



# *A key account loses a diamond ring.*

**Her jeweler says it was worth \$20,000.  
The adjuster says \$2,000.  
You've got a problem.  
What do you do?**

**Fix it** – JCRS® provides claims mitigation solutions to resolve claims dilemmas.

**Prevent it** – JCRS® provides appraisal and underwriting solutions to shortcut future problems.

**Change the system** – JCRS® provides a comprehensive, integrated jewelry insurance management exchange that reforms the jewelry purchase, appraisal, underwriting, and claims process.



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Solving Inland Marine underwriting and claims problems through the application of technology, standards, information, and education since 1987.



## The current jewelry process...

### *Causing problems for all concerned.*

#### **Here's a common scenario**

- A consumer purchases jewelry.
- The selling jeweler provides an inflated appraisal and an incomplete description of the piece to the consumer.
- The consumer seeks insurance coverage under a Homeowners or Inland Marine policy.
- The agent gets the appraisal and description from the insured and/or from an independent source — in either case they are inaccurate and incomplete.
- Because of its over-appraisal, the piece is then over-insured so the insured pays unnecessary premium.
- The company underwriter uses the appraisal and description provided by the agent — so the company really doesn't know what it is insuring.
- Then the insured suffers a loss and makes a claim.
- Using the information available from the underwriter — or more likely the agent or selling jeweler — the adjuster proposes both cash and replacement settlements.
- The cash settlement is significantly lower than what the selling jeweler led the insured to expect.
- The replacement settlement is unnecessarily expensive because the mitigation process does not involve an adequately informed competitive bid process.

- Because the carrier does not adequately code jewelry claims, it does not collect the statistical information it needs to modify underwriting policy or adjust rates.
- At each stage in the process, data is transferred via FAX, scraps of paper, or conversation — leading to multiple handling as well as missing and inaccurate information.

#### **Everyone loses**

- The consumer can't decide whether the jeweler, agent, or carrier is the bigger "crook."
- The jeweler loses face and reputation.
- The agent loses the confidence of the insured and maybe her business.
- The carrier angers the insured or pays too much for settlement.

**It's hard to find lose-lose-lose-lose situations, but the current jewelry process is clearly one.**



## The JCRS® Jewelry Process... *There is a better way.*

### **Here's how it works with JCRS®**

- The consumer buys from a trained gemologist who has taken the Certified Insurance Appraisers™ course and who uses the ACORD Jewelry Appraisal form and/or CIA Appraisal software.
- The consumer informs the agent of the purchase and the jeweler transmits the ACORD standard appraisal through the JCRS® Inland Marine Insurance eXchange (IMIX)™ to the agency.
- The agency scores the appraisal on the piece through JEMs® for completeness and insurance-to-value, reports the results to the consumer, stores the electronic ACORD standard description and JEMs® appraisal locally, and then uses IMIX to forward the description and appraisal to the company underwriter.
- At this point, everyone — from consumer to carrier — has accurate and complete information about the piece and its value.
- Then the insured suffers a loss and makes a claim.
- The agent electronically files a JEMs®-enabled ACORD Loss Notice and then the carrier uses JEMs® to provide an immediate and accurate claims loss valuation.
- The carrier proposes an accurate cash settlement to the insured that, though lower than retail (because of the carrier's buying power), is perceived as reasonable.
- The carrier may offer a replacement option as well as a cash settlement and acquire the replacement piece through a competitive

jewelers marketplace — with complete and accurate specifications transmitted to the market through IMIX™ using the specifications captured at the beginning of the process.

- Because the insurance and claims transactions are carried through IMIX™, statistical information has been captured that the carrier can use to modify underwriting policy or adjust rates.
- Almost all of the data is collected at the point of sale and transmitted electronically through the rest of the process — in complete and accurate form, without redundant effort.

### **Everyone wins**

- The consumer is supplied accurate information from the beginning, has no unrealistic expectations, and is not taken advantage of by an unscrupulous or ill-trained jeweler.
- The jeweler appears professional and competent — with increased business from the insurance community, including requests for appraisals, repairs, and replacement sales.
- The agent is perceived as protecting the interests of the insured and the carrier.
- The carrier retains the insured's associated commercial lines business that otherwise could be jeopardized by unsatisfactory claims experience. The carrier also enjoys economical replacement costs.

**It's hard to find win-win-win-win situations, but the JCRS® jewelry process is clearly one.**

### **What does JCRS® provide to agencies and carriers?**

#### **Software and Applications**

- JEMs® for Underwriting
- JEMs® for Claims

#### **Training and Manuals**

- Jewelry Insurance Workshop (8 hr. CE)
- Jewelry Insurance Manual

#### **Forms and Standards**

- ACORD Jewelry Standards (18, 78, 79, 154)
- ACORD XML Inland Marine standards

#### **Services**

- Claim Mitigation/Jewelry Replacement
- Underwriting and Consulting
- *IM News, JEMs Jewelry Edition* monthly electronic newsletter

#### **Electronic Transmission**

- Inland Marine Insurance eXchange (IMIX)™

#### **Consumer Web Site Content**

- JCRS® on-line insurance consumer library

### **What does JCRS® provide to jewelers?**

#### **Software and Applications**

- CIA™ Appraisal Software
- Jeweler's Inventory System

#### **Training and Manuals**

- Certified Insurance Appraisers™ Course
- Jewelry Inventory and Sales Classification Manual

#### **Forms and Standards**

- ACORD Appraisal Form
- ACORD Inventory Form

#### **Services**

- Agency and carrier referrals for appraisals, repairs, and replacements
- Jewelry Appraisal Registry

#### **Electronic Transmission**

- Inland Marine Insurance eXchange (IMIX)™

#### **Consumer Web Site Content**

- JCRS® on-line insurance consumer library

### **Who is JCRS®?**

The JCRS® mission is to create technology-centered Inland Marine solutions that assist agents and insurers with accurate underwriting and appraisals as well as equitable and efficient claims settlement — all directed toward increased policyholder satisfaction.

Because of the complexity of the jewelry process and its inclusion of consumers, jewelers, agents, and carriers, JCRS® believes that only solutions that take into account the needs and interests of all parties will be successful. JCRS® also believes that the jewelry insurance problem cannot be solved solely through technology, but also requires information resources and training programs. Further, any solution must provide for standard data collection, appraisal processes, and electronic transmission between parties.

Since 1987, JCRS® has worked to create a full suite of software, information, training, standards, and network services as infrastructure to significantly reform the Inland Marine insurance process for the benefit of all participating parties. JCRS® began the process with the most difficult area, jewelry, and will soon expand its services to include other scheduled property categories.

Agencies and carriers can secure significant, immediate benefit through use of JEMs® for Underwriting, JEMs® for Claims, ACORD Jewelry forms and electronic standards, reference information, training classes, and Web site content.

For more complete information, please see the JCRS Web site: <http://www.jcrs.com>

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