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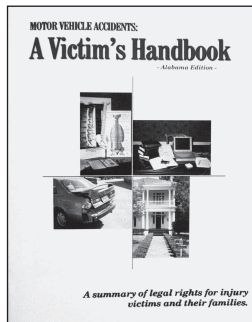
A quarterly newsletter for friends and clients of
Moore & Wolfe, Attorneys at Law

FALL 2007

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FREE INFORMATION FOR ACCIDENT VICTIMS

The fourth edition of *Motor Vehicle Accidents: A Victim's Handbook* is available at Moore & Wolfe. This most recent edition includes updates on Alabama laws related to motor vehicle accidents and a new color scheme. "Besides updating the law, the new edition has been edited to make it more reader friendly," said Mark Wolfe. "The past editions have included a lot of legalese which we thought made it a little cumbersome to read," said Wolfe. The new color scheme incorporates the familiar green and white colors used by Moore & Wolfe on other publications and used on the law firm letterhead. Wolfe stated that, "The important thing for injury victims to know is that the publication is still free and that it contains very important information that injury victims should know before trying to settle their injury claims." Since its initial publication in 1994, over 45,000 copies have been printed. The handbook is used as a text for seminars for law enforcement officers, healthcare providers and victim advocacy groups. In 2005, the publication received a National Award of Merit from Mothers Against Drunk Driving (MADD) for its continued warnings against the dangers of drinking and driving. If you, or a friend or family member, have been injured in a motor vehicle accident, please call 433-7766 for a free copy.



NEWEST EDITION TO THE MOORE & WOLFE TEAM

On July 26, 2007, Moore & Wolfe were proud to add a new member to our team. Knox and Marian Boteler welcomed Anne Gliddon Boteler to their family. Annie weighed 6lbs, 14 oz and was 20 inches long. Annie and mom are doing fine. Knox is working extra hard managing litigation files and diapers.



PROFITS SOAR AS PAYOUTS FALL

INSURANCE COMPANIES CONTINUE TO POST RECORD PROFITS AS CLAIM PAYOUTS REACH A FIFTY YEAR LOW. According to Highline Data LLC, a firm that compiles insurance industry data, property-casualty insurers (which cover damage claims for homes and cars) reported profits of \$73 billion in 2006. Even in 2005, the year of Hurricanes Katrina and Rita, property-casualty insurers reported profits of \$49 billion. The Consumer Federation of America recently reported that claim payouts as a percentage of premiums collected were at their lowest point in 50 years. The Insurance Information Institute also confirms the continued decline in claim payouts. They report that in 1996, property-casualty carriers paid out 64% of collected premiums for claims. By 2006 this percentage had declined to 55%. Yet premium prices keep going up and we keep hearing insurance companies complaining about "catastrophic losses" as reasons for canceling coverage and increasing premiums.

In a great article called *The Insurance Hoax*, writers David Dietz and Darrell Preston, expose how property-casualty companies have been minimizing claim payouts to claimants with "hardball" tactics designed to wear down claimants. These tactics include data manipulation, over compensated expert witnesses and over zealous claims adjusters who receive bonuses and raises based upon how low they can settle claims. In example after example, Dietz and Preston show how insurance companies manipulate claims and try to bully claimants.

They also report on Allstate's claim philosophy: *Good Hands or Boxing Gloves*. In a now well documented power point slide presentation, Allstate claims managers were told of Allstate's new claim philosophy. When a claim is presented, adjusters are to make a low offer. If the offer is accepted, they should treat the claimant with "good hands." But, if the offer is rejected then the claimant should get the "boxing gloves." This latter position means that the claim should be drug out and delayed as long as possible. If the claim ends up in Court, then Allstate lawyers should delay the litigation process as long as possible with questionable defenses and stalling tactics. Another Allstate power point slide in the same presentation showed an alligator with the caption: Sit and Wait. The idea being that delaying payments allows the company to hold money longer and make more on their investment while at the same time wearing down the claimant. In a recent article on this same subject, David Berardinelli reports that when Allstate first introduced this new hardball claim management philosophy, claim payouts were reduced by 60%. He now reports that claim payouts are as low as 40 cents on the dollar.

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These losses on claims are felt by the local communities. When an insurance carrier only pays out 40% of a claim, the claimant suffers the remaining loss. If the cost of repairs for a "covered loss" are \$10,000 but the insurance company forces a hardball settlement of \$4,000.00, then the claimant takes a \$6,000.00 loss. This means either the homeowner diverts his own money to pay for repairs or does not make the repairs. Either way the local economy is divested of \$6,000.00 which should have been paid by the insurance company. "Wall Street wins while Main Street loses," said Mark Wolfe. Wolfe recently wrote an article that was published in the Mobile Press Register detailing how insurance companies have been placing profits for shareholders over the rights of policyholders. To receive an-mail copy of any of the articles mentioned above, please contact Mark Wolfe at mcw2@moore-wolfe.com.

