

# ProClaim

Crawford's Client Newsletter

## Into the fire

**Wildfires are a menacing reality in Canada's massive forest ecosystem and a threat to cause more damage for vulnerable communities built "close to nature."**

Each summer, wildfires rage through our forests, burning an average of a quarter million square kilometres, according to Natural Resources Canada. And on May 15, residents of Slave Lake, Alberta came face to face with the devastating impact of a huge wildfire event.

The fire that engulfed the community of 6,700 has become the second costliest insured disaster in Canadian history, with losses to date of more than \$700 million, according to the Insurance Bureau of Canada. Thousands of claims have been filed for damage to homes, cars and businesses as a result of the fire, now known in insurance circles as CAT 47. More than 700 homes were completely destroyed, as were dozens of businesses and municipal buildings.

For adjusters like Sean Douglas, these stark numbers don't show the true devastation Slave Lake residents experienced in mid-May. He compares the damage to the eastern area of the town "as if a bomb had gone off. For blocks, all that was left were empty foundations, ash and burnt remains of what used to be expensive cars and trucks."

"Within 48 hours, we were on site," says Douglas, who is a managing professional and senior adjuster with Crawford & Company (Canada) Inc. "In several cases, I simply closed my laptop and listened to



residents who lost everything in the fire. You can't just rush in and start with the technical adjusting; you have to listen first, understand their situation and be empathetic."

The damage caused by the wildfires created a host of logistical hurdles for adjusters to overcome. One of the first obstacles was getting to the town itself. Authorities had cordoned off much of the area around Slave Lake due to danger from the wildfires, and then only opened access on a restricted basis after the blaze subsided. Signed waivers were required for entrance.

Crawford's response was to use Edmonton as a "staging area" to coordinate

*Continued on next page...*

## Inside

- 3** The 2011 Global Day Of Service
- 4** Social media in claims
- 4** GTS news
- 5** Onwards and upwards
- 6** Cross Border Image Desk Solutions
- 7** The 2011 Relay for Life
- 8** Crawford holiday message

## Into the fire

(continued from page 1)

the arrival of personnel and equipment, according to Mike Koch, national property and catastrophe manager for Crawford. "It was in many ways a two-part process – organizing everything first in Edmonton and then moving into Slave Lake for the actual adjusting," Koch notes. "After the fire, there was restricted access in the form of a list of authorized personnel that could go into the town; we had to ensure our adjusters were on that list."

In all, Crawford deployed 13 adjusters on-site at Slave Lake to manage roughly 125 claims, including 30 total losses. Koch explains there were many more working behind the scenes to ensure speedy claims processing. Computers, infrastructure and equipment had to be coordinated and set up to ensure remote offices were running smoothly. Various departments at Crawford – from IT to finance – were involved in the claims handling process.

"A lot of the catastrophe preparation is done pre-event and we have a model for the deployment of personnel, equipment and resources in certain situations," Koch says. "But you have to retain a measure of flexibility. Each CAT is unique. A wildfire in Alberta will pose different challenges than a hurricane in Atlantic Canada; you have to be prepared to adapt to a changing and ongoing situation."

For example, in Slave Lake the municipal hall that stored many of the property records was gutted, as were several real estate offices containing similar property information. "Many of the physical records were lost," Douglas notes. "In some cases, we had to rely on provincial authorities for documentation."

In other cases, adjusters had to think outside the box to assess claims. "A key challenge was establishing accurate appraisals and property values," says Douglas. "Using a broad evidence rule, we relied on appraisals and value of property one day prior to the loss. This retroactive appraisal process allowed us to have some sort of pre-loss database to establish quantum for the loss."

This also allowed adjusters to focus on the immediate needs of policyholders,



*A view of the wildfire aftermath in Slave Lake, Alberta.*

according to Douglas. "We wanted to convey to them that not only was their insurer prepared to fast track the claims procedures for them, but also to reassure them that we would be there for them through the claims process."

Koch says that adjusters who step into these situations understand the kind of 24/7 work conditions required, but are prepared to make that commitment to help policyholders at a time of need.

### **"The fire that engulfed the community of 6,700 has become the second costliest insured disaster in Canadian history at \$700 million, according to Insurance Bureau of Canada."**

"CAT adjusters are a breed of their own," he observes. "Although the pressure is intense and the stress level is high, there is a real sense of accomplishment at the end of it."

For the residents of Slave Lake, the ensuing months since the wildfire have meant a long process of waiting for rebuilding. To Douglas, this crucial task will be hampered by a few factors unique to northern Alberta.

