The Workplace of Tomorrow
The “On-Demand” Economy and Implications for Workers Compensation

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P/C Insurance Industry
Financial Overview

2014: Second-Best Year in the Post-Crisis Era

Modest CATs, Strong Markets

Workers Comp Improvement Helped Too

- 2005 ROE* = 9.6%
- 2006 ROE = 12.7%
- 2007 ROE = 10.9%
- 2008 ROE = 0.1%
- 2009 ROE = 5.0%
- 2010 ROE = 6.6%
- 2011 ROAS1 = 3.5%
- 2012 ROAS1 = 5.9%
- 2013 ROAS1 = 10.2%
- 2014 ROAS1 = 8.4%

• ROE figures are GAAP; ¹Return on avg. surplus. Excluding Mortgage & Financial Guaranty insurers yields a 8.2% ROAS in 2014, 9.8% ROAS in 2013, 6.2% ROAS in 2012, 4.7% ROAS for 2011, 7.6% for 2010 and 7.4% for 2009.

Sources: A.M. Best, ISO; Insurance Information Institute

Net income fell modestly (-12.5%) in 2014 vs. 2013
Profitability Peaks & Troughs in the P/C Insurance Industry, 1975 – 2016F

*Profitability = P/C insurer ROEs. 2011-14 figures are estimates based on ROAS data. Note: Data for 2008-2014 exclude mortgage and financial guaranty insurers.
Source: Insurance Information Institute; NAIC, ISO, A.M. Best, Conning
P/C Profitability Is Both by Cyclicality and Ordinary Volatility

Sources: ISO, Fortune; Insurance Information Institute.
Large Underwriting Losses Are *NOT* Sustainable in Current Investment Environment

* Includes mortgage and financial guaranty insurers in all years.
Sources: A.M. Best, ISO; Insurance Information Institute.
The industry now has $1 of surplus for every $0.74 of NPW, close to the strongest claims-paying status in its history.

2010:Q1 data includes $22.5B of paid-in capital from a holding company parent for one insurer’s investment in a non-insurance business.

Sources: ISO, A.M. Best.

The P/C insurance industry entered 2015 in very strong financial condition.

Shaded areas denote “hard market” periods

Net Written Premiums Fell 0.7% in 2007 (First Decline Since 1943) by 2.0% in 2008, and 4.2% in 2009, the First 3-Year Decline Since 1930-33.

2014: 4.1%
2013: 4.4%
2012: +4.2%
Note: Data through 1934 are based on stock companies only. Data include state funds beginning in 1998.
Source: A.M. Best; Insurance Information Institute.
Commercial Lines is prone to more cyclical volatility than personal lines. Recently, growth has stabilized in the 4% to 5% range.

- **Economic Shocks, Inflation:** 1976: 22.2%
- **Tort Crisis:** 1986: 30.5%
- **Post-Hurricane Andrew Bump:** 1993: 6.3%
- **1988-2000:** Period of inter-cycle stability
- **Post-Katrina Bump:** 2006: 7.7%
- **Post-9/11:** 2002: 22.4%
- **Great Recession:** 2009: -9.0%
- **Recessions:** 1982: 1.1%
- **2014E:** 4.0%
- **2010-20XX? Post-recession period of stable growth?**

Note: Data include state funds beginning in 1998.
Source: A.M. Best; Insurance Information Institute.
Direct Premiums Written: Comm. Lines
Percent Change by State, 2007-2013

Top 25 States

Only 30 states showed any commercial lines growth from 2007 through 2013

Growth Benchmarks: Commercial
US: 1.3%

Sources: SNL Financial LLC.; Insurance Information Institute.
States with the poorest performing economies also produced the most negative net change in premiums of the past 6 years.

Nearly half the states have yet to see commercial lines premium volume return to pre-crisis levels.

