

Using Web Services and ACORD XML to Produce Multi-Channel Customer Communications

Unitrin Organization Structure

- **Property & Casualty Insurance**
 - Unitrin Kemper (Auto, Home, Dwelling Fire)
 - Unitrin Specialty (Commercial Auto, Personal Lines Auto)
 - Unitrin Direct (Auto, Home)
 - Unitrin Services Group
- **Life & Health Insurance**
 - Career Agency
 - United Insurance
 - Union National
 - Reliable Life
 - Reserve National
- **Financial Services**
 - Fireside Bank

Business Imperatives: Anticipating the Future...part 1

- **Expense pressures** will continue to build on IS groups
- Legacy technologies will gradually **impair a company's ability to compete** on a broad scale
- **Time to market** will become increasingly important to the business, lines between business and IS will shift.

***“Change is
inevitable...***

***except from a
vending machine.”***

- Murphy

Services Architecture: Why?

- Services are more **easily accessed, orchestrated and deployed** than systems
- Services are more **easily changed or replaced** than systems
- Defined orchestration layers **centralizes logic for service workflow** and allows **better control of required variations**
- A services architecture offers **greater control over data and information**
- Vendors are beginning to think about their applications as **self contained applications or services**

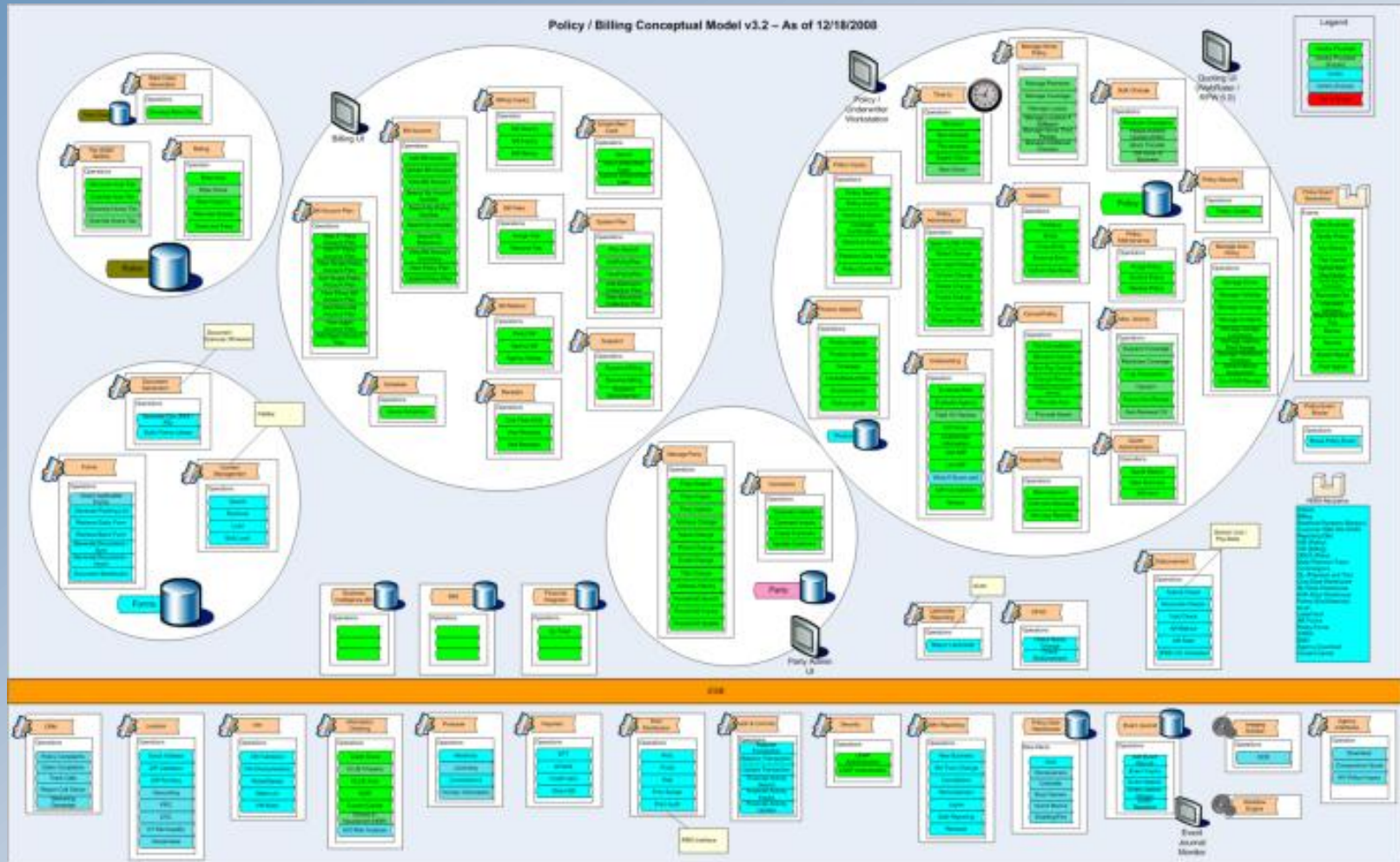
The Winchester House



Feng Shui



Feng Shui Systems Design



Unitrin Challenges

- **Expense pressures**
- **Duplication of maintenance for similar systems**
 - 3 Policy Forms systems
 - 3 Claims Forms systems
 - 3 Billing Forms systems
- **Different Forms software platforms required different skills**
- **Multiple software licenses**
- **Limited/No Reusability**
- **Heavy IT involvement in Forms changes**
- **Slow turnaround on Forms changes**

Project Goals & Objectives

- **Re-architect systems** into groups of services using a **SOA** approach
- **Leverage the flexibility of ACORD XML** and extend as needed
- **Decouple Forms processing** from source system
- **Centralize Forms processing**

Project Goals & Objectives

- **Simplify overall Forms maintenance and management**
 - Put Forms maintenance in the hands of the business
- Increase **Speed to Market on Forms changes**
- Shift from batch mentality to **real time processing**
- Enabling a platform that **supports multi-channel delivery**
 - Electronic delivery of insurance documents
 - Commoditize print processing

