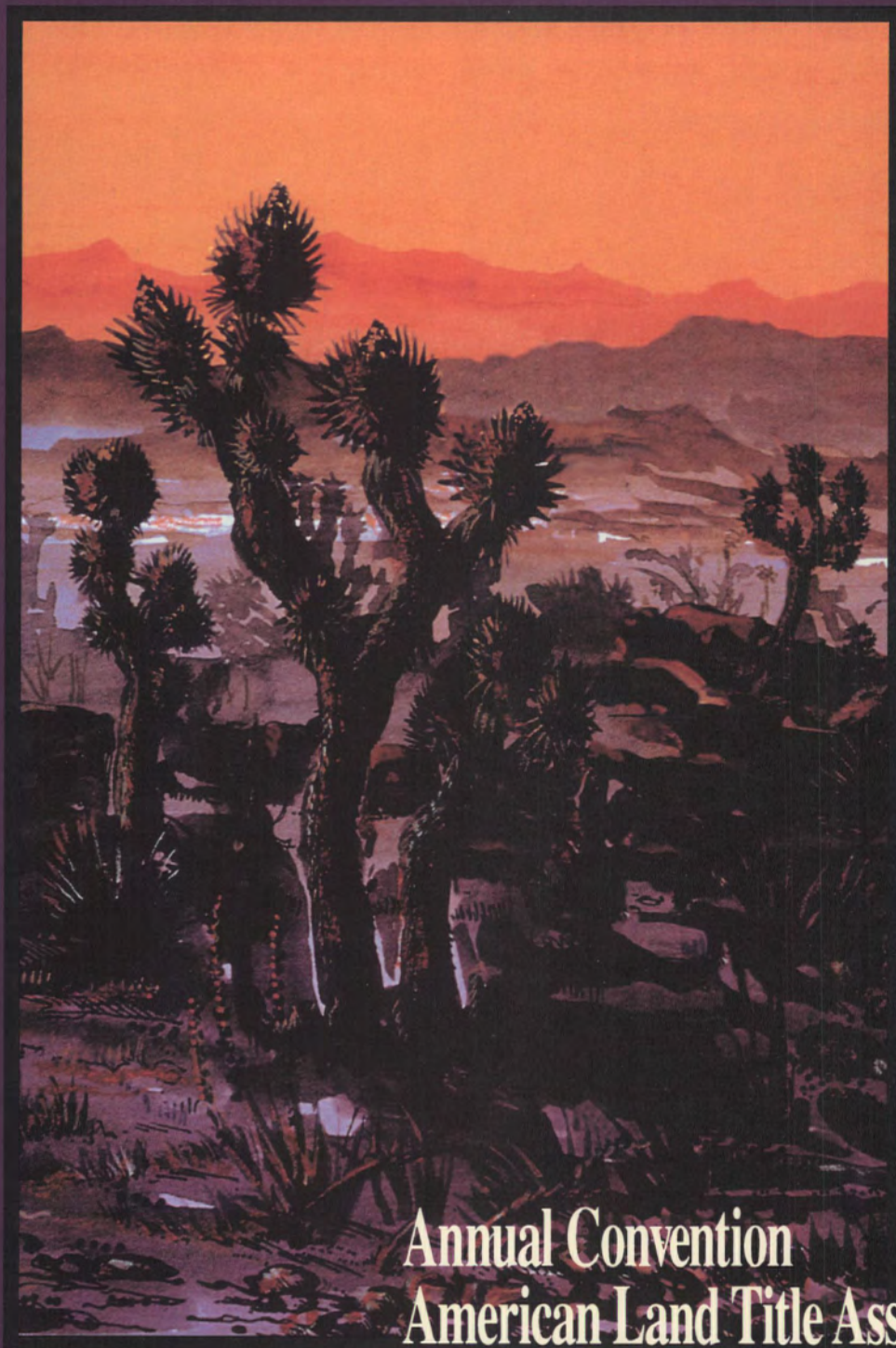


TITLE *News* JULY - AUGUST 1993



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A MESSAGE FROM THE PRESIDENT



For the past four years, I have had the pleasure of representing the American Land Title Association, both as an elected officer and as a speaker, at conventions of our several affiliated state and regional associations. Although very demanding, it has been a truly wonderful experience for me and also for my wife, Kitty, who was able to accompany me on most of those visits.

We have been north to the elegance of Mackinac Island, Michigan, and south to the pulsing beat of the French Quarter in New Orleans, Louisiana. We've been west to the serenity of Napa Valley, California, and east to the quaintness of Cape Cod, Massachusetts. In between those four compass points, we have been to some of the finest meeting and vacation facilities throughout America. We honestly cannot single out any convention that wasn't enjoyable, although each being different from the other.

The one binding item that exists in common to all is the type of people we've had the pleasure to be with. We've met folks who struggle daily to keep afloat and others who have been richly rewarded in their business. We've met great comedians and others who were as serious as church parsons. This may appear corny but title folks seem to have a real genuineness and feel for the ground we all trod. Meeting with you, on your turf, has been my most cherished reward. Our heartfelt thanks to all of you for helping Kitty and me to be "at home" with all of you.

As you may guess, I'm a real believer in the value of ALTA membership. I can't say that I understood that from my early beginnings in ALTA. It took several years for me to understand what ALTA could and could not do. I suppose that I was one who saw things principally as black and white. I've certainly learned over the years that many shades of gray exist between those two poles. The uniqueness of this Association of underwriters, agents and abstracters gives us a unified voice at the national level that is the envy of many other trade associations.

I'm delighted to say that the *Buena Vista* case and, most recently, the *ALTA v. Clarke* case, both impacted by action of the U. S. Supreme Court, have been very favorable to all of us in the title industry. Neither of these actions would likely have been pursued had it not been for the dedication of counsel, staff and a concerned ALTA Board of Governors. Both actions are monumental but I'll leave learned counsel to give you the full particulars.

But the real point is that I, as an individual abstractor-agent, or underwriter X, individually would not have had the resources to be able to gain these results alone. It was only through our unity that we were able to prevail.

As good as the preceding may be, there are counterbalancing omens confronting us which we are suddenly facing. The terrible RESPA edict of December, 1992, by HUD has left all of us disappointed, confused and alienated. Your Board of Governors has laboriously established a position and is working with the new administration to show that the December ruling is, in fact, anti-consumer and detrimental to the openness of free trade. RESPA was designed by Congress to help the consumer; we hope HUD will return it to that concept.

Another dark cloud facing us is how the NAIC may become more involved in the micro-management of our individual companies, whether we be small agents or large underwriters. We also, through ALTA, are submitting our input to the NAIC's Title Insurance Working Group, to help explain the way we do business. The final decisions of the NAIC could have a profound effect on all of us.

The above two omens, unfortunately, started during my watch as your president. Obviously, they will not reach resolution before my term is completed. I do know, however, that ALTA will fight a very strong and knowledgeable battle. The resolve of your Board is true and lasting. We need the support of each and every one of you for us to effectively explain and defend our position.

Finally, as a primary objective of my tenure, I asked our Membership Committee to make an all-out effort to increase our overall membership, with a principal effort on the abstractor-agent side of the aisle. We should not be content until virtually every abstractor-agent in America is a member of ALTA. We can no longer let competitive pressures in our local markets rule out the possibility of not having all our local competitors in ALTA. We need their voices, their

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LETTERS

Title News welcomes letters from readers that include commentary on articles or other material published in the magazine, as well as thoughts on other issues and topics of national concern to the title industry. Letters should be kept brief in the interest of space limitations. The editors reserve the right to determine which letters will be published, and to edit what is submitted as deemed appropriate. Address correspondence to Letters Editor, *Title News*, American Land Title Association, Suite 705, 1828 L Street, N. W., Washington, DC 20036.

Dr. Lipshutz Replies

Sirs:

In his very interesting letter in the May-June issue of *Title News* ("Will NAIC Fashion New Underwriting Competition from Title Agencies?"), Dan Wentzel raises a number of important issues. Unfortunately, there are three areas in which his letter misinterprets both my positions and my relationship to ALTA and the NAIC.

1. In the course of his remarks, Dan attributes to ALTA a number of positions that are solely my own. While ALTA supported my research, the Association has not adopted any of my work as constituting an industry position, nor is it publishing or endorsing the book incorporating the results of my study. (The book, *The Regulatory Economics of Title Insurance*, will be published later this year by Praeger Press.)

2. The letter indicates that I have been appointed chairman of two industry subcommittees advising the NAIC. At its March, 1993, meeting, the NAIC abolished all formal industry advisory committees for every line of insurance. I am now acting solely as coordinator of consumer and industry responses to drafts produced by the NAIC Title Insurance Working Group.

3. Most disturbingly, the letter advances the position that I have somehow taken the underwriters' side in an apocalyptic battle between underwriters and agents. Nothing could be further from the truth. In work that I have conducted all over the country over the past 20 years, I have consistently supported the position that the profitability of the agency sector of the title insurance industry is as critical to industry viability as the profitability of the underwriters. However, like most realistic and responsible observers of the contemporary economic scene, I have recognized that regulation of financial intermediaries and their agents is here to stay (insurance regulation in the U. S. dates back to 1796, by the way), and that well-implemented regulation can advance rather than retard industry growth and progress.

After leveling so much criticism at Dan's letter, I feel obligated to admit one area in which he and I are in total agreement. There is no question that agents must prepare promptly to address the issue of commission regulation. However, I

would urge agents not to confine their efforts to vocal fuming against the very idea of regulation, for in that way lies certain defeat. Bombast will not win contemporary regulatory battles—only data will. Agents must prepare to make their case not just with words, but with numbers and demonstrable facts.

Nelson R. Lipshutz
President
Regulatory Research Corporation
Waban, MA

Most Likely Source for Responsive Regulation—The State Capital

Sirs:

Reading the article by Nelson Lipshutz and the letter from Dan Wentzel (May-June, 1993, *Title News*) together raised many interesting and important issues on the benefits and disadvantages of a regulated title insurance environment. I think it is necessary to be aware of the movement toward regulation coming from the Federal Trade Commission and the NAIC.

In 1984, New Mexico was one of the states targeted by the FTC in its antitrust action aimed at rating bureaus and joint rate-making activity. The title industry in New Mexico decided that local regulation was better than national regulation. We believed that, if regulation were indeed a "train coming down the track" with an out-of-control engineer, we would have greater ability to influence a train master in the state capital than one in Washington, DC.

The industry sought and obtained legislative action creating a regulatory scheme based on an all-inclusive rate and promulgated splits. In the eight years of regulation, we have had to face all the issues pointed out by Nelson Lipshutz. Many of these have yet to be resolved.

As we have fine-tuned the reporting process, new issues have been raised. Many of the fears expressed by agents and underwriters have been shown to be unfounded. While the current superintendent of insurance has a strong consumer orientation, the overall rate-making process has taken a balanced view of the needs of the consumers, underwriters and agents.

Not everyone is completely happy with the results each year. Some agents believe our rates are too high, some agents believe the rates are

too low, one or two underwriters claim they cannot be profitable with only a 20 percent split, some underwriters are profitable and growing. There have been consumer-oriented discounts and regulations passed. We have learned that we must look to our business practices and become more efficient and service oriented.

Regulation is also a political process. The New Mexico Land Title Association has had to recognize this fact. We are currently planning changes in our activities regarding lobbyists and political action. Just as there is dissatisfaction within ALTA over the Association's response to RESPA, there is not unanimity on the proper course for NMLTA.

We cannot, however, remain complacent. Every company must be actively involved to maximize the influence our industry can have. Agents cannot sit back and let the underwriters control the rate-making process; both groups must be involved and work together. It is easier for agents to have a strong voice in state regulation than federal regulation.

The train may be coming, but at least I can talk with my local legislators who sit on the board of directors of the railroad.

Edward D. Lee
President and General Counsel
Chaves County Abstract & Title Co., Inc.
Roswell, NM

(The writer currently is serving as president of the New Mexico Land Title Association.)

Paying Our Dues

Sirs:

I have been active in the American Land Title Association since 1982. My trips to the Annual and Mid-Year Conventions have proved to be wondrous occasions, real opportunities for learning, exchanging ideas, networking, adventure, and seeing old friends in the business. The ALTA staff is always well-informed, gracious, efficient, and fun to be with. Our officers and committee chairs are incredible individuals who sacrifice much of their time for the betterment of our industry. The members of the various ALTA committees take their tasks seriously, and work hard toward successful results.

Then there are the ALTA publications, educational programs, lobbying efforts—all part of the constant flow of information provided in vir-

tually every important aspect of our business.

All one has to do is seek, read, and discuss. It's all given, it's all readily available.

Perhaps this is to be expected in the national association representing an industry as important as ours. The people in ALTA leadership positions generally are successful title executives who recognize the importance of sharing with the membership their talents, time and knowledge—almost as they would with family or fellow members of a religious institution. Remember, they don't have to do it—they are called and they know someone must respond. They do it because they were taught, years ago, that sharing what we have makes us a "real" success, not just at the bottom line but in the heart—where it is far more important.

The reader may be sitting there by now, saying: "So what? I don't have time. And, even if I did, not everyone can be a leader."

Even if this is your response, you still can help make a difference. All it takes is the time to make a few phone calls, sign a few checks and attend a meeting or two. Believe me, your business will not suffer for this participation, and your industry will grow and prosper with you. The benefits may not be directly recognized by your accountant, but they will positively impact your business standing.

There is one other major responsibility for every ALTA member. When your annual dues invoice arrives from the Association, you need to remit your *fair share*—which is the amount shown on the dues form relating to *gross sales*, not the

minimum payable.

When I attended a meeting of the ALTA Membership and Organization Committee's Recruitment and Retention Subcommittee at the time of the Association's 1993 Mid-Year Convention, I was flabbergasted to learn that 911 of our 1,734 members currently pay the minimum shown on the annual dues invoice. Based on my estimates, this collectively represents an *underpayment* of many thousands of dollars.

If members from the abstractor-agent section of the business want to continue having a strong voice in our national association, it will help if some of us take a more responsible role by paying a *fair share* when the next dues invoice arrives.

I am proud that I am paying more each year in ALTA dues. Last year, it was my privilege to send in a dues check for \$1,300. This tells me that membership in the Association has consistently helped my company grow, even during business downturns, when the fiscal deck was stacked against us.