INSURANCE INDUSTRY SPENDS \$98 MILLION FOR LOBBYISTS

WITH RECORD PROFITS, INSURANCE INDUSTRY WANTS TO KEEP STATUS QUO. PoliticalMoneyLine a unit of Congressional Quarterly reports that the insurance industry spent \$98 million on lobbying in Washington in 2006. With consumer groups calling for more Federal oversight and regulation of insurance companies, the insurance industry pressured Congress to leave insurance regulations to the individual states. Amy Bach, the executive director of United Policyholders, a consumer advocate group states: "Fines by state regulatory agencies have been far too small and infrequent to deter unfair business practices. It's clear that cheating by insurers is a big, profitable business and regulators can't muster the will or political strength to stop them." Not only are insurance industry lobbyists fighting federal regulation, they are also pushing Congress for more federal government payouts after catastrophic events. The \$98 million spent by the insurance industry in 2006 was the second most of any industry. (Pharmaceutical companies spent \$114.4 million in 2006.)

DRIVING WHILE TEXTING: A CLEAR DANGER

(CBS) Driving while under the influence or alcohol or drugs is one thing. But allowing yourself to get distracted when you're behind the wheel is never wise. Along with reading, applying makeup or talking on cell phones while driving, you can add a new type of behavior: text messaging. As *The Early Show* consumer correspondent **Susan Koeppen** reported Wednesday, doing that can actually cost lives. On the day before Thanksgiving last year, high school senior Patrick Sims was driving less than a mile from his Denver home and texting a friend, when his girlfriend suddenly screamed. When Sims looked up, he was just inches from a cyclist

bike lane. "I couldn't swerve my car, I couldn't move it, because he was just too close," Sims recalls. "There was nothing I could do to possibly stop the car accident from happening." The resulting collision killed a 63-year-old grandfather, and changed the teen's life forever. "There's no words to say how sorry I am," Sims laments. " ... I think about this car accident every single day of my life." In a recent survey by the Liberty Mutual Insurance Company, 37 percent of teens said they found text messaging to be extremely or very distracting while driving. Still, Koeppen says, many teens and others do it, and don't think twice about the possible consequences. "It didn't seem dangerous," Sims says, "because I had done it plenty of times before." "Unfortunately, Patrick's story is very, very common," says Maile Gray, who is with DriveSmart, a traffic safety program in Colorado Springs. "One distraction can lead to a tragedy," Gray says. "In seconds, your life, or someone else's life, can change." Koeppen saw for herself just how quickly a distraction could lead to an accident, at Ford's headquarters outside Detroit. She got into Virrtex, the company's \$3 million driving simulator, armed with her Blackberry. Her every move was tracked by Mike Blommer, who runs Virrtex. Koeppen was "driving" 65 mph on an interstate, checking messages on her blackberry, and had some harrowing close calls when she looked down for just moments. "If you're sitting at a desk," Blommer says, "two to three seconds goes by like that. ... The problem is, in a vehicle, you don't know what the other vehicles are doing around you, and in two to three seconds, something very critical can happen." As Sims can attest. "I looked away for a few seconds, and I didn't end my life, but I ended someone else's," he observes. Sims now talks to teenagers about the fatal crash as part of his court-ordered community service. He's still on probation, and no longer has his license or cell phone. Sims also served 10 days in jail during spring break. "I think everybody thinks it can't happen to them," Sims says, "because I thought the same thing. But obviously, it can." The federal government estimates that 30 percent of all crashes in the United States involve driver distraction, Koeppen notes. She adds that a few states have passed laws banning the use of handheld cell phones, and some states, such as Connecticut, and the District of Columbia, fine motorists for other things, such as putting on makeup while driving or reading or writing behind the wheel. (Reprinted with permission of CBSnews.com)

ATV LEGISLATION CONSIDERED

The recent death of a 5 year old passenger on an ATV may be the catalyst for safety legislation. Alabama is one of only three states that do not have safety regulations for All-Terrain-Vehicles. After the recent tragedy was reported in the Mobile Press Register, Steve Moore corresponded with attorneys in other states about their State's ATV Safety laws. The information was forwarded to other members of the Alabama Lawyers for Justice. Apparently medical doctors, especially emergency room doctors, have also been trying to get our legislature to enact some ATV safety regulations. One doctor at Children's Hospital in Birmingham characterized

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ATV *continued...*

the number of ATV related injuries as “near epidemic magnitude.” Although only in the planning stage, it appears that these two groups may be coming together to lobby for ATV safety laws. In the interim, we remind ATV riders of the following safety rules from the ATV Safety Institute:

1. Always wear a helmet and other protective gear.
2. Never ride on public roads - another vehicle could hit you.
3. Never ride under the influence of alcohol or other drugs.
4. Never carry a passenger on a single-rider vehicle.
5. Ride an ATV that's right for your age.
6. Supervise riders younger than 16; ATVs are not toys.
7. Ride only on designated trails and at a safe speed.
8. Take an ATV RiderCourse; Call Toll-Free at 800.887.2887, or go to www.atvsafety.org

TRAFFIC SAFETY NEWS

At Least Two Million People a Year Receive Neck Injuries in Rear-End Accidents. The Insurance Institute for Highway Safety recently estimated that neck injuries from rear-end accidents account for two million insurance claims per year. The number does not reflect injuries where no insurance claim is made because of lack of insurance or for other reasons. The estimate was made in conjunction with on-going crash tests for vehicle protection against neck injuries. In years past, head restraints have been commonly called “head rests” but the Institute reports that the head restraint is an integral part of occupant protection. The head restraint in your vehicle should be properly positioned to minimize the common whiplash injuries associated with a rear end accident. The Institute reports the head restraint should extend at least as high as the top of your ears and be placed close to the back of the head.

