



# Effective Fire Protection

A National Concern



ISO is a leading source of information about risk. We supply data, analytics, and decision-support services for professionals in many fields, including insurance, finance, real estate, health services, government, and human resources. Our products help customers measure, manage, and reduce risk.

ISO serves the insurance marketplace with statistical, actuarial, underwriting, and claims data; policy language; information about specific locations; fraud-identification tools; consulting services; and information for marketing, loss control, and premium audit.

We maintain a 650-person field staff trained to gather information about individual properties and communities. Through the Public Protection Classification (PPC™) program, ISO evaluates municipal fire-protection efforts in communities throughout the United States.

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# Growth

Most communities consider it a good thing. Development brings prosperity to rural areas, suburbs, and cities everywhere. And many parts of our country are experiencing extraordinary residential and commercial growth.

But growth can also strain community resources. New construction, increasing population, and expanding economic activity place demands on a wide variety of municipal services — including fire protection. In many places, the need to enlarge and improve the fire service comes just at the time when other priorities are competing for the same budget dollars.

The results can be devastating. If the fire department, emergency communications facilities, and water supply can't keep up with demand, a growing community faces increasing risk of property loss and injuries.

The purpose of this study is to examine — from a national perspective — the extent to which growth threatens the effectiveness of public fire protection in the United States. The study also looks at some of the ways communities are working to keep pace with growth and improve protection for their citizens.

Property/casualty insurance companies have long supported the efforts of individual communities to maintain and improve their fire-protection services. ISO's Public Protection Classification (PPC™) program helps insurance companies measure and evaluate the effectiveness of fire-mitigation services





“In El Paso, we’ve created a winning team to help our residents and businessowners realize the benefits of improved fire protection. As an example, during our recent Public Protection Classification grading, the fire department, the Texas Department of Insurance, and ISO worked closely together to ensure that we got the maximum credit for installation of fire sprinkler systems in numerous local businesses. We’ve increased the frequency of inspections of those systems, and we’re making sure the related documentation is up to date.

“As a result, El Paso’s Public Protection Classification improved, and many businessowners and homeowners should see reduced insurance premiums. It proves that a cooperative effort like this benefits everybody.”

**ROBERTO RIVERA**  
FIRE CHIEF  
CITY OF EL PASO, TEXAS

throughout the country. The PPC program also offers economic benefits — in the form of lower insurance premiums — for communities that invest in their firefighting services. And the program helps fire departments and other public officials as they plan for, budget, and justify improvements.

ISO is an independent organization that serves insurance companies, fire departments, insurance regulators, and others by providing information about risk. ISO’s expert field staff visits communities around the country to collect information about their fire departments, their fire alarm and communications systems, and their water supplies. For each of more than 46,000 fire districts in the United States, ISO analyzes that information and assigns a Public Protection Classification — a number from 1 to 10. Class 1 represents exemplary fire protection, and Class 10 indicates that the area’s fire-suppression program does not meet ISO’s minimum criteria.

Insurance companies use ISO’s Public Protection Classifications in marketing, underwriting, and pricing homeowners and commercial property insurance. In general, the price of fire insurance in a community with a good PPC is substantially

lower than in a community with a poor PPC, assuming all other factors are equal.

ISO also supplies data and analytical products that give insurers information about the details of protection, response-area boundaries, and the location of hydrants and other water supplies. That information can help insurers develop and execute effective business strategies.

**Much of the United States has marginal or inadequate fire protection, placing people and property at risk.**

Every 19 seconds, a fire department somewhere in the United States responds to a fire. According to the National Fire Protection Association (NFPA), fire departments fought almost 1.7 million fires in 2002, the latest year for which figures are available. And each year, fire kills more Americans than all natural disasters combined.

The NFPA estimates that there are some 1.1 million firefighters in the United States. Those brave men and women serve valiantly every day, and all types of fire departments — career, volunteer, and combination — provide excellent public protection. But



throughout the country, fire departments contend with strained budgets, inadequate equipment, insufficient water supplies, and a variety of other significant obstacles.

According to the Congressional Fire Services Institute, “The number one need in the American fire service is financial resources to provide staffing, purchase the needed equipment and access relevant training.”

