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ith Superstorm Sandy bearing down on the Northeast, The Hanover's people braced for the worst — both as insurance professionals and area residents. Several days before the giant storm would hit, they sprang into action, demonstrating the experience, determination and responsiveness that have distinguished the company for more than 160 years.

Ultimately, the storm would be the second most costly natural catastrophe event for the insurance industry and for The Hanover second only to Hurricane Katrina. Since 1852, The Hanover has helped businesses and homeowners recover from some of the nation's worst disasters, including the Great Chicago Fire, the San Francisco earthquake, and Hurricane Katrina. And, Sandy would prove to be one of the biggest tests of all.

Sandy's brute force resulted in a wide range of claims, including structural damages to homes and commercial properties, losses due to power interruption, and water damage due to rain or backup of sewers. In addition, Sandy also caused an unusually high number of auto losses. The company's U.S. based operations already had paid Sandy-related benefits of approximately $160 million.

Before Sandy made landfall, The Hanover mobilized its dedicated catastrophe team, as well as various cross-functional teams specially trained and prepared to respond to the exceptionally high volume of anticipated claims in a fast and productive manner.

“We believe that every claim is a moment of truth for our company, when we have to be ready to deliver on our promises,” said Mark Welzenbach, senior vice president and chief claims officer for The Hanover. "In the case of Sandy, we called "all hands on deck" and our people responded, managing a barrage of claims that more than doubled our typical intake while, at the same time, improving on our typically excellent service scores."

To facilitate an efficient response and ensure a positive customer experience, The Hanover took a multi-faceted approach. A "fast track" team managed routine claims by phone, which often were resolved on a single call. A special inquiry call center was established to answer customer questions. Another team proactively reached out to policyholders in heavily affected areas who had not yet filed claims, to see if they had experienced losses and needed help. Still another team focused exclusively on auto losses, helping policyholders obtain documents needed to resolve losses on totaled vehicles, and working to remove cars as quickly as possible from areas where access was still difficult at best.

On the ground, The Hanover's claim adjustors worked creatively to overcome the many logistical problems, which included a lack of water and electric service, and countless road closings that limited access to impacted areas. With gasoline rationing in effect throughout New Jersey, some Hanover adjustors waited in line for hours to fill their gas tanks in neighboring states, before driving into the hardest hit regions. They logged long hours and made many personal sacrifices to get the job done.

In one such moment of truth, in Mullica Hills, New Jersey, Sandy sent an 80-foot tall tree crashing through the roof of the Schanne family home. Thomas Schanne worried as he called The Hanover the next day. "I was a new customer," he said. "They had only received one premium payment from me. I didn't know what to expect."

Within 48 hours, The Hanover had arranged to remove the felled trees, and within a week, the damage to his home was repaired. In addition to delivering on its promises in its business, Sandy also inspired The Hanover and its people to build on their proud tradition of making a difference in the communities where they live and work. Immediately following Sandy, the company made a special charitable contribution to the American Red Cross, just as it has following other major natural disasters.

The Red Cross leveraged The Hanover's grant to help provide shelter, supplies and referral services to victims of the storm. Lisa Piehler, regional chief executive officer of the American Red Cross of Central and Western Massachusetts, said The Hanover's generous donation "helped families start over in a new place to live, clean out mold from their water-logged homes, and get the emotional and financial support they needed to put their lives back together. Their contributions provided shelter, food, water and supplies right after the storm, and funded boxes of food that were delivered to people in need, and are still helping people recover," said Piehler.

On Staten Island, New York, which bore the brunt of Sandy's fury, Hanover field and home office employees came together to help. Working in teams, they supported a variety of relief efforts.

One team volunteered its labor in a warehouse set up by a local non-profit organization to provide groceries, cleaning supplies, baby items, pet food, and free demolition services to local residents. Another Hanover team volunteered to do home repair work, helping to remodel a home that was heavily damaged by Sandy's flood waters. Other Hanover employees worked rakes and shovels to help beautify a residential neighborhood and, in the process, help restore a sense of order and pride among its residents. Still others volunteered at a local call center, reaching out to affected families to help assess their ongoing needs.

"This is a company whose employees each year raise more than one million dollars to aid United Way, and our response to Superstorm Sandy is consistent with that deep level of commitment and concern," said Jennifer Lainis, assistant vice president, corporate community relations. "Our employees' responsiveness — in our business and in our home communities — is one of the things that makes ours such a special company."

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Rising to the Occasion

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