

March/April 2006

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American Land Title Association

TitleNews

Retaining and Growing Your Customer Base 20

Get Involved in National Homeownership Month 24

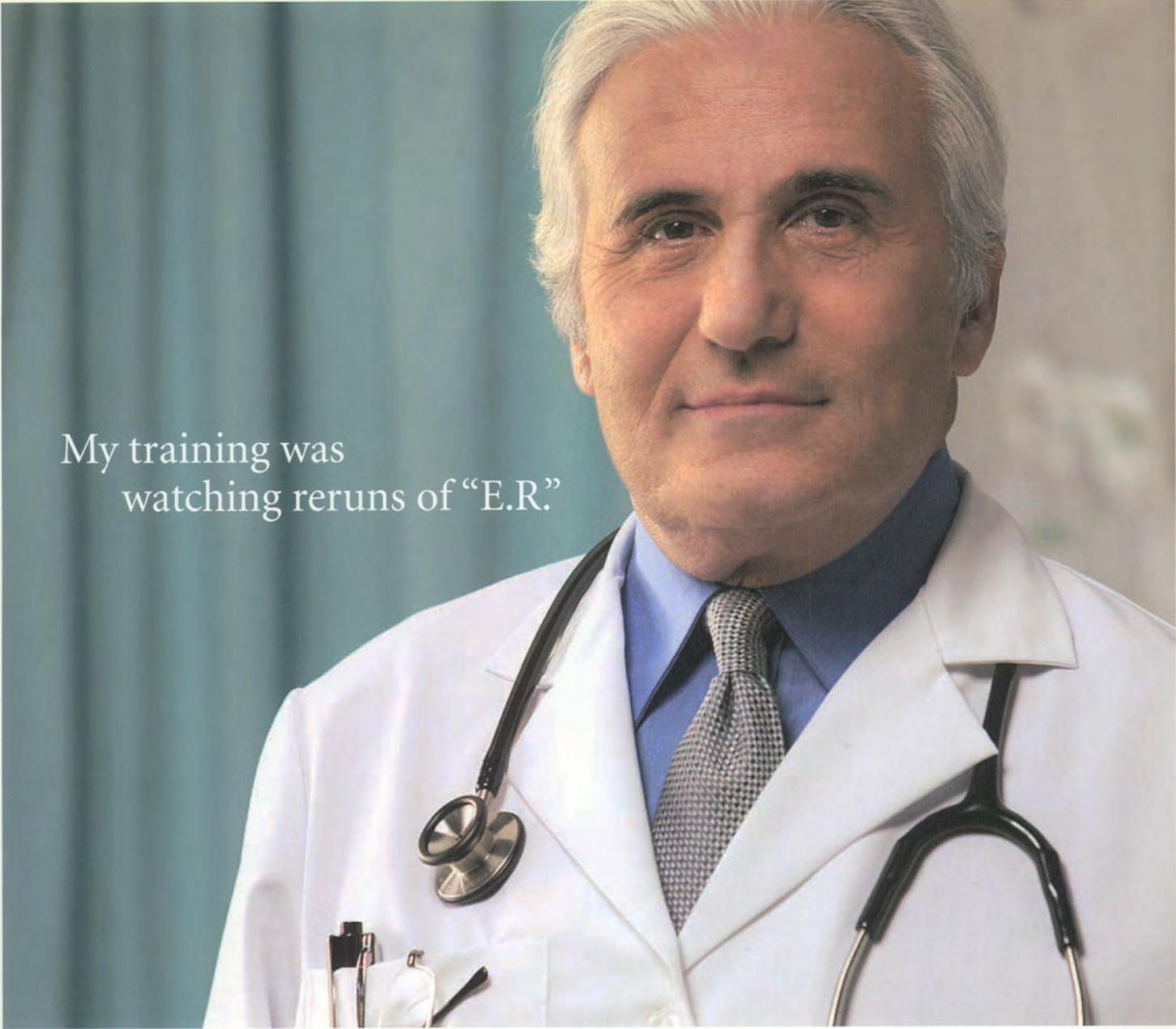
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Transforming into a Bundled Services Provider

If your company is thinking about forming joint ventures or affiliated business arrangements, these are the questions to ask to assess if you are ready to provide bundled services.

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My training was
watching reruns of “E.R.”

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Title News

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Transforming Into a Bundled Services Provider

by Dwayne Waite

By asking these questions and following these simple steps, you can transform your title company into a provider of packaged services.

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RUNNING YOUR BUSINESS

Retaining and Growing Your Customer Base

by Darryl Turner

With the undeniable slowing of the existing markets around the country, it has never been more important to have a plan to continue to keep your current customers happy and a plan to generate new revenue.

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National Homeownership Month

by Michelle Sweet

President Bush has declared June to be National Homeownership Month. This provides a perfect opportunity for ALTA members to participate in their community and show the value of title insurance while promoting their company.

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INSIDE ALTA

ALTA's 2005-2006 Financial Report

by Mark E. Hernick

ALTA had another strong year in 2005 with accomplishments in many areas. This report will highlight the successes and give a financial picture of the association.

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EVENT SPOTLIGHT

ALTA's Annual Convention in New York

Photos, photos, we've got photos. See all the learning and fun that went on in the Big Apple last fall at ALTA's Annual Convention. Photos are also available on ALTA's Web site.

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leading edge

A Message from the President

A Humble Thank-You

Did you ever feel the need to show your appreciation to someone? Was it for handling something that was immensely important to you? Was it dealt with in such a way that you didn't even know it had happened? Was it resolved with a statement articulated with grace and wisdom? Did you thank someone? Well, I need to thank someone—officially.

Last October when I become president of the ALTA, I could not anticipate what the next year would hold. I have served on the Board for years, made up of peers, competitors, and, in some cases, strangers. We bond as a team, and friendships are forged that may last a lifetime. (We mark our 100-year anniversary in 2007.)



As Board members come and go, our ALTA staff adapts to their personalities, idiosyncrasies, and individual concerns. Certainly, there is a high level of confidence in the staff. They are the constant in the equation. Each member of the ALTA staff is qualified, committed, and professional. These are the traits that have made our association a success. We have always been blessed with talent. After all, the association has survived for nearly 100 years.

Since I became president, a primary challenge has been responding to the press. As a rule, I don't respond to media inquiries. Too many instances of misquotes, half-truths, confusing comments, or blatant misrepresentations can occur. Lately there is ample evidence of this. I can't remember a time when our integrity has been called into greater question. Whether it's an unprovoked article or an unjustified regulatory diatribe, most publications have been neither fair, nor accurate, in their analysis of our business.

So how do we stave off this unfair criticism of an industry that provides our country with the most efficient, dynamic, cost-effective, and descriptive property ownership system in the world? Ask Jim Maher. He's been doing it for years!

I'm sure that none of you have counted or noticed the many times that Jim has successfully defended us in the press, countered a regulator, or taken on the attack of one of our many opponents. How many of you take for granted the services and benefits that you receive from ALTA? Well, don't! Nothing happens on its own. Jim's responsible. To all of us who are committed to ALTA, Jim Maher is our leader.

Jim, thank you from the hearts of our industry. You make it look too easy!

Rande Yeager

TitleNews

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April 30 – May 2

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ALTAnews

Tech Forum 2006 Just Weeks Away!

The beautiful Mandalay Bay Resort & Casino in Las Vegas is the location for the ALTA Tech Forum 2006, April 30-May 2. Tech Forum 2006 is the premier annual title management and technology event.



“Play Your Cards Right and Keep the Competitive Edge” is the theme for this year’s Tech Forum, and all of the sessions are designed with that in mind. Four tracks of educational sessions will run concurrently, special Expo sessions will be presented by vendors, and all attendees will have the opportunity to attend the three General Sessions. “Making the Customer Experience Great,” “The Impact of Automated Title Offerings,” “Improving Productivity and Profitability,” and “Serving Today’s eConsumer,” are just a few of the many sessions offered.

In addition, representatives from more than 40 companies will be showcasing their products and services in the Exhibit Showcase.

To see the full conference schedule and to register, visit ALTA’s Web site and look in the “Meetings” section. The hotel cutoff date is March 27 – so make your hotel reservation early!

If you have questions about registering, contact Rachael Levine at 800-787-2582 ext. 225.

Logo Contest Announced!

To kick off the planning for ALTA’s 100-year anniversary in 2007, the ALTA Centennial Committee has announced a logo contest. The contest is open to ALTA members to create a logo for the 100-year anniversary. The winner will receive a free trip to the ALTA 2007 Annual Convention, and the winning logo will be used in all promotional materials related to the anniversary. Put your creative hat on!

