

## DCC / DCW Philosophy - Historical

1978- no claims

1980- knowledge that marketing department was paying out money to satisfy customers with complaints. This was creating a legal obligation.

### Evolution -

1. Initiated claims department in legal department. Marketing department complex it interfered with relations
2. Initially Lynx went out with salespeople
3. As customers & marketing people became comfortable with claims process, legal took over
4. Claims settlement was being done by attorneys

1981-82- Knowledge that insurance company is supposed to be notified of claims

- a. insurance company felt their adjuster should handle claims
- b. insurance company agreed DC could negotiate claims under \$2,500 for bodily injury claims without representation by an attorney

legal department realized number of lawsuits  
was dropping  
costs dropped a. no attorney fees  
b. reduced insurance premiums

March '85 - Claims moved to Memphis. Decision that  
claims should be paid where marketing & distribution  
are located

Current -

Barbara Anderson handles non-medical product liability  
Insurance company does general liability, aircraft;  
boiler, workers compensation, officers & directors  
liability, business interruption

Theory Behind Claims -

1. if you can build <sup>rapport</sup> ~~rapport~~ with person,  
personalize DC, we build goodwill & reassurance  
in the claimant that they have been dealt  
with fairly. #1 - Be Upfront
2. we have opportunity to set up a defense  
strategy for the legal department