"One is that it is located above the 55th parallel, so winter is coming fast and

you have a limited window for construction," he says. "The other issue is that Slave Lake is remote, roughly a three hour drive north of Edmonton. Any rebuild has to look at how you are going to bring in and accommodate tradespersons. Insurers are estimating that this could add 30-45% on the cost of rebuilding."

Douglas adds that there may be an intangible factor that could prolong or even postpone indefinitely the actual rebuilding process in Slave Lake.

"Yet another issue is whether people will want to rebuild," he notes. "If your house no longer backs onto green space with a

nice view, but rather burnt land that will not regenerate for years to come, is that still where you want to live?"

For many residents of Slave Lake, however, there is a strong will to see the community rebuilt.

"Slave Lake will return as a gem in northern Alberta," Douglas concludes. "And the insurance and construction industry will play a crucial role in that renewal." **P**

# The 2011 Crawford Global Day of Service

For the third year in a row, Crawford employees around the world helped create positive change in their communities as part of the company's annual Global Day of Service.

Forty-nine projects were arranged in twenty countries. The global activities ranged from providing food service to children to repairing deteriorating buildings. Some of the activities that Canadian employees were involved in included:

- Re-grading a walkway, general clean-up and trim painting on the raptor enclosure for the Wildlife Rescue Association in British Columbia. *(picture 1)*
- Donating, sorting and delivering over 8,000 pounds of food collected during a three-week food drive for the Daily Bread Foodbank throughout Toronto branches. *(picture 2)*
- Planting of 202 trees and dedication of Crawford Cares Grove at Laurel Creek Conservation Area with 10,000 Trees in Waterloo, Ontario. *(picture 3)*
- Clean-up of the Humber River near Ester Lorrie Park in Etobicoke, Ontario. *(picture 4)*
- Playing games, leading sing-a-longs and making crafts at the Toronto Children's Aid Society Family Day for families who recently adopted. *(picture 5)*
- Canadian Blood Services donation drive and education in Alberta.
- Over 600 pounds of food collected and delivered to the local Orangetown, Newmarket and Barrie Food Banks.
- Exceeding the food collection goal for the Ottawa Food Bank by over 75 percent.

1



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**1.** Alison Poelstra of the Surrey, BC office **2.** Mark Hale, Lynne Venkateshwaran, Crystal Van Mierlo, Yasser Sami and Tom Brigis of the Mississauga, ON Regional Claims Centre. **3.** The Waterloo, ON event. Back row, L-R: Arald Tudoran, Endre Kazinczy, Edit Kazinczy, Steve Anderson (in back), Arald Tudoran, Nancy Gionet, Michael DiCarlo, Jordan Hoshooley, Mike Roy, Dallas Sambolec, Brian Girvan, Brent Hunt, Jignesh Dhamecha, Jennifer Girvan, Steve Scullion, Ron Kirkland, Charlotte Hale, Mark Hale, Trudy Anderson, Dale Avis, Susan Avis, Jad McGregor. Sitting in front, L-R: Jamie Lane, Jackie Roy, Anna Lane, Cortney Young, Julie Anderson, Aiden McGregor, Krista McGregor and Eliot McGregor. **4.** Praveen Sharma of the Mississauga, ON Regional Claims Centre. **5.** The Toronto, ON event. Back row, L-R: Kristen Moskal, Luisa Darbyshire, Vanessa Richard, Val Heimpel and Alex Dunne. Front row: Gail and John Sharoun.

# The value of social media in claims

## Facebook and other social media sites may aid adjusters in their investigations.

While some may think that the advent of social media has only been successful in creating a population of self-aggrandizers, for a casualty or accident benefit adjuster, social media affords a unique opportunity. Adjusters can view information or photos posted by a claimant on these sites that may or may not lend credence to the claim.

In an article entitled "The Proof is in the Profile", Julia Anagnostakis of the law firm Blaney McMurtry LLP cites case law that demonstrates the openness courts display in allowing such information and photos to be used as relevant documentation. The Rules for Civil Procedure – the regulations governing the conduct of lawsuits – allow a broad definition of relevant documents that can be requested in order for their probative value to facilitate settlement. This includes the information

contained within such sites as Facebook.

The earliest cited case, *Kourteris v. Joris* ([2007] OJ No. 5539 SCJ), allowed the use of photographs on the claimant's Facebook page to defeat her claim of threshold

the legal sense of privacy is lost.