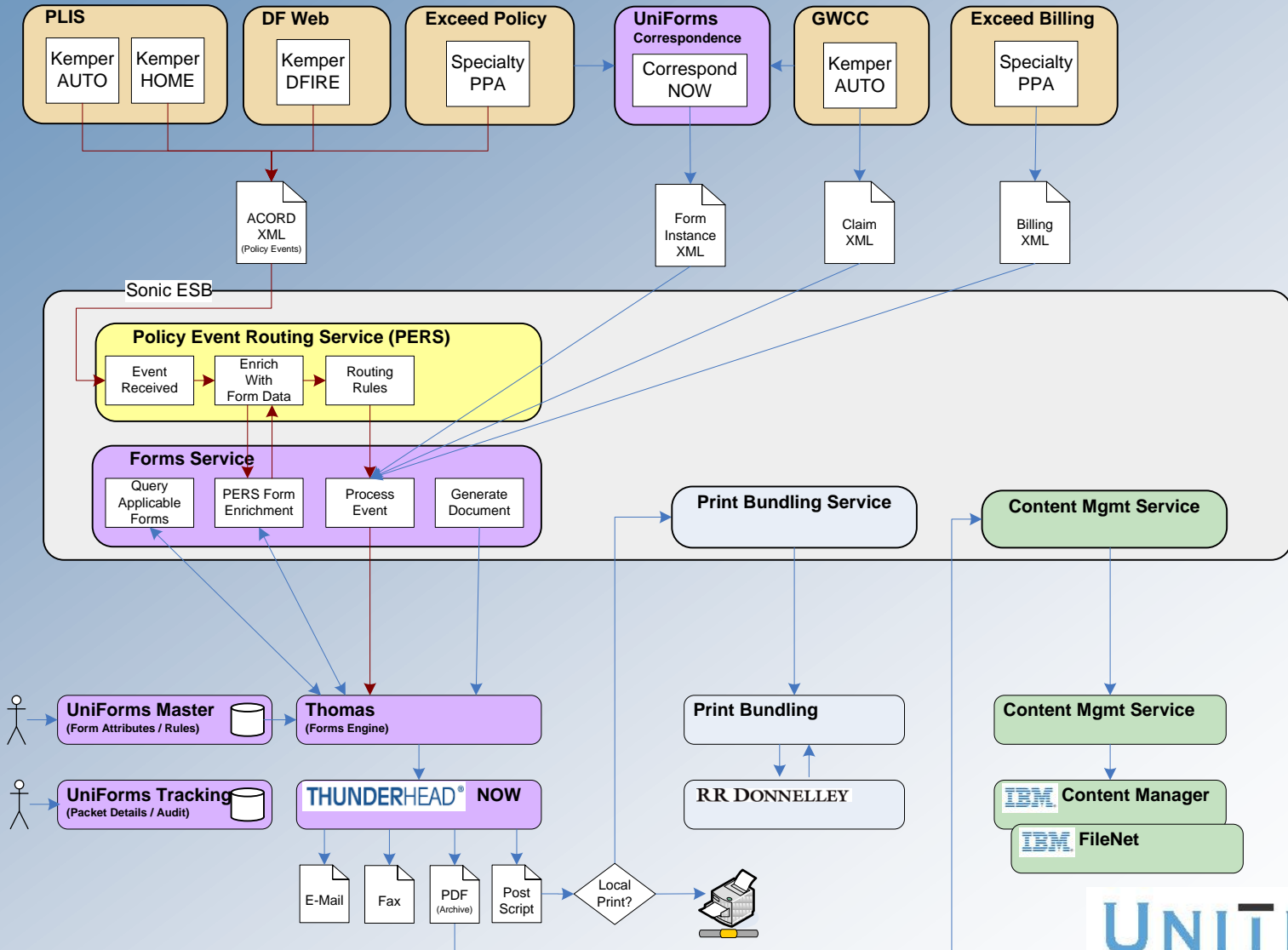
Key Software Selection Criteria

- **Ability to execute**
- **Ability to work with ACORD XML**
- **Cost**
- **Ease of use**
 - Heavy participation from both the business and technical teams
- **Architectural considerations**
 - Ability to effectively interact in a SOA environment
 - Java infrastructure
 - Platform flexibility
 - Database flexibility
- **Shared Vision**

Technology Partners Selected

- **Exceed J (CSC)**
 - Policy Administration
 - Billing
 - Rating
- **ClaimCenter (Guidewire)**
 - Claims
- **ThunderheadNOW (Thunderhead)**
 - Forms
- **Sonic (Progress)**
 - Enterprise Service Bus

Forms Architecture



Expected Benefits

- **Time to market**
 - Ability to implement forms changes in 1/3 the time
- **Rationalizing number of Forms templates**
- **Expense reduction in support costs (labor)**
- **Opportunity costs of freeing up IT resources**

Expected Benefits

- **Software cost reductions**
 - Leverage economies of scale from implementing multiple companies on single software package
 - RRD savings
 - Negotiating leverage
 - Print/finish/mail economies of scale
 - Less expensive RRD costs from providing all print in a common format
- **Improved internal customer experience**
- **Real time Forms processing**

Best Practices/Advice

- **Proof of Concept** prior to signing contract
- Ensure **business process changes** are worked out in **advance of the project**
- **Dedicated business involvement**
- **Treat project like the replacement of a significant system**
- **Put product in the hands of the business**
 - Ensure business team is equipped with appropriate skills
 - Ensure business ownership during implementation of project
 - Establish expectations in terms of ongoing production support

Key Dates

- **Claims Forms implementation for all 3 P&C companies**
 - Construction complete: February 2010
 - Production deployment: July 2010
- **Unitrin Specialty Forms Project (Personal Lines Auto)**
 - Construction complete: November 2010
 - Production deployment: March 2011
- **Unitrin Specialty Billing Forms Project**
 - Construction complete: August 2010
 - Production deployment: March 2011
- **Kemper Dwelling Fire**
 - Construction complete: August 2010
 - Production deployment: October 2010

