

# Press Releases

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## Insure.com: State Farm Car Insurance Claims Data Leads to Better Vehicle Design

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DARIEN, Illinois (July 21, 2008) – Insure.com, Inc., (Nasdaq: NSUR) revealed today that all car insurance buyers benefit from research done by the nation's largest auto insurer, State Farm.

State Farm handles about 9 million claims a year (about 17 per minute), from stolen cars to fender-benders to total losses.

What's an insurer to do with all those claims? State Farm makes good use of them. For one, the claims data help State Farm set the car insurance premiums for other drivers of those vehicles. For example, do you have a vehicle that's a favorite of thieves? That's reflected in your car insurance bill. But State Farm also uses its wealth of claims data to encourage better and safer car design.

Remember when Ford Explorers with Firestone tires gained national attention in 2000 because of alarming numbers of rollovers? State Farm was the first to sound the alarm bell to the National Highway Traffic Safety Administration in 1998.

State Farm regularly communicates with auto makers on what it sees as potential vehicle improvements based on trends in customer claims. When the insurer sees a way a car could be better protected from theft, or a bumper

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that never survives a crash, or a car with high passenger injuries, it lets car manufacturers know.

"You try to work together and find a common ground," explains State Farm spokesperson Kip Diggs. "Even if they don't acknowledge that the idea came from you. It's a satisfying gig." And it's a gig that stands to benefit all car buyers, not just State Farm customers, through safer vehicles and, ultimately, lower car insurance rates.

## Case in point: The Mustang

When Ford was designing its current-generation Mustang in the late '90s, it asked State Farm to look at the design and give an opinion. Earlier Mustangs didn't sport a great safety record and were high on theft lists. State Farm employees tore down the Mustang and made recommendations to Ford (free of charge).

Shortly after the new 2005 Mustang GT came out, State Farm got its hand on one of the first that had been wrecked. (It had been purchased for a 16-year-old in Chicago.) State Farm employees wondered if any of their suggestions had made it into the design.

"We were pleased to see some suggestions made it in," says Diggs, such as the way Ford had affixed panels and hard pieces to the car that makes it easier for the vehicle to be repaired.

State Farm doesn't charge auto makers for its recommendations, and doesn't even expect a thanks. But for four men in State Farm's Vehicle Research Facility in Bloomington, Ill., it's their lives' work.

State Farm not only examines past claims for problematic vehicles, but it also pulls those vehicles into its research facility and tears them down, looking for clues as to why those vehicles incur extra costs. They tear down 25 to 50 vehicles a year, most of them wrecked or damaged. For example, State Farm employees noticed a couple of years ago that the Chevrolet Cobalt, which shared a platform with the Saturn Ion, performed much better than the Ion in side-impact crashes. State Farm brought the two vehicles into its facility, took them apart, and discovered that Chevrolet had added side reinforcements in the Cobalt, increasing passenger safety.

Figuring out how to keep vehicles safer from theft is also significant work at the State Farm facility.

"If a professional wants your car, he's going to get it," says Diggs. "But if we can find ways to make a car frustrating to get into for a professional, and less attractive to thieves and joyriders, that's worthwhile."

Suggesting ways for auto makers to produce cars with lower repair costs is also a mission. When your damaged car goes into the body shop for repairs, "everything goes by time," says Diggs. "Labor's where the money is. A vehicle that can be repaired more quickly is a vehicle that's going to be less expensive to insure. Even if you're an Allstate or Nationwide customer, you get the benefit of that vehicle."

"State Farm has an interest in seeing cars built to better standards," says Diggs. "Some manufacturers listen, some don't."

## About Insure.com

Originally founded in 1984 as Quotesmith Corporation, Insure.com owns and operates a comprehensive consumer information service and companion insurance brokerage service that caters to the needs of self-directed insurance shoppers. Visitors to the Company's flagship Web site, [www.insure.com](http://www.insure.com), are able to obtain free, instant [car insurance](#) quotes, instant [life insurance](#) quotes, home, business and [health insurance](#) quotes from leading insurers and have the freedom to buy online or by phone from any company shown. Insure.com also plays home to over 2,000 originally authored articles on various insurance topics and also provides free insurance decision-making tools that are not available from any other single source. Insure.com generates revenues from receipt of industry-standard commissions, including back-end bonus commissions and volume-based contingent bonus commissions that are paid by participating insurance companies. We also generate advertising revenues from the sale of Web site traffic to various third parties. Shares of the Company's common stock trade on the Nasdaq Capital Market under the symbol NSUR.

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