Ind.
Kevin Dennis Insurance Agency Inc., Mishawaka, Ind.
Hoffman Insurance Group, Inc., Granger, Ind.
Chittick Insurance, Wabash, Ind.
RAN Enterprises Corporation, Merrillville, Ind.

**New CIC Designees**
Kelly Dean Peters, CIC, HMSB Insurance
Shawna Cureton, CIC, Brotherhood Mutual Insurance Co.
Susan Hutson, CIC, Witkemper Insurance Group
Spencer Burkhart, CPA, CIC, Burkhart Insurance Agency

**Obituaries**

**Jack Wieneke**
1932 – 2020
Jack Don Wieneke passed away on Jan. 9, 2020. He was born July 5, 1932 in Seymour, Ind. He graduated from Indiana University and married Alice Gray Symons in 1954. Shortly thereafter he was called into active military service during the Cold War and assigned to an Air Force base in the British Midlands north of London. After active duty, Jack and Alice settled in Seymour where he went into business with his father at Wieneke Insurance Agency. Jack was a member of the Independent Insurance Agents of Indiana and was appointed as president in 1974. Jack and Alice later moved to Carmel, Ind. Surviving are his wife of 65 years, Alice Wieneke of Indianapolis; daughter Kristin (Rodney) Rowe of Goshen, Ind. son Dr. Mark Wieneke (companion Mike Hollowell) of Indianapolis, son Kurt (Theresa) Wieneke of Indianapolis, son Paul (Felicita) Wieneke of Issaquah, WA, and his grandchildren.

**Robert W. Byrd**
1951 – 2019
Robert W. Byrd, 68, passed away Dec. 26, 2019, at home. He was proud to have been self-employed for over 45 years in the insurance industry as a partner in the R.W. Byrd Agency, and as the owner of Bob Byrd Insurance. Continuing education was significant to Bob and he was a designated Certified Insurance Counselor for 40 years. Bob’s career highlights include being awarded the Indiana agent of the year award, multiple years in the Inner Circle at Pekin Insurance Company, along with many other company awards. He was survived by his spouse, Diane Anderson Olmos, his son R. Wesley Byrd (Courtney), Isle of Palms, SC, and daughter Julie Diana (Tony), Lafayette, IN, and multiple grandchildren, cousins, nieces and nephews, and former spouse Leigh Ann Byrd, Isle of Palms, SC. He was preceded in death by his brother, Richard W. Byrd.

**Butler Named in Top 10 Nationwide Insurance Program**
Butler University was named a Top 10 Program for Risk Management, Insurance & Actuarial Science by Business Insurance magazine. It ranked Butler University number 9 nationwide for most risk management graduates and number 13 in largest risk management programs.

**Pillar Group to become: Dimond Bros. Insurance, LLC.**
Pillar Group Risk Management, Inc., a Division of Dimond Bros. Insurance, LLC has officially changed its name to its parent company, Dimond Bros. Insurance, LLC. They will transition to this name during 2020. Pillar Group became a Division of Dimond Bros. Insurance in November 2014, making them the first Indiana location of one of the largest independent agencies in the United States.

**MJ Insurance Hires Sweazy**
MJ Insurance, a leading insurance agency for more than 50 years, continues to expand its Risk Services team with the addition of Chelsie Sweazy as risk services consultant for the Risk Management + Commercial Insurance department. Sweazy comes to MJ with over a decade of experience serving in multiple roles at Travelers Indemnity Company.
Mayor Joe Hogsett officially declared January 16, 2020 Dan Appel Day for his contributions to our community and industry innovation. Appel recently retired from Gregory & Appel Insurance.

Sandy Faucett joined Arlington/Roe in 2019 as a commercial binding assistant underwriter. She began her insurance career in 1981 and has a variety of commercial and personal underwriting experience on both the retail and wholesale sides.

Burns & Wilcox promoted Andrew Dean to managing director. Dean is based in the Indianapolis office.

Two Big I members were recognized and presented with $5K and $10K checks toward philanthropic efforts in their communities through West Bend's Spirit of the Silver Lining awards. The award recognizes those agents and organizations for their dedication to delivering a silver lining to those in need. Receiving contributions were: Marshall County Humane Society: $5,000 (nominated by Vickie Talcott from Morrow Insurance in Plymouth) and Bosma Enterprises: $10,000 (nominated by Kevin Mandrell with WalkerHughes in Indianapolis).

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Out & About

Indiana agents attended the IIABA Winter Meeting in New Orleans, La.

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