The deadline for submissions is April 28. Logos must be submitted electronically as jpg, tiff, or eps files, at a minimum of 300dpi. ALTA reserves the right to modify the winning logo to meet the promotional standards and usage needed. Modified versions of the winning logo will remain the property of ALTA.

Submit your entries to Shawn Sullivan, ALTA’s design & electronic production manager, at shawn_sullivan@alta.org. The winner will be notified by May 19. If you have questions on these specifications, contact Shawn at 800-787-2582 ext. 227.

calendar

ALTA Events

April

April 30-May 2

Tech Forum 2006

Mandalay Bay Resort
& Casino, Las Vegas

July

20-23

Education Committee Meeting
Mackinac Island, MI

21-23

Large Agents Meeting
Kohler, WI

October

11-14

2006 Annual Convention
Westin St. Francis
San Francisco, CA

State Conventions

April

3-5

California

27-29

Oklahoma

May

3-5

Tennessee

4-6

New Mexico

7-9

Iowa

18-21

South Carolina

June

1-3

Arkansas

3-5

Virginia

4-6

Pennsylvania

4-6

Wyoming

4-7

New Jersey

5-7

Texas

7-8

South Dakota

ALTAnews

ALTA Launches New Partnership Program

Companies that want to market their products and services to ALTA members can now take advantage of a new marketing program called the ALTA Partnership Program.

The ALTA Partnership Program works by assigning a level (Diamond, Gold, Silver, Bronze, and Supporting) to the participants who reach a certain amount in sponsorship and advertising dollars and rewarding them with added value, depending on their level of Partnership.

To see the marketing opportunities available to vendors, visit the ALTA Web site and click on "Marketing Opportunities" on the left-hand side. If you have questions about the ALTA Partnership Program, contact Rachael Novak at 800-787-2572 ext. 229.



Public Records Issues Page Created on www.alta.org

ALTA has launched a new feature on the ALTA Web site to facilitate exchange of information and updates on Public Records Issues. More and more, changes to the availability of public records aren't just local issues. Topics such as redaction and electronic access cross county and state lines. States often look to their neighbors for legislative and regulatory precedent. The ALTA Improvement of Land Title Records Committee is eager to provide a clearinghouse for information on these issues, and we hope all ALTA members will participate. If you know of current activities in your market that impact your ability to access the public records, please visit the ALTA Home Page and find Public Records in the Resources box. You can see what's happening around the country and report on your local experiences as well. Contact publicrecords@alta.org for more information.

Public Awareness Campaign Update

Media Relations

November, December, and January presented many media relations challenges for ATLA and Ervin Bell, ALTA's public relations firm. Due to the increased scrutiny of our industry by CA Insurance Commissioner Garamendi, Erin Toll of the CO Department of Insurance, and investigations in Florida, reporters are starting to pay more attention as well.

In December and January, ALTA, Ervin Bell, and several industry experts, worked for hours with reporters from the *Wall Street Journal*, the *Washington Post*, *CNN Money*, and *Money Magazine*. In addition, we received a call from the *Denver Business Journal* and a television station in Florida, also wanting to do "exposé" stories on title insurance. All of the reporters knew about the investigations into our industry practices and were hungry to expose them further. The *Wall Street Journal* article appeared December 31 and (we feel) presented a fair picture of our industry. The *CNN Money* article appeared January 11, and while it was accurate, it was not particularly favorable to our industry. The *Money Magazine* article has not appeared yet, primarily because Ervin Bell expressed our severe concerns to the editor over the nonprofessional tactics, biased opinions, and inaccuracies reported by the writer. And we have not yet seen the article by the *Washington Post*.

Even with hours spent talking to reporters and explaining how title insurance works and how valuable it is to the homebuying process, it never ceases to amaze us that some reporters do not want to hear anything that goes against their preconceived story idea. We expect the media focus on the title industry to continue for at least the next several months.

ALTA Hires Chief Counsel/ Director of Government Affairs

ALTA is happy to announce that Edward C. Miller has been appointed chief counsel and director of government affairs. Ed comes to ALTA from the National Association of Realtors where he was Senior Policy Representative for eight years.



"We are delighted to have Ed on board," said James R. Maher, ALTA's executive vice president. "He knows our issues, having worked in the real estate industry, and is effective on Capitol Hill. He brings just the right combination to the job."

Ed will attend the ALTA Board meeting in early February and officially start at ALTA on February 21. One of his first chances to meet ALTA members will be during the ALTA Federal Conference, March 7-8 in Washington, DC. (Make sure you register for the Federal Conference by going to ALTA's Web site.)

Ed replaces Ann vom Eigen, who was ALTA's Legislative and Regulatory Counsel for the past 14 years.

Senate Banking Committee Sets 2006 Agenda

U.S. Senator Richard C. Shelby (R-AL), chairman of the Senate Committee on Banking, Housing and Urban Affairs, has announced his committee will build on the accomplishments of his first three years as chairman. Among the tentative 2006 agenda items that are of importance to the title industry are:

National Flood Insurance Program—The Committee will move ahead with reform of this program, including possible

legislation that will allow the program to remain viable.

Insurance Regulation—The Committee will continue its examination of the insurance industry and intends to hold comprehensive hearings on the state of insurance regulation, including issues of solvency, consumer protection, and optional federal charter.

GSE Regulatory Reform—Building on the success of last year, the Committee will again consider regulatory reform of the housing GSEs. Efforts will continue to seek a consensus to move a strong GSE regulatory reform bill through the Senate.

Regulatory Relief—The Committee intends to consider regulatory relief legislation this year, and the issue of Interest on Business Checking may be included in this area.

Post Katrina Redevelopment—The Committee will review the federal response to Katrina and assess further assistance to support long-term redevelopment of the Gulf Coast area. A particular focus will be on flood insurance, economic stabilization, and housing needs.

Terror Finance and Money Laundering—The Committee will continue its thorough series of hearings on terror finance, and the U.S.A. Patriot Act will likely be reviewed.

Terrorism Insurance Act Extended

Congress passed the Terrorism Risk Insurance Extension Act of 2005 to amend the Terrorism Risk Insurance Act of 2002. The legislation, P.L. 109-144, is a two-year extension and revision of the Terrorism Risk Insurance Act (TRIA) that narrows the program in anticipation of its being phased out.

The legislation raises the deductibles on all lines of insurance from their current level of 15%; increases the co-shares for smaller events while decreasing them for an event with insured losses that are as significant as the World Trade Center bombings or greater; significantly increases the amount of insured losses that would trigger the federal

Please contact Charlene Nieman, grassroots & PAC manager at charlene_nieman@alta.org with questions or concerns regarding Government News.

GOVERNMENT & AGENCY news

backstop; and builds up long-term capital to stabilize the marketplace by allowing insurers to treat a portion of their terrorism premiums as dedicated terrorism capital.

Additionally, the legislation adds market reforms to the program to streamline the regulation of terrorism insurance and create a public-private commission to draft specific proposals to establish a long-term pooling terrorism program.

The Terrorism Risk Insurance Act of 2002 established a three-year, risk-spreading program to back up the insurance marketplace for consumers in the event of a terrorist attack. The law covers most lines of commercial property casualty insurance, including workers' compensation and business interruption for all U.S. risks. Safeguards ensure that only truly catastrophic events trigger any federal involvement, while continuing to provide equal protection for small and rural insurers.

ALTA Submits Comment to HUD on RESPA

The Department of Housing and Urban Development (HUD) asked for comments from industry groups about a proposed Web site for consumers to register complaints about possible RESPA violations. Here is an excerpt from ALTA's comment letter.

"ALTA believes that the proposal for a questionnaire form to be available at the HUD RESPA Web site for the provision of information regarding possible RESPA violations could provide a useful mechanism for consumers and competitors to bring to HUD's attention potential RESPA violations. However, we are also concerned that the Web site may become a vehicle that leads to HUD investigations where there may be no real basis for such an investigation. We believe that HUD should consider various safeguards that will maximize the prospect that information submitted via the Web site will be accurate and complete, and not merely intended to spur an investigation into a company's practices because of the ill will of a disgruntled consumer, employee, or competitor."

ALTA also stressed that it is important all filings and contacts be maintained in strict confidence, and be used only by HUD for the purpose of evaluating whether to investigate the potential RESPA violation being alleged. ALTA's full letter to HUD is available on the ALTA home page under Government News.

New Publication Explains Tax Law Changes Related to Recent Hurricanes

The IRS has issued a new publication explaining changes to the tax law and relief provisions available to those affected by Hurricanes Katrina, Rita, and Wilma.

