



SEASONAL SMARTS DIGEST

ON THE ROAD

April – June 2015



WELCOME TO THE FARMERS INSURANCE SEASONAL SMARTS DIGEST!

Welcome to the first-ever Farmers Insurance Seasonal Smarts Digest. The digest uses the last two years' worth of actual claims from roads around the country to highlight each season's most common dangers and provide suggestions to reduce drivers' risk.

The Farmers Insurance Seasonal Smarts Digest has two important missions.

- What to **Look Out** for this season — The insurance industry relies heavily on history to predict the future. The Farmers Insurance Seasonal Smarts Digest captures and ranks the season's most common hazards and the states in which those hazards are most likely to occur.
- What to **Think About** in addressing and preventing dangers — Delivering on a commitment to proactively making Farmers customers "smarter" about insurance, we've curated content from several well-known resources for straightforward and practical application on the road.

Spring/Early Summer: Storm Season's Start

Historically, claims related to severe weather significantly increase during spring and early summer. Most of the auto claims filed from April through June in 2013 and 2014 were related to damage caused by wind, hail and tornadoes. The increase in storm-related claims is typical for this time of the year, especially given the high volume of storm activity throughout the Midwest. Thunderstorms form easily as warm air rises, and the volatile conditions created by these storms can lead to an eruption of tornadoes, wind, hail and flooding rains. On average, 674 tornadoes occur between April and June each year, according to the National Oceanic and Atmospheric Administration's (NOAA) [National Climate Data Center](#). This three-month period accounts for nearly 54 percent of the nation's annual tornadoes.

Insurance Terms You Don't Know?

You will see some common insurance terms used throughout this report. If you're not familiar with these terms, Farmers has an easy-to-use Glossary of Terms at <http://www.farmers.com/glossary.html>.

Did you know?

According to NOAA's [National Severe Storms Laboratory](#) (NSSL), the media created the nickname "Tornado Alley," which refers to the central area of the United States where tornadoes are most common.

NSSL reports the most common hours for tornadic activity are between 4 p.m. and 9 p.m.

Tornado season differs depending on location and refers only to the time frame in which most tornadoes are seen, according to NSSL. It's important to remember that tornadoes can occur at any time of the year, not just within a region's traditional tornado season.



ON THE ROAD

Look Out!

Comprehensive auto claims include losses from things like vandalism, floods, hail, fire, animal collisions and theft. Hail is the top reason for comprehensive auto claims in the spring and early summer. Of all auto claims between April and June, more than 40 percent are hail-related. The second most common claim — vandalism and partial theft — can include issues such as broken windows or paint damage as well as the theft of wheels, stereo equipment or personal belongings left inside the car. Collision with birds or animals was the third most reported claim, while total theft and wind ranked fourth and fifth.

Think About!

Since 1928, Farmers has been committed to helping customers plan for the unexpected. Based on historic trends, Farmers has developed five tips to help drivers minimize the danger associated with five of the most common non-accident auto insurance claims that occur during the spring and early summer, as well as tips to avoid common hazards you may encounter.

Top 5 Comprehensive Claims (excluding glass)



42%

HAIL



14%

**VANDALISM,
MISCHIEF &
PARTIAL THEFT**



11%

**COLLISION
WITH BIRD
OR ANIMAL**



5%

TOTAL THEFT



4%

WIND

*Based on Farmers Insurance claims data from April to June 2013 and 2014. Percentages based on all second quarter comprehensive auto claims nationwide excluding glass-related claims.



On the Road – Hail

According to the [Insurance Institute for Business & Home Safety \(IBHS\)](#), in 2014, Broken Bow, Nebraska, saw a hail stone with a diameter of 2.66 inches. While not all hail stones are baseball-sized, [it's easy to see how hail can cause significant damage to a car](#). A few ways drivers can protect their vehicles from hail include:

- Use covered parking. Your vehicle will be safest in a garage or under a carport/awning during a hailstorm.
- Plan ahead. If the weather calls for hail, it may be best to remain where you are, especially if your vehicle is in a covered parking area.
- Take alternative transportation. Public transit, taxi services and other forms of transportation may be your best options when you know severe weather is heading your way and you cannot avoid being on the road.
- Use hail blankets or a specialized car cover. Make sure all coverings are secure, as the wind associated with hailstorms can blow loose covers away.
- Talk to your agent about paintless dent repair. Have hail damage? With paintless dent repair, a trained expert heats the metal and then gently pushes from the inside to remove dents without damaging or altering the paint on your car.