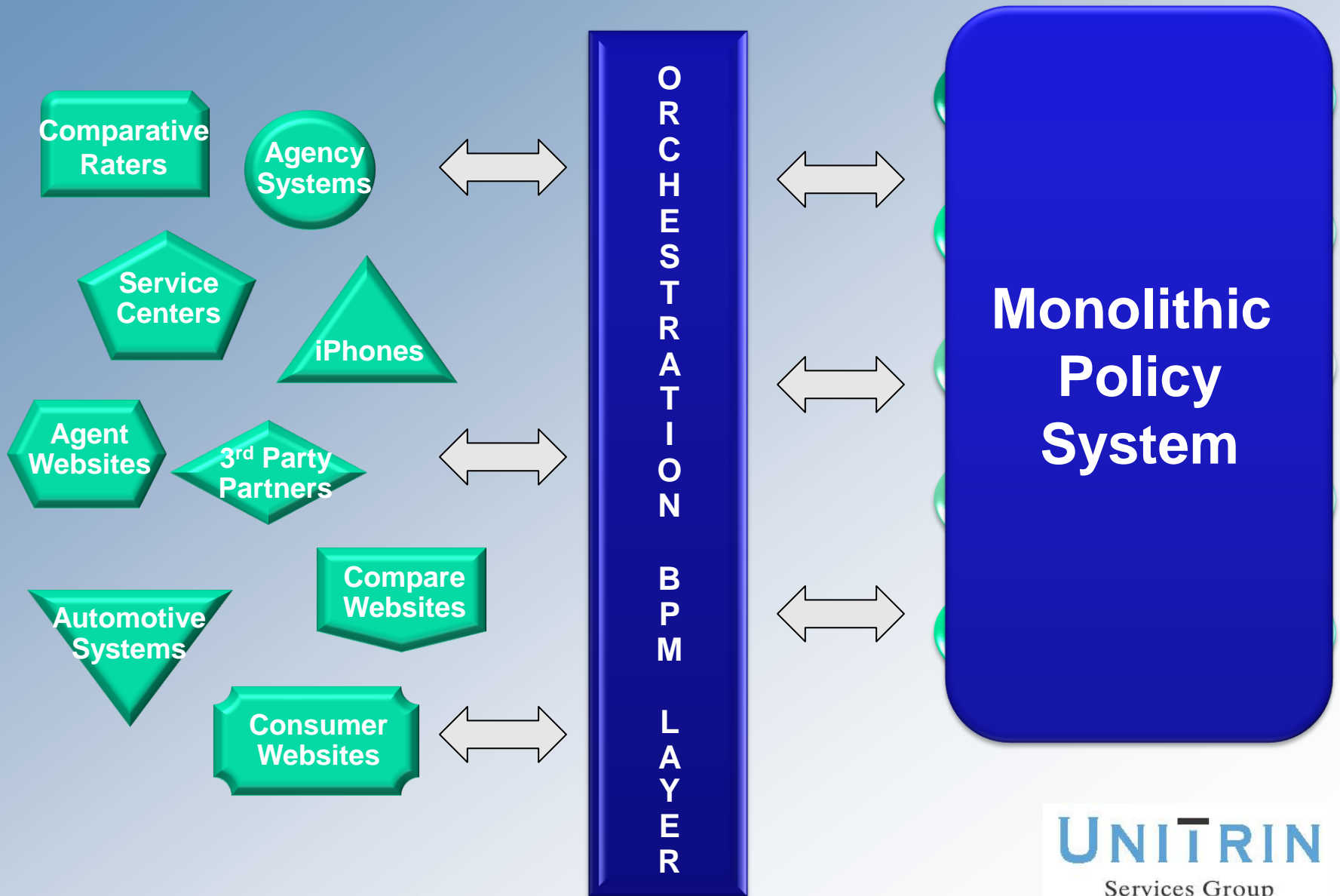
***“I don't skate where
the puck is, I always
skate where the
puck is going to be”***