What do fire departments see as their most pressing challenges? In December 2002, the Federal Emergency Management Agency, in cooperation with the NFPA, released a comprehensive study entitled *A Needs Assessment of the U.S. Fire Service*. Based on a questionnaire answered by more than 8,400 fire departments, the study presents some alarming findings. Here’s just a sample:

» An estimated 73,000 firefighters serve in communities that protect 50,000 people or more, yet have fewer than four career firefighters assigned to first-due engine companies. With that staffing level, the first arriving company cannot safely start an interior attack on a structure fire and must wait for additional responders.

- » Almost 900 communities, mostly with populations under 100,000, have buildings of four stories or more, yet their fire departments lack the ladder/aerial apparatus needed to fight fires in such buildings. In many of those communities, the tall buildings are often schools, hospitals, and multifamily dwellings.
- » Throughout the country, an estimated 45 percent of emergency responders on duty in a single shift lack portable radios.
- » An estimated 36 percent of emergency responders on duty in a single shift lack self-contained breathing apparatus.
- » An estimated 57,000 firefighters do not have their own personal protective clothing.
- » An estimated 233,000 firefighters, mostly volunteers in small communities, are involved in fighting structure fires but lack formal training in those duties.
- » An estimated 60 to 75 percent of all communities have too few fire stations to meet the accepted ISO response-distance guidelines.

“I know from my personal and academic-research experience that good fire protection has a tremendous effect on the vitality and sense of well-being in a community. When a fire happens, those who need help can easily see the difference between an effective, well-organized, and smartly deployed firefighting resource and an inadequate or nonexistent one.

“I’ve spent most of my adult life analyzing the key components of good fire protection, and I can tell you this — I can’t imagine living in a world without ISO’s Public Protection Classification program. It works because the financial incentives to improve classifications are unique and effective. It works because insurers and residents alike benefit from the informed choices of community leaders. And it works because saving lives and property continues to be the prime mission of local emergency responders.”

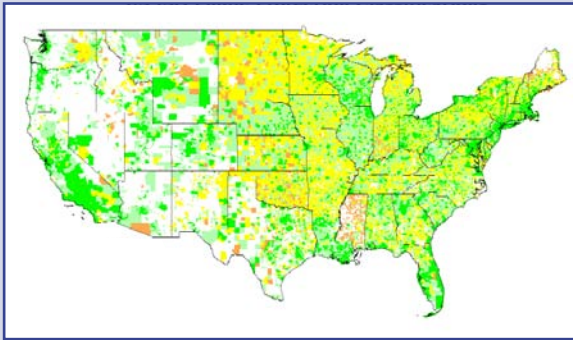
**DR. HARRY E. HICKEY**  
**RETIRED PROFESSOR, FIRE PROTECTION ENGINEERING**  
**UNIVERSITY OF MARYLAND**

“USAA provides our members the best coverage at the best possible price. When we’re underwriting a home, we must evaluate risk accurately, and it’s important to grant the maximum available credit for improvements in the local fire department and water supply.

“We strongly support the efforts of communities across the country to save lives and protect property. And the Public Protection Classification program helps communities in those efforts. The PPC program is a partnership between the insurance industry and communities, and USAA is proud to be associated with this effort.”

**STEVEN A. GEORGE**  
**SENIOR VICE PRESIDENT OF PROPERTY**  
**AND CASUALTY UNDERWRITING**  
**USAA**

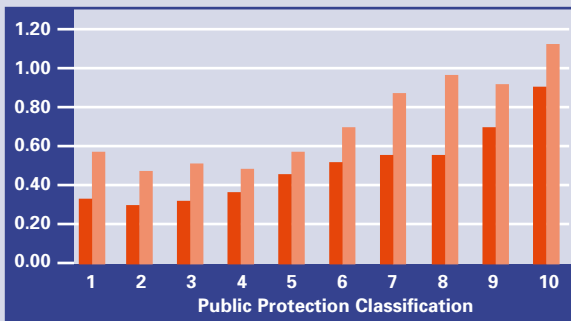
## PUBLIC PROTECTION IN THE 48 CONTIGUOUS STATES



Communities graded PPC Class 9 (yellow) and 10 (orange) cover a huge portion of the country. Areas in white are outside the legal jurisdiction of any fire department. Even in well-protected communities (green), Classes 9 and 10 may apply to many individual homes and businesses, because they are more than 1,000 feet from an approved source of water or more than 5 road miles from a responding fire station.