Limiting the number of passengers increases safety for teen drivers. A recent report by the AAA Foundation for Traffic Safety reveals that for every teen passenger in the car with a teen driver, the risk of a crash increases fifty percent.

Three seconds of distraction can change a life or take a life. Driver distraction is a factor in nearly 80% of all motor vehicle crashes according to a National Highway Traffic Safety Administration (NHTSA) and Virginia Tech Transportation Institute (VTTI) study. Nearly 80% of crashes and 65% of near crashes involved some form of driver inattention within three seconds before the event. Primary causes of driver inattention are distracting activities, such as cell phone use and drowsiness. The study monitored 100 vehicles as they drove 2 million miles over a year. The study also found:

- Drowsiness is a significant problem that increases a driver’s risk of a crash or near-crash at least four times.
- The most common distraction for drivers is the use of cell phones. However, the number of crashes and near-crashes attributable to dialing is nearly identical to the number associated with talking or listening.
- Reaching for a moving object increases the risk of a crash by nearly 9 times.
- Looking at a non-traffic related object outside the car increases the risk of crash by 3.7 times.
- Applying make-up increases the risk of a crash 3 times as does manipulating a device such as a stereo, radio, MP3 player, etc.

Cell Phones and Driving Don’t Mix.

The 2005 National Occupant Protection Use Survey conducted by NHTSA reports that at any given daylight moment 974,000 vehicles on the road are being driven by someone on a hand-held phone. This translates into an estimated 10% of drivers during a typical daylight moment are using some type of phone, whether hand-held or hands-free. The study also showed a 2% increase from 2004 in young drivers age 16-24 using cell phones while driving.

Dangerous Driving Days

According to an article published on the Insurance.com web site, July 4th is the most dangerous driving day of the year with more fatal accidents happening on that day than any other throughout the year. The other most dangerous driving days are: July 3, December 23, August 3, January 1, August 6, August 4, August 12, July 2 and September 2. Saturday is the most dangerous driving day of the week followed by Sunday, Friday, Thursday, Monday, Wednesday and Tuesday.

Side Airbags Really Help

According to a study by the Insurance Institute for Highway Safety, a driver’s risk of being killed in a side-impact accident decreases by more than a third if the vehicle has head protecting side-curtain air bags. Side curtain air bags will be standard equipment in all new vehicles by 2010.

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AT THE FIRM

Moore & Wolfe Charity Wine Tasting

On Sunday, October 28 from 3:00 until 6:00 at the Bakery Cafe, M&W will host its second annual charity wine tasting. The beneficiary of this year's event will be the USA Children's & Women's Hospital. Specifically, the funds will directly benefit the Class Act program at the hospital. This program provides a full time teacher at the hospital to help children who are patients there stay current with their school work. This year's event will feature over 35 wines to sample and heavy hors d'oeuvres provided by the Bakery Café and Moore & Wolfe. Numerous bottles of wine will be available as door prizes and there will be a "best bid" silent auction which will include autographed sports memorabilia, fishing packages, an elegant private wine tasting for eight, premium wines and much much more. **Ticket order forms can be found on the News page of the M&W web site, moore-wolfe.com (Must be 21 to attend.)** If you have an item to donate for the silent auction, please contact Mark Wolfe at mcw2@moore-wolfe.com

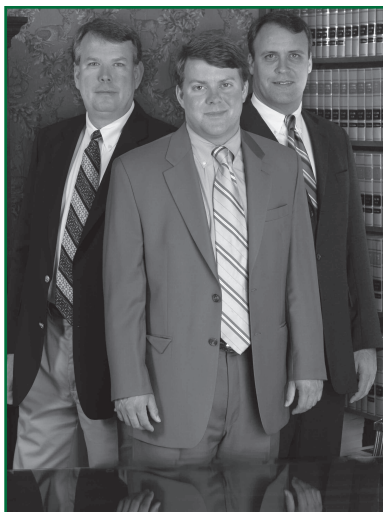


Wolfe to Speak at Seminar

Mark Wolfe will be a speaker at an upcoming Continuing Legal Education seminar for Alabama attorneys. The seminar is sponsored by the South Alabama Trial Lawyers Association. Mark will be speaking on how med-pay coverage can benefit an auto-negligence victim and how to handle med-pay subrogation claims.

M&W Distribute Car Seat Safety Brochures.

For the second year in a row, M&W is providing free to the public a Car Seat Safety brochure published by the American Academy of Pediatric Physicians. The 2007 brochure has been distributed to over 50 area daycare facilities.



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