Top 5 States for Hail Claims



South Dakota
87%



Nebraska
86%



Kansas
79%



Montana
79%



Oklahoma
78%



Farmers Smart Tips

Stuck driving during a storm? Parking close to a nearby building in the direction that the storm is moving can provide some protection. For example, if the storm is in the southwest and moving northeast, parking a car close to the northeast side of the building may reduce damage.

Beware of stopping under an overpass or bridge, as tornados frequently accompany hailstorms. Tornadic winds are channeled under overpasses and can carry dangerous debris, increasing the chances that your vehicle will be damaged or even carried off.

On the Road – Vandalism & Partial Theft

- Remove high-dollar items, such as navigation devices, purses, wallets, etc.
- If you need to leave valuables in a vehicle, hide them away before you arrive at your destination.
- Park smart. Park cars in [areas that are well lit](#) and see lots of activity.
- Lock all doors. Double-checked that you locked the vehicle? Good. Now triple check.
- Not all policies are created equal. Collision-only policies will not cover vehicle damage related to auto theft and vandalism, such as broken windows. Talk with a Farmers agent to make sure you have the right coverage for your car.



Farmers Smart Tips

If your navigation device is mounted to the window, remove the mount and wipe off the ring left by the suction cup.

Thieves commonly go after the third row seat from an SUV. Consider removing yours and leaving it in your garage if you know you won't be using it.

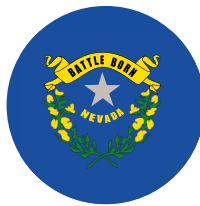
Top 5 States for Vandalism, Mischief & Partial Theft Claims



Hawaii
43%



California
38%



Nevada
28%



Georgia
28%



Washington
28%

*Based on Farmers Insurance claims data from April to June 2013 and 2014. Percentages represent the portion of a state's second quarter comprehensive auto claims resulting from a specific cause of loss.



On the Road – Collision with an Animal

You might be surprised to know that, according to the [Adirondack Ecological Center](#), deer are most active in the spring and fall. Consider the following tips to help prevent collisions with wildlife:

- Watch for the yellow danger signs posted in areas where wildlife is common.
- Reduce your speed.
- If on a multilane road, use the middle lane to give yourself more time to spot a crossing animal.
- See a deer? Watch out. It is common for deer to travel together. If you see one crossing the road or off to the side, be aware that it may have friends nearby.
- Check your coverage. Collisions with animals are treated differently than collisions with other cars. Talk to your Farmers agent to make sure you're covered for both.



Farmers Smart Tip

As unfortunate as it may be, it's often better for a driver to hit an animal directly in his or her path than swerve at high speeds in an attempt to avoid a collision. Swerving increases the likelihood of losing control of the car and hitting barriers, causing a rollover or worse.

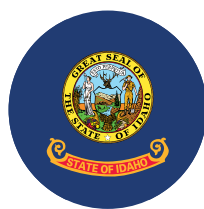
Top 5 States for Collision with Bird or Animal Claims



West Virginia
45%



Wisconsin
43%



Idaho
35%



Michigan
32%



Minnesota
31%

*Based on Farmers Insurance claims data from April to June 2013 and 2014. Percentages represent the portion of a state's second quarter comprehensive auto claims resulting from a specific cause of loss.

On the Road – Total Theft Prevention

In 2013, California and Washington were home to the top 10 metropolitan areas for vehicle theft, according to the [National Insurance Crime Bureau](#). Drivers can take the following steps before and after a theft to make the process less stressful and to boost the chances of recovering their automobile:

- Store important documents elsewhere. Your driver's license, vehicle title and other papers should never be left in the car.
- Install a car alarm.
- Don't hide a key under the wheel well or bumper.
- Immediately report a stolen car to the police.
- Understand coverage. Collision-only insurance coverage won't cover the theft of a vehicle. Additionally, if a vehicle has been modified recently — customized seats or rims, for example — basic coverage may not be sufficient. A [Farmers Friendly Review](#)[®] can help car customizers determine the level of coverage they need.



Farmers Smart Tips

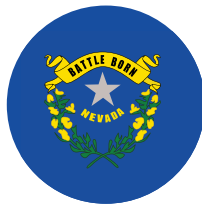
These documents can also lead to identity theft if they fall into the wrong hands. Don't make it easy for a thief!

Installing a tracking system can aid police in the recovery of a stolen car.