## COST OF FIRE CLAIMS PER \$1,000 OF INSURED PROPERTY

On average, per \$1,000 of insured property, communities in the worst classification had fire losses more than twice as high as communities in the best classification.



■ COMMERCIAL PROPERTY ■ HOMEOWNERS

Based on premium and loss information that insurers reported to ISO. Excludes data from statistically rated cities. Out of almost 46,000 fire districts in the United States, only 43 have achieved a PPC of 1. Therefore, the data sample for Class 1 is not statistically credible.

ISO's own statistics show that large numbers of fire departments provide only marginal or inadequate protection against structure fires. Of almost 46,000 fire districts evaluated under the PPC program, some 14,000 (about 30 percent) have achieved only a Class 9 rating — the lowest recognized protection. More than 1,300 (or 3 percent) have the Class 10 rating — no recognized protection.

The map on this page shows that Class 9 and Class 10 communities cover vast geographic areas throughout the country.

And ISO statistics show that, on average, per \$1,000 of insured property, communities with the worst PPC ratings have losses two or more times as high as communities with the best PPC ratings.

Although many of the Class 9 and Class 10 fire departments serve small and rural communities, they are responsible for protecting the lives of more than 20 million citizens and billions of dollars' worth of residential, business, and public properties.

When we think of a rural area, we may envision a quaint village, farms, and open space. But the hazards

facing a fire department in such a community — and the property values at risk in a single large fire — may be comparable to those in any city. In one striking example, on May 1, 2002, fire destroyed the Third Coast Industries chemical plant in a rural area outside Houston, Texas.

According to the U.S. Chemical Safety and Hazard Investigation Board, the fire burned for more than 24 hours and consumed some 1.2 million gallons of combustible and flammable liquids. The fire also destroyed an adjacent building and a small business. In total, more than 100 people lost their jobs because of the incident.

The local volunteer fire department arrived at the scene within seven minutes of the first alarm, but they had insufficient water to fight the fire. The closest supply was more than a mile away, and firefighters had to shuttle water to protect nearby houses and business properties. The authorities decided to let the main fire burn, minimizing the runoff of water contaminated with dangerous chemicals.

The Third Coast facility had no hydrants, no manual or automatic suppression systems, and no

smoke- or heat-detection equipment or alarms. The buildings were in an unincorporated area, with no laws or regulations requiring the company to comply with established fire codes.

And the fire at Third Coast Industries was by no means a unique occurrence. According to a 2003 NFPA study, communities with populations under 5,000 had the highest rate of fire incidents and the highest rate of civilian deaths in the United States. Those small communities also had the highest per capita property loss due to fire.

The possibility of a major fire exists almost everywhere. And the potential economic devastation caused by such a tragedy can weigh heavily indeed on any community and its citizens.

**Even in well-protected areas, growth often threatens the ability of fire departments to keep up with the demand for service.**

Many fire chiefs believe that residential and commercial growth is threatening the ability of fire departments to protect the communities they serve. Without careful attention, long-term planning, and

adequate funding, communities risk deterioration in their protection, especially in fast-growing areas. The threat is real, even in communities where fire protection is adequate today.

Those are the most important findings from a survey of fire chiefs and other officials conducted for ISO by the independent polling firm Opinion Research Corporation (ORC) of Princeton, New Jersey, and published in October 2003. ORC interviewed 500 top fire department officials from randomly sampled communities around the country. The survey examined current conditions, as well as developments likely to occur over the next three years. The margin of error for survey results is plus or minus 4 percentage points.

About 86 percent of the fire officials reported that their communities had experienced residential or commercial growth over the past three years. In those communities, almost three-quarters (73 percent) of the respondents said that the growth is straining their departments' ability to protect the communities. Asked where growth had occurred, 71 percent of the chiefs said that it occurred in areas where they needed or still need improvement



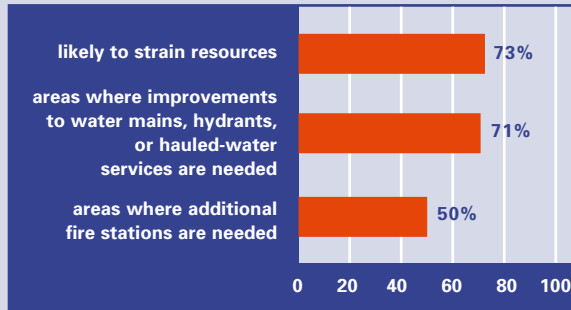
In March 2003, an electrical fire originating in a basement utility room destroyed this high-value home in a rapidly growing area of central New Jersey. The area had no hydrants, and the numerous responding fire departments had to rely on water from a nearby pond and an extensive tanker-shuttle operation to combat the fire.

