



2007

*Western Risk &
Insurance Association*

41st Annual Meeting

**The Westin
Horton Plaza
San Diego, CA
January 3-6, 2007**

WRIA OFFICERS

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41st Annual Meeting San Diego, California

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- Illinois State University, *Katie School*
- Temple University
- University of Calgary
- University of Louisiana at Lafayette
- Washington State University

- Year Winner
- 2005 ***Firm-Level Analysis of the Effects of Net Investment Income on Underwriting Cycles: An Application of Simultaneous Equations*** by Patricia Born and Min-Ming Wen, Spring 2005, (vol. 28, No. 1, pp. 14-32)
- 2004 ***Capacity Constraints and IPO Underpricing in the Property and Liability Insurance Industry*** by Tong Yu, Bingxuan Lin, Mulong Wang, and William R. Feldhaus, Fall 2004, (vol. 27, No. 2, pp. 104-122)
- 2003 ***Is Life Insurance a Human Capital Derivatives Business?*** by Krzysztof Ostaszewski. Spring 2003, (v. 26, No.1, pp. 1-14)
- 2002 ***Large Losses and Firm Value: Investor Response and Managerial Decisions*** by Gene C. Lai, Michael J. McNamara, and Henry R. Oppenheimer. Spring 2002, (v. 25, No.1, pp. 63-84)
- 2001 ***A Comparison of Large Firm Dominance in Property and Liability Insurance with Major Industries*** by Edward Nissan and Regina Caveny (v. XXIV #1&2, Spring 2001, pp. 58-73)
- 2000 ***Measuring the Value of an Exposure: A Capital Budgeting Approach*** by Thomas A. Aiuppa and Lisa Graham (v. XXIII #1, Spring 2000, pp. 1-29)
- 1999 ***Using Catastrophe-Linked Securities to Diversify Insurance Risk: A Financial Analysis of Cat Bonds***
by Henri Loubergé, Evis Kellezi and Manfred Gilli (v. XXII #2, Fall 1999, pp. 125-146)
- 1998 ***Changes in Ownership Structure: Theory and Evidence from Life Insurer Demutualizations*** by James M. Carson, Mark D. Forster and Michael J. McNamara (v. XXI #1, Spring 1998, pp. 1-22)
- 1997 ***Life Insurer Risk Characteristics and the Rating Process*** by Steven W. Pottier (v. XX #2, Fall 1997, pp. 111-130)
- 1996 ***Solvency Regulation Through Risk-Based Capital and Risk-Based Guaranty Fund Premiums: An Analysis of Incentive Effects*** by David W. Sommer (v. XIX #2, Fall 1996, pp. 94-106)
- 1991 ***The Role of State Guaranty Funds in the Property Casualty Insurance Industry***
by Fred B. Power, E. Warren Shows, and Richard L. Meyer (v. XIV #2, July 1991, pp. 51-72)
- 1990 ***The Insurer Selection Process by Independent Insurance Agents*** by Donald W. Hardigree and Vince Howe (v. XIII #1, January 1990, pp. 27-46)
- 1989 ***Hedging a Credited Rate for a Universal Life Policy*** by Robert E. Hoyt (v. XII # 2, June 1989, pp. 22-37)

Editors of the Journal of Insurance Issues

(by initial masthead appearance)

v.28 #2 (Fall, 2005)	William L. Ferguson, <i>University of Louisiana at Lafayette</i>
v.24 #1 (Spring/Fall, 2001)	James M. Carson, <i>Illinois State University</i>
v.18 #2 (Fall, 1995)	Joseph J. Launie, <i>California State University, Northridge</i>
v.17 #1 (March, 1994)	Donald W. Hardigree*, <i>University of Nevada, Las Vegas</i>
v.14 #1 (January, 1991)**	Robert A. Hershbarger, <i>Mississippi State University</i>
v.3 #3 (Summer, 1980)	Fikry S. Gahin, <i>University of Utah</i>
v.2 #2 (Winter, 1978-79)	John J. O'Connell, <i>Arizona State University</i>
v.1 #1 (March, 1977)	Lester I. Tenney, <i>Arizona State University</i>