- Wayne Gretzky

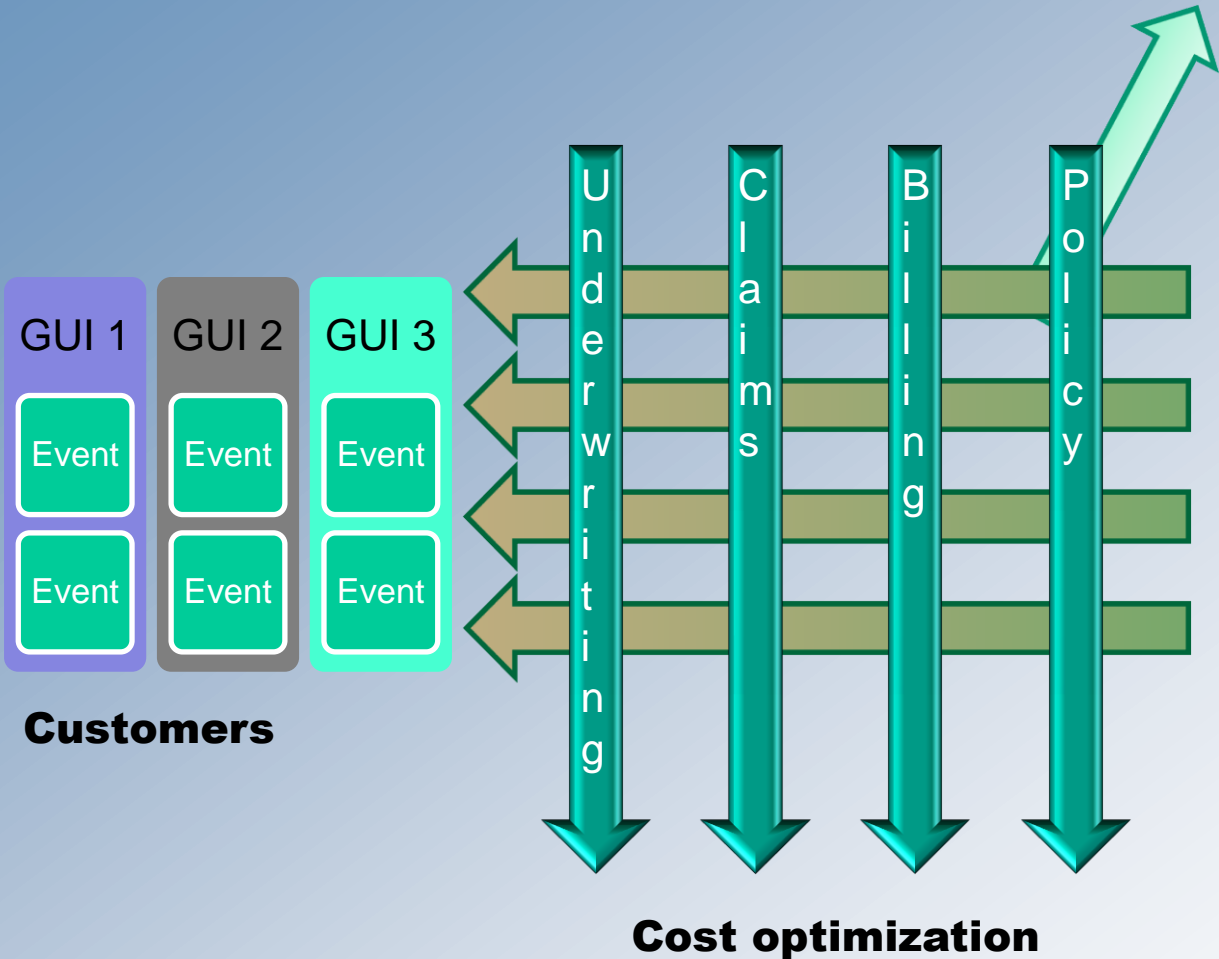
Business Imperatives: Anticipating the Future...again

- **Expense pressures** will continue to build on IS groups
- Legacy technologies will gradually **impair a company's ability to compete on a broad scale**
- **Time to market** will become increasingly important to the business, lines between business and IS will shift.
- The number, types and needs of **third parties requiring access** to company services will **continue to expand**
- **Disciplined Business Process Management** will become a point of competitive differentiation or important to expense control
- **Renewed business consolidation** and creation of information management eco-structures will place a premium on real time, canonical data
- The **number of services available through the Cloud will expand**
- **Cloud infrastructure** technologies will offer significant cost and performance advantages for those companies positioned to leverage them

