

CPCU Origin

The Chartered Property Casualty Underwriter designation had its origin in 1942 under the leadership of academics from the Wharton School of Business at the University of Pennsylvania.ⁱ The CPCU designation was the first professional designation offered in the property and liability field. It soon became the primary pathway for insurance professionals to acquire the broad range of knowledge necessary to become successful in the property and liability field.

In 1944, the national CPCU Society was formed as a professional networking association of insurance professionals. The first CPCU conferment took place in New York City as the first six CPCU designees received their diplomas. Dr. Harry Loman, a Wharton professor and the Insurance Institute of America'sⁱⁱ first executive officer, administered the CPCU oath. Shortly thereafter, cities and regions across the country began organizing local chapters so newly minted CPCU designees could promote networking associations, build professional relationships, and foster continuing education. During this time, a small cohort of Pittsburgh area insurance professionals laid the foundation of what would become the Allegheny Chapter CPCU Society.

The Allegheny Chapter

The Allegheny CPCU Chapter was founded on January 1, 1951. It comprises a region encompassing southwestern Pennsylvania and the state of West Virginia. The Chapter's first president was Charles Reid, owner of the Wallace M. Reid Agency. Other chapter officers and future chapter presidents from this initial cohort of insurance professionals included Crosby Smeltzer, Robert Reynolds, and Jay Gleason.

Crosby Smeltzer was a partner in the independent agency of Tucker, Johnson and Smeltzer.ⁱⁱⁱ Robert Reynolds was the branch manager of Commercial Union Insurance Company and future partner of Charles Reid in the Wallace M. Reid Agency. Jay Gleason held various high-level positions at both insurers and agencies, eventually becoming national CPCU Vice President in 1969. Due to his extensive service commitment, the National Society developed the Jay Gleason Award in his honor.

Each were original pillars of the Allegheny Chapter laying the foundation and the groundwork for the future success and accomplishments of over 1,000 local CPCU designees over the ensuing 75 years. To these original pioneers and to the hundreds of CPCUs who have served unselfishly in both local and national roles, the Allegheny Chapter and the wider insurance community is greatly indebted.

To that, we are proud to provide a decade-by-decade summary of the history of the Allegheny Chapter CPCU Society, its important milestones, and some of the many chapter

members who provided tremendous contributions to our chapter, to the insurance industry, and to society as a whole.

1960's

While the decade is widely known for activities other than insurance and risk management, the Allegheny Chapter saw continued growth in chapter membership with a heightened emphasis on educational involvement. The local All-Industry Day event, which was developed to parallel the annual national CPCU conferment, honored the new local CPCU designees was now in its second decade. Supported by a growing regional insurance carrier base (insurance carriers such as Chubb, AIG, Aetna, Travelers, Commercial Union, Zurich, Hartford, Firemen's Fund, State Farm, and Nationwide to name a few), All-Industry Day commonly attracted several hundred attendees who would welcome the accomplishments of new designees. A tradition that continues to this day.

CPCU classes were commonly provided in-house at large insurance agencies and insurance companies. To support the growing interest in the CPCU designation, the University of Pittsburgh began offering the first formal CPCU classes in the Pittsburgh area as part of its insurance and risk management program. The first classes were taught by Jerry Zoffer, who began teaching CPCU courses after completing the CPCU program. Jerry subsequently completed his doctoral studies becoming dean of University of Pittsburgh's Katz Graduate school of business.^{iv} Many new CPCU designees and Pitt MBA students completed courses with Dr. Zoffer.

1970's

This decade introduced the insurance industry and the world to some new technologies that in today's environment seems ancient, or better yet unbelievable. The early 1970's began with the advent of overnight mail. Gone were the times when one would have to wait a week for a hard copy policy from an insurer. The technology didn't stop there. By the end of the decade, facsimile transmissions were introduced, enabling insurance professionals to immediately transmit applications and related correspondence to insurers and clients via a land-based telephone line. But the biggest technological change came with the development of the minicomputer enabling independent insurance agencies to leverage technology that was previously only available to large insurance companies. At the forefront of this technological revolution was an employee at the Thompson-Gusic Agency on Ardmore Boulevard in Pittsburgh. That employee was Rob Thompson who after completing his studies at Carnegie Mellon University and his CPCU designation developed the world's first insurance agency automation system. Rob's company was Redshaw, and insurance world was changed forever.^v

1980's

The 1980's continued the theme of change – but now at an accelerated pace. World political upheaval meant a reorganization of eastern European countries and a little thing called the Internet emerged. During this time period, our chapter saw continued growth, individual accomplishments, and several firsts.