Publication 4492, Information for Taxpayers Affected by Hurricanes Katrina, Rita, and Wilma, is available on IRS.gov. (You can also access the publication on ALTA's Web site under Government News.)

This new publication will list the disaster areas for each hurricane and explain which areas are eligible for administrative relief from the IRS and which areas receive special tax breaks under recently enacted provisions of the tax law.

The publication provides information for individuals regarding how to claim unreimbursed losses, the tax-favored use of retirement savings, and new rules for charitable giving.

The publication not only provides information useful to individuals but also highlights the changes businesses need to know about, such as a special depreciation allowance for qualified Gulf Opportunity Zone property, an increase in the amount affected businesses can expense instead of depreciating, and new net operating loss (NOL) rules for losses in the GO Zone.

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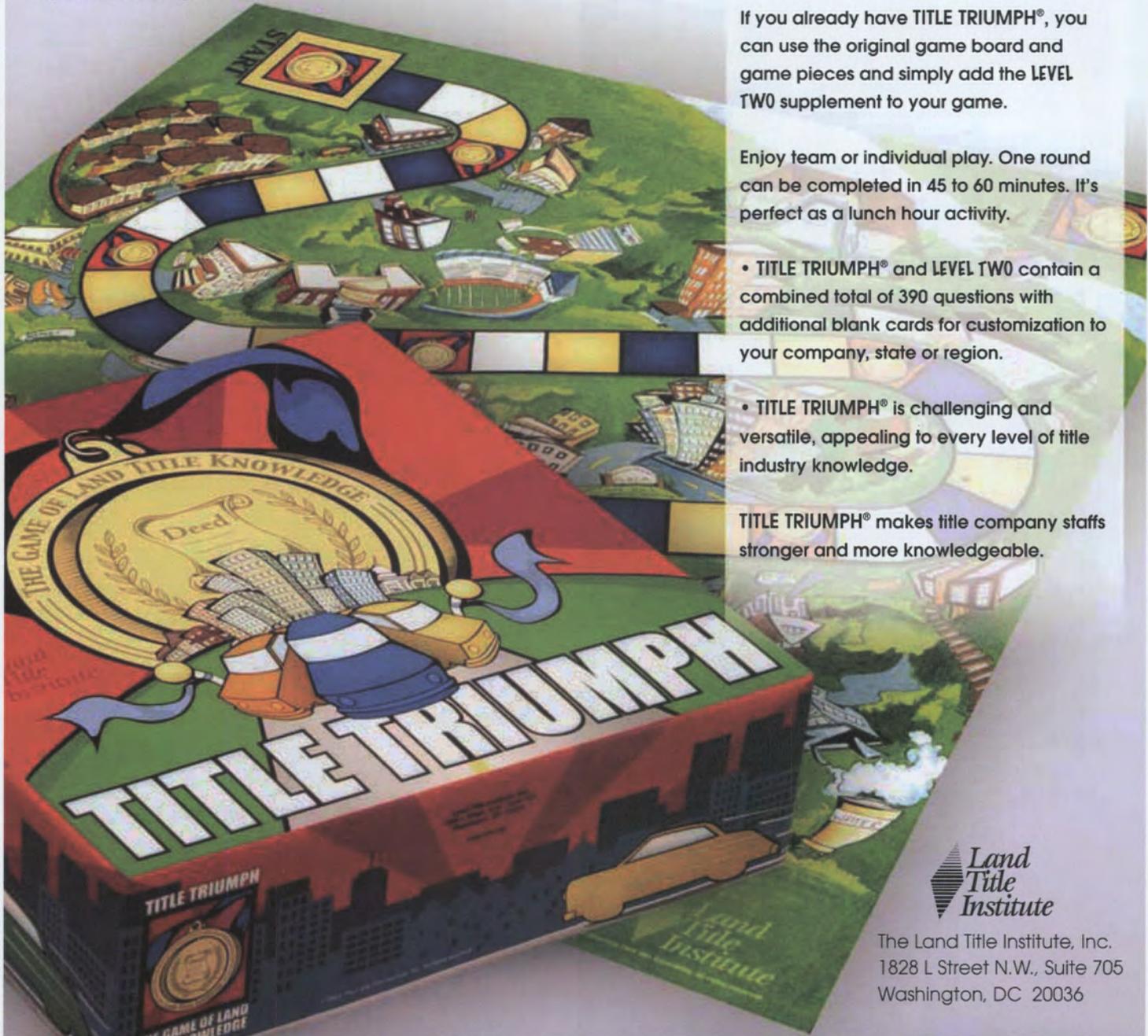
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annual convention highlights

The Big Apple Shined on ALTA!



Education session rooms were packed, despite the lure of NY tourist attractions.



2005-2006 ALTA President Rande Yeager, left, and outgoing President Mark Bilbrey share a laugh and a boa at the Closing Banquet.



RESPA expert Sheldon Hochberg, far left, participated on a panel discussing the HUD roundtables held earlier in 2005. Not surprisingly, the session was standing-room only.





Colorful boas were part of the Closing Banquet decor, and quickly became props on the dance floor.



A student from the famous Juilliard School of Music sang the national anthem at the Opening General Session, accompanied by a color guard procession.



The 2005-2006 ALTA Board of Governors was installed on October 8, during the Closing General Session.



Attendees flocked to the prize barrel in the Exhibit Showcase for the chance to win prizes, including a 42-inch plazma TV.



Title professionals showed their competitive spirit during a game of Title Triumph®, a training tool geared for team building and group education.

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Transforming Into a Bundled Services Provider

By asking questions and following these simple steps, you can transform your title company into a provider of packaged services.

by Dwayne Waite

There are many phrases that keep title executives awake at night, and they are being thrown around liberally these days. “Market normalization.” “Industry consolidation.” “Price compression.” “Bubbleburst.” It’s popular right now to speak of bundling services or offering packaged services as a catch-all solution to decreasing volume for traditional title companies, but the

gulf between talking about bundling and taking the steps necessary to do it well has never been wider. The decision to become a bundled services provider should not be made lightly. It involves taking accountability for and investing heavily in services for which your company may or may not (yet) have a core competency. The transformation can be difficult—it takes more than a marketing flyer announcing that you now bundle services. However, done well, the metamorphosis from traditional title

company to packaged services provider can improve your geographic footprint, your order volume, and, if done efficiently, your profits. Here is a look at a few decision points you are likely to encounter on the road to bundled services.

TO BUNDLE OR NOT TO BUNDLE...

Some feel the market’s move to bundling was precipitated by the Department of Housing and Urban Development’s 2002 proposed

amendments to the regulations enforcing the Real Estate Settlement Procedures Act (RESPA). Now, almost four years later, RESPA reform has yet to happen. It seems that market forces, and not the demand of regulation, are leading lenders to choose packaged settlement services, which means that packaging is not going away any time soon.

Many experts agree that the first decision point facing the owner of a traditional title agency is whether to be a part of the package assembled by another entity (vendor management company, title insurer, realty company, etc.) or to become the “packager.” As the last echoes of the re-fi boom fade away, it is becoming very clear that title customers—especially mortgage lenders—will be looking for every and any efficiency available in delivering the mortgage product to borrowers. That means turning the settlement products faster and paying less for them. The title business is very likely to become a volume business in short order. Margins will then take on an even greater importance in the business plan of the successful firm.

If your company is thinking about forming affiliated business arrangements and joint ventures with Realtors®, homebuilders, and lenders, these groups will more than likely want more products running through the business than less. The products these groups will want are those with the highest margins, which are typically vendor-based services such as appraisals, home inspections, surveys, and pest inspections.

Although it may be easier and cheaper to be part of someone else's bundle, it also means that your company will not be calling the shots. Although your company

stands to gain volume as part of another entity's package, it may also be more vulnerable to price compression. Your customers, after all, want the services faster and cheaper. Being the middle person in the transaction is not the ideal position to maximize your profits.

Choosing to be the provider of the package is not without hard work,

Many experts agree that the first decision point facing the owner of a traditional title agency is whether to be a part of the package assembled by another entity or to become the “packager.”

sweat, and perhaps a few tears. Bundling is neither a winning lottery ticket nor a silver bullet to the pressures of a changing market. It is a conscious and strategic decision to accept the likelihood that price compression is coming. It is a choice to trade profit per order for volume. Above all, it means that you will be forced to focus on the efficiency of your processes like never before.