Sources: SNL Financial LLC.; Insurance Information Institute.
Direct Premiums Written: Workers’ Comp
Percent Change by State, 2007-2013*

Top 25 States

Only 13 states showed positive growth in the workers comp line from 2007 – 2013 (up from just 5 through 2012), the result of large job and payroll losses and a soft market. Even through 2014, fewer than half the states will have recouped DPW losses

*Excludes monopolistic fund states: ND, OH, WA, WY as well as WV, which transitioned to a competitive structure during this period.
Sources: SNL Financial LC.; Insurance Information Institute.
Direct Premiums Written: Worker’s Comp Percent Change by State, 2007-2013*  

**Bottom 25 States**

States with the poorest performing economies also produced some of the most negative net change in premiums of the past 6 years

*Excludes monopolistic fund states: ND, OH, WA, WY as well as WV, which transitioned to a competitive structure during this period.
Sources: SNL Financial LC.; Insurance Information Institute.
INVESTMENTS: THE NEW REALITY

Investment Performance is a Key Driver of Profitability

Low Yields Have an Especially Large Influence on Profitability of Long-Tailed Lines Like WC
Due to persistently low interest rates, investment income fell in 2012, 2013 and 2014.

1 Investment gains consist primarily of interest and stock dividends.
*Sources: ISO; Insurance Information Institute.

Yields on 10-Year U.S. Treasury Notes have been essentially below 5% for a full decade.

Since roughly 80% of P/C bond/cash investments are in 10-year or shorter durations, most P/C insurer portfolios will have low-yielding bonds for years to come.

*Monthly, constant maturity, nominal rates, through April 2015.
The yield on invested assets continues to decline as returns on maturing bonds generally still exceed new money yields. The end of the Fed’s QE program in Oct. 2014 should allow some increase in longer maturities while short term interest rate increases are unlikely until mid-to-late 2015.

Sources: Conning.
Insurers Posted Net Realized Capital Gains in 2010 - 2014 Following Two Years of Realized Losses During the Financial Crisis. Realized Capital Losses Were a Primary Cause of 2008/2009’s Large Drop in Profits and ROE.

Sources: A.M. Best, ISO, Insurance Information Institute.
Non-Financial Challenges and Criticisms of Workers Comp

A Number of Issues Have Stirred Interest in Workers Compensation in the First Part of 2015
Challenges Raised in the Workers Comp Line

- Opt Out Legislation: Coalition of large employers is aggressively pushing for legislation that would allow them to forego purchasing WC coverage in favor of creating their own programs while also seeking to specify the criteria for claiming and the size of benefits
  - Allowed in TX for many years and passed in OK in 2014
  - Failed in TN in 2015; Lobbying in AL, FL, GA, NC, SC

- Challenges to Exclusive Remedy: Assertion that after reforms in several states the WC “Grand Bargain” has been breached and that benefits are now insufficient
  - Objective of trial lawyers is to tap into the tort system
Recent Challenges Raised in the Workers Comp Line (continued)

- **ProPublica/NPR Attack Series:** “The Demolition of Workers Comp” (Published in March 2015)

- Thesis: WC benefits have been hollowed out and that workers were often no longer well served by the system
  - Claims 33 states watered down benefits under the guise of reform

- Series relied on a number of anecdotal cases of claimants who believed they were adversely impacted

- I.I.I. made forceful rebuttal focusing on:
  - Magnitude of insurer payouts to injured workers
  - Material improvements in workplace safety, in part due to WC incentives
  - Benefits of cost controls without compromising outcomes

http://www.iii.org/article/a-letter-to-the-editor-about-workers-compensation
Labor Markets Trends: Recovery Continues in 2015

2014

Largest Increase in Jobs Since 1997

Unemployment Rate Fell to Lowest Level Since 2008

Payrolls Expanded to Record High
Unemployment and Underemployment Rates: Still Too High, But Falling

January 2000 through April 2015, Seasonally Adjusted (%)

"Headline" Unemployment Rate U-3
Unemployment + Underemployment Rate U-6

U-6 soared from 8.0% in March 2007 to 17.5% in October 2009; Stood at 10.8% in Apr. 2015. 8% to 10% is "normal."

"Headline" unemployment was 5.4% in Apr. 2015. 4.5% to 5.5% is "normal."

Stubbornly high unemployment and underemployment constrain overall economic growth, but the job market is continuing to improve.

Rising unemployment eroded payrolls and WC’s exposure base.

Unemployment peaked at 10% in late 2009.

Jobless figures have been revised downwards for 2015/16

Unemployment forecasts have been revised modestly downwards. Optimistic scenarios put the unemployment as low as 5.0% by Q4 of 2015.
Unemployment Rates by State, March 2015: Highest 25 States*

In March, 23 states and the District of Columbia had over-the-month unemployment rate decreases, 12 states had increases, and 15 states had no change.

Residual impacts of the housing collapse, weak economies are holding back several states.