The 1993 ALTA Budget published in the January-February issue of *Title News* clearly shows the Association operating in the black, thanks to excellent management practices. About 60 per cent of our dues revenue currently is provided by underwriter members. I regularly hear grumbling from the abstractor-agent side at ALTA Conventions, to the effect that underwriter members have too much control of the Association.

Based on financial data, underwriter members have the right to make more choices—they

pay for that right. And, with their financial disclosure rules, everyone knows that the basis for their ALTA dues payment is accurate.

On the other hand, those of us on the abstractor-agent side have no financial disclosure rules. Our dues calculation is based on the "honor" system. It seems ALTA has some members (who knows how many) who may not be "honorable" when it comes to dues payment. They don't appear to be concerned that others are footing part of their bill for services rendered to them by ALTA. They don't seem to care that, if they paid the correct amount of dues, they could share a greater voice in ALTA decision making. They don't seem to care that, by paying less, they can limit our lobbying clout on Capitol Hill, our publications activity, and our educational resources for title employees and others.

Our ability is affected when it comes to being able to spend more time on more important national issues. So is the strength profile our industry presents to the mortgage bankers, the Realtors and other high priority neighbors in the real estate sector.

As an ALTA member who serves on the Abstractor-Agent Section Executive Committee, the Recruitment and Retention Subcommittee of the Membership and Organization Committee, as a state trustee for TIPAC and whatever I spend my time on next, I want to be a member of an Association whose members contribute their "fair" share.

I believe that, even if you don't have the time to give, you can share other resources to support the efforts of those who are willing to work to make our industry more sound and a better place to work. The next time your dues invoice arrives, I hope the check sent in response will reflect your gross revenue. You will feel better, and ALTA will be more ready than ever to represent your company and your views.

That will improve the opportunity for the growth of your business.

In this life, I have found that attitude comes first. Take my advice if you haven't previously calculated your ALTA dues with an "honorable" attitude—and start doing so immediately. I am living proof that it pays.

Bayard H. Waterbury, III
President
Montgomery Abstract Associates, Inc.
Rockville, MD

Keep The Mid-Year Convention Rolling

Sirs:

As a first time attendee at an ALTA Convention, I strongly urge the continuation of the Mid-Year meeting. I attended several committee meetings as an observer during the Atlanta Convention in March and came away with useful information from each one.

I have already planned to attend the 1993 Annual and both 1994 Conventions. My only regret is that I didn't start attending ALTA meetings sooner!

Leo F. Callen
Owner
Pennsylvania Land Transfer
Media, PA

IRS Code Clarification Sought



ALTA Government Affairs Committee Member Irving Morgenroth, right, gets acquainted with Rep. Mike Kopetski (D-OR) of the House Select Revenue Measures Subcommittee before testifying at a Washington hearing on a number of revenue and compliance issues including clarification of the separate charge restriction on 1099-S real estate reporting that was included in HR 11, the Revenue Act of 1992. Rep. Kopetski was in the chair during the ALTA representative's testimony. Morgenroth, executive vice president and general counsel for Commonwealth Land Title Insurance Company, discussed the need for clarification regarding the current prohibition in the Internal Revenue Code against a "separate charge" for recovering costs settlement service providers incur in obtaining gross proceeds and additional information at a residential closing, and sending such information to IRS. He highlighted inequities involved in current statutory language for those required to document costs for state regulators while unregulated providers, such as attorneys, could include those costs within overall fees. ALTA was successful in advocating a similar clarification in last year's tax bill but the measure was vetoed by President Bush.



RESPA Riposte

ALTA's battle for needed changes in the controversial RESPA regulations moved to Capitol Hill this summer as Association Past President Roger Bell testified at a hearing of the House Committee on Small Business.

Bell, who is president of Security Abstract & Title Co., Inc., Wichita, KS, told committee members the regulations are anti-competitive and threaten to undermine consumer protection activity by state governments. He urged that the Department of Housing and Urban Development complete its review of the regulations as soon as possible so remedial action can be taken.

Committee Chairman John LaFalce (D-NY) announced at the hearing that HUD will hold an August hearing in Washington on RESPA issues. ALTA members at this writing are preparing to present testimony at the HUD proceeding.

The ALTA past president said HUD language now in the regulations has suggested pre-emption of state controlled business laws, which has created confusion among state regulators. He said his home state of Kansas, after investigation by state regulators, saw state legislative enactment of a law providing that no more than 20 percent of a title company's business could come from controlled business sources. The Kansas law stipulates that a controlled entity must be capable of performing independent title work.

Bell added that uncertainties created by the RESPA regulations have placed in doubt effective enforcement of controlled business laws in Kansas and elsewhere.



ALTA Past President Roger Bell delivers testimony on RESPA at a hearing of the House Committee on Small Business (top photograph), and meets Committee Chairman John LaFalce (D-NY) (immediately below). At center, right, he is greeted by another member of the committee who is a fellow Kansan--Republican Congresswoman Jan Meyers. Below, he visits before the hearing with ALTA Legislative Counsel Ann vom Eigen and Mortgage Bankers Association of America President Herbert Tasker.

Bringing Legal Costs Under Control:

Management Techniques Can Help

With over \$20 billion spent by U.S. corporations each year on litigation, it is no wonder that controlling legal costs is a very hot topic with corporate executives and lawyers. In fact, it is surprising that in light of the continuing economic downturn and resulting consolidations in almost every industry that corporate America didn't turn sooner to cutting legal costs as a way to increase profitability.

Of course, there have been in many cases significant reductions in corporate legal departments, but reducing head count is typically a short-term solution and only one piece of the puzzle. Only through developing a systematic management approach to reducing legal costs can long-term benefits be truly realized.

The title insurance industry, particularly in the claims area, spends a tremendous amount of resources on legal fees because of its high litigation costs. Although there is a tendency to think of litigation costs as inherently unpredictable and difficult to control, there are ways to at least minimize these costs by applying management techniques that have been used for years to control non-legal costs. The application of management techniques to the legal area has resulted in some inevitable strain among corporate counsel, managers and outside lawyers.

In this regard, we have asked two experienced lawyers – one in-house counsel and one outside lawyer – to discuss this still evolving relationship and to provide some insight into what management techniques are most effective in reducing legal costs.

-- Edmond R. Browne, Jr., ALTA General Counsel

the state of relations with in-house counsel is a composite of two views: one retrospective and the other prospective. The appearance of a new industry of expert consultants who advise corporations on the management of relations with outside counsel is best understood through a retrospective view. The other view is prospective and suggests what outside and in-house counsel can begin to do to restore trust and confidence to the relationship.

If I were asked what qualifications I have to speak on the subject of relations with in-house counsel, I would be inclined to respond by pointing to my longevity as outside counsel in the title industry. Per-

The challenge for both in-house and outside counsel today is to work together to restore mutual trust and confidence . . . and to reduce the costs of litigation.

View from the Outside

By Patricia D. Gurne, Esquire

The author is a director of Jackson & Campbell, P. C., Washington, DC, and chairs the title insurance practice group of that law firm. She is an Associate member of ALTA and serves on the Association's Claims Administration Committee. A graduate of the George Washington University National Law Center, she has lectured there on title insurance and related real estate matters. In addition, she is a member of the Title Insurance Committee of the Torts and Insurance Practice Section, and the Title Insurance Committee of the Real Property Division, American Bar Association Real Property, Probate and Trust Law Section.



Not that many years ago, the subject of managing relations with outside counsel was not a subject at all. Today, there are few topics which generate as much passion or as many different points of view. With this in mind, the invitation to share my perspective as outside counsel was accepted with some hesitation. After all, walking into a minefield of issues can be hazardous, especially when one's livelihood depends on maintaining good relations with in-house counsel for title insurers.

This outside counsel's perspective on

haps disclaiming expertise and admitting to a modest amount of common sense would be the better response. I came of age, professionally speaking, nearly 25 years ago when relations with in-house counsel and clients were not complex. The hallmark of the relationship was trust. A lawyer was engaged to handle a matter for a client. Generally, a statement for professional services was rendered at the conclusion and it was paid in due course. Few if any, questions were asked. The statement, as often as not, contained a brief narrative summary description of the representation. Occasionally, the time expended was shown.

During the representation, periodic reports by telephone were made when

continued on page 12

Hot Title Industry Topic for the 90s

View from the Inside

By James R. Kletke, Esquire

While actual loss payments constitute the majority of claim expense, loss adjustment expenses, mainly attorney's fees, often command a disproportionate percentage of total claim expense. Because litigation is a necessary component of the title insurance business, retained attorney management is one key to reducing loss adjustment expense.

A direct benefit of reducing loss adjustment expense is increased profitability. Every dollar saved goes directly to the bottom line. We have developed several corporate guidelines which are helping us reduce our retained counsel costs.

Choosing A Law Firm

Although it is possible to be "stuck" with a law firm in certain defense situations, you should shop for the best legal work at a reasonable price. While large, prestigious firms have a certain appeal and may, in fact, be able to employ vast resources in a particular case, they come at a price, usually high. Overhead and the necessity of maintaining the "large firm mystique" contribute to a firm philosophy of aggressive billing.

Large firms are certainly considered when the issues tend to be complex and require various expertise. However, we have also found that smaller firms often provide quality work at reasonable rates. With small firms, you usually have a partner working on your case and you are not being asked to support the often excessive overhead of maintaining a large firm. You wouldn't use a tank to kill a mosquito; likewise, you don't need a 400-lawyer, downtown, 65th floor law firm to defend a simple trespass to try title action.

We interview firms and inquire as to a firm's expertise. We require references and we check them. Why would you hire a \$100,000-a-year law firm with less back-

ground check than a \$20,000 clerk? And, finally, we keep a list of those attorneys and law firms that have done a good job representing us and our insureds.

The Engagement Letter

We send an engagement letter to all attorneys who will represent us or our insured(s). The letter explains the relationship between the attorney and the company or among the attorney, the company, and the insured. It is important to clearly state exactly what you expect from retained counsel, in terms of responsibili-

While large, prestigious firms have a certain appeal and may, in fact, be able to employ vast resources in a particular case, they come at a price, usually high.

ties to you and the insured, billing guidelines and activity guidelines. Be clear and concise; being assertive is your best defense against costly surprises. Our letters contain the following:

1. *Billing Guidelines*
 - a. monthly billings no later than 30 days after the month during which the billable activity received
 - b. a list of all attorneys, paralegals who will be billed for separately, their hourly rates, and identifying codes
 - c. specific daily descriptions of the tasks performed by those persons whose time has been billed; de-

scriptions must be accompanied by specific time increments, date of task and individual performing the task; no "block" billing!

- d. reserve right to examine individual time sheets to confirm billing
 - e. expense to be passed through to client must not include normal overhead expenses; insist the travel expenses be supported with copies of receipts
2. *Service Guidelines*
 - a. research must be approved in advance by company counsel; whenever possible, in-house counsel should assist with research, utilizing past claim experience
 - b. discovery, and the volume of discovery must be approved in advance.
 - c. the use of experts must be approved in advance
 - d. status reports; since status reports are usually an additional expense, you should clearly state when you expect to receive written status reports

The Litigation Plan

An effective method to control cost is to require the development of a litigation plan when it becomes apparent that litiga-



The author is senior vice president, chief underwriting and claims counsel for Stewart Title Guaranty Company, Houston, TX. He presently serves as chairman of the ALTA Claims Administration Committee. A graduate of the University of Texas Law School, he has been associated with the title industry for more than 20 years. He is a past director of the Texas Land Title Association, has served on various TLTA committees, and has lectured at functions of the title industry, Realtor,

tion is imminent. An effective plan will include identification of the litigation objective or goal and development of the initial strategy to achieve the objective in the most cost-efficient manner. Emphasis should be on a team approach to the claim with the in-house personnel working closely with outside counsel; remembering, however, that in a reservation of rights situation excessive control of retained counsel may waive your right to later deny liability, even if new evidence warrants the denial.

An important aspect of the litigation plan is a requirement of a detailed litigation budget. A budget aids in the planning process, emphasizes cost controls and requires justification of the cost of unbudgeted matters. You should remember that the plan and the budget should be reduced to writing and any changes in plan and/or budget should be memorialized for your files and the attorney's records. Memories sometimes get hazy.

The Monitoring Process

Adherence to the procedures outlined above may be useless if you do not con-

Although some attorneys are shocked when asked to conform to the guidelines, most welcome knowing the parameters within which they are expected to operate.

tinually monitor the claim process. The monitoring can be accomplished at the local level if you utilize field personnel to handle claims and/or in your regional or main office. If you think retained counsel is straying from the guidelines, plan, or budget, don't hesitate and don't mince words. Tell counsel immediately that you expect a return to the agreed-upon guidelines.

An example from our own experience provides a painful (at least to us) example of lax monitoring. An insured tendered defense in an attempt by the borrower to invalidate the insured lien through a lawsuit. The tender occurred sometime after the suit was filed and counsel retained by the insured. Our initial investigation indicated that the firm retained was well regarded and we saw no reason to change counsel. Both an engagement letter and a reservation of rights letter were sent.

Despite repeated requests for status reports and a response to our engagement letter, nothing was really done until about eight months after the tender was accepted when we received a bill from the law firm for \$750,000.00! The bill was everything it shouldn't have been: "block" billing, no identification of attorneys or paralegals whose time was billed, no indication of hourly rates, and much more!

A quickly called meeting resulted in a reduction of the bill by two-thirds, the identification of noncovered matters, a cap on hourly rates and a restriction on the number of attorneys who would be involved. All of these matters should have been addressed at the onset of the claim.

One of the most important aspects of the monitoring process is internal audit of billings of attorney's fees. Our bills are analyzed at both the local level and national level. We have developed the following checklist of billing abuse:

1. inordinate number of conferences regarding the claim involving multiple personnel

2. inadequate or vague description of the work allegedly done
3. "block" billing - multiple time entries in a single billing paragraph
4. churning the file - over-review and analysis
5. too many attorneys for the complexity of the case
6. excessive researching - presumably you are hiring the firm for its expertise, not to train associates
7. mark-ups of pass-through expenses - such as travel (this is why you require receipts)
8. multiple parties attending depositions and hearings - in many instances, one is enough
9. excessive summarization of depositions - no summary should take as long as the deposition did
10. value billing or enhanced billing - the practice of valuing the task at more than the time spent

Although you may think following the above guidelines will be time consuming and labor intensive, the process will reap dividends immediately and in the future. Although difficult to quantify, we have experienced a substantial decline in loss adjustment expense since implementing these cost-control principles. Although some attorneys are shocked when asked to conform to the guidelines, most welcome knowing the parameters within which they are expected to operate. 🦋

GURNE --

continued from page 10

significant developments occurred. Rarely did a client request a litigation budget, audit legal fees, negotiate the fee arrangement or participate actively in the day-to-day handling of a claim. Clients, like patients, presented their problems to lawyers and rarely questioned the diagnosis or the prescribed treatment.