In making the decision to provide bundled services, ask yourself the following questions:

- Do I have access to a network of vendors or suppliers such as abstracters, flood or tax specialists, and appraisers, or do I have a plan for building one quickly?
- Am I ready to learn about the new services (e.g. appraisal, pest inspections) I intend to offer? If not, am I ready to add product-management experts I can trust to maintain the quality of the new services I will offer?
- Do I have inroads—or a solid plan to make inroads—into any new geographic markets for which I plan to provide service?

- Am I aware of my competitors and potential competitors in those markets? Are they vulnerable? Are the barriers to entry substantial?
- Do I have the capital necessary to invest in what will essentially be a new business?
- Am I ready to adjust my staffing, workflow, and systems

to manage my vendors efficiently? Am I ready to objectively review every aspect of my business to ensure maximum efficiency?

- Realistically, when do I need to see a return from my “new” bundling business?

If you don't like the answers you get, think carefully about your decision to bundle. The return on investment is rarely instantaneous. Not every technology or business plan will simply provide you with a ready-made network of quality vendors on the spot. Your vendors, after all, ARE the service you offer to your customers. And you may not be the only packaged services provider going into a new geographic market. There may be several already there.

GATHERING YOUR “INGREDIENTS” TO PROVIDE BUNDLED SERVICES

If you find the answers to the aforementioned questions acceptable when making the decision to provide bundled services, then it is time to build your business plan.

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cover story

you will need is a network of efficient, high-quality vendors. In all likelihood, your company already uses a variety of vendors. Take an objective look at those existing vendors and ask several difficult questions.

- Is the vendor's service or product competitively priced?
- Will the vendor be willing to trade a discount on its services/products for volume?
- Is that vendor capable of handling a dramatic increase in order volume without deterioration in its quality of product?
- Is the vendor's product or service of high (not "acceptable" but high) quality?
- Does the vendor already serve

any new geographic markets you may look to enter?

- Does the vendor's product or service meet your customers' needs?

Always review the services and prices of your existing vendors with an eye to the demands of your customers—existing and potential. Never forget that you are bundling to meet the customers' needs.

You will probably find, no matter how strong your current vendor network is, that you need to grow your network to bundle services. This will be true even within your core competency. While it will take a concerted effort to grow your service network with services you have already been providing (be sure, however, to undertake your due

diligence), it will be an even greater challenge to grow your vendor list for services you have not been offering.

If you intend to offer services dissimilar to those you have been providing, it is critical that you take the time, spend the money, and invest the effort to learn the ins and outs of the new service. Talk to as many trusted professionals in your region as possible. Contact the trade association (local and/or national) for the line of service you are adding. Take a class or seminar. Take several, and take your key managers with you. Tour one or several operations, and ask as many questions as you can think of.

You may even consider hiring a consultant or a product manager from within the industry of the new

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OVER TWENTY YEARS OF RATING EXPERIENCE

cover story

service or services you intend to offer. Quite simply, if you do not understand every step of your vendor's process, you will be unable to manage that vendor. You will not really understand whether or not the product your new vendor provides is of top quality. You will lose the mission-critical element of efficiency.

GROWING YOUR VENDOR BASE

Once you and your key managers understand all the services you will be providing, you will need to grow your vendor network. Unfortunately, there is no catchall solution for this. Technology may offer the means to connect to vendors, but it won't necessarily bring you all of the vendors themselves. Like many worthwhile endeavors, this one will take hard work. You can approach several sources as a starting point: your underwriter or your underwriter's vendor-management division, service and trade directories, trade associations (directories and/or conferences), even word of mouth. Remember, though, that these are only starting points.

"Ask a lot of questions," says Mary Jo Speier, president and CEO of Total Settlement Solutions, a provider of bundled services. "It is very important that as you cross state lines or add different products to the bundle, you find good partners. Your software provider, underwriter, and colleagues in the business are a wealth of information. But they don't always share that information on the first date! It is a courting process, and you must be very inquisitive."

Be sure to spend time with each potential vendor. Ask to speak to past and current customers and to see references. Your due diligence on the front end of the venture will lead to savings and performance on the

return.

As your vendor network grows, you will need a means to manage it. Communication, order placement, delivery, and status are critical processes to a bundled services provider. The key to your success is your efficiency, so the phone and fax should become secondary or complementary tools in your office,

borrower clearance letters? Fax or e-mail?

- What other points in your corporate culture can become delays? A voice mail on the system of a key staff member out sick or on vacation is virtually useless until that person checks his or her voice mail. A centralized status location can

If you intend to offer services dissimilar to those you have been offering, it is critical that you take the time, spend the money, and invest the effort to learn the ins and outs of the new service.

rather than catalysts. Speier feels technology is a critical ingredient for her business. "Find a software system that not only provides traditional title support but also has a vendor-management piece as well. You must be able to manage and track the different players in the transaction, and you must be able to pay them for their services in a timely and accurate manner."

There are several areas in the traditional title or vendor management workflow that can become choke points to the order if not managed efficiently:

- Updates and orders that can't be relayed to searchers or abstracters in the field will have to wait until that searcher checks his or her voice mail or, worse, until he or she gets back to the office. This can lead to a delay of up to a day sometimes.
- Paper file management after the search and report are returned can be a sore point. How your office moves (and misplaces) files can lead to delays in the work flow.
- How do you receive your

eradicate delays here as well.

Speier, who opened her doors as a bundled services provider, insists that the technology decision point was a key to her strategy. "Our business plan was to provide title and settlement solutions to midsize lenders and brokers who originate in multiple states," she said. "So the one-stop aspect of that plan dictated a bundled services approach. One of our first steps was to decide on a software system that would manage the different vendors necessary to make the bundled services approach successful."

It is easy to make the blanket statement that technology is an important element in the success of a bundled services provider. But technology is only a tool, not a panacea. Just having a technology platform does not necessarily make your new business efficient. Mark McElroy, president of RamQuest Software, is fond of saying "If your processes perform poorly, good technology will only make them perform poorly at a faster pace." Always remember that the key to your success will be the quality of

cover story

your services or products. The right technology can be a fantastic way to trim margins on an already solid product. How much it helps you trim margins will be dependent on how well you understand your processes and services.

Of course “technology” is a blanket term when it comes to bundled service or vendor-management systems. There are

you need to trim time or administrative tasks. Then, it’s time to perform your due diligence on technology. Speier suggests networking as a starting point for your research. Feel free to consult with your underwriter, your local trade association, or other industry peers or contacts. Then, contact the developers you’re considering, and kick the tires.

purchase the software necessary to make the change at full price, or will you provide a discount?

You will also want to look for these features in your potential technology:

- Can the technology be scaled or customized to fit my workflow?
- Can the system easily be integrated with other critical systems, such as accounting, VPNs, or even e-mail?
- Does the system integrate your nontitle services with your core competencies? You will need order management and tracking capabilities for things like flood certification and appraisal to keep your new operation at peak efficiency.

When you are satisfied with the answers to these questions, be sure to schedule a demo. You may want to have key operations people available for this as well. After all, these are the people you will entrust to use this system every day. Is the system intuitive and easy to use? Does it perform the functions you need it to handle? Once you and your key managers are comfortable with the answers to these questions, you will have found your technology. Just make sure you understand your new business and how it will work on a day-to-day basis before you set out to understand your new technology.

As you gather the “ingredients” for your new bundled services business, you must also install a process of quality control. Always be aware of your liabilities—for services new to you, and for services or products you have comfortably delivered for years. After all, you will likely be using new processes or technologies to deliver even the services with which you are most comfortable. You will also be working with higher volume, meaning a greater opportunity for mistakes. There are several ways to

In making your decision to bundle services, be ready to be patient. You are, in essence, rolling out a new line of service or product.

many systems available, and if you haven’t purchased or investigated such systems before, you may find it easy to get lost in the sales terminology. It seems many vendor-management technologies are “seamless,” “integrated,” and offer myriad “solutions.” But is that seamless solution a fit for your business plan? You should be very wary of plug-and-play platforms that purport to solve your every business need. For example, you probably don’t hire professionals without training or experience to perform closings. Why, then, install software that may or may not fit your business needs. Like your staffing, your technology should fit your particular situation and business plan.

TAKING INVENTORY OF YOUR PROCESSES

Before you take your first sales demonstration on the technology to lead you to bundled services, you must understand your new workflow. This is imperative. Understand the processes you are about to undertake, and understand where in the process

Here are a few of the questions you should ask the sales representative for your potential technology platform:

- What can I expect in the way of technical support? Will you come out to the site to train? To provide supplemental training after the installation?
- Will your team provide configuration services? Is this included in the initial purchase price?
- How often should I expect upgrades to the technology?
- Will I be assessed a variable per-use cost for the system, or will I be charged an inclusive license fee?
- Do you offer an “ASP” or off-site hosting option (which may spare you the additional expense of hosting the system’s servers on your own site)?
- If I choose the ASP program but later outgrow that system to the point where it would be more cost-effective for me to host the system’s servers on my own site, will I then need to

cover story

maintain quality control from order to delivery. Technology can help, although you shouldn't depend solely on your system to ensure that the process is spotless. Making sure that staff and management are comfortable and competent with each service in your bundle is also critical to ensuring high quality for your product.