Top 5 States for Total Theft Claims



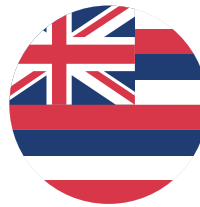
California
14%



Nevada
13%



Washington
13%



Hawaii
13%



Connecticut
13%

*Based on Farmers Insurance claims data from April to June 2013 and 2014. Percentages represent the portion of a state's second quarter comprehensive auto claims resulting from a specific cause of loss.

On the Road – Wind

Wind can cause a variety of problems for auto owners, often blowing everything from damaging gravel to large objects into a vehicle. The following tips can help drivers prevent costly wind-related damage:

- When possible, park inside.
- Pull in. Park as far as possible from your garage door in case it starts to twist from the wind.
- Don't park under or near trees when a storm is approaching. Wind can cause branches to break and fall on a vehicle.
- Make sure you understand your coverage. Sit down with a Farmers Insurance agent and complete a [Farmers Friendly Review](#)[®] to help ensure gaps do not exist in your coverage.
- File your claim as soon as possible to start the repair process. Getting repairs finished quickly ensures that the initial damage won't become worse over time.

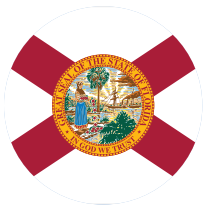


Farmers Smart Tips

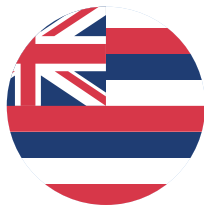
Watch for cracked paint. Wind can push dirt so that it acts like sandpaper, wearing down and weakening a car's paint. Left untreated, cracked paint can expose a car's body to moisture, rust and corrosion.

Tree branches aren't the only things that can potentially damage cars during high winds. Drivers should avoid parking near anything that could fall or move during a wind event and cause damage, such as lampposts, rolling dumpsters and power lines.

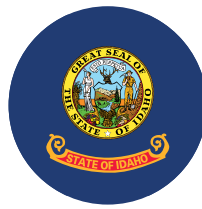
Top 5 States for Wind Claims



Florida
17%



Hawaii
16%



Idaho
15%



Arizona
12%



Utah
12%

*Based on Farmers Insurance claims data from April to June 2013 and 2014. Percentages represent the portion of a state's second quarter comprehensive auto claims resulting from a specific cause of loss.

AUTO ACCIDENTS

With high school proms, graduations and the beginning of summer vacation, spring can be a dangerous time for teenage drivers. In fact, [teen drivers are four times](#) more likely to get into an accident during the spring. Now is a good time for parents to discuss or review driving-related dangers with their teens before they get behind the wheel. The following tips can help parents engage in meaningful discussions with their teenage drivers to help avoid unsafe driving techniques that may put themselves or other drivers in danger:

- Remove potential distractions. The out of sight, out of mind approach often works best with smart phones: put the phone out of reach, turn the screen around, or shut it off to reduce distractions. Setting the navigation and having toll money ready before starting a trip can also help limit potential distractions.
- Teach alertness. While riding with their teens, parents should ask questions about the other cars on the road, whether it's safe to change lanes and other driving observations.
- Follow safely. Remind your teens to keep proper distance between their car and the car in front of them. There are a few different rules of thumb, the 3/6/9 rule is one of them. In normal conditions account for three seconds between the time the car in front of you passes a fixed object and the time you pass it. Allow 6 seconds for heavy traffic and inclement weather and 9 seconds for severe weather.
- Set driving boundaries. It's wise for parents to set driving boundaries with teenagers before they earn driving privileges. Talk to teens ahead of time about limiting the number of friends in the car, driving after dark and the maximum length allowed for trips. This will help avoid big arguments when teens start driving.
- No texting. Have an agreement with your kids that they will text you right before starting the car and as soon as they shut it off. No texts will be sent by either of you until they are no longer behind the wheel.



Farmers Smart Tips

Equip your teens' smartphones and navigation units with programs that prevent use while the car is in motion.

Start asking your teen questions before they start driving. On car trips, ask your 14 and 15 year olds about the cars around you. What should you do if the car in the lane next to you starts coming into your lane? Where should you turn? When should you turn on your signal? Where is a good place to pull over if you are having car trouble?

Top 5 Accident Claims



16%
**STRIKING
OTHER CAR
FROM REAR**



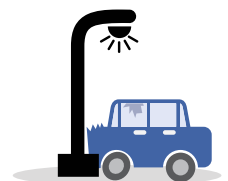
11%
BACKING



11%
**LEGALLY
PARKED**



8%
**HAD RIGHT
OF WAY**



8%
**HIT OBJECT
OR PEDESTRIAN**