In the ensuing years, I have seen and been a part of the evolution in relationships with in-house counsel. My interest in the subject is long standing. In retrospect, the active management of outside counsel by in-house counsel was inevitable. But then, I am getting ahead of my retrospection.

The Retrospective View

What has brought us to an era where

Tips for Cutting Legal Costs

1. Shop around for the right law firm in terms of billing rate, size and quality of work.
2. Establish up front clear billing guidelines by using an engagement letter.
3. Develop a written litigation plan and budget.
4. Actively monitor progress against the plan and budget, making adjustments as necessary.
5. Consider using alternative dispute resolution mechanisms (ADR).
6. Determine early on what matters will be handled in-house and those that will be referred to outside counsel.
7. Review outside counsel bills carefully.

lawyer jokes have become the politically correct humor of the day? I suggest that it is the same reason that has brought about experts consulting with in-house counsel on the subject of managing relationships with outside counsel. Today, there are firms and individuals whose sole business is to audit legal fees. I know because we have hired these experts in several of our cases.

Last year, I attended my first ALTA Claims Administration Committee meeting. I was flattered to be the only outside counsel present until I was told that the guest expert invited to the meeting was there to talk about key elements in managing outside counsel relationships.

It is no secret that "managing relations" is a euphemism for controlling or protecting against outside counsel. For the uninitiated, managing relations with outside counsel embraces topics ranging from the process of deciding whether to engage counsel at all, to the evaluation of their services. Other key elements include budgeting, reporting, fee arrangements, and, not to be forgotten, the hottest topic of the moment, Total Quality Management. Just as there are experts specializing in auditing legal fees, so too, there are TQM experts.

Why have in-house counsel turned to experts to advise them how to manage relations with outside counsel? The answer, in large measure, lies in the changes which the legal profession underwent during the 1980s. The 1980s have often been referred to as the decade of greed, but it was also a decade of growth. Corporations expanded and the need for legal services grew. Growing law firms, like other growing businesses, required more predictable revenue streams. Had there been more self-restraint by outside counsel, it is doubtful there would have been the need for experts to advise corporate clients how to restrain their counsel. The dissolution of so many firms in the last few years is also symptomatic of the lack of self-restraint.

Unfortunately, lawyers were not immune to the climate which permeated society in the 1980s. What had been a profession with business aspects, became increasingly a business enterprise with professionalism as an adjunct. In the 1980s, a new industry of law firm management experts preached that lawyers needed to emulate businesses. Profitability became the justification and the most important value for some lawyers. Historically, success as measured by profitability had been an alien concept to most in the legal profession. During the 1980s, however, it became increasingly difficult for lawyers, not unlike the business community, to resist the no-

tion that maximizing profits was the most important and legitimate pursuit.

In retrospect, my concerns that the legal profession was becoming too much like a business were well-founded. Eight years ago, commenting on law as a business, I said, "It's not that there isn't an overlap between practicing law and running a business, but lawyers in the long run will do their clients and themselves a lot of harm if they buy into that." *ABA Journal*, July 1985, at p. 66.

As we have learned, too many lawyers did just that. Is it any surprise that lawyers, never universally held in the highest esteem, increasingly became the object of jokes and ridicule? Is it any surprise that in-house counsel turned to experts to advise them how to protect themselves against their outside counsel?

Clients, like patients, have been entreated by the experts to take an active role

Legal services are regarded as "tasks" not much different from "tasks" associated with manufacturing widgets. When was the last time you received a statement for services that referred to thinking time?

in managing their own care. Some would privately admit that the reaction by the in-house counsel community is having a positive effect; that active management has helped to slow down a situation that had gotten out of control.

I have listened sympathetically to horror stories told by in-house claims counsel. I understand and accept that there has been a need to consult with experts to search for ways to control skyrocketing litigation expenses. Litigation budgets, auditing legal fees, negotiating fee arrangements, and the many other management tools in vogue today have had a salutary effect on litigation costs. However, some of these same tools, used indiscriminately, have also exacerbated the loss of trust and confidence which is central to the attorney-client relationship. In the extreme, some practices have inadvertently promoted an adversarial relationship,

which is the antithesis of what is needed.

The challenge for both in-house and outside counsel today is to work together to restore mutual trust and confidence, essential elements of their relationship, and to reduce the costs of litigation. Is this realistic and, if so, how do we go about accomplishing a shared mission?

The Prospective View

From the perspective of one who listens to the jokes and the complaints shared when title insurers gather and compare horror stories, I have occasionally thought that one of the senior in-house title counsel should pay me a fee to consult and advise them on how to reduce legal fees. The management of relations with outside counsel seems, in the final analysis, to come down to a question of saving money. However, since no one has stepped forward to pay for my expert advice, I offer the following suggestions without charge:

1. There are substantial savings to be realized through the use of alternative dispute resolution mechanisms (ADR). The ALTA 1987 policy contains an arbitration provision, but its use has been negligible. Many claims could be resolved through the use of a variety of ADR mechanisms including arbitration, mediation, private judges, neutral evaluation, and mini-trials. To overcome the substantial resistance to ADR, in-house and outside counsel must take a lead in changing the perception that promoting conciliation of disputes is a signal of weakness. Too frequently, counsel who initiates recommendations to settle claims at an early stage is seen as afraid to litigate. Since over 90 percent of all cases filed in federal and state courts are concluded prior to trial, is it deep insight into the obvious to suggest that the earlier most cases are resolved the lower the legal expenses will be? Some courts are experimenting with mediation in an attempt to reduce backlogs. Successful mediation prior to the filing of suit eliminates costly discovery and allows the parties to select the most experienced people to facilitate a resolution.

2. Salvage or recoupment is greatly underutilized by title insurers. Often we are told that when a claim is opened it is reviewed for the potential salvage value. Based on my experience, however, consideration of the sources for recoupment and the value of salvage is an inconsistent practice at best. Claims should be continually monitored for recoupment purposes. Typically, it is not until a full investigation has been completed that counsel is in a position to evaluate the sources of recovery and whether it makes economic sense to

pursue them. Of course, there are the sub silentio factors which affect whether in-house counsel will ever be informed about recoupment possibilities. When the defense of a claim is given to the same lawyer agent who created the claim, or to another lawyer agent as a reward for referring insurance business, does the insurer really believe it will be advised, or receive objective advice regarding the sources of recoupment? How often have title insurers caved when the source of their loss has threatened to take business to another insurer?

3. Some claims become more expensive to resolve because someone decided that the claim would go away and that it would be a needless expense to refer it to outside counsel. Then comes the defense (expense) of a bad faith claim, or curative work that is more expensive because the party from whom a quitclaim deed is needed has passed away in the intervening years and ancillary probate is now required to clear title. These are penny wise and pound foolish decisions which can be avoided. A related cause of avoidable legal fees occurs when a coverage investigation is not done but the insurer provides a defense under reservation. The insurer does not hire coverage counsel and the insured's counsel cannot divulge coverage defenses to the insurer. By saving on a perceived duplication of fees, insurers have paid greater amounts in losses than they would have paid for coverage counsel fees.

4. Value billing fee arrangements with outside counsel has been one of the most talked about, but least acted upon, candidates for reducing legal fees. Contrary to popular belief, value billing is not a new concept. In fact, if billing practices had a name when I started in the profession, they would have been called value billing. A variety of factors were taken into account in determining the reasonableness of the fee to be billed to a client. Value billing or discounted fee arrangements will be a more attractive alternative to negotiate with outside counsel where there is an expectation of volume and continuity of representation. Loyalty is a two-way street. Constant beauty contests, requests for proposals, and other so-called tools for containing costs cannot substitute for the relationship which formerly existed between counsel and client.


5. To those in-house counsel who have adopted written retention guidelines for outside counsel I would suggest consideration be given to whether, in the interest of reducing legal fees, some strictures have inadvertently worked at cross purposes with the intent. For example, a blanket prohibi-

tion against the involvement of more than one partner on a substantial matter may discourage intra-office consultation with someone who has special expertise on a particular aspect of the matter. A few hours of this person's time may save many hours of research by a less experienced lawyer. A draft retention guideline which I reviewed recently at the request of a title insurer indicated that the company expected its outside counsel to read a document once. As I recall, the actual admonition was to the effect that the client did not expect to be charged for having two lawyers review the same material. This was not a realistic expectation but it suggested to me that a better understanding is needed between in-house counsel and outside counsel with regard to what services are provided and how they are performed. Unfortunately, standard descriptions of legal services are inadequate to communicate what really occurs in your counsel's office. Legal services are regarded as "tasks" not much different from "tasks" associated with manufacturing widgets. When was the last time you received a statement for services that referred to thinking time? Maybe you do not want to be charged for that activity. Monthly billing cycles and task-oriented descriptions do not lend themselves to communicating the process which takes place in providing services. Clients see the words "review," "confer," "draft," and "edit and revise" over and over again. Understandably, in-house counsel becomes suspicious. Maybe lawyers do not want to admit that they have to think, reflect or otherwise ponder about a strategy or an answer to your problem. After all, you probably have told them that you are not going to pay for any learning curve for their associates. Outside counsel becomes more reluctant to admit they do not have the answers and therefore have to spend time thinking. The kind of thoughtful reflection which most lawyers devote to a matter does not lend itself to quarter hour segments much less tenth of an hour segments. A new document arrives or a new fact becomes known and it frequently affects the thinking which has gone before. What all of this adds up to is a communications gap which too often becomes a credibility gap. In-house counsel wonders why they are paying for many reviews of what appears to be the same item or subject. Outside counsel wonders why there is any question. Improved communications between counsel would promote a increased awareness and understanding of the services actually performed. Although not a direct suggestion for reducing legal fees, a

better understanding between counsel will undoubtedly be translated to the bottom line.

6. If litigation is unavoidable, in-house counsel should take an active role in working with the outside firm. In the appropriate cases, use of in-house staff to investigate, gather documents, interview witnesses, perform analyses, and otherwise assist outside counsel will reduce expenses.

Conclusion

From my perspective, I know we cannot return to the old days when the doctor's medicine and the lawyer's statement for services were accepted without question. At the same time, all doctors and lawyers should not be regarded as the enemy and not to be trusted. Somewhere between total reliance and no reliance, there must be a happy medium or balance that will make lawyer jokes and experts on managing relations between us a thing of the past. 

PRESIDENTS MESSAGE

continued from page 5

input and their support.

I'm pleased to report that this hard-working committee has made an extremely good start. Unfortunately, not all the numbers will be in by the time I turn over the presidency to Park Kennedy. The assault has been made, the beachhead established and-with the help of most of our underwriters-I'm sure we will see a far larger membership in ALTA in the future.

It has been a great trip, everyone. Keep up the good work. You'll feel a lot better if you do.

God Bless!



Richard J. Oliver

Hispanic Branch For Commonwealth

Commonwealth Land Title Company of Dallas has opened a new office geared to serve the Hispanic community in that market, according to Joseph Moreno, branch manager.

The organization is a subsidiary of Commonwealth Land Title Insurance Company.

ALTA Federal Conference: Important Step

Leaders from both the abstractor-agent and underwriter sides of the title business who were in attendance are hailing the first ALTA Federal Conference as an important step forward in improving communication between their industry and Congress. The photographs on this and the following page capture the mood of this important Washington event, which included briefing sessions on major federal issues and a "free afternoon" for individual visits between title people and their respective Senators and Representatives.

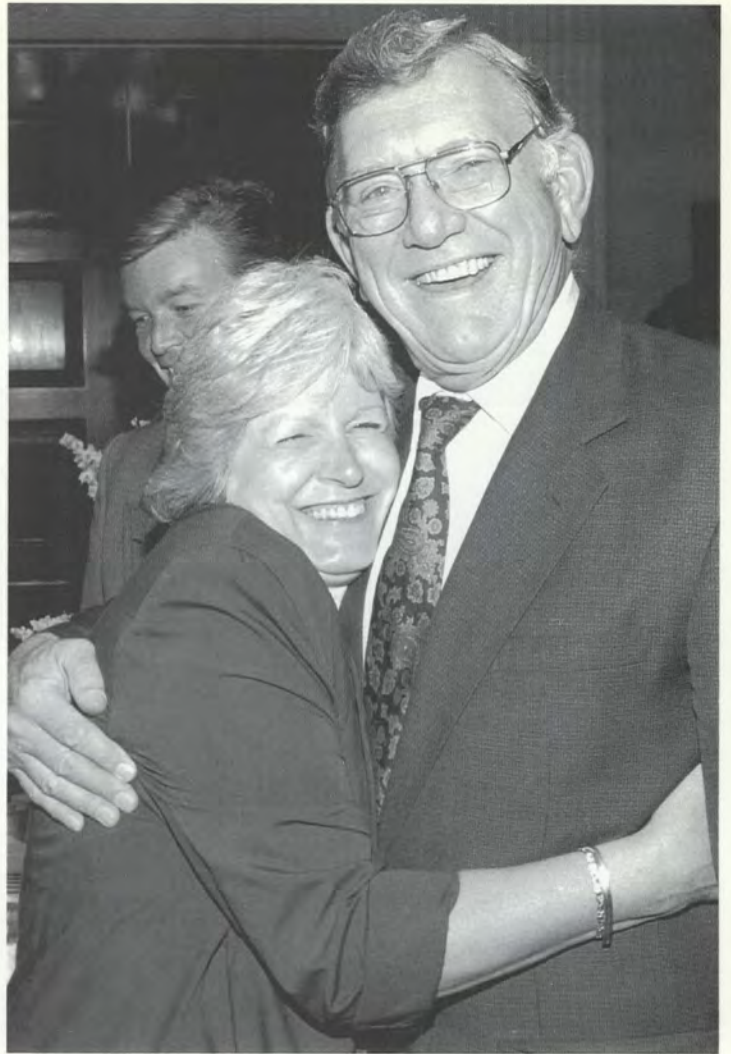
After assembling for the opening banquet of the conference, those on hand heard opening remarks by Federal National Mortgage Association Vice Chairman Franklin Raines, who presented economic projections for the real estate market and commended ALTA for developing an electronic data interchange title ordering format to better serve the lending community.