Notes: * Interim; ** Name changed from *Journal of Insurance Issues and Practices*

Western Risk & Insurance Association

A Look Back

Year	President - University Affiliation in Office	Annual Meeting (Site)
2006	Randy Dumm, Florida State University	Santa Barbara, CA (Fess Parker's Doubletree)
2005	William Feldhaus, Georgia State University	Monterey, CA (Monterey Plaza Hotel)
2004	Anne Kleffner, University of Calgary	Las Vegas, NV (Flamingo Las Vegas)
2003	Gene Lai, Washington State University	Maui, HI (Maui Prince)
2002	William L. Ferguson – University of Louisiana at Lafayette	San Diego, CA (Hilton San Diego Resort)
2001	Beverly J. Frickel – University of Nebraska, Kearney	Santa Barbara, CA (Fess Parker's Doubletree)
2000	James M Carson – Illinois State University	Monterey, CA (Monterey Plaza Hotel & Spa)
1999	Mark S. Dorfman – University of North Carolina, Charlotte	Las Vegas, NV (Monte Carlo Hotel)
1998	William J. Warfel – Indiana State University	Kaanapali Beach, Maui, HI (Westin Maui Hotel)
1997	Michael J. McNamara – University of Memphis	Santa Barbara, CA (Fess Parker's Red Lion)
1996	Donald W. Hardigree – University of Nevada, Las Vegas	Monterey, CA (Monterey Plaza Hotel)
1995	Hamdi Bilici – California State University, Long Beach	Las Vegas, NV (Treasure Island Resort)
1994	Barry B. Schweig – Creighton University	Honolulu, HI (Ilikai Hotel)
1993	Robert A. Hershbarger – Mississippi State University	Newport Beach, CA (Sheraton-Newport)
1992	Milton E. Smith – Brigham Young University	Phoenix, AZ (Hilton Suites Hotel)
1991	Sandra G. Gustavson – University of Georgia	Las Vegas, NV (Alexis Park Resort)
1990	Jerry L. Jorgensen – University of Utah	Honolulu, HI (Ilikai Hotel)
1989	Iskandar S. Hamwi – University of Southern Mississippi	San Diego, CA (Omni Hotel)
1988	Patricia A. Strong – California State University, Sacramento	San Francisco, CA (Sheraton Fisherman's Wharf)
1987	Mark L. Cross – University of North Texas	San Antonio, TX (Hilton Palacio del Rio)
1986	Kenneth L. Pacholke – California State Univ., Sacramento	Las Vegas, NV (Holiday Inn Casino)
1985	August Ralston – Iowa State University	Reno, NV (MGM Grand Hotel)
1984	John H. Thornton – University of North Texas	Newport Beach, CA (Sheraton-Newport)
1983	Norma L. Nielson – University of Southern California	Newport Beach, CA (Sheraton-Newport)
1982	Jerry D. Todd – St. Mary's University, San Antonio	Scottsdale, AZ (Inn Suites Hotel)
1981	Frank W. Taylor – California State University, Fullerton	San Diego, CA (Hotel del Coronado)
1980	Fikry S. Gahin - University of Utah	San Diego, CA (Hotel del Coronado)
1979	Thomas W. Spear – University of Nevada, Las Vegas	Lake Tahoe, NV (Sahara -Tahoe Hotel) ¹
1978	Thomas L. Heflin – California State University, Sacramento	Las Vegas, NV (Frontier Hotel)
1977	Lester I. Tenney – Arizona State University	Las Vegas, NV (Frontier Hotel) ²
1976	Oscar N. Serbein – Stanford University	San Francisco, CA (Mark Hopkins Hotel)
1975	Lester B. Strickler – Oregon State University	Las Vegas, NV (Frontier Hotel) ³
1974	-----no annual meeting held-----	
1973	J. Howard Widdowson – Portland State University	Santa Clara, CA (University of Santa Clara)
1972	Jonas E. Mittleman – San Francisco State University	San Francisco, CA (Hilton Hotel) ³
1971	Joseph J. Launie – California State University, Northridge	Las Vegas, NV (Frontier Hotel)
1970	Alfred E. Hofflander – University of California, Los Angeles	Long Beach, CA (California State College)
1969	Nester R. Roos – University of Arizona	Corvallis, OR (Oregon State University)
1968	Oscar N. Serbein – Stanford University	Boulder, CO (Colorado University)
1966	Robert C. Goshay – University of California, Berkeley	Berkeley, CA (UC, Berkeley)
1965	Irving Pfeffer – University of California, Los Angeles	San Francisco, CA (Jack Tar Hotel) ⁴