“Information about public protection is basic to property underwriting. The PPC is an indication of the firefighting response we expect to have from a community. The way we use the protection class goes beyond the rates we charge. It also directly affects the decision to accept or reject more hazardous exposures and the amount of capacity we’re willing to allocate. PPC plays a very important role in our underwriting process.”

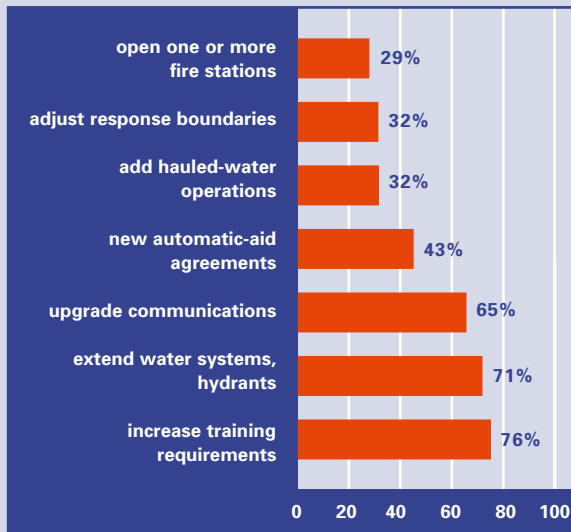
**PEGGY KREGER**  
**VICE PRESIDENT, COMMERCIAL LINES**  
**SAFECO**

## WHAT THE FIRE CHIEFS SAID...

### Where Growth Has Occurred Last Three Years



### Expected Improvements Next Three Years



Source: Opinion Research Corporation

to water mains, hydrants, or hauled-water services. And 50 percent said that growth had occurred in areas where they needed or still need additional fire stations.

More than half (55 percent) of the fire chiefs said their communities had experienced heavy or moderate growth in the last three years, and the findings in those places are even more alarming: 84 percent of the respondents felt that growth has strained their departments' resources. And reports of heavy or moderate growth came most often from departments with superior fire service, as measured by ISO's PPC program. Seventy-three percent of communities with gradings of Class 1 to 3 reported heavy or moderate growth, compared with 57 percent for communities with gradings of Class 4 to 6 and 42 percent for communities with gradings of Class 7 to 10.

Fully 30 percent of the respondents said that the communities they serve had recently annexed areas previously outside community boundaries. In those communities, 41 percent reported that fire services in the annexed area were nonexistent or inferior to services in the community that made the annexa-

tion. And 37 percent of the respondents from communities that made annexations felt that the annexations challenged their departments' ability to provide adequate services.

Government and industry statistics support the idea that development — new construction requiring fire protection — is accelerating all over the country. U.S. Department of Agriculture data shows that, from 1982 to 1997, 25 million acres of rural land — an area the size of Maine and New Hampshire combined — became subdivisions, malls, workplaces, and other developments.

According to the latest available U.S. Census figures, between 1970 and 1990, the 100 largest cities added more than 14,500 square miles to their developed areas. And the 2000 Census reveals that, in 19 states, more than 20 percent of the housing stock is new construction, built since 1990.

In more than one-fifth of the major metropolitan areas in the United States, the number of residential building permits issued in 2002 increased by 20 percent or more from 2001.



New homes are also getting larger and more expensive. According to the National Association of Home Builders, in the ten years from 1993 to 2002, the median size of a new single-family home rose by 169 square feet, or 8.7 percent. In the same time period, the median cost of such construction rose by \$15.35 a square foot, or 27.9 percent.

New construction may also challenge fire departments because of the characteristics of the buildings. In the ORC survey of fire chiefs, 54 percent of the respondents said that building materials and construction techniques introduced over the last 20 years have made it harder to fight fires. Among chiefs representing communities graded PPC 1 to 6, the number is even higher — 62 percent.

**Fire departments are under constant pressure to expand or improve their service, and they face many obstacles in doing that job.**

In the 20 years from 1983 to 2002, the total number of fire department calls approximately doubled while the number of mutual-aid calls rose by more than 150 percent. Fire departments are depending more and more on their neighboring communities

for help in fighting significant fires. In the same period, calls for medical aid more than doubled, reflecting the growing trend to consolidate emergency response within the fire department.