"An electronic interface will certainly make it easier for title insurers to communicate with other industry players and will provide access for lenders as well as other industry members who need to order a title," he said. "I can't emphasize enough to you the importance of moving toward an electronic standard."

Among the dignitaries participating in the program were Congressman Carlos Moorhead (R-CA), ranking minority member, House Energy and Commerce Committee, who discussed the outlook for legislation in the bank powers, insurance solvency and Superfund areas; and Chairman Pete Stark (D-CA) of the House Ways and Means Committee Health Subcommittee, who commented on the outlook for the national health program and legislative prospects for limiting business referrals under the Real Estate Settlement Procedures Act.

Congressman Larry LaRocco (D-ID), member of the House

Nebraska Democratic Senator James Exon gets a Cornhusker hug from a constituent--titlewoman Mardy McCullough--in the upper photograph. Below, ALTA President-Elect Parker Kennedy, left, visits with a distinguished guest speaker, Congressman Larry LaRocco (D-ID), a member of the House Banking Committee.





Banking and House Interior Committees, provided insight on the makeup of the current Congress that included some helpful pointers on title industry lobbying. A condensation of his remarks is published elsewhere in this issue of *Title News*. Other participants are shown in the accompanying photographs.

When the conference was concluded, there was a clear indication from those taking part that important new groundwork was in place for better understanding among title people and leaders on Capitol Hill and elsewhere in the federal government. 🌿



In the photograph at upper left, Dan Wentzel, left, ALTA Abstracter-Agent Section Executive Committee member and Title Industry Political Action Committee chairman, visits with a fellow Californian -- Congressman Carlos Moorhead, ranking minority member, House Energy and Commerce Committee. Immediately below are ALTA Past President Charlie Hon, right, and Congressman John Tanner (D-TN). Shown in the two photographs second from the bottom are (at left) ALTA Governor Malcolm Morris, right, and Association Legislative Counsel Ann vom Eigen, to his right, talking with ALTA Closing Committee Chair Jan Alpert and Congressman Peter Deutsch (D-FL), House Banking Committee member--and, at right, with Congressman Sam Gibbons (D-FL), House Ways and Means Committee member. Below, three titlewomen from Mountain Home, AR, visit with Federal Conference panelists during a break. They are, beginning at second from left and reading from left, Helen Rodgers, Lura Curran and Bea Lewis. The panelists are, from left, John Moriarty, Internal Revenue Service counsel; Muriel Watkins, Resolution Trust Corporation small investor program director, and Robert Vastine, RTC vice president.



Need A Better Congressional Climate? Communicate Early and Often

A featured speaker at the inaugural ALTA Federal Conference in Washington was Rep. Larry LaRocco (D-ID), a key member of the House Banking Committee. In the last Congress, Rep. LaRocco spearheaded the title industry legislative effort as ALTA pressed the fight to keep national banks out of the title insurance business. Here is a condensation of his Conference remarks, which provides a House member's insight on Congress and effective lobbying.

Usually, I start speeches by explaining why I'm here. Today, I want to do something a little different: I want to start by trying to explain why you're here.

I know that this is your first Washington meeting and you're going to be heading up to the Hill this afternoon to take on Congress. Now, why would you want to be here when you could be home making money and spending time with your families?

The answer is that--despite being a bunch of over-scheduled, under-appreciated, and occasionally confused people--we members of Congress have a lot of potential for getting just organized enough to mess things up.

And the best way to avoid having Congress mess things up is no different from the



Congressman LaRocco

best way to avoid having your mechanic or your kids or your staff mess things up: Communicate.

Communicate early and often. Get to know your Representatives and Senators *now* when there isn't a big crisis looming. Get to know the staff, too. That way, if crunch time *does* come, and you need to get an urgent message to the right place, you won't have to start by explaining who you are.

Instead, you'll be able to start by explaining what you need. And, because they've known you for a while and you've always seemed like you know what you're talking about, you'll have a much better chance of getting what you need.

You have a good story to tell, but it's not a familiar one. If you don't make your own contacts, no one will know how you differ

from the rest of the insurance industry and no one will understand why you need legislation that recognizes that difference. I'm sure that everyone in Congress has bought title insurance at some point, but I'm not sure everyone knows why they had to get it or how it works.

That's your story. After you tell it to your own Senators and Representative, consider adopting at least one extra Congressman from a neighboring state who serves on a committee that's important to you.

I was the only Banking Committee member from the entire Pacific Northwest: Washington, Oregon, Idaho, Montana, Alaska, Hawaii. Bankers from several of the western states who had no representation on the Banking Committee sought me out and said they were adopting me. It was good for me, and it was good for them. I learned things, they learned things, and they had some input they wouldn't have had otherwise.

Now, let me try to give you a little ammunition.

First, is Congress going to do anything on Glass-Steagall any time soon? The answer is no.

As a second term member of the House Banking Committee, I feel as though I've served on two different committees. In 1991 and 1992, we spent our time discussing Mr. Bush's "modernization" bill. We talked about firewalls and tie-ins, interstate branching and diversified holding company structures, and insurance powers.

This year, in contrast, we're talking about community development banking and rehabilitation of public housing stock and minority contracting opportunities at the RTC.

Last term, the Financial Institutions Sub-

You have a good story to tell, but it's not a familiar one.

committee was the top choice subcommittee assignment for banking members, including freshmen. This year, every single one of the Democratic freshmen chose Housing and Community Development first. Financial Institutions barely came in second, with the newly-enlarged Consumer Affairs Subcommittee a close third.

This is a very different committee from the Banking Committee of the past. Like the rest of the House, it is undergoing a generational shift and a move away from the white male lawyer model of a Congressman to a more diverse group.

This is not a committee which is focusing on changing the lines between banking and commerce, and it is not likely to focus on this issue any time soon.

By necessity, the committee made RTD funding its first priority.

Now we are turning to HUD funding and oversight, and the community development banking issue. This partly reflects the interests of individual committee members, especially freshmen, and partly reflects the fact that the Administration has yet to turn its own attention to the banking system.

The "Banking Committee" is turning into the "Housing Committee."

Let me back up a little and explain *why* this year is so different from last year. With retirements, defeats, and appointments to the Cabinet, we have over a hundred new House members this year.

For new members, the big questions are things like: "Where is the elevator?" "Are we on camera?" and "Is it too early to announce for the Senate?"

They are not thinking about whether di-

... because they've known you for a while and you've always seemed like you know what you're talking about, you'll have a much better chance of getting what you need.

versified holding companies should be created.

These people are new, but they are not amateurs at the business of government. Most have had successful non-governmental careers, but fully 106 of the 110 new members elected in 1992 have held a previous elective office—as governor or port commissioner or part-time alderman. They know what they are doing and they know what they care about.

The House Banking Committee received a record allocation of the new folks. That's because we had the honor of being the committee with the most members defeated when standing for re-election, in addition to seeing more than our share of retirements.

It's a little chaotic, but this turnover has some good points. For one thing, it allowed me a meteoric rise from twenty-fourth to twelfth in seniority. For another, with all of these new members who may not have heard of Glass-Steagall or Section 92 of the National Bank Act, you're not fighting a lot

of preconceptions.

On the Democrat's side, 15 members are new to the committee. Of those, 14 are in their first term as Representatives. Overall, more than half the Banking Committee is new this year.


When you look at the new members' biographical sketches, you might agree with one of the committee's Republican staffers who calls the Democratic freshmen "an SDS reunion." I know they have a lot of lobbyists scared.

But, as we get to know them, I am very, very hopeful about this group. Most of the new members represent very poor people living in very depressed neighborhoods. They are pragmatic. They are practical. They want to get some capital and banking services into the areas they represent.

In 1991, the Bush Administration papered the Hill with those big, green "modernizing the financial system" books, and testified every few days on restructuring the financial system.

In 1993, we have an Administration agenda focused on dealing with the truly frightening condition HUD has been left in. We have a lot of work to do on HUD issues; they have clearly been neglected for too long. This is their year.

So you have the opportunity to make this your year to lay the groundwork for meeting the challenges of the future.

You have plenty of time to get to know the members—not just today and tomorrow, but all year. So take your story up to the Hill. A lot of members—new and old—need to hear it. 

Fidelity Acquires Land Title Records

Fidelity Title and Guaranty Company, Winter Park, FL, has announced the purchase of the tract books and records for Volusia County, FL, that previously were owned by The Abstract Corporation, a title operation formed in 1901.

According to the announcement, the late Morton McDonald, who served as ALTA president in 1955-56, purchased The Abstract Corporation from its original owners in 1925. In subsequent years, the company was operated by the former president of the Association and his son, F. Morton McDonald.

Another son, Thomas S. McDonald, served as ALTA president in 1982-83.

Fidelity Title, an agency tracing its origin back to 1883, also has title record books for Orange, Seminole and Lake counties in central Florida.



Congressman LaRocco with an Idaho constituent - - titleman Lane Archibald.

Company: Cherryland Title Services, Inc.
Location: Sturgeon Bay, Wisconsin
Underwriter: Chicago Title Insurance Company
Computer: Titlepro system with seven work stations

Executive: Cathy Wiese, Manager
Family: husband, John; children, Pamela and Paula
Activities: Door County Economic Development Board of Directors, YMCA Public Relations President, and Sturgeon Bay Waterfront Redevelopment Authority

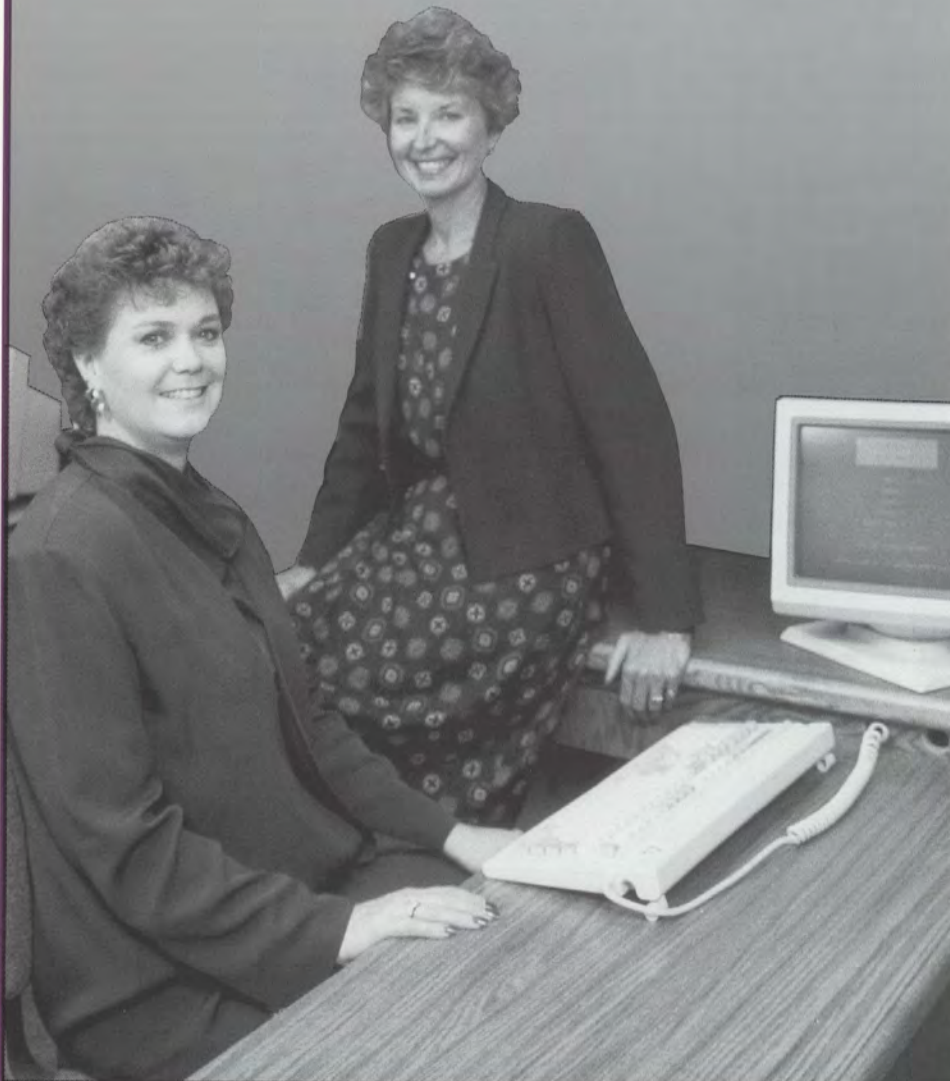
Recreation: Golf, boating and dancing

Associate: Deborah A. Schaefer
Family: husband, Steve; children, Angela and David
Activities: Sevastopol School Board, Rotary International, Altrusa of Door County

Music: Garth Brooks

Vacation Spot: Lake Tahoe and the Caribbean

Recreation: Golf, skiing and reading



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Moving Pro-Actively on Optical Issues

By Edward H. Marsilje

Optical disk storage of public record information by counties is an issue of growing concern among title companies across the country. Many with an interest in the permanency of records at the court house can be expected to encounter misgivings when contemplating the possibility of local officials bringing in new records technology without careful consideration of appropriate safeguards.

Among those in the vanguard of the troubled when a local clerk or recorder announces introduction of an optical system are owners and managers of title companies with a substantial investment in plants and equipment. The anxiety is understandable. If imaging is introduced at the court house, how well can existing title company systems be expected to handle the new optical disks?

In Michigan, the title industry has encountered this challenge and has responded effectively through the pro-active support of appropriate state legislation.

It started when I learned through a casual contact that the register of deeds for one county in the state was entertaining the idea of optical disk conversion for the public records.

Since I was familiar with the implications of optical disk storage through my work on the ALTA Land Title Systems Committee, I took it upon myself to contact this register.

In conversation with this public official, I learned that a large charitable organization—The Kellogg Foundation—was giving consideration to funding the optical conversion of the county records, since this activity could not be cost justified. But the register of deeds encountered an obstacle. During the routine investigation preceding a decision on the grant, it was learned that optical storage is not an approved medium for public records in the state. It therefore

would be necessary to enact state enabling legislation before any conversion could proceed.