*Provisional figures for March 2015, seasonally adjusted.
In March, 23 states and the District of Columbia had over-the-month unemployment rate decreases, 12 states had increases, and 15 states had no change.

Strength in Energy, Agricultural States—most also avoided housing bust

*Provisional figures for March 2015, seasonally adjusted.
Monthly Change in Private Employment

January 2007 through Apr. 2015 (000s, Seasonally Adj.)

3,042,000 jobs were created in 2014, the most since 1997


Private Employers Added 11.97 Million Jobs Since Jan. 2010 After Having Shed 5.01 Million Jobs in 2009 and 3.76 Million in 2008 (State and Local Governments Have Shed Hundreds of Thousands of Jobs)

Billions

- Prior Peak was 2008:Q3 at $6.54 trillion
- Recent trough (2009:Q1) was $6.23 trillion, down 5.3% from prior peak
- Latest (2014:Q4) was $7.57 trillion, a new peak--$1.34 trillion above 2009 trough

Growth rates
- 2011:Q4 over 2010:Q4: 2.6%
- 2012:Q4 over 2011:Q4: 6.7%
- 2013:Q4 over 2012:Q4: 1.7%
- 2014:Q4 over 2013:Q4: 5.1%

Note: Recession indicated by gray shaded column. Data are seasonally adjusted annual rates.
Sources: [http://research.stlouisfed.org/fred2/series/WASCUR](http://research.stlouisfed.org/fred2/series/WASCUR); National Bureau of Economic Research (recession dates); Insurance Information Institute.
Payroll vs. Workers Comp Net Written Premiums, 1990-2014P

Payroll Base*
$Billions

WC NWP
$Billions

WC premium volume dropped two years before the recession began

WC net premiums written were down $14B or 29.3% to $33.8B in 2010 after peaking at $47.8B in 2005

Continued Payroll Growth and Rate Gains Suggest WC NWP Will Grow Again in 2015

*Private employment; Shaded areas indicate recessions. WC premiums for 2014 are I.I.I. estimates..
Sources: NBER (recessions); Federal Reserve Bank of St. Louis at http://research.stlouisfed.org/fred2/series/WASCUR; NCCI; I.I.I.
Key Sectors Critical to the Economy and the P/C Insurance Industry

Private Construction Activity Is Moving in a Positive Direction though Remains Well Below Pre-Crisis Peak; Residential Dominates

New Construction peaks at $911.8 in 2006

Trough in 2010 at $500.6B, after plunging 55.1% ($411.2B)

2015: Value of new pvt. construction hits $702.4B as of Mar. 2015, up 40% from the 2010 trough but still 23% below 2006 peak

*2015 figure is a seasonally adjusted annual rate as of March.
Sources: US Department of Commerce [http://www.census.gov/construction/c30/c30index.html]; Insurance Information Institute.
Overall Construction Activity is Up, But Growth In the Private Sector Slowed in Late 2014 While Picking Up in the State/Local Sector Government Sector as Budget Woes Ease in Some Jurisdictions

*seasonally adjusted
Source: U.S. Census Bureau, [http://www.census.gov/construction/c30/c30index.html](http://www.census.gov/construction/c30/c30index.html) ; Insurance Information Institute.
Government Construction Spending Peaked in 2009, Helped by Stimulus Spending, but Contracted As State/Local Governments Grappled with Deficits and Federal Sequestration

*2015 figure is a seasonally adjusted annual rate as of March; http://www.census.gov/construction/c30/historical_data.html

Sources: US Department of Commerce; Insurance Information Institute.
Insurers Are Continue to See Meaningful Exposure Growth in the Wake of the “Great Recession” Associated with Home Construction: Construction Risk Exposure, Surety, Commercial Auto; Potent Driver of Workers Comp Exposure

Source: U.S. Department of Commerce; Blue Chip Economic Indicators (5/15 and 3/15); Insurance Information Institute.
Construction and manufacturing employment constitute 1/3 of all WC payroll exposure.

*Seasonally adjusted.
The “Great Recession” and housing bust destroyed 2.3 million construction jobs.

Construction employment troughed at 5.435 million in Jan. 2011, after a loss of 2.291 million jobs, a 29.7% plunge from the April 2006 peak.

The “Great Recession” and housing bust destroyed 2.3 million construction jobs.

Construction employment peaked at 7.726 million in April 2006.