NOTES:

1 = annual meeting moved from December to current practice of being held in January of each calendar year.

2 = first independent meeting: December 28-30, 1976; *JIIP* authorized by unanimous vote (v. 1 #1: March, 1977 -- renamed *JII*, v. 14 #1: Spring, 1991); prior meetings had been on academic year basis in August in conjunction with another group (e.g., WEA, WFA, ARIA).

3 = annual meeting held in June (joint meeting with III).

4 = Western Association of Insurance Professors (WAIP), originally the Western Association of University Professors of Insurance, organizational meeting: August 24, 1965; WRIA name adopted: June 10, 1974.

Wednesday, January 3, 2007

**4:00 PM – 5:00 PM
WRIA Board Meeting**

**5:00 PM – 6:00 PM
Registration
(Room: Coronado)**

**6:00 PM – 8:00 PM
Opening Reception
(Room: Coronado)**

Thursday, January 4, 2007

**7:45 AM – 12:00 PM
Sessions Begin and Registration Continues
ALL PRESENTATIONS IN LIBRARY ROOM**

7:45 - 8:30 A.M. Buffet Breakfast (Imperial/2nd Floor)

8:30 - 10:00 A.M. SESSION A

**Topic: Special Session on Insurance Cycles
Moderator: Gene Lai (Washington State University)**

“A Behavioral Model of Insurance Pricing”
James Ligon (University of Alabama)
Paul Thistle (University of Nevada, Las Vegas)

“The Effect of Regulation on Underwriting Cycles: The Case of Germany”
Thomas Berry-Stoelzle (University of Cologne)
Patricia Born (California State University, Northridge)

10:00-10:15 A.M.

Coffee Break

10:15 A. M. - 12:00 P.M. SESSION B

Topic: Insurer Insolvency and Regulation

Moderator: Arnold F. Shapiro (Pennsylvania State University)

“Alternatives to Cash in Ensuring the Solvency of Defined Benefit Pension Funds”

Peggy Hedges (University of Calgary)

Ryan Lee (University of Calgary)

Norma Nielson (University of Calgary)

“In Search of Greener Pastures: An Examination of Insurance Company Redomestications”

Michael J. McNamara (Washington State University)

Stephen W. Pruitt (University of Missouri, Kansas City)

David R. Kuipers (University of Missouri, Kansas City)

“An Examination of P&C Insurer Solvency in Canada”

Anne E. Kleffner (University of Calgary)

Ryan B. Lee (University of Calgary)

“The Accuracy of the Estimates of Loss in Profit and Liability Insurance of Israel Insurance Companies - Accounting and Regulation Aspects”

Yoram Eden (College of Management, Israel)

Thursday Presentation Sessions End

Friday, January 5, 2007
7:30 AM – 12:30 PM

7:30 - 8:00 A.M. Breakfast (Library Room)

8:00 - 9:30 A.M. SESSION C

Topic: Insurance and Reinsurance Contracts
Moderator: Lee Colquitt (Auburn University)

“The Reinstatement Clause within a Reinsurance Contract”
Bruce Evans (University of Dallas)

“Brownfield Transactions: Identification of Environmental Liability Exposures”
William J. Warfel (Indiana State University)

"An Examination of Adverse Selection Behavior in the Residual Market"
Randy E. Dumm (Florida State University)

9:30 – 9:45 A.M.