Fortunately, I was at the time serving as a director of the Michigan Land Title Association. I arranged for the matter to be placed before the MLTA board and, following discussion, it was agreed that our lobbyist would be asked to investigate the prospects for state legislation that would make optical imaging a reality.

It subsequently was learned that an ena-

If imaging is introduced at the court house, how well can existing title company systems be expected to handle the new optical disks?

bling bill for optical imaging of public records was being offered by Representative Roland Niederstadt, a former register of deeds who now is serving as county clerk for Saginaw County. Arrangements immediately were made for MLTA representatives to discuss the legislation with him.

During our meeting with Representative Niederstadt, we raised the following concerns regarding optical conversion:

- If title companies were faced with a multitude of incompatible systems, it would require substantial duplication of expensive hardware to "read" disks containing public records
- Rather than overemphasis on lowest

"up front" costs, as is typical with county governments, we wanted truly cost effective optical systems that meet current needs but also have suitable growth capacity for the future

- Any optical systems installed must have permanency as storage media and safeguards against altering the records

After determining that these concerns were properly addressed in the legislation, MLTA supported the measure, which was enacted as Public Act No. 116, State of Michigan. It was the view of the association that backing this legislative proposal was the best available approach for making sure that any optical imaging systems introduced for public records in the state would be acceptable.

A copy of Public Act No. 116 accompanies this article. In particular, Sec. 2(d) and (2) of the act provide for the director of the state department of management and budget to advise the legislature and appropriate state agency of any optical system found to be incapable of creating reproductions equivalent to photographs or microcopies—and to jointly promulgate with the department of state rules for government entities and officials in regard to reproductions. Also, the act (Sec. 2(b)) requires conversion of related hardware,



The author is a member and past chairman of the ALTA Land Title Systems Committee, and previously served on the Association Abstracter-Agent Section Executive Committee. He is the president-elect of the Michigan Land Title Association, and is president of Title Office, Inc., with headquarters in Holland, MI, a firm serving the market in that state.

Michigan Public Records Media Act

REGULAR SESSION OF 1992 - P.A. 116

ADMINISTRATIVE PROCEDURES-RECORDS MEDIA ACT

PUBLIC ACT NO. 116

H.B. No. 4438

AN ACT to designate and regulate certain records media; and to prescribe the powers and duties of certain governmental entities and officials.

The People of the State of Michigan enact:

M.C.L.A. Sec. 24.401

Sec. 1. This act shall be known and may be cited as the "records media act".

M.C.L.A. Sec. 24.402

Sec. 2. (1) Except to the extent limited by law, if a governmental entity or a governmental official acting in his or her official capacity reproduces a record, the reproduction may be created using any of the following media, subject to subsection (2):

- (a) Photograph.
- (b) Photocopy.
- (c) Microcopy.

(d) Optical storage disc, as of the effective date of rules, to be promulgated pursuant to subsection (2), that govern optical storage discs. However, this act does not prohibit the utilization of an optical storage disc system purchased by this state before the effective date of this act pursuant to legislative appropriations, unless the director of the department of management and budget finds that the system is not capable of creating reproductions that are equivalent to photographs or microcopies. The director of the department of management and budget shall transmit such a finding to the state department or agency utilizing the optical storage disc system and to the house and senate appropriations committees. (2) Pursuant to the administrative procedures act of 1969, Act No. 306 of the Public Acts of 1969, being sections 24.201 to 24.328 of the Michigan Compiled Laws, the department of state and the department of management and budget shall jointly promulgate rules that govern the creating, processing, indexing, storage, retrieval, durability, and inspection of reproductions by a governmental entity or governmental official acting in his or her official capacity. With respect to information systems that utilize digital data in a medium listed in subsection (1) for the reproduction of records, the rules shall do all of the following:

- (a) Set forth data interchangeability standards.

(b) Ensure continued maintenance of and access to the records by requiring the conversion of the digital data medium or the modification or replacement of the computer hardware or computer software before the digital data medium, algorithms, computer hardware, or computer software become obsolete.

M.C.L.A. Sec. 24.403

Sec. 3. With respect to a reproduction created by a person other than a governmental entity or a governmental official acting in his or her official capacity, a law that references this act incorporates by reference any medium that correctly and accurately reproduces the original.

This act is ordered to take immediate effect.

Approved June 26, 1992.

Filed June 26, 1992.

software and other equipment before it becomes obsolete.

Public Act No. 116 became one year old on June 26, and at this time no governmental committee has yet been created to promulgate the rules mentioned. It is estimated that another three to four years may pass before these rules are forthcoming. Until this happens, optical storage disks cannot be an official medium for record retention and, while counties may install and use them if desired, existing record systems (normally microfilm) will have to be continued.

This provides some "breathing room" for any title company or other entity that might otherwise encounter short range discarding of an existing system in favor of optical equipment—while hopefully allowing development of rules assuring that future

Our experience in Michigan emphasizes that state title associations no longer can afford to be reactionary organizations, especially since our opponents in the public arena frequently exercise more political clout.

optical installations will be adequate.

Our experience in Michigan emphasizes that state title associations no longer can afford to be reactionary organizations, especially since our opponents in the public arena frequently exercise more political clout. For reasons including our experience with the optical imaging issue, we now strive to do the following:

- Maintain an information gathering network that allows us to learn about proposed state legislation before it is introduced
- Work with associations and other organizations proposing legislation affecting the title industry so that it is beneficial or at least acceptable to us
- Instruct our paid lobbyist (legislative committee if appropriate) to maintain contact with individuals proposing leg-

continued on page 34

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— Sid Ramey, Peoples Abstract, Iowa

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— Paul Cruse, First American Title, Indiana

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TIAC has been endorsed by the ALTA Board of Governors—as an E&O resource dedicated to stabilizing the market for members of the Association. Now is an excellent time to take an extended look at your E&O future. Then call TIAC.

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In this photograph by Ken Abbinante looking through the lobby area 150-gallon aquarium, youngsters are entertained by television and a VCR under the watchful eye of their parents, who use a convenient window as they close a real estate purchase in the next room.

Strengthening Your Identity Asset

By Michael F. Wille

When The Title Company, Inc., moved into a newly constructed building in La Crosse, WI, in January, management wanted the most productive use possible from the 13,300 square feet of space that were available.

Over half of the space was available for lease, with a major life insurer taking a little less than 50 per cent in the early going. That left some 6,100 square feet to be occupied by The Title Company and its 15 employees.

Although we have an automated work environment, including computers with completely integrated title software, laser printers, CAD software to trace out legal descriptions, plain paper FAX, computer FAX, imaging software and scanning equipment, this very useful capability focuses on our *internal* operation. In addition, we wanted our new location to provide an *externally* visible facility that would strengthen our identity with customers and the surrounding community.

The answer for us was the design and installation of The Training Centre, a tiered classroom seating up to 36 that can meet sophisticated audio/visual needs. Besides

offering the facility to our customers—REALTORS, attorneys and lenders—for programs, the Centre also is available for rent to non-business-related organizations.

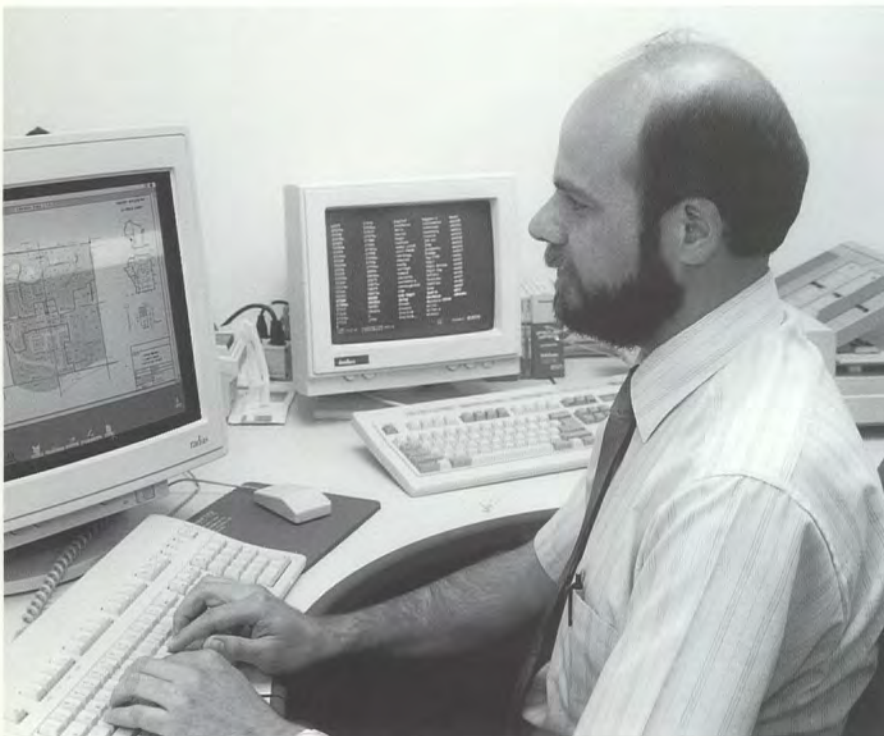
The Centre features a surround sound projection TV connected to a satellite dish. The projection TV also has capabilities for VCR, overhead projection of transparen-



The author and his wife, Marilyn, near the new facility. He is president and she is secretary of The Title Company, Inc., an organization with offices in the Wisconsin counties of Vernon and Houston, along with the pictured new headquarters in La Crosse. Before entering the title industry, he managed a branch office for a real estate broker and spent a brief period as a corporate pilot—as well as working as a free lance pilot. During his corporate aviation days, his employer was active politically, which led to the inclusion of Chip Carter, son of the President at the time, and the wife of Vice President Walter Mondale among his passengers. He continues his flying today, and holds an airline transport pilot license with over 4,400 hours.



Above: The author and Bonnie Holte confer in The Training Centre, a tiered classroom equipped to meet sophisticated audio-visual needs. Below: Alan Black works on a system designed to pull up images of documents and reproduce them elsewhere in the office.



cies, and projection of images on paper or 3D objects. In addition, the projection TV can be converted into a computer monitor for DOS, VGA or MacIntosh environments.

There are 114 phone jacks in the Centre, featuring high speed wire that can be used for a computer network and/or telephone/FAX. Located in each of the six rows of seats are 18 phone jacks, plus six more in the equipment cabinet (where there are amps, a VCR, a wireless mic receiver and a CD player). Each row has three sets of four electrical outlets next to the phone jacks; all electrical outlets in the room are connected to an uninterruptible power supply that protects against variations or outages.

The phone jacks have helped extend the versatility of the Centre. For example, the American Cancer Society recently used the facilities for an event. We were able to furnish them with eight phone lines without hindering our title operations.

The Title Company can be closed off from the Centre. Locking two doors and pulling down a gate over the reception counter allows evening use of the training facility.

Each work station in the building is wired with six phone jacks on UTP level 5 wire, a high speed wire almost as fast as fiber optic. Phones, computers, printers and FAX modems are plugged into jacks leading to a patch panel that allows us to move equipment by plugging the jacks into a different location. If someone moves to a different desk location (we have direct inward dial), we can relocate their equipment by unplugging and replugging without contacting the phone company.

There is one blank conduit leading to each work station for possible future expansion.

With high speed wire, we can pull up images of documents stored in computer memory at one end of the office and produce them on another computer located at the other end of the office. The wire also enables us to set up for teleconferencing at

...we wanted our new location to provide an externally visible facility that would strengthen our identity with customers and the surrounding community.

any location in the building—including the Centre.

If we need to move a FAX and, let's say, four more phones into the office closing room, it can be done in minutes.

The Title Company facilities include two laser FAX machines (broadcast type with memory storage); if the primary FAX number is busy, the call switches over to the other machine. With this capability, we no longer have lines of people waiting to send FAX items—with important phone numbers "stored," most of the material goes out unattended.

With our computer and phone capability, we are remitting via modem with our underwriter, Chicago Title Insurance Com

...we are watching with interest the work by the ALTA Land Title Systems Committee to develop electronic data interchange...computer-to-computer ordering of title services....we will be looking forward to adding an EDI interface....

pany; we were the first Chicago Title agent in the country to do so.

And, we are watching with interest the work by the ALTA Land Title Systems Committee to develop electronic data interchange (EDI) computer-to-computer ordering of title services at the request of the Mortgage Bankers Association of America. As soon as this EDI project is completed, we will be looking forward to adding an EDI interface to our operation.

Besides the electronic side, we gave careful thought to space planning and office design in laying out our new quarters.

Persons entering the lobby area view a 150-gallon fresh water fish tank built into the wall, which has drawn favorable comment for its contribution to the aesthetics. On the opposite side of the fish tank is the first of two neighboring rooms set aside for closings. In the room nearest the fish tank are a television receiver and VCR for entertaining children while their parents attend

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Palm Desert Annual Convention-- Simply Spectacular



By Leigh A. Vogelsong
ALTA Director of Meetings and Conferences

Sun drenched natural beauty as found only in the California Desert. A spectacular resort set in the "Playground of the Stars" just two hours east of Los Angeles. Seldom has a more appealing site been chosen for the ALTA Annual Convention, which this year will unfold October 13-16 at Marriott's Desert Springs, Palm Desert, CA.

Low humidity and fall daytime temperatures reaching into the low 90s add to the allure of this location, where plans have been completed for a full agenda of informative sessions and fascinating leisure time activities.

After an Ice-Breaker Reception presented California style Wednesday evening, October 13, casual resort attire suggested, there will be General Sessions Thursday and Saturday—with a packed day of educational offerings sandwiched in between on Friday. The Convention will close with the traditional Annual Banquet Saturday evening.

For an overview of the October activity, please see the accompanying Convention Calendar.

Providing insight into one of the nation's foremost issues--na-

tional health care—at the opening General Session will be Dr. Peter Salgo, highly respected medical futurist who is well known from his television appearances on CBS and elsewhere. Sharing the guest speaker agenda with Dr. Salgo will be Lee Sherman Dreyfus, a brilliant visionary who has won acclaim for his achievements as governor of Wisconsin, chancellor of the University of Wisconsin and president of Sentry Insurance.