Construction employment as of Apr. 2015 totaled 6.383 million, an increase of 948,000 jobs or 17.4% from the Jan. 2011 trough.

Gap between pre-recession construction peak and today: 1.34 million jobs.

The Construction Sector Was a Growth Leader in 2014 as the Housing Market, Private Investment and Govt. Spending Recover. WC Insurers Will Benefit.

Note: Recession indicated by gray shaded column.

MANUFACTURING SECTOR

A Potent Driver of Jobs, Workers Comp Payroll Exposure

America’s Manufacturing Renaissance Has Hit a Rough Patch with the High Dollar and Collapse in Oil Prices
Manufacturing Employment, Jan. 2010—April 2015*

Since Jan 2010, manufacturing employment is up (+862,000 or +7.5%) and still growing.

Manufacturing employment is a surprising source of strength in the economy. Employment in the sector is at a multi-year high.

*Seasonally adjusted.
Monthly shipments in March 2015 are similar to pre-crisis (July 2008) peak but has declined in recent months due to the strong US dollar and weakness abroad. Manufacturing is energy-intensive and growth leads to gains in many commercial exposures: WC, Commercial Auto, Marine, Property, and various Liability Coverages.

* Seasonally adjusted; Data published May 4, 2015.
Manufacturing Growth for Selected Sectors, 2015 vs. 2014*

Manufacturing of durable goods is stronger than nondurables in 2015.

Durables: +3.6%
-3.2% 8.0% 3.2% 1.3% 9.3%

Non-Durables: -9.4%
-9.4% 1.2% -32.5% -38.0%

Impact of falling energy prices

Manufacturing Is Expanding in Many Sectors But Declining Energy Prices Are Dragging Down Industry Figures. Continued Gortwh Across a Number of Sectors that Will Contribute to Growth in Insurable Exposures Including: WC, Commercial Property, Commercial Auto and Many Liability Coverages.

*Seasonally adjusted; Date are YTD comparing data through March 2015 to the same period in 2014.
America’s Energy Boom Has Been a Strong Driver of the Economic Recovery, but Prices Are Falling

Workers Comp Have Benefited from the Energy Boom, But Exposures Will Suffer as Energy Prices Swoon
Dollars per Barrel

Crude oil prices have fallen by nearly half from their levels just a year ago, adversely impact oil and gas industry employment.

*Through March 2015.
Source: Energy Information Administration; Insurance Information Institute.
Despite recent declines, Oil and gas extraction employment is still up 24.3% since Jan. 2010 as the energy sector booms. Domestic energy production is essential to any robust economic recovery in the US.

After peaking at its highest level since 1986, O&G employment is falling as oil and gas prices decline.

*Seasonally adjusted
POSITIVE LABOR MARKET DEVELOPMENTS

Key Factors Driving Workers Compensation Exposure
Average Weekly Hours of All Private Workers, Mar. 2006—April 2015

*Seasonally adjusted

Note: Recessions indicated by gray shaded columns.


Hours worked totaled 34.5 per week in April, just shy of the 34.6 hours typically worked before the “Great Recession”.

Hours worked plunged during the recession, impacting payroll exposures.
Average Hourly Wage of All Private Workers, Mar. 2006—April 2015

The average hourly wage was $24.87 in April 2015, up 17.2% from $21.22 when the recession began in Dec. 2007.

Note: Recessions indicated by gray shaded columns.


*Seasonally adjusted
ADVERSE LONG-TERM LABOR MARKET DEVELOPMENTS

Key Factors Harming Workers Compensation Exposure and the Overall Economy
Large numbers of people are exiting (or not returning to the labor force)

Labor force participation continues to shrink despite a falling unemployment rate

*Defined as the percentage of working age persons in the population who are employed or actively seeking work.

Note: Recessions indicated by gray shaded columns.

In recent good times, the number of discouraged workers ranged from 200,000-400,000 (1995-2000) or from 300,000-500,000 (2002-2007).

Notes: Recessions indicated by gray shaded columns. Data are seasonally adjusted.
The “On-Demand” (Sharing) Economy

The On-Demand Economy Will Transform the American Workforce and the P/C Insurance Industry Too
Labor on Demand: Huge Implications for the US Economy, Workers & Insurers

Will YOUR job be reduced to an app?
The “On-Demand” World is Not New…

Companies like Angie’s List (established in 1995 and going online in 1999) have been around for decades.