Coffee Break

9:45 - 10:45 A.M. SESSION D

Topic: Risk Management Education Programs
Moderator: Anne E. Kleffner (University of Calgary)

“A Conversation About Updating the Collegiate RMI Programs Study”
Lisa Gardner (Drake University)

“Student Perceptions of the Insurance Profession”
Suzanne Cory (St. Mary’s University)
Dana Kerr (Ball State University)
Jerry Todd (St. Mary’s University)

"Literature Review: What Does The Research Say About Teaching RMI in Colleges and Universities?"
Patricia Cheshier (California State University, Sacramento)

10:45 – 11:00 A.M.

Break

11:00 - 12:30 P.M. SESSION E

Topic: Insurance Mathematics and Economics
Moderator: Patty Born (California State Univ, Northridge)

“Application of Game Theory to Pricing of Participating Deferred Annuity”
Hong Mao (Shanghai Second Polytechnic University)
Krzysztof M. Ostaszewski (Illinois State University)

“Fuzzy Random Variables based on Probability Distributions with Fuzzy
Parameters”
Arnold F. Shapiro (Pennsylvania State University)

“Assessing the Market Value of Safety Loadings”
Carole Bernard (University of Waterloo)
Olivier Le Courtois (EM Lyon Business School)
François Quittard-Pinon (University of Lyon 1)

“The Optimal Pricing Strategy for an Insurer when Risk Preferences are
Stochastically Distributed”
Martin Nell (University of Hamburg)
Annette Hofmann (University of Hamburg)
Philipp Pohl (University of Hamburg)

Friday Presentation Sessions End

Friday, January 5, 2007

12:30 – 1:30 P.M.
WRIA Sponsored Luncheon (Coronado)

1:30 – 2:00 P.M.
WRIA Annual Business Meeting (Coronado)

Saturday, January 6, 2007
7:30 A.M. – 12:15 P.M. Regular Sessions Continue

7:30 - 8:00 A.M. Breakfast (Library Room)

8:00 - 9:30 A.M. SESSION F

Topic: Property and Liability Insurance
Moderator: Randy Dumm (Florida State University)

“Driver Negligence vs. Odometer Miles: Rival Theories to Explain Credit-Score and Like Predictors of Automobile Insurance Claims”
Patrick Butler (National Organization for Women)

“An Exploratory Analysis of Contingent Commission Use by Property/Liability Insurers”
L. Lee Colquitt (Auburn University)
Kathleen McCullough (Florida State University)
David W. Sommer (University of Georgia)

“Operating Efficiency and Profitability in the U.S. Property-Casualty Insurance Industry”
Peter M. Ellis (Utah State University)

“Negligence, Ignorance and the Demand for Liability Insurance”
Vickie Bajtelsmit (Colorado State University)
Paul Thistle (University of Nevada, Las Vegas)

9:30 – 9:45 A.M.

Coffee Break

9:45 - 11:00 A.M. SESSION G

Topic: Risk Management
Moderator: Ryan Lee (University of Calgary)

“Who Self-insures in the Workers’ Compensation Market?”
Mu-Sheng Chang (Temple University)
Mary A. Weiss (Temple University)

“Market Concentration, Vertical Integration and Bancassurance: Consolidation and the ‘Insurance Middleman’”
Xiaoying Xie (California State University, Fullerton)

“The Fair Premium and Implied Reserves of the Deposit Insurance Fund in Taiwan”
Chia-Ling Ho (Feng Chia University)
Gene C. Lai (Washington State University)
Jin-Ping Lee (Feng Chia University)

11:00 – 11:15 A.M.

Break

11:15 A.M. - 12:15 P.M. SESSION H

Topic: Insurance Markets

Moderator: David T. Russell (Cal. State Univ, Northridge)

"Consulting Governance - Value Creation in the Insurance Industry"

Ilse Ennsfellner (Ennsfellner Consulting)

Karl Ennsfellner (University of Applied Sciences, Krems)

"Workable Alternatives to Heaped Commissions in the Life Insurance Policy Replacement Transaction"

David T. Russell (California State University, Northridge)

WRIA 41st Annual Meeting Concludes

WRIA

42nd Annual Meeting

January 2008

Hawaii

See You Next Year!

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<http://www.wria.org>