Adding to the sparkle at the Saturday General Session will be two additional guest speakers of national prominence. They are Robert Gates, former director of the Central Intelligence Agency, and Hodding Carter, syndicated columnist and widely respected broadcaster who worked in both the Johnson and Carter Presidential campaigns before moving to the position of State Department spokesman. Also on the agenda will be a panel on the real estate market outlook, headed by John Pfister, vice president—marketing and research, Chicago Title Insurance Company.

During the Title Industry Political Action Committee luncheon on Saturday, the speaker will be Kevin Phillips, well known political analyst, who will look at where America is headed in the turbulent 90s.

Educational Sessions Offer Variety

Those attending the educational sessions on Friday will have an opportunity to select from the following variety of presentations on current topics and issues.

Capitol Hill staff members and federal agency personnel will present an update during a complimentary continental breakfast on major title industry issues that include tax matters, and proposed federal regulation of insurance company solvency and agency operations.

Running concurrently and also beginning with a complimentary continental breakfast will be a session on two major automation challenges of local title managers—growing interest in the lender community in electronic data interchange (EDI) ordering of title services, where computers communicate, and issues surrounding conversion of county records to optical disk systems by public officials. In addition, this program segment is scheduled to include a presentation on a new Federal National Mortgage Association automated system designed to improve payoff processing between settlement agents and servicers.

Following up on the Friday EDI session, there will be a Saturday complimentary continental breakfast discussion on elec-

Convention Guest Speaker Headliners



Peter Salgo, M.D.
Medical Correspondent
CBS Television

Examining the complex issues interwoven with national health care proposals, he will comment from the vantage point of professor and practicing physician, as well as from the view of a highly respected futurist and Emmy-award-winning broadcaster.

Thursday, October 14, General Session



Lee Sherman Dreyfus, Ph.D.
Past Governor
State of Wisconsin

Drawing from a background as University of Wisconsin Chancellor and president of Sentry Insurance as well as a chief executive officer in state government, he is widely known for his views that recent developments do not signal the decline of this country as a world power—but instead provide a unique opportunity for American achievement.

Thursday, October 14, General Session



Robert Gates
Past Director
Central Intelligence Agency

After beginning his career with CIA as an intelligence analyst specializing in Soviet affairs, he later served as an advisor to the U.S. delegation to the Strategic Arms Limitation Talks and was assigned to the National Security Council staff before returning to the agency and ultimately rising to the positions of deputy director and then director.

Saturday, October 16, General Session



Hodding Carter
Syndicated Columnist
Newspaper Enterprise Association

The family newspaper in Greenville, MS, provided an ideal opportunity for development of his journalistic skills that later propelled him to assignments including op-ed columnist for the *Wall Street Journal* and anchor man for "Inside Story," an Emmy-award-winning PBS series that provided a critique of the performance of the press. Along the way, he worked in the Johnson and Carter Presidential campaigns and served as Assistant Secretary of State for Public Affairs and State Department Spokesman.

Saturday, October 16, General Session



Kevin Phillips
Political Analyst

Author: *Boiling Point: Republicans, Democrats and the Decline of Middle Class Prosperity*

Author of the above mentioned book that President Bill Clinton took with him to Camp David 10 days after inauguration, the nationally prominent columnist and broadcast commentator predicted the populist resurgence sweeping across America. *The National Journal* has listed him as one of the 150 people in Washington you would want to have on your side in a fight.

Saturday, October 16, TIPAC Luncheon



A tram ride provides an unforgettable view. Below: Palm Desert - - golfer's paradise.



tronic title ordering for technical attendees.

There will be a Friday panel discussion focusing on an analysis of the nationwide real estate and real estate financial markets, with concentration on the securitization of commercial real estate equities and mortgages. This Convention event will be handled by the Life and Lender Counsel group.

Improvement of techniques for local marketing of title services will be the topic of another educational session, led by a panel of industry experts with experience in what works. The content will be geared to local title owners and managers, and there will be an emphasis on inter-active discussion.

Another panel will explore the rating of title insurance companies, with viewpoints from professional rating experts and lender representatives.

And, yet another Friday session will provide an update on techniques for coping more productively and effectively with stress.

There will be an attractive educational adventure at Friday's Spouse/Guest Brunch as well, when the lifestyles of past and present residents of the Palm Springs area are explored. This will include a look back at the area's first settlers—the Agua Caliente (hot water) band of Cahuilla Indians.

Besides the breathtaking leisure attractions (please see accompanying report), the hotel itself lends a spectacular dimension. Marriott's Desert Springs covers 400 acres, including 23 acres of lakes. The lobby is eight stories high, with two waterfalls cascading to a lagoon with boats and a dock. There are two main pools, two golf courses, a lawn and tennis club with 20

Introductory Sessions Precede Tournaments

The 1993 Annual Convention golf and tennis tournaments are especially appealing in their desert resort setting. Both will be preceded by introductory sessions—one on desert golf immediately before play begins on Marriott's Valley Course, and a tennis clinic the day before the net competition gets under way.

Golfers will begin swinging under a shotgun start, and winners will be posted about an hour after the tournament concludes.

Each tennis competitor will have an opportunity to play on three different types of surface—hard court, grass and clay.

courts, and an 18-hole putting course. Golf tee times may be reserved up to 30 days in advance.

Crowning jewel of the Marriott facility is a state-of-the-art spa featuring body treatments, massage therapy, skin care treatment and a complete fitness program.

Convention registration materials were sent to ALTA members and others in June. Registration fees must reach the Association by September 3 to qualify for a discount. The deadline for making room reservations directly with the Marriott is September 13, and the Convention rate (\$185 single or double) applies from October 10 through 19.

Questions about any aspect of the Convention may be directed to the ALTA meetings department at (800) 787-ALTA.



An off-road jeep tour allows a close-up acquaintance with the desert.

Meeting The Desert: Above And Close Up

ALTA Convention attendees will have an opportunity to enjoy a Palm Springs panoply ranging from hot air balloon and aerial tram views to up close encounters with nature on the desert floor.

The one-hour balloon adventure allows an unequalled perspective of the San Jacinto mountains and the Coachella Valley desert resort communities.

Those who sign up for the famous Palm

continued on page 34

1993 ALTA Annual

MONDAY, OCTOBER 11

3:00 p.m.-5:00 p.m. Convention Registration

TUESDAY, OCTOBER 12

10:00 a.m.-12:15 p.m.

5:30 p.m.-7:00 p.m.

Convention Registration

8:00 a.m.-5:00 p.m.

Education Committee Meeting

9:00 a.m.-5:00 p.m.

Title Insurance Forms Committee Meeting

12:00 noon-5:00 p.m.

Affiliated Association Officer-Executive Seminar and Luncheon

2:00 p.m.-4:00 p.m.

Government Affairs Committee Meeting

WEDNESDAY, OCTOBER 13

7:00 a.m.-9:00 a.m.

Associate Members, Legal Division Meeting

8:30 a.m.-1:00 p.m.

4:30 p.m.-6:45 p.m.

Convention Registration

9:00 a.m.-12:00 noon

Title Insurance Forms Committee Meeting

9:00 a.m.-11:00 a.m.

Abstracter/Agent Section Executive Committee Meeting

9:00 a.m.-11:00 a.m.

Underwriter Section Executive Committee Meeting

9:00 a.m.-12:00 noon

Directory Rules Committee Meeting

9:00 a.m.-5:00 p.m.

Lender and Life Counsel Meetings

11:00 a.m.-1:00 p.m.

Membership and Organization Recruitment and Retention Committees Meeting

11:30 a.m.-1:30 p.m.

Past Presidents Luncheon

1:30 p.m.-5:00 p.m.

ALTA Board of Governors Meeting

5:30 p.m.-6:30 p.m.

First Time Convention Attendee Mixer

6:30 p.m.-8:00 p.m.

Ice-Breaker Reception/Exhibits Open

THURSDAY, OCTOBER 14

7:00 a.m.-8:15 a.m.

All About ALTA—Orientation Session

7:00 a.m.-8:15 a.m.

Continental Breakfast with the Exhibitors

Convention Calendar

7:30 a.m.-8:30 a.m.	TIPAC Board of Trustees Meeting
8:00 a.m.-12:30 p.m.	Convention Registration
8:00 a.m.-12:00 noon	AUTOMATION SYMBIOSIS Exhibits Open
8:30 a.m.-11:30 a.m.	General Session
11:35 a.m.-12:00 noon	Section Meetings including Nomination and Election of Officers
12:00 noon-1:00 p.m.	Tennis Clinic for Tournament Participants
12:00 noon-2:00 p.m.	Public Relations Committee Meeting and Luncheon
2:00 p.m.-5:00 p.m.	TIAC Shareholder and Board of Directors Meetings
2:00 p.m.-5:00 p.m.	Land Title Systems Committee Meeting

FRIDAY, OCTOBER 15

7:15 a.m.-8:30 a.m.	Legislative Breakfast
7:45 a.m.-12:45 p.m.	Convention Registration
8:00 a.m.-12:00 noon	AUTOMATION SYMBIOSIS Exhibits Open
7:00 a.m.-12:00 noon	Educational Sessions
9:30 a.m.-11:30 a.m.	Spouse/Guest Brunch
12:00 noon-5:30 p.m.	Golf and Tennis Tournaments
12:00 noon	Cut-off for Banquet Coupon Exchange

SATURDAY, OCTOBER 16

8:00 a.m.-12:30 p.m.	Convention Registration
8:00 a.m.-12:00 noon	AUTOMATION SYMBIOSIS Exhibits Open
8:30 a.m.-11:25 a.m.	General Session
11:30 a.m.-12:00 noon	Executive Session
12:15 p.m.-2:00 p.m.	TIPAC Luncheon
2:15 p.m.-4:00 p.m.	1993-94 Board of Governors Meeting
5:50 p.m. - 7:00 p.m.	TIPAC Auction
6:15 p.m.-7:00 p.m.	Pre-Banquet Reception
7:00 p.m.-11:00 p.m.	Annual Banquet

Two Leaders Will Receive Highest Honor



Kennedy



Beasley

Two Californians with long and distinguished title industry careers have been elected ALTA Honorary members by the Association Board of Governors.

Receiving this highest award of the Association at the 1993 Annual Convention of the organization will be ALTA Past President Donald P. Kennedy, chairman of the board for First American Title Insurance Company, and the current ALTA Title Insurance Forms Committee chairman, Oscar H. Beasley, who is senior vice president and senior title counsel for First American.

Besides his term as ALTA president in 1983-84 and years of service as a governor of the Association, Kennedy has been a nationally recognized industry leader in the government affairs area. He spent some 10 years as a member of the Government Affairs Committee, including a year as chairman in 1987. In addition, he has served as a trustee of the Title Industry Political Action Committee.

Kennedy is a past president of the California Land Title Association, where he has served as a member of its board of governors and executive committee. He has been inducted into the California Building Industry Hall of Fame and is listed in *Who's Who in America*.

Kennedy is the grandson of First American's founder, C. E. Parker, and is the father of Parker S. Kennedy, president of the company who currently is serving as ALTA president-elect.

Beasley also is nationally prominent for his contributions in the development of title insurance forms at the industry level, and for his outstanding dedication to ALTA and other organizations as a speaker and educator. Ranking high among his many industry achievements are leadership of the ALTA Forms Committee as chair during its development of the 1987 ALTA Policy Form, and editing the Land Title Institute's Course 2 advanced correspondence

course.

Beasley has appeared on behalf of the industry before numerous federal and state agencies, and is well known across the country as a result of his many speaking appearances at ALTA and state title conventions, educational seminars and other events. He is a member of the executive board and professor at Western State University of Law, Fullerton, CA, and is the recipient of the first outstanding achievement award of the Orange County (CA) Bar Association Real Estate Section.

Before joining First American in 1964, Beasley practiced law for 10 years in New Mexico and spent three years as president of a title company there. He served four years as a member of the New Mexico House of Representatives.

MEETING THE DESERT

continued from page 32

Springs Aerial Tram will be whisked upward 2 1/2 miles for a breathtaking view of the Valley, where there will be time for exploring several walking trails in Mt. Jacinto State Park and Wilderness. Temperatures are 30-40 degrees cooler at the summit, so a jacket is necessary. Before boarding the Tram, there will be a chance to see the homes of some famous Palm Springs residents.

Luminaries such as Bob Hope, Marilyn Monroe and Liberace have built luxurious homes in Palm Springs. One of the Convention tours will pass through the neighborhoods where celebrities live before reaching its "behind the scenes" destination—Liberace's residence. After a visit to this 8,000 square foot home reflecting the entertainer's eccentric taste, there will be an opportunity to shop at the Desert Fashion Plaza.

For a closer look at the beauty of the desert, there is a 25-mile off road adventure that climbs 2,000 feet in the first three miles of an adventure into the Santa Rosa Mountains. Scenic views on this jeep tour include the Coachella Valley, the Little San Bernardino Mountains, and the Salton Sea. Casual clothing is recommended.

And, for those interested in a true "nodding acquaintance" with some of the desert's animal residents, Convention attendees will have an opportunity to discover rare and exotic creatures during a visit to the Living Desert, California's only privately endowed center for the preservation and interpretation of the desert. Time also will be available for shopping along El

Paso Drive, known as the "Rodeo Drive of the Desert.

Adding a cultural note among the tours will be a visit to one of Southern California's best kept secrets—Temecula Valley wine country, the "Napa Valley of the South." Antique shops and art galleries also are abundant in the area. There will be tours and wine tasting at two wineries, with lunch served at the quaint Cafe Champagne at the John Culbertson Winery.

And, for a memorable scenic touch, there will be a tour to the world famous Joshua Tree National Monument, where many varieties of flora and wildlife are found in more than 870 square miles of open space accented by striking geologic displays. The Mojave and Lower Colorado Deserts join to form this awe-inspiring attraction.

OPTICAL ISSUES

continued from page 22

isolation of concern to the title business

- Follow the legislative activity of other associations and provide support and assistance when requested if this is possible
- When legislation contrary to our interests is moving in the state capitol, try to achieve compromise that will reduce or minimize the adverse results (if the preceding items are accomplished satisfactorily, the chances for this will be improved significantly)

Although conversion to optical disk recording has not yet become commonplace in counties across the nation, this type of storage has captured the attention of a good many county officials and definitely is on the increase. If your county clerk or recorder is considering the idea, the time to become a pro-active part of the process is now. 🐾

New ALTA Forms Handbook Ready

A completely updated ALTA Policy Forms Handbook, incorporating all changes adopted in October, 1992, now is available from the Washington office of the Association.