The Geek Squad has been around since 1994…

Peapod sprouted way back in 1989!

Source: Insurance Information Institute.
…But the “On-Demand” World is Exploding as Is the Demand for “On-Tap” Workers

Need something done around the house…Click on Handy

Hate doing laundry? Washio will do it for you…

Hate doing just about everything? Taskrabbit will take on virtually all your “tasks”…

Source: Insurance Information Institute.
You Can Live Your Life with the Swipe of a Finger…

- Get married…
- …Move
- …And if it doesn’t work out…
Some Players in the On-Demand Economy Have Become Household Names

Rent a place...

...Need a Lyft?

...This ride has taken Wall Street to the stratosphere
On-Demand/Sharing/Peer-to-Peer Economy Impacts Many Lines of Insurance

- The “On-Demand” Economy is or will impact many segments of the economy important to P/C insurers
  - Auto (personal and commercial)
  - Homeowners/Renters
  - Many Liability Coverages
  - Professional Liability
  - *Workers Comp*

- Many unanswered insurance questions

- Insurance solutions are increasingly available to fill the many insurance gaps that arise
Technology and Employment

What Makes the On-Demand Economy Possible?

Why Does It Matter for Insurers?
Smartphones are the breakthrough technology behind the on-demand economy.

2015: ~50% of adults globally have a smartphone
2020: About 80% will own one

Source: Benedict Evans, Andreessen Horowitz
Growth in Temporary Workers vs. All Nonfarm Employment, 2010-2015*

Annual Percent Change

Demand for temporary workers has increased 2 to 3 times faster than for workers overall in recent years.

*Through March 2015.
THE CASUAL LOOK
UNITED STATES, % OF EMPLOYED

PRIVATE-SECTOR UNION MEMBERSHIP

TEMPORARY WORKERS

Source: Bureau of Labor Statistics
The On-Demand Economy and American Workers: What Is Happening?

- Technology is Fundamentally Transforming How Resources are Allocated and Used in the Economy
- Labor is No Exception to this Transformation
- Technology Offers New Opportunities to Match Labor to Jobs
  - Owners of spare capacity (workers with time and skill) can be paired at low cost with those with a demand for that time and skill
  - Bringing together labor and those who employ labor is not new
  - BUT: Pairing occurs with a speed and breadth never before possible
- Witnessing the Demise of the Traditional Understanding of What is Meant by a “Good” Job
  - Concept born in the Industrial Age (1880-1980), is eroding
  - Disintermediation of the firm as the place where labor, jobs matched
- Accelerating Trends that Started with Labor Strife, Globalization and Automation that Began in the 1970s and 1980s
What’s In Store for the American Worker, Labor Force and Workers Comp

THE NEW AMERICAN WORKER: Two Schools of Thought

- **OPTIMISTIC OUTLOOK**
  - Technology frees workers from the bonds of centralized, hierarchical institutions (the firm)
  - Enhanced coordination of “haves” with “needs” that bypass firms as intermediaries

- **Who Benefits?**
  - **“Flexers”**: People who value or require flexibility in work arrangements (stay-at-home parents, retirees, students, disabled)
  - **Professionals**: People with portable skills that can be offered through online platforms (semi and high-skilled trades, professional services)
  - **Unemployed/Underemployed**: Offers at least some opportunity to offer and utilize skills and generate income
What’s In Store for the American Worker, Labor Force and Workers Comp

**PESSIMISTIC OUTLOOK**

- On-Demand companies are software-driven marketplaces and position themselves as “platforms” rather than “employers”
- Enormous valuations (e.g., $40B for Uber on $2B in earnings) reflect the extraction of resources that otherwise would go to benefits, investments in safety, training, etc.
  - Uber’s valuation was greater than that of 72% of the S&P500 at YE 2014
  - Valued more than Delta Airlines, Kraft Foods, CBS, Macy’s, Hilton, Aflac…
- Jobs reduced to freelanced, temporary “gigs”
- Low skill workers and those who lack flexibility are left further behind
- Workers treated as independent contractors without intrinsic or basic economic rights

**What Is Potentially Lost or Compromised?**

- Stability, Retirement Benefits, Sick Pay, Maternity Leave, Overtime
- Health Insurance, Liability Coverage, Workers Comp Coverage
Potential Consequences for Insurers

