



## STUDENT OF THE INDUSTRY PARTING SHOT

### GEICO Premiums Per Capita, Cliff Jumping, and Airplanes Towing Banners

By Paul Buse, President of Big I Advantage®

Last week I was with most of your Big "I" state association executives at their annual meeting. There was much discussion of the future of automobile insurance and self-driving cars, automatic braking, telematics and the impact on the industry.

At some point between a networking hike and jumping off a cliff into a lake (apparently risk aversion in insurance people is not a given) the idea struck me that a major reduction in automobile insurance premiums would impact some insurers more than others. I said, I would look up GEICO's largest automobile insurer state-by-state premiums. GEICO General Insurance Company is the largest personal auto writer in the Berkshire Hathaway fleet. It writes about 35% of the personal auto premiums of the GEICO insurers and, according to the Maryland Insurance Department in 2014, it was used to write preferred-risk individuals who were neither government employees nor military personnel. This helps explain for me why you see all those airplanes towing GEICO banners flying up and down the beaches in Florida.

Below is a map of GEICO General's Top and Bottom ten states as measured by standardized, per capita premiums. Since you can't see Washington DC on the map, I provided a table of the top five states which includes DC. If you want all the states, just email me and I'll send you the worksheet.



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State	Total Personal Auto Premium	Ratio to USA Average Premium	Standardized Figure	Population	Per Capita Premium	Rank
NEW YORK	\$2,103,342,741	140%	\$2,955,026,154	19,795,791	\$149	1
FLORIDA	\$1,859,971,114	136%	\$2,529,023,881	20,271,272	\$124	2
DC	\$45,735,983	141%	\$64,561,443	672,228	\$96	3
CONNECTICUT	\$239,437,759	120%	\$287,835,934	3,590,886	\$80	4
RHODE ISLAND	\$57,066,397	127%	\$72,331,046	1,056,298	\$68	5

Source: GEICO General Insurance Company Annual Statement for 2015. The Insurance Information Institute for average premiums by state. Wikipedia for USA populations estimates by state (Note as GEICO General Insurance Company is not used in HI, MI, NJ, NC and SC)

[Answers to Higher, Medium and Lower Risk Umbrella Celebrity Classifications](#)

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[Last week](#) we reviewed a rate filing for Mount Vernon Fire Insurance Company. Thank you for your emails and comments. Below is the ranking from what are rated highest, medium and lower risk "celebrities" in the filing. The higher risk in the list from last week is in **Red** and the lowest risk is in **Green**.

Low: "High Profile Classification"	Medium: "Celebrity Classification"	High: "Target Celebrity Classification"
Mayors of cities with the top 50 population but with less than 1M in population.	Mayors of cities with a population greater than 1,000,000	<b>US Senators, Governors and higher ranking politicians</b>
Executive Producers and Executive Directors with on-going television and movie credits in the past 10 years without National Face recognition	US Congressman and State Attorney Generals with National Face recognition other than the US Speaker of the House	Best Selling authors with National Face recognition
US Congressman and State Attorneys General without National Face recognition	Best Selling authors with National Name recognition	Any professional sports figure participating in NBA (unless in rookie year), Championship Professional Boxers, and Professional Wrestlers.
Division 1 College Football and College Basketball Head Coaches with NCAA appearances	Owners of Professional Sports Teams with National Face recognition	Professional athletes in the NFL making more than the team's median salary (unless in rookie year).
Or who are instantly recognizable	Any professional sports figure and/or coach participating in the following:	Any athlete in the NHL or MLB listed in the Top 25 of the highest paid in that sport.
Any professional athlete in the MLB or NHL being paid less than the team's median salary.	PGA or Senior PGA (top 100 rankings in the past three years), Professional Tennis (top 20 rankings in the last three years) and Professional Race Car Drivers	Producers and Directors with National Face recognition and major motion picture or TV credits
<b>CEO's of Fortune 100 Companies</b>	Any national television personality (National news anchors, news show hosts, talk show hosts, comedians, etc.)	Actors and Actresses with major box office draw or who have on-going leading roles in television series
Popular Classical, Opera, Christian, Gospel and Folk musicians who have National Name recognition or are famous within their profession	Any professional athlete in the MLB or NHL being paid more than the team's median salary.	Any person included on the Forbes Celebrity 100 List
Professional Athletes and Head Coaches participating in the following: WNBA, LPGA (not in top 20 rankings in past three years), Professional tennis (not in top 20 rankings in past three years), PGA or Senior PGA Tour (not in top 100 rankings in last three years), MLS and other	Actor/Actress with primary roles on prime time or day time television or who has played a primary role in a major motion picture in the past five years	Musicians who have had a billboard top 50 single or album in the past 12 months or has a reputation for controversial behavior

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professional sports not detailed under Celebrity classification.		
Syndicated columnist for publications with national readership	Musicians who have National Face recognition other than those musicians or bands with a billboard top 50 single or album in the past 12 months or has had a reputation for controversial behavior	
Local television personalities, actors in secondary television or movie roles in the past 5 years (not to include extra or bit parts) without National Face recognition).	Nationally syndicated Radio Personalities	
Secondary band members of musical groups without a reputation for controversial behavior (bass player, drummer, etc) or that aren't instantly recognizable on their own.	Any one whose face is nationally recognizable	
	Professional athletes in the NFL making less than the team's median salary (unless in rookie year).	

Source: Mount Vernon Fire Insurance Company Rate/Rule Filing in Tennessee for 17.0021 Personal Umbrella and Excess submitted 7/1/2016

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