Included are all ALTA policies, commitments, endorsements, reinsurance agree-

ments, the ALTA/ACSM minimum standard land survey requirements and classifications, and a side-by-side comparison of the 1970 and (October 17) 1972 ALTA Loan Policies.

The handbook is available to ALTA members at \$50 each for orders of less than 10 and \$30 each for orders of 10 or more. Non-members may purchase the handbook for \$150.

All orders must be prepaid. Credit card orders may be sent to the ALTA office FAX number: (202) 223-5843. No telephone orders will be accepted.

Curran Elected New Arkansas President



Curran



Held

Armil Curran, president, Curran's Abstract and Title Company, Clarksville, and a representative in the state legislature, has been elected 1993-94 president of the Arkansas Land Title Association.

Other officers, also elected at the organization's recent convention: Joy Drummonds, Washington County Abstract, Springdale, vice president, and Jim Winton, Clay County Abstract, Piggott, secretary-treasurer.

During the convention, it was announced that Marguerite Held, Roy Pugh Abstract Co., Inc., West Memphis, has been named Titleperson of Year. She is a past president of the association and was described as "a driving force in the land title industry since 1960." Previously, she owned and operated title plants in Crittenden County.

Lawyers Acquires Agent in Wisconsin

Lawyers Title Insurance Corporation has acquired a 40-year agent, Wisconsin Land Title Corporation, Madison, WI, which now operates as a branch of the company.

John W. Deininger serves as manager of the branch, and LeAnn Van de Grift supervises escrow operations. Roger Boettcher, previous owner, is providing occasional service as independent legal counsel.

NAMES IN THE NEWS



Hauser



Bock



Bartine



Di Vito



Cruz



Schaller



Dudley



Kelly

Robert J. Hauser has been appointed president and chief operating officer of Commonwealth Land Title Insurance Company and its affiliate, Trans-america Title Insurance Company, with offices in Philadelphia. He most recently served as senior vice president and north-east regional manager and replaces **Frederick L. Tomblin**, who is retiring.

A past member of the Connecticut General Assembly, **Hauser** also is a past president of the New England Land Title Association, and a past president of the Connecticut Board of Title Underwriters. He presently serves as a member of the ALTA Land Title Systems Committee.

In other Philadelphia changes for the

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Frankenstein



Richardson



Schmelzer



Johnson



Ryan



Trani



Flavin



Brissette



Sharpe



Miller



Quillico



Rowland

companies, **William R. Bock** has been named senior vice president and director of human resources, **O. Hunt Bartine** benefits and human resources administration manager, and **Robert A. Di Vito** electronic data processing audit manager.

John Cruz has been promoted to vice president and New York state agency counsel for the companies, New York City; and **Sandra J. Schaller** has been named claims counsel, St. Louis. **William R. Dudley** has joined Commonwealth as vice president and branch manager, Toms River, NJ, while **Amelia J. Kelly** is the new assistant vice president and Long Island (NY) counsel, **Marc C. Frankenstein** has been promoted to assistant vice president and Indianapolis branch counsel, and **Steven R. Richardson** and **Robert A. Schmelzer** have become associated with the company as Lancaster, PA, branch manager, and director of business development, Minneapolis, respectively.

Gary G. Johnson has been promoted to senior vice president at Commonwealth Land Title Company of Fort Worth, and **Thomas M. Ryan** has been named vice president and branch manager, Continental Title Insurance Company,

Marlton, NJ. Both concerns are Commonwealth subsidiaries.

Dr. Eugene P. Trani has been elected to the board of directors, Lawyers Title Corporation, holding company for Lawyers Title Insurance Corporation, Richmond, VA. He is president of Virginia Commonwealth University, Richmond.

In other moves at Lawyers Title, **Barry F. Flavin** has been named senior vice president-regional manager, Lakeland, FL; **Martha B. Brissette** regulatory counsel, Richmond; **Eleanor F. D. Sharpe** senior underwriting attorney, Chicago regional office; **David A. Miller** assistant regional claims counsel, Andover, MA; and **Walter D. Quillico** area agency manager, Troy, MI, regional office.

Dennie L. Rowland has been promoted to regional vice president, First American Title Insurance Company, Houston, TX. **Roy F. Elliston** has been named vice president and division manager with offices in Santa Ana, CA; he is a past president of both the Alaska and the Oregon state land title associations. **David V. Wescott** has been named vice president-regional counsel, Sacramento, CA.

First American has announced the purchase of three abstract and title compa-



Elliston



Westcott



Radigan



Rowland



Rooney



Obzud



Abbinante



Alwin

nies, and the following related management appointments.

Rick Radigan has been named manager of the new San Antonio branch, created by the purchase of the company's 25-year agent, First American Title Company of San Antonio. **Justin D. Rowland**, former president of the agency, will remain as vice president with the Texas subsidiary.

Kathleen Brown has been named manager of the Center City, MN, branch, created through the acquisition of Peterson Abstract, and **Stacy Garry** is the manager of the branch created by purchase of Washakie Abstract Company, Worland, WY, an agent of the company since 1956.

Old Republic National Title Insurance Company has promoted **Mary L. Chapman**, southwest regional counsel, to vice president, and **Roberta M. (Bobby) Harris**, claims counsel for the region, to assistant vice president, both with offices in Houston. **Dwight E. Edwards**, associate counsel, Wayne, PA, has been named assistant vice president, as has **Susan D. Roff**, associate state counsel and assistant secretary, Atlanta.

Michael J. Rooney has been named vice president, Chicago Title Insurance Company, Dallas. Also in Texas, **Linda Littlejohn** has been named resident vice president and remains branch manager, Amarillo.

John M. Obzud has been named vice president of the company, Washington, DC, where **Timothy J. Whitsitt** has been promoted to resident vice president.

Christopher Abbinante, Chicago Title vice president, is moving to West Palm Beach, FL, where he will head the com-

pany's southeast area operations. Other Florida changes include **Annette Ahlers**, to assistant vice president and area branch manager, Orlando; **Cathleen Bennett**, to agency operations officer (also for Ticor Title Insurance Company), West Palm Beach; **Mary Bujnowski** and **Linda Hill**, both to assistant regional counsel, Tampa; **Cassandra Grassman**,

to escrow manager, Fort Lauderdale; **Peggy Kleinman**, to escrow officer and remains escrow sales manager, Longwood; **Julie Lavin**, to agency operations officer (also for Ticor Title) and **Scott McCarty**, to agency operations officer, all Jacksonville; **Nicholas Monaco**, to title operations officer, **Ellen Niewold** to escrow officer and escrow sales manager, and **Dail Pribil** to agency operations officer, all Orlando; **Trisha Skidmore** to title operations officer, Kissimmee.

Annie M. Alwin has been elected second vice president and remains audit manager, Chicago Title and Trust Company, Pasadena, CA. **Joseph E. Berlinski** and **Paul A. Naye** have been elected second vice president and remain audit manager, Chicago.

Also in Chicago, **Gustavo Abello** has been named assistant vice president and remains manager, residential title operations, Chicago Title Insurance, while **David Cox** has been appointed director of equity research, financial services group, and **Carol Radloff** has been named treasury officer while remaining senior treasury administrator.

William Dudley has been appointed Chicago Title Insurance branch manager,



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Bennett



Bailey



Bess



Smith

Toms River, NJ, while **John Riggins** is the new branch manager, Hackensack. **William D. Himmelreich** has been appointed manager, eastern Pennsylvania operations, Philadelphia; **Robert Ibler** has been named assistant vice president and remains agency manager, Waukesha, WI; **Terry G. Paige** has been appointed assistant vice president and remains title production manager, Kansas City, MO; and **Todd Fisher** has been appointed account executive, Tysons Corner, VA.

Doreen Chacon and **Lawrence Keller** have been promoted to executive vice president and treasurer, respectively, Tigor Title Agency of San Antonio.

Robin Bennett has been named marketing representative and **Renee Bailey** and **Diann Bess** escrow officers, Fidelity Title and Guaranty Company, Winter Park, FL.

Lisa Gallimore has been named underwriting manager, **Ginger P. Matthews** assistant claims manager and **Susan Clark Smith** marketing representative, Investors Title Company, Chapel Hill, NC.

Myla Greenlee has been promoted to senior vice president, First Land Title Company, Fort Wayne, IN, where she manages the production and marketing departments.



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CORPORATION

NEW MEMBERS

WELCOME!

ALTA proudly welcomes its newest members and sincerely thanks those members responsible for their recruitment. The recruiters noted in parentheses have now qualified for membership in the ALTA Eagle's Club and are eligible for the "Recruiter of the Year" prize.

ACTIVE

Arizona

First Service Title Agency, Inc., Phoenix, AZ. (Recruited by Dan Wentzel, North American Title Co., Walnut Creek, CA.)

Arkansas

Bronson Title Services, Inc., Rogers, AR. (Recruited by Phil Bronson, Bronson Abstract Co., Fayetteville, AR.)

Mena Title Agency, Mena, AR. (Recruited by Craig Gill, Arkansas Title Insurance Co., Pine Bluff, AR.)

The Title Co. of West Memphis, West Memphis, AR. (Recruited by Thomas Griffin, Lawyers Title Insurance Corp., Memphis, TN.)

District of Columbia

Land Research Group, Washington, D.C.

Georgia

John T. Minor, IV, Dalton, GA. (Recruited by John Casbon, First American Title Insurance Co., New Orleans, LA.)

Illinois

Assurance First Title & Escrow, Mt. Carroll, IL. (Recruited by Mike Nolan, Ticor Title Insurance Co., Naperville, IL.)

Indiana

Dearborn Title Insurance, Inc., Lawrenceburg, IN. (Recruited by Malcolm Morris, Stewart Title Guaranty Co., Houston, TX.)

Indiana Abstract & Title Co., Monticello, IN.

L. Fay Hedden Abstract Office, Vincennes, IN. (Recruited by Adaline Carie, Knox County Abstract Co., Vincennes, IN.)

Louisiana

Punctual Abstract Co., Inc., Gretna, LA. (Recruited by Maria Gray, Charter Title, Metairie, LA and

Rich Curd and Doug Dolan, Capital Professional Insurance Managers, Chevy Chase, MD)

Kansas

Couch Abstract & Title Co., Anthony, KS. (Recruited by Barbara Gould, Ford County Title Co., Inc., Dodge City, KS.)

South Kansas Title Corp., Wichita, KS. (Also recruited by Barbara Gould, Ford County Title Co., Inc., Dodge City, KS.)

Maine

Classic Title Co., Portland, ME. (Recruited by Rich Curd and Doug Dolan, Capital Professional Insurance Managers, Chevy Chase, MD and Robert Soule, Old Republic Title, Boston, MA.)

Maryland

Capitol Title Insurance Agency, Crofton, MD. (Recruited by Bayard H. Waterbury, III, Montgomery Abstract Associates, Rockville, MD.)

Safeguard Title Insurance Agency, Inc., Westminster, MD.

Massachusetts

Advanced Services, Inc., Plymouth, MA.

Hobbs Abstract Co., Worcester, MA. (Recruited by Rich Curd and Doug Dolan, Capital Professional Insurance Managers, Chevy Chase, MD.)

Timothy F. Quirk, dba Quirk Associates, Dedham, MA. (Recruited by Pauline O'Connor, Hennessey & MacInnis, Brockton, MA.)

Michigan

Parks Title Co., Royal Oak, MI.

Superior Title & Abstract Co., Iron Mountain, MI.

Minnesota

Sharon K. Hannaman, Abstracter, Blue Earth, MN.

Home Title, Inc., Eden Prairie, MN. (Recruited by Rich Curd and Doug Dolan, Capital Professional Insurance Managers, Chevy Chase, MD.)

Missouri

Quinlan Agency, Inc., Boonville, MO. (Recruited by Malcolm Morris, Stewart Title Guaranty Co., Houston, TX.)

Montana

Security Title of Billings, Inc., Billings, MT.

Nebraska

Goetz Abstracting, Inc., Hartington, NE. (Recruited by Rich Curd and Doug Dolan,

Capital Professional Insurance Managers, Chevy Chase, MD.)

Nebraska Land Title & Abstract Co., Omaha, NE. (Recruited by Michael Fahey, ATI Title Co., Omaha, NE.)

Nevada

Nevada Title Co., Las Vegas, NV.

New Hampshire

Accurate Title Corp., Bedford, NH. (Recruited by Richard A. Dickson, First American Title Ins. Co., Concord, NH.)

New Jersey

Gibraltar Title Agency, Inc., Hackensack, NJ. (Recruited by Joseph Petrucci, Republic Title Agency, Elizabeth, NJ.)

New York

Agents Abstract Corp., White Plains, NY.

Ohio

ACS Title and Closing Services, Columbus, OH.

Approved Statewide Title Agency Corp., Cleveland, OH.

Preferred Title & Guaranty Agency, Inc., Columbus, OH. (Recruited by Stewart Morris, Stewart Title Guaranty Co., Houston, TX.)

Pennsylvania

Consumers Land Abstract, Inc., Stroudsburg, PA. (Recruited by Rich Curd and Doug Dolan, Capital Professional Insurance Managers, Chevy Chase, MD.)

Imperial Abstract, Inc., Allentown, PA.

LGI Abstract Co., Philadelphia, PA. (Also recruited by Rich Curd and Doug Dolan, Capital Professional Insurance Managers, Chevy Chase, MD.)

First Penn Abstract, Inc., Lake Ariel, PA.

Security Abstract of PA, Inc., Worcester, PA.

South Dakota

First Dakota Title, Sioux Falls, SD.

Vermillion Title Insurance Co., Vermillion, SD. (Recruited by Ernest Carlson, Land Title Guaranty Co., Sioux Falls, SD.)

Tennessee

Brandt & Beeson, P.C., Johnson City, TN. (Recruited by Robert Croley, Tennessee Valley Title Insurance Co., Knoxville, TN.)

Texas

Chapin Title Co., Sherman, TX.

Vermont

Charles C. Chamberlain, Manchester Center, VT. (Recruited by Mark A. Schittina, Lawyers Title Insurance Corp., Burlington, VT.)

Virginia

Courthouse Title Agency Corp., Arlington, VA.

First Colony Title Co., Inc., Herndon, VA. (Recruited by Rich Curd and Doug Dolan, Capital Professional Insurance Managers, Chevy Chase, MD.)