Robert Reynolds was named national President of the Independent Insurance Agents of America in 1980. A proud WWII veteran, including a Bronze Star for his involvement in the Battle of the Bulge, Bob's commitment to insurance and professionalism was evident throughout his life. To honor Bob, the Allegheny Chapter has funded a college scholarship (Robert Reynolds Memorial Scholarship) for children of the local insurance industry.

Gaston Caperton, President of The McDonough Caperton Insurance Group,^{vi} headquartered in Charleston with offices throughout the east coast, became one of the largest privately held insurance operations in the nation. Gaston's business acumen and dedicated commitment to service led to subsequent careers in politics and education. First as Governor of West Virginia and later as President of the College Board.^{vii}

In addition to Bob and Gaston's accomplishments, Bob Frankel, vice chairman of Pittsburgh based Hilb, Rogal and Hamilton^{viii}, was a driving force in expanding its operations nationwide. In addition to his insurance expertise, Bob was a major philanthropist for the Pittsburgh theater community. He was also the father of a future CPCU, Pennsylvania state representative, Dan Frankel.

Some notable firsts also happened in this decade. Tom Baily, after a stellar wrestling career at the University of Pittsburgh and after working at several independent insurance agencies, started Professional Risk Management Consultants^{ix}, the region's first independent "fee based" risk management consulting firm. Another first around this time was the election of Susan King, the commercial excess lines manager at Zurich, as the chapter's first female president. The chapter also had two members, Franklin Moore and Raymond Ort as managing directors at the Pennsylvania Insurance Department's western region.

1990's

The 1990's saw the continued rise of the Internet and the explosion of the dot com boom. E-mail communication and website presence became the norm for both insurance companies and insurance agencies. Locally, CPCU and related Institute education courses were growing. Robert Morris University was now offering a full range of CPCU, ARM, AIC and INS classes. Each semester, over 100 students took various courses taught by many notable local CPCUs including John Tarpey, Randy Butz, Ray Rosenberg, Larry Lehman, Jack Harmon, Tom Baily, Richard Maffuccio, Ray Fitzsimmons and George Krauss.

Local members also became involved in national CPCU Society service as Ray Fitzsimmons and George Krauss were elected as national CPCU governors. On the legislative side, Mark Mustio, partner of Hicks, Heim and Mustio, entered the political field by being elected as a Pennsylvania state representative, a position he held for over 20 years.

1995 culminated with the largest local class as 89 new designees received their CPCU diplomas. Total attendance at the Hyatt Hotel was a little over 300 hundred attendees as Dr. Norm Baglini, Chief Executive Officer of the Institutes, provided the keynote address and administered the CPCU oath to the new designees. 1995 was also the introduction of the chapter's first golf outing under the direction of chapter president-elect Becky Duckworth. As always, this well-attended summer event continues to this day.

1999 also marked the chapter presidency of Sang Hong, a native of South Korea. Sang was a workers compensation claims consultant at Liberty Mutual and became the chapter's first Asian-American president.

2000's

As a new millennium began, we were faced with natural disasters, terrorist acts, and a global financial crisis, all of which had a direct impact on the insurance and risk management field. Jeff Lewis, former Pittsburgh branch manager of Aetna, accepted the position as President of Prudential Property and Casualty.

All-Industry Day 2001 had another large turn as approximately 250 attendees congratulated the 17 new CPCU designees at the Westin William Penn Hotel. Jack Gibson, President of the International Risk Management Institute in Dallas, provided a timely continuing education presentation on construction risk management in light of the recent natural and man-made disasters.

In 2004, our All-Industry event moved to the Duquesne Club as Pennsylvania Insurance Commissioner, Diane Koken, provided an in-depth review of carrier solvency as 18 new designees were presented their diplomas by CPCU National President, Hugh McGowan.

In 2005, Don Hurzeler, a former branch manager of Zurich in Pittsburgh, assumed the role as National CPCU President.

Also in 2005, Sharon based Synergy Comp, a regional workers compensation provider, was formed under the direction of Lew Kachulis. Its focus was on creating safer work environments through the reduction of the frequency and severity of workplace accidents and by establishing supervisor accountability. Lew's father Tom, a proud WWII veteran was a long-standing CPCU and a mainstay in the Sharon insurance community.

The following year, Fred Word, became the chapter's first African-American president. Fred, a Chicago native with an engineering degree from the University of Illinois, was a senior loss control representative for Liberty Mutual and UPMC. Fred was also an avid golfer who was an ever-present force at the chapter's annual summer golf outings. Unfortunately, Fred passed away at way too young of an age in 2022. To honor Fred and his support of the chapter and its annual golf outing, the chapter renamed the summer event as the Fred Word Memorial Golf Outing.