And in 2002 alone, almost a million calls involved hazardous materials and other hazardous conditions.

Of course, call counts don't capture the full range of services fire departments provide for their communities. Perhaps most important, the counts don't include such fire-prevention activities as inspections, plan reviews, and public fire education.

With all those demands, what are fire departments doing to maintain and improve their core firefighting services?

Among respondents to the ORC survey of fire chiefs, 29 percent said they believe their communities will open one or more fire stations over the next three years; 32 percent anticipate changing the response areas of one or more fire stations; and 43 percent foresee new automatic-aid agreements with neighboring communities.



“In Myrtle Beach, we’ve made a commitment to excellence in the level of our fire protection. That means keeping pace with rapid growth in our community. Our last ISO PPC survey helped us see where we were and where we needed to go. In a time of tight budgets, we were still able to add fire stations and staffing, and the PPC program helped us justify those expenses.

“Since then, we’ve already identified areas where more protection is needed. So our future plans call for adding three new stations to meet the demand. ISO helped us pinpoint how these investments should help reduce insurance costs. Because of the insurance savings, the improvements will pay for themselves. Everybody wins — the fire department, the business owners, and the residents.

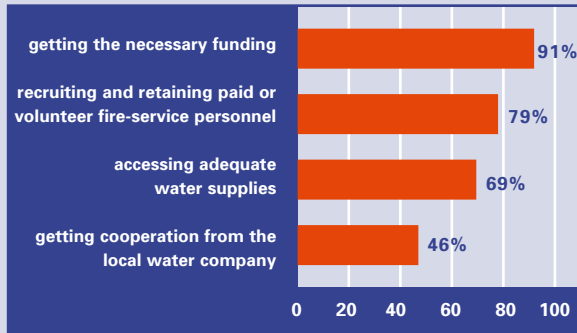
“Myrtle Beach has already annexed several surrounding communities. We use our Public Protection Classification as a tool to sell the benefits of our service in the annexed area. We can point to our achievements as a department and the level of service we offer — as well as the potential savings on insurance premiums.

“We’ve worked extremely hard to earn our PPC rating, and I believe it was worth the effort. We’re working even harder to maintain it. Through it all, it’s been a great experience to deal with the ISO field representatives. I recommend that other chiefs contact ISO if they want help in further improving their operations.”

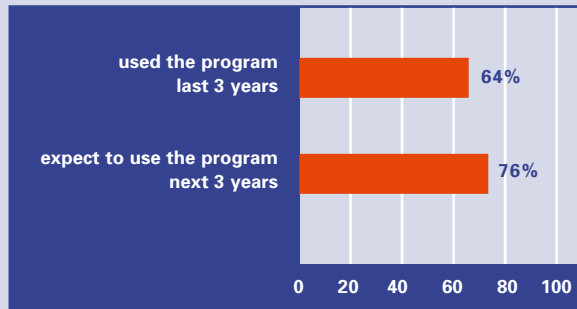
**ALVIN PAYNE**  
**FIRE CHIEF**  
**MYRTLE BEACH, SOUTH CAROLINA**

## WHAT THE FIRE CHIEFS SAID...

### Significant Obstacles to Making Improvements



### Using the Program to Plan for, Budget, and Justify Improvements



Source: Opinion Research Corporation

Seventy-six percent of the chiefs expect to increase training requirements for their firefighters. And 65 percent expect further upgrades to communications systems. Seventy-one percent said their communities will install new hydrants in one or more areas, and 32 percent expect to add hauled-water operations.

New fire stations, improved water supplies, increased training, and all the other necessary improvements come at a high cost. In this era of tight municipal budgets, it's not surprising that most of the fire chiefs and other officials — 91 percent — said obtaining the necessary funding will be a significant obstacle to making improvements.

In fact, 11 percent of the respondents said that, over the next three years, they expect to consolidate fire districts to save money. And 7 percent expect their communities to close fire stations.

Funding is the most important obstacle to making improvements in the fire service, but it's not the only one. Seventy-nine percent of the respondents said that recruiting and retaining firefighters is another obstacle. The survey findings also indicate

that the personnel issue hits hardest in small-town volunteer departments.