Speier also points out something the industry is becoming painfully aware of with each new lawsuit or settlement. "Compliance and integrating compliance into the processes your employees perform each day is vitally important. You need to stay informed at a regulatory level (federal and state-specific), as well as being aware of litigation developments."

MAKING THE TRANSFORMATION—WHAT TO EXPECT

It is also important to look at your transformation as an investment, and not as a silver bullet. Bundling services is a volume business. How you control your costs and efficiencies will determine the strength of your profits.

So how much should you expect to invest in order to make the transformation? This is a loaded question, the answer to which can vary depending on your market, your client base, the size of your operation, your business model, your technology, the types of services you offer, and more. However, some costs you shouldn't overlook as you set up your operation include the following:

- Personnel. Even with a great technology, you may need to increase your staff to meet the higher order volume. Also, you will need expertise for the new products you offer (consultant or product manager). This expertise will be critical from a standpoint

of customer service as well. If a customer complains about the value of an appraisal, you will need personnel able to work with the appraisal vendor who can understand why the appraisal may be lower or whether your vendor is not working at the standard your customer expects.

- Legal and compliance expenses.

Efficiency is to know one's operation inside and out, and to know how to trim fat or inefficiency immediately. Master these building blocks, and you will be on your way to building a successful bundled services business.

RESPA compliance is a confusing and ever evolving endeavor. Cutting corners on the front end of your compliance program could lead to unfathomable costs if your misstep is noticed by the increasing number of RESPA enforcement agents. Spend the time and money now to ensure that you are operating within the parameters of federal and state law.

- Technology. It's not a "nice-to-have" in the vendor-management business anymore.
- Sales and marketing. Just because you have the capability to provide a bundle doesn't mean your customers—and prospects—know about it. If anything, a professional sales and marketing effort will be necessary to overcome the market inertia of your previous, traditional brand. Until you let the world know otherwise, you are a traditional title provider. This misunderstanding could cause you to lose business you didn't even know was on the table.

Finally, in making your decision to bundle services, be ready to be patient. You are, in essence, rolling out a new line of service or product. This will take some time to gain traction in the market. Your decision to become a bundled services provider is a strategic decision, not a short-term decision. But not every factor in the transition works against your profit. For example, a company

that is able to build its operations on volume-related costs—such as a provider of bundled services—faces less exposure when cyclical changes affect its order volume. As a bundler, your company will only be paying for the outsourced services that are ordered.

Efficiency is the key to a successful bundled services operation. The most important step to achieving efficiency is to know one's operation inside and out, and to know how to trim fat or inefficiency immediately. Master these building blocks, and you will be on your way to building a successful bundled services business.



Dwayne Waite is the president and chief technology officer of Y-Waite Solutions, a Pittsburgh-based systems strategies consulting company and the developer of the Magellan

Bundled Services System. He can be reached at (412) 604-0980 or dwaite@ywaite.com.

Retaining and Growing Your Customer Base

Keeping your current customers happy and growing your business are two different concepts. Each necessary, but each done a bit differently.

by Darryl Turner

With the undeniable slowing of the existing markets around the country, it has never been more important to have a plan to continue to keep your current customers happy and a plan to generate new revenue. Unfortunately when times like these come upon us, we in the title industry have been known to make moves that look more like moves of panic than moves of strategy. Let's discuss some ways to retain and grow your business.

CUSTOMER SERVICE IS NOT ENOUGH

According to *Webster's New Revised Dictionary*, the first definition of the word service is "the occupation of a servant."

Have you ever considered that what we do each day in reaction to a customer's requests will not be what drives that customer to continue to work with us?

During sessions we conduct at The Title Institute, we ask sales professionals from title companies across America to tell us what their company's product is. What I find so amazing is how the industry has

the expectations of our customers, we are in danger. The simple thought of title companies thinking that their product is "service" means that they have been misled into believing that as long as they provide good service (like a good servant), their customers will never leave. This is a dangerous myth that can be a hindrance to the growth of any title company.

There are actually three realms of proper perspective when it comes to customer expectations and service. These three realms will help you understand that customer service is not enough to retain and grow your customer base.

REACTIVE SERVICE

The first realm is reactive service. Reactive service is the most common definition of the literal word service. Reactive service is what we provide when someone asks us for something. It is what we do when we return phone calls or deliver a farm or marketing package to the customer. It is the service we provide when we drop off a commission check.

In other words, with this type of behavior, we are reacting to someone's request. Anyone can do that. If we think this type of service separates us from the competition, we are not only wrong, we are fooling ourselves. Reactive service confirms that we are exactly like the

Have you ever considered calling a customer when something is going right with a title file instead of just when something is wrong?



Darryl Turner is founder and CEO of Title Solutions Group, Modesto, CA. His team of executive consultants provide on-site, cutting-edge business solutions to title companies all over America. Darryl is a frequent speaker at ALTA conventions. For information about Title Services Group call: 800-551-2946.

incorrectly indoctrinated them so that they believe their product is customer service. It does not matter where they are from Florida, California, Alaska, or New York. The industry somehow has reached each area of the country with the same myth. The myth is that their product is customer service, or just service.

Anytime we view our product to be something that marginally meets

I miss Bob.

We used to work on that title stuff all day.

Glued at the mouse.

Just me and Bob.

Bob-O.

Now I hardly see Bob.

He's out with clients all day.

"Drummin' up new business," he says.

And when he is here, he's on the phone.

Working on other things.

Laughing.

Happy.

Bob just isn't that into me anymore.

I miss you, brother.

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RESPONSIVE SERVICE

The second realm is responsive service. Have you ever considered what your operation would be like if your closers were never asked to return a phone call? The reason they would not be asked to return a phone call would be because they were available to take the call when it first came in. What would things be like if we could respond to our customers' needs by making ourselves available to them at the time they needed us?

Our extensive studies show that the single greatest complaint customers have about their title company is that it does not return phone calls quickly, or at all.

It is sad that customers no longer complain that their title company

representative is unable to take their initial call. They have gotten used to it. They have become desensitized. They no longer expect anyone to be available to take the call. This is a very good reason for them to take their business elsewhere.

In order to be more responsive to customer service, you will have to realign some priorities in your office. Ask your closers to be available to take customer calls by giving more of the filing tasks to an assistant. The closers need to be more active in their role as the relationship manager.

PROACTIVE SERVICE

The third realm is proactive service, better known as surprising the customer. If you want a customer to never forget your service, surprise

them! The concept of surprising your customer seems simplistic, and yet, from our surveys, we know it is not being done. What do I mean by surprising the customer? The more you do for your customer, without him/her asking for it, the more you have surprised them.

Have you ever considered calling a customer when something is going right with a title file instead of just when something is wrong?

If the only time customers hear from you is when you need something or something is wrong with their file, they learn to dread hearing from you. That is a simple psychological fact.

When was the last time you or someone in your company called a customer proactively and let them know the closing was going well?

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running your business

(There's the surprise.) When was the last time you picked up the phone for no other reason than to tell the customer how much you appreciate his/her business? (There's the surprise.)

I remember an escrow manager saying to me that she found it odd to make a call for no reason. Wow, what a confirmation. She thought that nothing being wrong was no reason to keep in touch with the customer. I told her that nothing being wrong with a file was a great reason to call her customer. As a matter of fact, it is this kind of thing that would surprise her customer, make her remain a customer, and have her tell others about you.

Don't be fooled into thinking that as long as you provide good service, your customers will not leave you. Don't be fooled into thinking that you can build a good referral business without surprising your customers.

Make it a goal today to make some phone calls for, as our famous escrow manager said, no reason. Call some of your customers and let them know that their files are going well, and thank them for the business. You will not keep your customers by simply serving them. You will keep them by surprising them.

GROWING YOUR CUSTOMER BASE

Now that you have kept your current customers happy, you can't just rely on them telling others how great you are. You need other strategies for growing that customer base. Let's discuss some strategies that can help.

Focus.

I am amazed at how many people tell me that they sometimes have a problem focusing. And they are certain that lack of focus is the core cause of their business struggles.