The need for "relevancy" of documents is meant to dissuade the casting of a wide investigative net in the hope of finding something of legal value by chance. However, the courts accept the idea that post-loss photographs and information posted on Facebook are indeed relevant as they can support or refute claims made by the plaintiff. Even

**"...even though the claimant's Facebook account was marked 'private'...relevant documentation was still allowed to be drawn from it."**

injury and "loss of enjoyment of life" after being involved in an automobile loss in Ontario. Of particular note was that, even though the claimant's Facebook account was marked "private", meaning that only designated "friends" could view the site, relevant documentation was still allowed to be drawn from it. If someone has several hundred "friends" on their Facebook page,

items that have been taken off Facebook post-loss can be requested if they are considered relevant according to the Rules of Civil Procedure.

During the litigation process, therefore, we can expect to see Facebook documents asked for and produced at Examinations for Discovery. Yet, how can

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## GTS News

Paul Hancock, National Director, Crawford Global Technical Services, is pleased to announce the following adjusters have achieved the next level of accreditation in their field.



**Lori Guimond,**  
CIP, CFEI  
General Adjuster  
1040 Gardiners Rd.  
Kingston, ON K7P 1R7  
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Lori.Guimond@crawco.ca

Lori began her adjusting career in 1989 as a staff adjuster with a large Canadian insurer, handling residential and commercial property losses. Lori has been an instructor and ambassador with the Insurance Institute since 2004 and became an independent adjuster with Crawford in 2008, carrying on her experience to complex residential and commercial losses.



**Jack Ronson,** CIP  
General Adjuster  
166 Charing Cross St.  
Brantford, ON N3R 2J4  
P: 519-759-5760  
Jack.Ronson@crawco.ca

Jack graduated from Fanshawe College in London, Ontario in 1998 and launched his adjusting career the following year as an independent adjuster with Crawford. He became a Chartered Insurance Professional (CIP) in 2005 and received the Gerry Anderson Memorial Award for Excellence in 2010. Jack continues to investigate general liability losses, however, much of his experience is in the areas of commercial and residential property.

## About the designation:

A General Adjuster (GA) must have a minimum of five to ten years of relevant commercial or industrial experience, including dispute resolution mechanisms. He or she displays strong analytical abilities, conflict resolution and proven negotiation skills, along with excellent oral and written communication skills. Maintenance of a CIP and continuing education courses are also required for this designation.

## Social media in claims

*(continued from page 4)*

the working adjuster use this information since most of their files do not proceed to litigation?

To begin with, find out if your claimant has a Facebook account. If they have and it is not set to "private", feel free to explore it; after all, it is an open document. Take note of any post-loss photographs and the dates they were uploaded, as well as any explanatory notes that accompany them. Compare them to pre-loss photographs and notes to see if the claimant

appears to portray a difference in lifestyle. An adjuster is after the truth and if information or photos found on Facebook seem to corroborate the claimant's allegations, they must be noted.

A little strategy must also be employed. If the claimant knows that you are going to be viewing their Facebook page, it is likely that nothing further is going to be posted on it. Therefore, it is important to be discreet. Review the page from time to time, perhaps on diary. If the page is set to "private," photographs of the claimant may be found through the Facebook pages of their "friends". Again, if something is freely

accessible on the internet, it is considered a public document.

If nothing can be found through these steps, there are other options. Should the issue proceed to litigation, be sure to put the Facebook documents down as items to be presented at Examinations for Discovery.

It may well come to pass that a represented claimant will be told not to add anything to their page after the loss date by their lawyer. However, as Ms. Anagnostakis insightfully points out, the current social pressure to keep

*Continued on page 8...*

## Crawford reports substantial improvement in 2011 third quarter results

Crawford & Company, parent company of Crawford & Company (Canada) Inc., announced its financial results in early November for the third quarter ended September 30, 2011.

Americas revenues before reimbursements were up 10% from the same quarter a year before. Revenues generated by the catastrophe adjuster group in the U.S. were \$12.9 million, up from \$4.6 million in the 2010 period.

Mr. Jeffrey T. Bowman, chief executive officer of Crawford & Company, stated, "Our third quarter 2011 operating results reflect continued strong performance in our Americas, EMEA/AP and Legal Settlement Administration segments.

"Both the Americas segment and EMEA/AP benefited from weather-related claims increases, the former in the U.S. as a result of Hurricane Irene and the latter as a result of an increase in weather-related claims activity in our Australian market.

Mr. Bowman concluded, "As we end the year and prepare to enter 2012, I am optimistic that our strategic focus of getting Broadspire to an acceptable operating profit level, reducing our overall debt load, and enhancing shareholders' returns through improved revenue and operating earnings as we capitalize on global opportunities and efficiencies will be executed."