Three-quarters of the chiefs said that identifying the types of improvements they need to make is a significant obstacle, and 69 percent said that accessing adequate water supplies is an ongoing problem. An alarming 46 percent said that getting cooperation from the local water company is an obstacle to making improvements.

### **ISO's PPC program helps communities keep up with the demand.**

To evaluate public protection and assign the appropriate PPC to every community, ISO uses a uniform set of criteria called the Fire Suppression Rating Schedule (FSRS). The FSRS incorporates recognized standards developed by the National Fire Protection Association and the American Water Works Association. So, the PPC program provides a useful benchmark that helps fire departments and other public officials measure the effectiveness of their efforts — and plan for improvements.

And by helping insurers identify communities that invest in their firefighting services, the PPC program provides economic incentives for maintaining and improving public protection. Community officials often use the promise of those incentives to justify expenditures.

The ORC survey reveals that many fire departments rely on the PPC program to help them plan for, budget, or justify improvements or changes in their fire protection. Sixty-four percent of the respondents said they have used the program that way in the last three years, and 76 percent said they plan to do so in the next three years.

Of the chiefs who have used the PPC program in the last three years, 94 percent plan to use it again in the next three years. And the chiefs in 91 percent of the communities that have experienced heavy growth in the past three years plan to use the program in the future.

But ISO does more than just evaluate fire departments. ISO's experienced field representatives provide advice and technical assistance to help communities earn the best possible PPC.

For example, ISO helped the City of Raleigh, North Carolina, respond to rapid commercial growth and annexations of surrounding areas. Faced with a possible PPC downgrade, the city took an aggressive approach and put together a plan to address pockets of growth. Officials used information from ISO's Fire Suppression Rating Schedule (FSRS) to help decide on locations for new fire stations and expansions of the public water system. The city also used the FSRS to help shape a multiyear Capital Improvement Plan. As a result, Raleigh kept pace with the growth, maintained its PPC grading, and positioned itself for future improvements.

ISO also routinely assists communities outside the "growth belt." To cite just one example, a PPC survey of Yonkers, New York, identified inconsistencies in the city's water system. In certain areas, compared with recognized standards, the system was unable to supply enough water to fight fires. If not addressed, such a condition could have led to a downgraded PPC. However, working with information from the PPC survey, city fire and water officials took immediate action. They implemented an interim "fire response plan," directing

"Our success as a property insurer is due to many factors. From our perspective, it all starts with the dedication of certain communities to better fire protection. That's especially important in the growing rural areas of the country.

"Over the last several years, we've redoubled our efforts to assign the correct PPC to every risk. By doing that, we've achieved substantial improvements in the profitability of our property insurance business.

"We are aggressively writing new policies and identifying areas with improving fire protection. We immediately communicate this information to our agents so that we can target our marketing efforts in areas that have upgraded their fire service or added water supply."

**DEBORAH "DEB" R. SETTLE, CPCU**  
**VICE PRESIDENT**  
**FIRE PRODUCT MANAGEMENT**  
**FARMERS INSURANCE GROUP, INC.**





“Rural areas in our state and others simply don’t have the resources that it takes to plan — and pay for — the level of service you might find elsewhere. That’s why the PPC program is important to us. It provides incentives for communities, even small communities, to invest in infrastructure improvements that save lives, reduce property losses, and help attract industry. And it provides a reliable benchmark that we can use to gauge our progress.

“Insurance companies that support this program are providing a valuable service to communities like Conway County and other rural areas in Arkansas — and ultimately to every policyholder who lives in a rural area.”

**CHARLES GANGLUFF**  
FIRE CHIEF, CONWAY COUNTY FIRE DISTRICT NO. 4,  
AND VOLUNTEER FIRE DEPARTMENT MANAGER,  
RURAL FIRE PROTECTION PROGRAM, ARKANSAS  
ASSOCIATION OF RESOURCE CONSERVATION AND  
DEVELOPMENT COUNCILS

the fire department to use hydrants on the strongest water mains first.

Meanwhile, the city initiated repair and replacement of some water-system components, such as hydrants and valves that did not meet certain design criteria. Once the improvements were complete, the enhanced hydrant flows resulted in the city retaining its PPC of 3 while also improving public safety.