We closed out the decade with another major milestone. Marvin Kelly, Pittsburgh native and former Chubb underwriter, became the National CPCU Society's first African-American President. Marvin was originally from the Hazelwood section of Pittsburgh, attended Gladstone High School, and completed his college education at the University of Connecticut. In addition to this national presidency, Marvin managed the Texas Guaranty Fund, one of the largest guaranty associations in the country. Marvin welcomed our new local designees as our 2009 commencement speaker.

2010's

The twenty-tens marked the continued explosion of technology, climate change events, the rise of social media, and a black swan event not seen in a hundred years. These and other events presented additional challenges to the insurance industry. Chapter meetings and All-Industry Day educational events brought attention to such topics as cyber exposures, social engineering, climate related hurricanes, and wildfires. And of course, COVID-19 ushered the insurance industry into the world of Zoom and the advent of large-scale hybrid work environments.

On the risk management front, the chapter had the honor of having Mike Gansor, Yvonne Keifer, and Brian Cappo, each the respective risk managers of West Virginia University, University of Pittsburgh and Carnegie Mellon University as chapter members. Each provided interesting risk management insights from the university perspective. Other risk managers on the corporate side included Sue Ann Mitro at the Hillman Company, Anita Baft at Siemens, and Debbie Samuel at both PNC and Alcoa.

A number of chapter members were also involved in insurance and risk management education apart from the traditional academic world. Diana Reitz, after working at the Gleason Agency in Johnstown, became editor at the National Underwriter Company in Cincinnati. Dave Leng, Chief Risk Officer at the Duncan Financial Group, was appointed a faculty member of the Institute for Work Comp Professionals. Dave also authored several books on workers compensation and alternative risk financing. George Krauss, President of The Magellan Group, provided webinars on CPCU courses and authored a number of reference manuals published by the National Underwriter and the Rough Notes

companies, including annotations of the BOP, commercial property, business auto, homeowner and personal auto policies.

In 2015, Anthony Fienberg, Pittsburgh raised and a Taylor Alderdice graduate, founded Chance Financial with a focus on the nontraditional warranty and parametric type coverage. Based in Paris, France, Anthony had an extensive career with Chubb in the underwriting and reinsurance areas before starting Chance Financial. Anthony was also the inaugural president of the CPCU Society's Europe Chapter.

In 2016, Elizabeth native Brian Savko and State Farm Insurance claims manager assumed the National CPCU Presidency.

The 2019 All-Industry Day was our last education event prior to the COVID-19 pandemic. The topic Cannabis & Opioids: Legal Liability in Society and the Workplace addressed the growing acceptance of Cannabis and Opioids from both a legal and societal perspective. The event was held at the Rivers Casino with over 150 in attendance including fourteen new designees who were honored by the chapter for their accomplishment.

2020's and the Future

As we entered the 2020's, the catastrophic effects of COVID-19 were at the forefront of everyone's mindset. From an insurance perspective, the question of business interruption as a possible covered claim had to be addressed. Employers quickly moved to the hybrid workspace and client meetings including our chapter events and our annual All-Industry Day moved to the Zoom world. Although these were challenging times, in-person meetings including All-Industry Day were restarted in 2021 and continue to this day.

The dynamic growth of technology has blossomed into its newest forms of insurance exposures --- from artificial intelligence, to augmented reality, to autonomous driving vehicles to name just a few. Each will introduce new and important insurance and risk management techniques to manage these and similar yet unknown exposures. To that end, the Allegheny Chapter will continue to examine these new challenges providing the local insurance community with the opportunity to better understand the ever-changing and dynamic world of insurance and risk management.

The past 75-year history illustrates what a small cohort of insurance professionals started and along with the support of hundreds of dedicated local professionals surely could have never envisioned, but as it's been said before – the best is yet to come.

ⁱ The American Institute for Property and Liability Underwriters was founded by S.S. Huebner and the Wharton School of the University of Pennsylvania. The name American Institute for Property and Liability Underwriters (AIPLU) was changed to American Institute for Property and Casualty Underwriters (AIPCU) in 1992.

ⁱⁱ The Insurance Institute of America was founded in 1909 and renamed "The Institutes" in 2009.

ⁱⁱⁱ Tucker, Johnson and Smeltzer joined Assured Partners.

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- ^{iv} Jerry Zoffer was dean of the Katz School of Business at the University of Pittsburgh from 1968 to 1996.
- ^v Redshaw was sold to a group of insurance companies headed by the Hartford in 1982.
- ^{vi} McDonough Caperton Insurance Group became part of Acordia in 1994.
- ^{vii} Governor of West Virginia from 1989-1997 and President of the College Board 1999-2012.
- ^{viii} Hilb, Rogal and Hamilton joined Willis.
- ^{ix} Professional Risk Management is now Baily Raabe Associates.