Network Title, Inc., Fredericksburg, VA. (Also recruited by Rich Curd and Doug Dolan, Capital Professional Insurance Managers, Chevy Chase, MD.)

ASSOCIATE

Alabama

John S. Bowman, Balch & Bingham, Montgomery, AL. (Recruited by John Casbon, First American Title Insurance Co., New Orleans, LA.)

California

William E. Caetano, Imperial Bank, Oakland, CA. (Recruited by Robert Lewis, North Bay Title Co., Santa Rosa, CA.)

Peelle Corps., Campbell, CA. (Recruited by Thurl Pankey, First American Title Ins. Co., Sacramento, CA.)

Florida

Stephen D. McCann, P.A., Naples, FL. (Recruited by John Casbon, First American Title Insurance Co., New Orleans, LA.)

Southeast Professional Underwriters, Inc., Deerfield Beach, FL.

Georgia

Alvis E. Campbell, Jones, Day, Reavis, & Pogue, Atlanta, GA. (Recruited by James F. McEvoy, Jones, Day et al, Atlanta, GA.)

Indiana

Mortgage Investigation, Inc., Evansville, IN. (Recruited by H.R. Caniff, Commonwealth Land Title Insurance Co., Indianapolis, IN.)

Louisiana

Vicki Kemp Cruse, Law Offices of Wm. R. Coenen, Rayville, LA. (Recruited by John Casbon, First American Title Insurance Co., New Orleans, LA.)

Camille A. Cutrone, New Orleans, LA. (Also recruited by John Casbon, First American Title Insurance Co., New Orleans, LA.)

Jeffrey W. Gray, Title Insurance Services, Inc., Baton Rouge, LA. (Also recruited by John Casbon, First American Title Insurance Co., New Orleans, LA.)

Jane Faia Mentz, Shapiro & Kreisman, Metairie, LA. (Also recruited by John Casbon, First American Title Insurance Co., New Orleans, LA.)

Massachusetts

Jacob N. Polatin, Foley, Hoag & Eliot, Boston, MA.

Missouri

F. Kay Blackstone, Western Auto Supply Co., Kansas City, MO.

New Hampshire

Karen S. McGinley, Devine, Millimet & Branch, Manchester, NH.

Recruitment Has Its Privileges

Just as membership in the American Land Title Association has its privileges, so does recruiting new members. This year's number-one recruiter will receive an exceptional prize!

Due to the tremendous enthusiasm over last year's Recruiter of the Year Prize, the Membership and Organization Committee will be once again be awarding a prize to the ALTA member recruiting the most new members in 1993. A beautiful signed art-poster commemorating the site of this year's ALTA Annual Convention (October 13 - 16, Desert Springs, CA) has been selected as the 1993 Recruiter of the Year prize. Chosen for its subtle shades and striking portrayal of the desert's distinctive beauty, this art-poster is sure to complement any office decor. Once again, the prize will be presented during the Annual Convention.

This year's would be winners are competing fiercely not only for the prize, but also for the coveted title of "1993 Recruiter of the Year." To join the race, contact Kathleen Hendrix at the ALTA office today, 1-800-787-ALTA.

*** A recruiter is defined as an ALTA member designated by the applicant as having recommended membership and becomes effective at the applicant's time of acceptance into the Association.**

Oregon

Susan M. Deters, Standard Insurance Co., Portland, OR.

Pennsylvania

S.C. Allain, Balis & Co., Inc., Philadelphia, PA. (Recruited by Richard P. Toft, Chicago Title Insurance Co., Chicago, IL.)

The Barr Group, Washington Crossing, PA. (Recruited by Kurt Pahl, C.P.A., Beverly Hills, CA.)

TitlePro, Lancaster, PA. (Recruited by John Mahoney, Attorneys Title Corp., Washington, DC.)

Virginia

Cincinnati Bell Information Systems, Inc., Fairfax, VA.

IDENTITY ASSET

continued from page 27

a closing next door. Below the video station is a chest containing books and toys. And between the two closing rooms is a large

window through which parents can keep an eye on their youngsters as the papers are signed.

A popular feature with our staff is the "break room," where employees can have lunch at a table overlooking a bike trail and the La Crosse River, which empties into the Mississippi about a quarter of a mile away. In pleasant weather, they can sit outside on the deck in patio furniture and enjoy the view—which may include bald eagles, Canadian geese, ducks, cardinals and robins.

The Title Company enjoys a proud tradition dating back at least to November 8, 1880, the earliest date found so far on an abstract made by our predecessor, Josiah L. Pettingill, who started as an insurance agent and conveyancer and later began to prepare abstracts. He bought a set of abstract books in 1884, while serving as La Crosse County clerk, and subsequently was chairman of the county board and postmaster.

In 1949, the late Thomas J. Holstein, ALTA president in 1969-70, became owner of the company and his son, William T. D. Holstein, joined the organization in 1963. Tom and my father were longtime friends.

Finally, I joined Bill Holstein in ownership of the company in 1985 before he sold his interest to me in 1989.

In spite of this distinguished history, I share the feeling of many title people—that ours is an obscure business that most people rarely encounter. For the typical local title operation, creating an identity with ordinary citizens can help encourage them to specify your services when there is a real estate transaction. For The Title Company, this outreach is working well through new facilities that are being accepted as a useful community resource. ☛

High TLTA Honor To Lloyd Draper



The Texas Land Title Association has conferred its highest honor on a past president, Lloyd Draper, who was named the organization's Title Man of the Year at its recent convention.

He is southwest regional agency manager for Commonwealth Land Title Insurance Company, with offices in Dallas.

Besides serving on the TLTA board of directors for eight years, he also has been a member of various committees of the organization and has chaired five of them.

Pennsylvanians Elect Corrigan



William J. Corrigan, executive vice president and general counsel, Penn Title Insurance Company, Reading, has been elected 1993-94 president of the Pennsylvania Land Title Association. He is a member of the PLTA Legislative and Judicial Committee, the American Bar Association Committee on Title Insurance, and holds the PLTA designation of Certified Land Title Professional.

Credit Improvement By First American

The First American Financial Corporation has amended its \$65 million credit facility to bring a projected \$800,000 annual saving in interest costs.

A consortium of bankers led by Chase Manhattan Bank had refinanced \$65 million in corporate debt in April, 1992, consisting of \$10 million in fixed rate indebtedness and \$55 million in variable rate indebtedness. The new amendment provides a reduced interest rate and eliminates or relaxes several restrictive covenants.

The rate on the remaining \$46.6 million of variable rate indebtedness—previously prime plus three quarters of one percent—can now, at the company's option, be based on London Interbank Offered Rates plus 2 percent of Chase's prime rate.

The projected annual saving is based on current rates, according to Parker S. Kennedy, company president, who said that, if rates were to remain at this level, First American Financial would save more than \$2 million over the remaining five-year life of the loan.

First American Financial is the parent of First American Title Insurance Company.

Lawyers Title Adds Texas Subsidiaries

Lawyers Title Insurance Corporation has announced Texas acquisitions resulting in the creation of two new subsidiaries.

Lawyers Title of El Paso, Inc., an agent of the company since its founding 19 years earlier, now operates under that name as a Virginia corporation. Hughes Butterworth, Jr., founder of the agency and Texas Land

Title Association past president, is chief executive officer of the subsidiary and Ronald C. Rush is president.

Charter Title Company, Houston, and Charter Title Company—Fort Bend, have been merged into a subsidiary named Charter Title Company. Charter Title was founded in 1982. John H. Duncan, Jr., chairman and chief executive officer, and James A. Johnson, president and chief operating officer of Charter Title, continue in those positions with the subsidiary.

The acquisitions are consistent with the Lawyers Title announced strategy of increasing its direct operations, according to the company.

Division of TRW Acquired by SMS

Specialized Management Support, Inc., Costa, Mesa, CA, has announced the acquisition of TRW Real Estate Loan Services, Inc., according to an announcement from

SMS, which is acquiring all the shares of the aforementioned concern.

RELS, located in Anaheim, CA, and formerly a division of TRW since 1985, is reported by SMS to be the largest producer of real estate appraisals in the nation, and also provides land title information to the second mortgage and home equity lending industries. National operations of SMS include providing data processing, software, and information systems and services to the title insurance, escrow, property management and banking industries.

Following the acquisition, RELS is known as SMS Real Estate Information Services with more than 1,700 employees in 32 states.

David Myers, formerly vice president and assistant general manager of RELS, becomes president of the SMS appraisal services division. Joe Casa, former vice president of property title services for RELS, now is president of the SMS record data information division. And, Patrick McMahon has been named president of the SMS settlement services division.

1993 AFFILIATED ASSOCIATION CONVENTIONS

August

5-7 **Indiana**, University Place Hotel, Indianapolis, IN

12-14 **Minnesota**, Holiday Inn, Fairmont, MN

12-14 **Montana**, Rock Creek Resort, Red Lodge, MT

12-15 **Idaho**, The Shore Lodge, McCall, ID

12-15 **North Carolina**, Williamsburg Lodge, Williamsburg, VA

19-21 **Kansas**, Overland Park Marriott, Overland Park, KS

22-25 **New York**, The Sagamore Bolton Landing, Lake George, NY

25-27 **Wyoming**, (To be determined)

September

8-10 **Nebraska**, Ramada Inn (Downtown), Lincoln, NE

9-11 **Dixie**, Perdido Beach Resort, Orange

Beach, AL

9-12 **Maryland/DC/Virginia**, Hershey Lodge, Hershey, PA

16-18 **Missouri**, Holiday Inn, St. Joseph, MO

16-18 **Nevada**, (To be determined)

16-18 **North Dakota**, Holiday Inn, Bismarck, ND

19-21 **Ohio**, The Lafayette, Marietta, OH

23-24 **Wisconsin**, Wyndam, Milwaukee, WI

29-Oct. 2 **Washington**, Skamania Lodge, Stevenson, WA

October

31-Nov. 3 **Florida**, Saddlebrook Resort, Westley Chapel, FL

November

10-12 **Arizona**, The Mirage, Las Vegas, NV

MARKETPLACE

Rates: Situations wanted or help wanted, \$80 for first 50 words, \$1 for each additional word, 130 words maximum (reduces to \$70 for first 50 words, \$1 for each additional word, three or more consecutive placements). For sale or wanted to buy, \$250 for 50 words, \$1 for each additional word, 130 words maximum (reduces to \$225 for 50 words, \$1 for each additional word, three or more consecutive placements). Additional charge for box around ad: \$20 per insertion for situations wanted or help wanted, \$50 per insertion—for sale or wanted to buy. Send copy and check made payable to American Land Title Association to Title News Marketplace, American Land Title Association, Suite 705, 1828 L Street, N. W., Washington, DC 20036. Responses to classified placements should be sent to same address unless otherwise specified in ad copy.

Situations Wanted

SEEKING POSITION in New Jersey/Philadelphia market in agency development, branch management, operations or business development. 20-plus years relevant "hands on" experience in all segments of the industry. Solid technical/operations background to complement marketing skills. Numerous contacts in title, real estate, legal and lending communities. Please request resume by responding on your company letterhead. Box H-401.

Sale

FOR SALE: Small title agency, central Colorado, 20 minutes from major city. Profitable history. Plants in two rapidly-growing counties. \$917,000. Income supports asking price. Box S-101.

CALENDAR OF MEETINGS

1993

October 13-16 **ALTA Annual Convention**, Marriott's Desert Springs Resort and Spa, Palm Desert, CA

1994

April 11-13 **ALTA Mid-Year Convention**, Scottsdale Princess, Scottsdale, AZ

September 21-24 **ALTA Annual Convention**, Walt Disney World Dolphin, Orlando, FL

California Unit To Commonwealth

Commonwealth Land Title Insurance Company has acquired the Imperial County, CA, operations of Ticor Title Insurance Company. According to Commonwealth, the operation through its predecessors is the oldest title insurer in the county—dating back to 1914.

The county operation will continue to be headed by Larry Escalera, branch manager with 30 years in the market there.

Excess Inventory Means Opportunity

With several thousand pieces of furniture and office equipment no longer needed following its consolidation of five locations into the new corporate headquarters at 171 North Clark Street in Chicago's downtown, Chicago Title and Trust Company turned the oversupply into a positive event through donation to Educa-

tional Assistance, Ltd.

EAL, a not-for-profit organization, helps junior high and high school students get to and through college by providing supplemental funding after family assistance and financial aid sources have been exhausted. The organization secures revenue by bartering excess inventory donated by business in exchange for student scholarships at participating colleges. When it is not possible to place donated goods directly on campuses, EAL sells the inventory and uses the proceeds for endowment and additional scholarship opportunities.

Flag Promotion Set By Minnesota Firm

National Title Resources Corp., White Bear Lake, MN, gave away American flags at home closings in its market area through July 2.

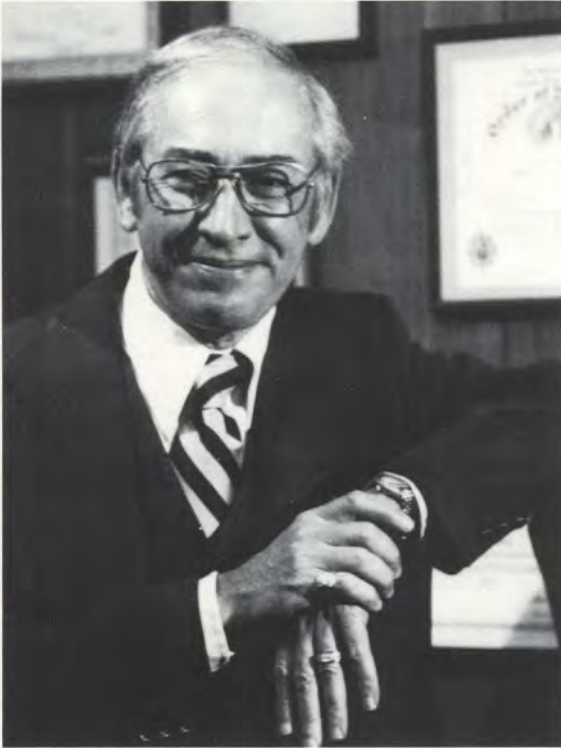
Joel Holstad, company president, said the promotion reflects his love of flags and an interest in expanding appreciation for Memorial Day, Flag Day and Independence Day.

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—John Ruskin (1819-1900)

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