## Onwards and upwards

John Sharoun, chief executive officer, Crawford & Company (Canada) Inc., is pleased to announce the following nominations within the company:



**Micheline Chagnon** has been appointed to the position of branch manager, Risk Management Services, Québec region, effective August 15th, 2011. During her 30 years in the insurance industry, Chagnon, who joined Crawford in 2005, has gained a wealth of knowledge in both technical and management positions and has handled a wide variety of claims.



**Marg Lefler** re-joins Crawford as the Hamilton branch manager. Marg brings over 25 years of claims experience to her role; the most recent being her role as claims manager for Markel Insurance. Marg is familiar to Crawford as she filled a contract management role with RMS in Toronto in 2008.



**Pamela Rashid** has joined Crawford as director of CMS Global Application Development in Waterloo. Pamela comes to Crawford with years of solid experience as a technology consultant for a variety of companies in the healthcare, government and insurance industries. Her most recent role was director of IT for a Toronto-based healthcare entity. Pamela also holds a PMP (Project Manager Professional) certification.

## New and moving branches

The following branch offices have relocated to better serve our clients. Please amend your records to reflect the new locations:

### Waterloo Class Action Services

610-180 King Street South  
Waterloo, ON N2J 1P8  
Tel: 519-578-4053  
Fax: 519-578-4016  
Contact: Michael Mooney  
Email: Michael.Mooney@crawco.ca

### Abbotsford

302-32555 Simon Ave.  
Abbotsford, BC V2T 4Y2  
Phone: 604 854 5582  
Fax: 604 854 5583  
Contact: Dave Lemire  
Email: Abbotsford.Claims@crawco.ca

# Cross Border Image Desk Solutions – driving south just got easier

Drivers crossing the border for a vacation or shopping trip now have access to streamlined car repair services if they run into problems.

Canadians driving across the border to the United States now have greater peace of mind if they are involved in an accident, thanks to Crawford's Cross Border Image Desk Solutions.

This new program offers seamless cross-border image desk appraisals, reduces delays and gets customers back on the road as quickly as possible, whether they are in a minor fender bender or a serious collision.

"This is a customer-friendly process that allows the car to get into a pre-approved repair shop quickly," says Dave Owen, director, Crawford Appraisal Management Services. "Through our leading-edge Image Desk Solution, we can dramatically reduce the time it takes customers to get back on the road again."

Crawford Appraisal Management Services has a partnership with the Acoat Verified Repair Network, which includes over 4,000 repair shops across the United States. Customers who report a collision to an insurance company can be easily directed to the nearest shop, whether that is in Birmingham or Buffalo, St. Petersburg or Scottsdale.

From there, the Cross Border Image Desk acts as a central point of contact for all repair work. It receives estimates, photos and any supporting material on a real-time basis. Once approved, the repairs are done quickly and to exacting Canadian industry standards.

"This is an innovative program that no one else offers in North America," Owen says. "Having that single point of contact streamlines the process for insurers and improves service for customers."

The specific benefits of the Cross Border Image Desk Solutions include:

- Expedited turn around times;
- Reduced fees and travel expenses;



Stock Photo

- Lower car rental costs;
- Increased customer satisfaction;
- Cross border warranty; and
- Vehicle release prior to payment.

**"This is a customer-friendly process that allows the car to get into a pre-approved repair shop quickly."**  
**Dave Owens, director, Crawford Appraisal Management Services.**

The program lowers indemnity by managing:

- OEM versus LKQ parts use;
- Repair versus replacement;
- Conjunctive operations; and
- Refinishing overlap.

"We have had the Image Desk Solution in place Canada-wide since 2007," Owen explains. "And it has worked very efficiently for insurers and their customers. We decided to expand it cross border

because it shouldn't matter if the driver is in Toronto or Tallahassee. We can now provide the same high level of service and quality across North America."

Owen adds that in specialized cases, field appraisers can be called in to assist with more complex vehicle claims. However, the vast majority of repairs can be handled quickly through Cross Border Image Desk Solutions.

"This is a seamless process for the customer, who simply contacts their insurance company from the U.S. and is directed to a quality repair shop," he notes.

"The customer's main concern is when he or she can get back on the road again. Our streamlined Image Desk Solution represents a difference of one-day versus four-day turn around."

With more than 30 million vehicles crossing the border from Canada to the United States every year, that can add up to substantial time and cost savings for insurers – and greatly improved satisfaction levels for customers. **P**

# The 2011 Relay for Life

For the third year in a row, Crawford employees across Canada took part in the Relay for Life, the Canadian Cancer Society's largest event. It presents an opportunity for people to come together to "celebrate, remember, and fight back" in hopes of one day conquering cancer.