Customer Driven Technology



BPM Dimensions



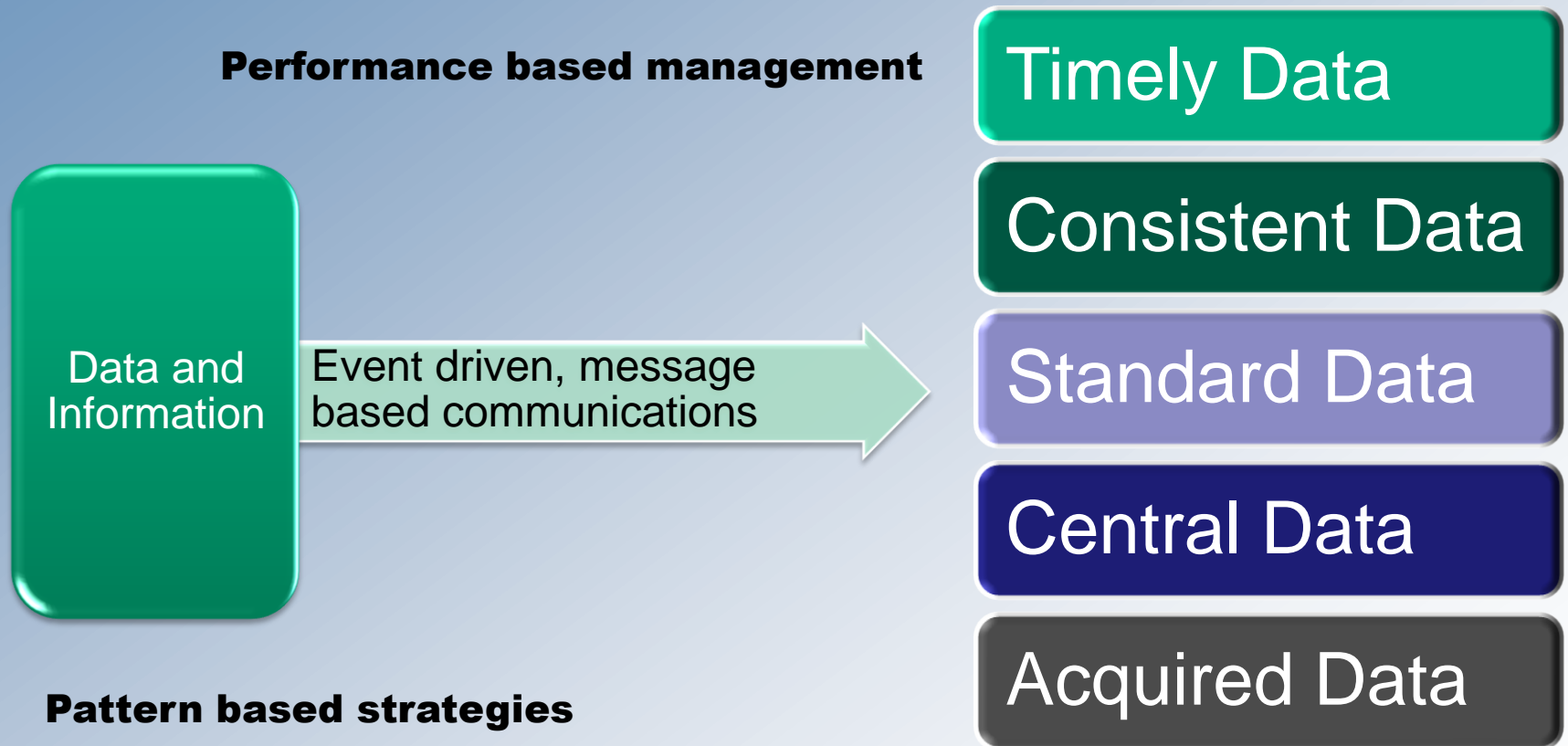
BPM tools are evolving

**Context aware
computing: service
differentiation**

Service collectives

Service	Service	Service
• Op • Op	• Op • Op	• Op • Op
Service	Service	Service
• Op • Op	• Op • Op	• Op • Op

Information Management and Data



Information integration

Questions?