You can't blame your business

weaknesses on the inability to focus. Why? Focus is not your problem. It's where you focus that's the problem. Let me clarify. During times of market changes we sometimes find ourselves worrying about business, people, customers, strategies, results, and so on. The truth is that if we can worry, we can focus. Simply put, worry is focus. It is just negative focus. It is focusing on what we do not want to see happen instead of what we do want to see happen.

Anytime you begin to worry, stop and refocus. Refocus on the positive. Refocus on what you want to see happen, and refocus on what you will do to see that take place.

Don't Expect Water From an Empty Well.

When I was doing a sales conference for a title company in southern California, I posed a scenario to their team. I told them (over 50 title salespeople) the scenario was that I was their president and they needed to raise their daily order average by a minimum of 15 percent.

I asked them how they would accomplish this goal. They said they would go to their current customers and ask for additional business. I then asked if they would go to good customers or not-so-good customers. They told me that they would go to their good customers. Next I asked them to identify the criteria that makes a good customer. Their response: A good customer is someone who gives you all or most of their controllable business.

With all this said, I showed them the flawed logic in this thinking. If the goal is to increase orders by 15 percent, and their good customers were already giving them either all or most of their business, then trying to get more business from this group would not be the best use of their time, and would not grow their

businesses. It would be impossible to accomplish the goal.

When the market gets tight, we run to our established relationships. Even though this sounds like a good idea, it is almost surely going to cause us to fail. In fact, in times of tightening markets, like now, it is nearly a futile act. The fact is that your customers' available orders are actually shrinking. What, then, can we do to reach our goal?

Turn Zeros into Heroes.

Our studies show that once focus is placed on an average existing customer, the title company rep is only able to pick up about only one-third more business from that customer. That means that an average customer sending 12 transactions per year might be able to be bumped up to 16 picking orders, or only 4 more orders. That is a very difficult task, and one very rarely accomplished.

However, consider someone who does not currently give you business. What if you reapplied your energy and were able to simply turn this prospect into an average customer giving you 12 transactions per year? By turning zeros into heroes (an average customer) you can grow your business 300 percent faster.

The only logical focus is to broaden your customer base. This is done by not getting into a panic mode and running to existing customers, but by developing and adhering to an effective strategic-growth strategy. This is exactly how our partner in Washington State brought in 713 new customers and one of our Texas clients brought in 120, both in the last year alone.

When times like these happen, don't panic. Develop a mentality of focusing on where your true opportunities for growth exist.

National Homeownership Month

By Proclamation of the President of the United States, the month of June will be designated as “National Homeownership Month” for the fifth consecutive year.

by Michelle Sweet

In his 2005 Proclamation, President Bush wrote: “For millions of individuals and families, the American Dream starts with owning a home. When families move into a home of their own, they gain independence and confidence, and their faith in the future grows. The spread of ownership and opportunity helps give our citizens a vital stake in the future of America and the chance to realize the great promise of our country.”

As members of the title industry, we can all take pride in our important role in helping to make the American dream of homeownership come true for millions of individuals and families across the country. Our work behind the scenes on each and every homebuying transaction assures that families can move into their new homes with confidence and peace of mind.

ALTA encourages members to participate in this special homeownership awareness month in your local communities and to help spread the word about the important contribution the title industry makes to the homeownership process.

Michelle Sweet is director of media relations for Ervin Bell Marketing Communications in Irvine, CA. She can be reached at msweet@ervinbell.com.

In support of this initiative, during the month of June there will be a number of celebrations and educational events held across the country by organizations such as the

previous proclamations, go to www.whitehouse.gov, and type “Homeownership Month” in the search field.)

Other ways to participate include

We encourage our members to participate in this special homeownership awareness month in their local communities.

National Association of Realtors®, National Association of Homebuilders, Mortgage Bankers Association, National Mortgage Brokers, and others.

Also, the Department of Housing and Urban Development (HUD), in cooperation with other federal agencies, private businesses, and non-profit organizations, will sponsor a series of nationwide fairs to showcase the tools and resources available to help individuals and families in the homebuying process.

HOW YOU CAN GET INVOLVED

Start by contacting your local city or county government and/or chamber of commerce and asking if there will be a celebration in your community. You can also suggest that your local officials adopt a resolution proclaiming June as National Homeownership Month in your town or city. (For examples of

sponsoring a booth at a local home fair or giving a presentation to local civic organizations such as Rotary and Kiwanis utilizing the presentation tools we have provided for you in the Title Industry Marketing Kit. (See next page.) The kit also contains some written articles that you can send to your local newspaper.

You might contact Habitat for Humanity to find out if there are opportunities to participate in a local project near you. Or you can get one started! If you have a team of employees, get them involved too (wearing your company T-shirts)!

And, be sure to find out if HUD is sponsoring a fair in your area by going to its Web site at www.hud.gov.

These are just a few suggestions; there are any number of ways you can participate. Watch for additional information on ALTA's Web site at www.alta.org in the coming months.

inside the industry

If you have an idea or are planning an activity in your community, let us know so that we can share it with other members.

ALL THE TOOLS YOU NEED!

ALTA has developed some tools in the Title Industry Marketing Kit that will help you participate in National Homeownership Month. The kit, which is free to ALTA members, contains a 12-minute DVD about title insurance, a PowerPoint Presentation complete with speaker notes, brochures that explain the value of title insurance, ads to place in local homebuyer guides or newspapers, and prewritten newspaper articles you can send to your local newspaper. The articles can be accessed on the Public Awareness Campaign section of ALTA's home



page.

Many of the materials in the kit can be customized with the name of your business, but you need to order your materials now! If you don't already have a kit, order yours today by calling Lorri Ragan at 800-787-2582, ext. 218, or by sending an e-mail to lorri_ragan@alta.org.

For more information on National Homeownership Month or to share how you are participating in your community, contact Charlene Nieman at 800-787-2582, ext. 233.

The materials in the Title Industry Marketing Kit will help you promote the value of title insurance and your business in your local community.

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REAL ESTATE DIGEST

2005-2006 ALTA Financial Report

Despite the slowdown in the overall real estate market, ALTA remained strong in 2005, but we may feel the effects in 2006.

by Mark E. Hernick

ALTA had a very successful year in 2005. The association accomplished many goals in the areas of Government Affairs, Education, Membership, and Public Relations. Despite the slowdown in the overall real estate market, ALTA's revenues remained strong and expenses were controlled within budgeted limits.

Here is a brief synopsis of ALTA's financial picture for 2005, and a look at the approved 2006 budget.

YEAR IN REVIEW

In anticipation of even greater slowing of the real estate market, ALTA's 2005 operating budget was developed with a conservative outlook on revenue and tight controls on expenses. However, the market downturn was not as severe as predicted, and our estimate of significantly lower revenues in 2005 was never realized. In fact, most of

the association's income-generating programs were more successful than the previous year, and overall expenses were less than budgeted. Unaudited year-end financials indicate that the association has Assets and Liabilities in balance at

because they directly reflect greater participation in the association by you, the members. Expenses of the association ended the year within budgeted limits (actually \$34,500 below budget) due to the tenacious efforts of the ALTA staff to control

Expenses of the association ended the year within budgeted limits due to the tenacious efforts of the ALTA staff to control costs and to develop new and better operating procedures.

\$9,275,000 with an Operating Income of \$1,225,000. It should be noted, however, that \$694,000 of the 2005 income is restricted for use in the Public Awareness Campaign and will be carried forward into 2006.

As noted above, 2005 Dues revenue did not decline as previously anticipated. In fact, dues revenue increased by one percent over 2004 collections. Also experiencing positive financial results in 2005 were the association's three conventions, and advertising in *Title News*, ALTA e-News and on ALTA's Web site. We also experienced an increase in the Products and Services category that reflects direct sales to the membership. ALTA staff was encouraged by these increases

costs and to develop new and better operating procedures.

With the implementation of a new portfolio structure in the last quarter of 2004, the association's Reserve Asset Fund fared much better in 2005. The fund posted a net return of more than 9.5 percent and assets at the end of the year were approximately \$5,900,000. ALTA strives to maintain reserve funds at the non-profit sector standard of "one year's annual budget" in order to compensate for fluctuations in dues revenue, and, ultimately, to be prepared for unforeseen financial demands.

The final financial hurdle for 2005 will actually take place in March 2006, when the accounting firm of



Mark E. Hernick is ALTA's director of finance and administration. He can be reached at 800-787-2582 ext. 222 or mhernick@alta.org.