For months beforehand, participants collected donations from their friends and family. Bake sales and other fundraisers were held. The Kelowna,

British Columbia branch once again held their "The Fro Must Go" fundraiser, and once again branch manager Greg Thierman made good on his promise to shave his head when their fundraising goal was met.

On the designated days, teams gathered in venues across the country and spent the night taking turns walking around a track and enjoying various types of entertainment.

All in all it was an emotional and uplifting event for everyone involved. "It was a great night filled with memories and celebrations," said Peter Carr of Class Action Services, who attended the event in Kitchener-Waterloo, Ontario.

A great way to raise money for a great cause, the relay is sure to be a part of Crawford's community service for years to come.



**1.** L-R: Nancy Guagliano, Carolyn Crewson, Lauren Valvasori, Christina Marshall and Kathy McDonald at the Hamilton, ON event. **2.** L-R: Braidan, Brayden, Gavin, Tim, Shannon, Jenna, Lauren, Stevie, Jacey, Janelle Eberts, Jennifer, Jordyn, Laurie, Shelly Thierman at the Kelowna, BC event. **3.** The Ottawa, ON event. Back row, L-R: Guy Savoie, Linda Savoie, Karen Nachia, Mark Lafleche, Christine Garby, Jennifer O'Reilly, Sylvie Tremblay and Conar Marcoux. In front: Shawnee Flagg and Alysha Flagg. **4.** Amanda Henits and Colleen Mills at the Thunder Bay, ON event. **5.** L-R: Phil Huntley, Alexander Martynek, Amber Klassen, Anne Gevaert, Eva Sobolewska, Saskia Delano, Sarah Delano, Melissa Thompson, Randy Corsini, Shannon Convery, Julie Boyse, Marjorie Desjardins, Britni Desjardins, Paul Desjardins and Janet Desjardins at the St. Catharines, ON event. **6.** Dawn Garden, Peter Carr and Deanne Dearing at the Kitchener-Waterloo, ON event. **7.** Back row, L-R: Noel Dunne, Amy Croucher, Craig Anderson, Mark Hale, Ariff Mawji, Tom Brigis and Kelly Grieve. Front row, L-R: George Costandi, Lynette Croucher, Lynne Venkateshwaran, Kathy Aldred, Nancy D'Costa and Barb Vance. **8.** Back row, L-R: Mike Dickson, Colleen West, John Sharoun, Gail Sharoun, Carrie Trudeau, Sheri Martinello and Kavita Narain. Front Row, L-R: Val Heimpel, Anna Toner, Vanessa Richard and Kristen Moskal. **9.** Back Row, L-R: Andrea Rees, Paul Hancock, Ryan Lumbard, Pat Van Bakel, David Kirkwood, Richard Nicolle and Ryan Demchuk. Front row, L-R: Kathleen Alfred, Susan Elcome, Silvana Facciolo, Christina Alcalde and Kathy Hancock. Crouching in front: Devorah Lindsay, Jessica Montgomery and Praveen Sharma. Photos 7, 8 and 9 taken at the Toronto/North York, ON event.

## Happy Holidays from Crawford & Company (Canada) Inc.

*It's hard to imagine that the holiday season is already upon us after what's been a very busy and interesting 2011. All of us at Crawford would like to express our appreciation to our clients and friends for their business and support throughout the year.*

*In lieu of a holiday card, Crawford has made a donation to Crawford Cares on behalf of its clients and employees.*

*Funds raised by Crawford Cares are donated to WICC (The Women in Insurance Cancer Crusade) and the Hospital for Sick Children.*

*We wish you and your families all the very best for this holiday season and for the coming year.*

### Social media in claims

*(continued from page 4)*

constantly in touch may possibly overwhelm this interdiction, especially if an issue is protracted as many injury claim files are, with those that proceed to litigation tending to be even more so.

Casualty and accident benefit adjusters must have an unquenchable thirst for information regarding the claimants they are dealing with in order to reach a settlement or benefit allowance that accurately reflects the facts of the loss.

As the courts have shown themselves to be amenable to accepting evidence from social media sites, a review of these sites should now constitute a mandatory part of an adjuster's investigative repertoire. However, be aware that an adjuster must collect this permitted information in a fashion that shows the highest obedience to ethical conduct. If the information that has been gathered has any taint of underhandedness, its value will be nullified in the eyes of the court.

For more information on this subject or for a copy of the cited paper, please contact Stephen Scullion at [Stephen.Scullion@crawco.ca](mailto:Stephen.Scullion@crawco.ca). **P**

December 2011



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