- On-Demand Platforms Have Struggled with Concepts of Liability
- There Has Been a General Resistance to Assuming Liability or Responsibility Unless Compelled to Do So
- Companies Have Sought to Keep as Much Liability as Possible on the Individual Offering their (Contracted) Labor or Resources

Minding the Gap

- Traditional insurance will often not cover a worker engaged in offering labor or resources through these platforms
- E.g., Auto ins. generally won’t cover you if you while driving for Uber
- Home ins. won’t cover for other than occasional rentals of property
- Unless self-procured, on-demand worker (independent contactors) will generally have no workers comp recourse if injured on the job

- Long Legislative and Court Battles Lie Ahead
- Insurance Solutions Becoming More Common
On-Demand Workers

Who Are They?

And Who’s Driving Demand for Them?
About 19% of the US population has engaged in an “On Demand/Sharing Economy” Transaction.

Sources: PwC survey of 1,000 adults in the U.S., conducted online, December 2014; Insurance Information Institute.
Age of People Who are Providing the Sharing/On-Demand Economy

- **18 to 24**: 14%
- **25 to 34**: 24%
- **35 to 44**: 24%
- **45 to 54**: 14%
- **55 to 64**: 8%
- **65+**: 16%

Being a provider of services in the Sharing/On-Demand Economy is attractive to workers in the 25-44 age range (who want flexibility in raising families) as well as seniors age 65+ who see the offering their services on-demand as a way to augment retirement income.

About 7% of US population are providers in the Sharing Economy, cutting across age and incomes; **51% of those familiar with the concept could see themselves as providers within the next two years.**

Sources: PwC survey of 1,000 adults in the U.S., conducted online, December 2014; Insurance Information Institute.
Household Income: **Providers** of the Sharing/On-Demand Economy

- **Less than $25,000**: 19%
- **$25,000 - $49,999**: 24%
- **$50,000 - $74,999**: 16%
- **$75,000 - $99,999**: 16%
- **$100,000 - $149,999**: 3%
- **$150,000 - $199,999**: 11%
- **$200,000+**: 11%

**Being a provider of services in the Sharing/On-Demand Economy is particularly attractive to workers with household incomes under $50,000.**

About 7% of US population are providers in the Sharing Economy, cutting across age and incomes; **51% of those familiar with the concept could see themselves as providers within the next two years.**

Sources: PwC survey of 1,000 adults in the U.S., conducted online, December 2014; Insurance Information Institute.
The On-Demand Economy and Wall Street

Wall Street Loves the On-Demand Economy

Labor Markets, Insurance Markets Will Be Impacted
HERE’S AN IDEA
VENTURE-CAPITAL INVESTMENT IN THE ON-DEMAND ECONOMY, $BN

- UNITED STATES
- REST OF WORLD

NUMBER OF COMPANIES:
- 117
- 78
- 55
- 30
- 17

Years:
- 2009
- 2010
- 2011
- 2012
- 2013

Source: Crunchbase
An UBER Case Study

Uber is the Best Known of the On-Demand Companies

Wall Street Loves Uber
Vested Interests Hate Uber
NUMBER OF NEW DRIVER-PARTNERS STARTING EACH MONTH IN THE UNITED STATES

Note: Figure based on U.S. UberBLACK and uberX driver-partners who have joined since June 2012 (303,985 individuals), based on Uber data.
ACTIVE U.S. DRIVER-PARTNERS OVER TIME, BY CITY

NUMBER OF ACTIVE U.S. DRIVER-PARTNERS

MONTHS SINCE UBERX LAUNCHED

Note: Figure reports the number of U.S. UberBLACK and uberX driver-partners making at least one trip in the specified month, indexed to the number of months since Uber began in the city or June 2012, whichever came later.
Looking Ahead: *Disruptive Forces Rule*

Technology’s Impacts on the Economy, the Workforce and the Insurance Industry Will Be Significant
Worldwide installations of industrial robots exceeded 200,000 in 2014—a new record and will approach 300,000 by 2017.

36,000 installations are expected in North America by 2017.

By 2035, it is estimated that 25% of new vehicle sales could be fully autonomous models (more than 4 million people work in transportation occupations today).

Up Next
- Driverless cars
- Driverless trucks, trains, planes and ships
- Wearable devices
- Implantable devices
- Artificial intelligence
- Advanced robotics

Source: Boston Consulting Group.
Insurance Information Institute Online:

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