2006 Approved ALTA Income and Expense Budget

GENERAL FUND INCOME

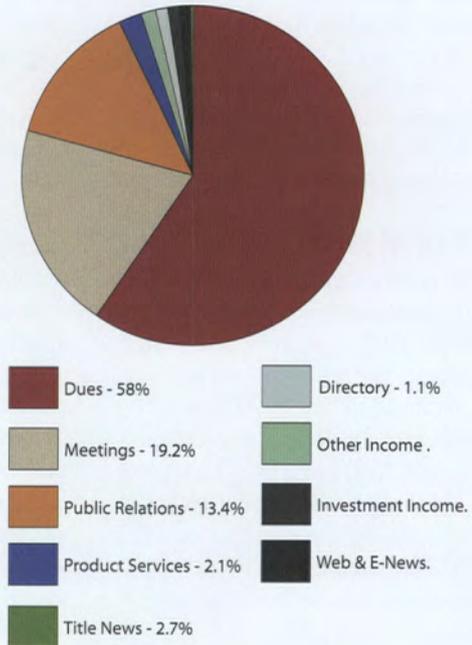
Dues	\$3,166,419
Investment Income - Operating	60,000
Convention / Tech Forum / Fed Conf.	1,047,230
Public Relations Campaign	729,000
Title News	150,000
Directory	60,000
Product Services	115,000
Web & E-News / (E-Communications)	55,000
Other Income	75,000
TOTAL INCOME	\$5,457,649

GENERAL FUND EXPENSES

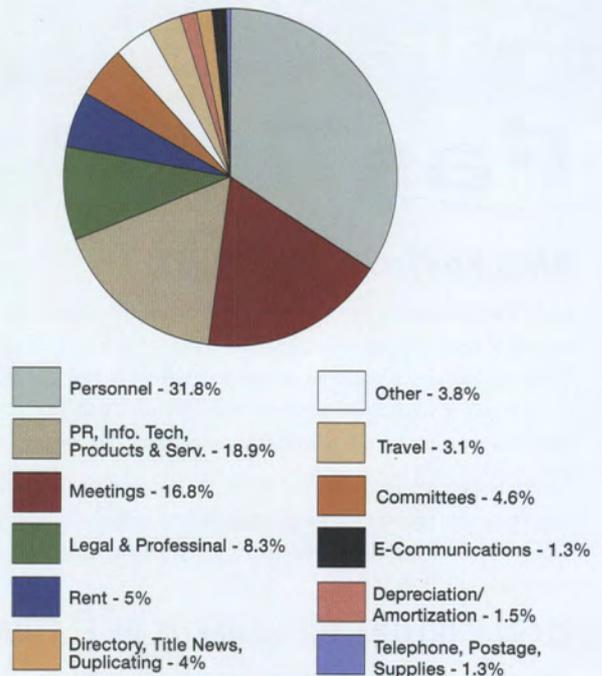
Legal / Professional Services	\$450,000
Convention / Tech Forum	905,675
Committees	250,000
Public Relations	849,387
Rent - Occupancy	270,000
Personnel - Salaries	1,323,700
Personnel - Benefits	219,633
Personnel - Pension	171,608
Travel	165,000
Telephone	22,750
Postage	27,500
Supplies	22,000
Information Technology	115,000
Duplicating	16,000
Title News	125,000
Directory / Leadership Directory	75,000
E-Communications	70,000
Dues and Subscriptions	30,000
Insurance	32,500
Audit	30,000
Product Services	60,000
Bank / Credit Card Fees	47,000
Bad Debt	2,500
Miscellaneous	10,000
State Legislative & Regulatory Fund	10,000
Depreciation / Amortization	80,000
Lobbying Tax	20,000
TOTAL EXPENSES	\$5,400,253

OPERATING INCOME (LOSS) \$57,396

ALTA Revenue



ALTA Expenses



inside ALTA

Johnson Lambert & Company will audit the association. Johnson Lambert, which has audited ALTA for the past three years, brings special expertise in the area of nonprofit auditing to the engagement, and the ALTA Audit Committee is confident in their abilities.

A LOOK AHEAD

As ALTA begins a new year, I believe it is well positioned for what could be a very challenging twelve-month period. The real estate market continued to slow in 2005, and the effects of the decline are expected to impact ALTA in 2006. The approved 2006 budget anticipates a decline in revenue and, accordingly, a decline in ALTA spending. The budgeted operating income for the year is

\$5,457,000 with expenses budgeted at \$5,400,000. This very conservative budget results in an estimated operating gain of \$57,000 for the year.

Exhibit 1 (on the previous page) represents the approved 2006 Income and Expense Budget. Exhibit 2 represents the percentage of revenue and expense categories as they relate to the overall 2006 budget.

In addition to our normal operations in government affairs, education, product services and meetings for 2006, ALTA will continue its efforts to promote the title industry through the ongoing Public Awareness Campaign. Efforts will continue to educate real estate agents, lenders and consumers about the value of title insurance. In

addition, we will focus more on legislators and regulators who need to understand the value we bring to the homebuying process, especially as they look more closely into our industry this year.

Members can rest assured that their commitment to ALTA will continue to provide the funding necessary to conduct outstanding educational programming, provide quality products and services and retain the leadership necessary to promote the industry and its interests in 2006 and beyond.

If you have any questions or would like additional information about ALTA's financial operations, please feel free to contact me.

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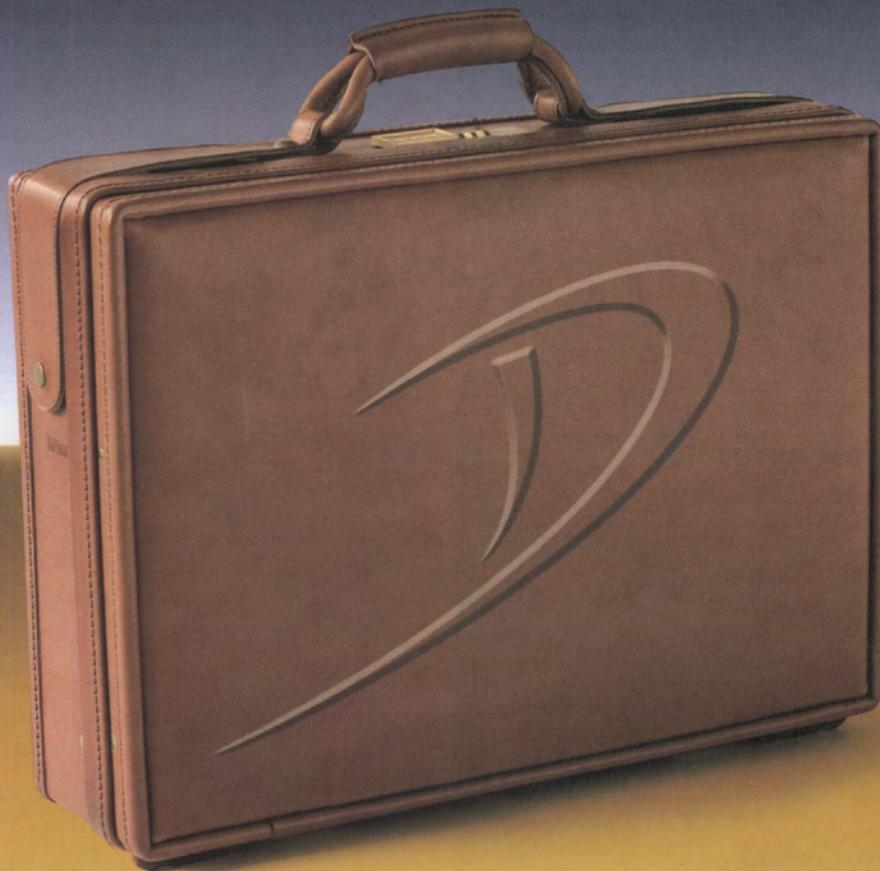
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member news

Movers & Shakers

CALIFORNIA



Gary L. Bates has been promoted to county manager for Mendocino, Humboldt, and Del Norte counties for First American Title Insurance Company,

Ukiah. Bates started at First American in 1977 and most recently served as an escrow and title consultant.

CONNECTICUT

Ticor Title Insurance Company, Stamford, has two announcements.

Randy Cappiello has been appointed assistant vice president/account representative. Cappiello

most recently was employed by two major underwriters in Connecticut.



Marina Sadownick has been named vice president/title counsel. Sadownick had been state counsel for a national underwriter also in Stamford.

Michael J. Roy has been named industry relations representative for CATIC, Rocky Hill. Roy had been with the law firm of Fratar, Kern & Kelly, LLP, in Springfield, MA.

FLORIDA



John Hensley has joined Fidelity National Real Estate Solutions division, Jacksonville, as vice president of product management and software development

for its Broker Mortgage Solutions group. Previously he was chief technical officer for Realigent d.b.a. HomeSeekers.com, Inc.

ILLINOIS



Eduardo Camacho has been named as emerging markets director for the Midwest region of First American Title Insurance, Chicago.

Camacho most recently served as the deputy commissioner for the city of Chicago's Department of Housing.

MINNESOTA

Linda L. Larson has been promoted to vice president and north central division manager for Old Republic National Title Insurance Company, Minneapolis. Larson will continue to manage Old Republic's ORBIT Division.



NEW YORK

Todd Van Auken joins Old Republic National Title Insurance Company, Rochester, as New York State manager. Van Auken most recently held the position of vice president and manager of the Rochester region for another title company.

OHIO

Ted Bush has been promoted to senior vice president—agency services for the Midwest region of LandAmerica Financial Group, Inc., Cleveland. Bush was promoted from vice president—Ohio agency manager.

PENNSYLVANIA



Gerry Simon has been appointed vice president and agency counsel for the state of Pennsylvania for Ticor Title Insurance, Pittsburgh.

Simon was most recently regional counsel for United General Title Insurance Company.

SOUTH CAROLINA

Jenny Sarvis has joined the Old Republic Title Insurance Group, Columbia, as agency representative. Sarvis is a graduate of the University of South Carolina and Campbell University, and is licensed to practice law in South Carolina.

TEXAS



E. Ashley Smith has been named executive vice president, general counsel, and chief legal officer of Stewart Information Services Corporation, Houston.

Prior to joining Stewart, Smith served as vice chancellor for governmental relations and policy for the University of Texas System.

J. Gregory Harrington has been named president of First American International Services Group, Dallas. Harrington joined First American Corporation in 2004 as senior vice president of strategic product development.



Hall Settlement Systems, Frisco, has announced two promotions. Magesh Rangaramanujam has been promoted to director of engineering.

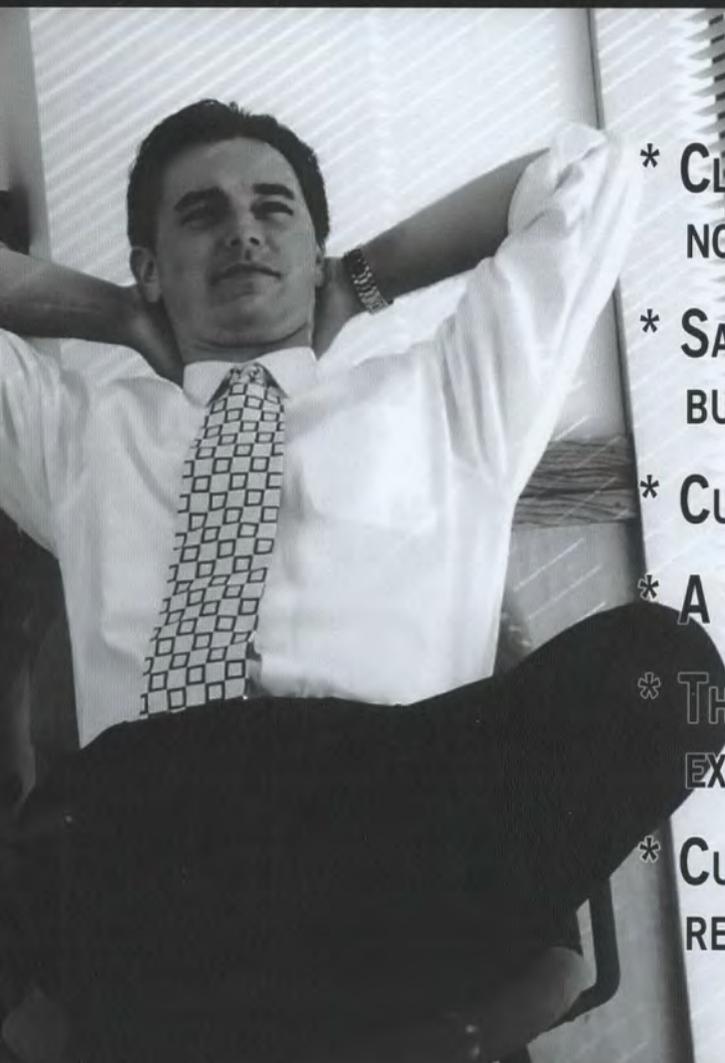
Previously he was software architect. Brenda Bissett has been promoted to director of customer service. Bissett was promoted from senior business analyst.



WASHINGTON

Lance J. Grob has joined First American Title Insurance Company, Seattle, as markets director for the Northwest region. Grob recently worked in the real estate and airline industries.

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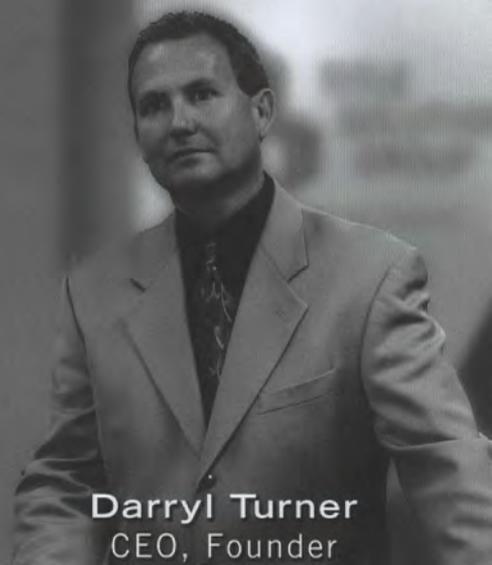
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In Memoriam

Oscar Beasley, semiretired but still serving as senior vice president and senior title counsel for First American Title Insurance Company, died at home in Honolulu on January 27. He was 80.

Oscar joined First American in 1964 and served 36 years as legal counsel. During Oscar's career with First American he was instrumental in the early establishment of title insurance in Canada and the drafting of land title policies used around the world. Many of the policies that he pioneered are the foundation for First American's current international success. He was a nationally recognized lecturer for the title industry and legal organizations.

In addition to his work with First American, Oscar was the recipient of several prestigious awards, including the

Outstanding Achievement Award by the Real Estate Section of the Orange County Bar Association in 1988. He served as a member of ALTA's Forms Committee from 1977-1996, and was the chairman of that committee from 1985-1993. He was one of the primary author's of the Land Title Institute's Correspondence Course 2, an advanced course for title insurance professionals. In 1993 Oscar was elected an Honorary Member of ALTA.

As a professor at Western State University College of Law in Fullerton, CA, Oscar guided many Orange County attorneys through their first exposure to real property law. Oscar's gift for teaching earned him the title of "Best Adjunct Professor," an annual honor bestowed on part-time faculty members.

Even after his semiretirement in 2000, Oscar continued to offer his expertise as a consultant on

underwriting and reinsurance decisions, both nationally and internationally. His legacy of hard work and enthusiasm continues to shape First American Title.

Oscar was healthy until the last few weeks of his life. He leaves behind his beautiful wife, Shirlee, and five children. Oscar did not want any kind of memorial service, but if you would like to send a note or flowers to Shirlee, you can do so at this address:

Shirlee Beasley, 2895 Kalakaua Ave. #404, Honolulu, HI 96815

Another way to honor Oscar's memory is to make a tax-deductible donation to the financial aid fund at Principia College in St. Louis—a fund that Oscar strongly believed in supporting.

Principia College, Attn: Chief Development Officer, 13201 Clayton Road, St. Louis, MO 63131-109.

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Eli Stanesa

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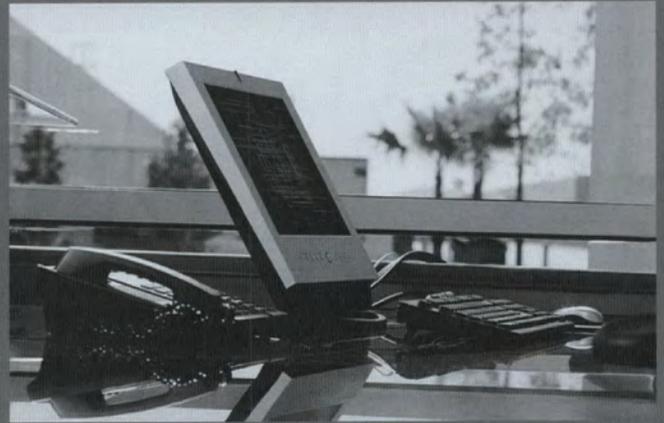
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