But even in areas without municipal water supplies, communities can make improvements to enhance safety and reduce insurance premiums for property owners. In evaluating a community’s water supply, ISO recognizes alternative systems, including dry hydrants, suction points, large-diameter hose relays, and hauled-water shuttles. ISO aggressively seeks out communities that could benefit from such water-delivery systems and provides assistance with planning and implementation.

ISO has also recently enhanced the PPC program with a new Class 8B, which recognizes efforts to improve fire protection in areas with limited water supplies. Normally, a community whose water

supply fails to meet ISO’s minimum standards can receive at best a Class 9 grading. Now, a community with limited water but otherwise superior fire-protection capabilities can earn Class 8B. The program includes criteria for the number of firefighters responding to structure fires, training for firefighters, and water delivery. The community must score well on the fire alarm and fire department sections of the FSRS. The availability of Class 8B is encouraging further investment in the fire service in communities around the country.

ISO also reaches out to communities by speaking to local officials and organizations about the PPC program and how it can help them improve their fire protection. Each year, ISO makes scores of presentations to community leaders, fire chiefs, officials of water utilities, and other responsible people.

**The PPC program helps insurers market their products and serve their customers with fair, affordable prices.**

ISO’s PPC program plays an important role in the underwriting process at most insurance companies. In fact, virtually all U.S. insurers — including the

largest ones — rely on PPC information for one or more of these reasons:

- » **to identify** opportunities for writing new business
- » **to help** achieve a reasonable concentration of property risks
- » **to decide** on offers of coverage, deductibles, and pricing for individual homes and businesses

Each insurance company establishes the premiums it charges its policyholders. The way a company uses ISO's information on public fire protection may depend on the company's own fire-loss experience, ratemaking methodology, underwriting guidelines, and marketing strategy.

But, in general, the price of property insurance in a community with a good PPC is lower than in a community with a worse PPC, assuming all other factors are equal. PPC may also affect the availability of insurance for a variety of coverages, such as homeowners, mobilehome, fine-arts floaters, and commercial property insurance, including business interruption.

Insurers may also use ISO's detailed information about changes in public fire protection — for example, aggressively pursuing business in communities that improve their fire departments, water supplies, and communications systems. The companies gain competitive advantage by writing more policies on well-protected properties. And the communities are likely to get lower insurance prices and greater choice for their property owners.

ISO also supplies database products to help insurers accurately evaluate the quality of public fire protection for individual properties. When ISO develops a single PPC for a community, all of the community's properties receive that classification. But in many communities, ISO develops split classifications (for example, 5/9). Generally, the first class (Class 5 in the example) applies to properties within five road miles of a fire station and within 1,000 feet of a fire hydrant. The second class (Class 9 in the example) applies to properties within five road miles of a fire station but beyond 1,000 feet of a hydrant. ISO generally assigns Class 10 to properties beyond five road miles.

"As an insurer of commercial property, CNA is very much concerned with controlling the severity of losses. One of the key indicators of the potential severity of loss at a given location is the available fire protection. We rely on ISO's evaluation of the local fire protection, including water supply, staffing and training of firefighters, and adequacy of equipment.

"We get a lot of our growth in the small-business segment — insuring retail outlets, offices, and service-type businesses on the Main Streets of small cities across the country. To write those policies profitably, it's important to us to know about the quality of the fire protection.

"The ISO grading is a primary factor in our underwriting evaluation and pricing of a prospective insured. It's a key determinant of the limit of insurance we're willing to provide at a particular location, the premium rate we'll charge, and even whether we offer coverage."

**DANIEL T. ROCKWELL**  
**SENIOR VICE PRESIDENT**  
**PROPERTY WORLDWIDE STANDARD LINES**  
**CNA**

“Homeowners benefit when professionals in their communities work with nationally respected experts to improve their firefighting capability. Fireman’s Fund has long been a strong supporter of PPC, which evaluates fire protection and helps communities become better equipped and better prepared to prevent a small fire from becoming a catastrophe.

“With the rapid rise in the values of homes in many rural and suburban areas, we think the importance of assessing and improving the quality of fire protection can only continue to increase.”

**MICHELLE C. KENNEY**  
**SENIOR DIRECTOR OF PERSONAL**  
**INSURANCE UNDERWRITING**  
**FIREMAN’S FUND INSURANCE COMPANY**

“Our company’s name proudly reflects our 140-year history of supporting effective firefighting efforts across the country. So we understand how the PPC program gives a community an incentive to improve its protection and become a safer place to live and work. That, in turn, makes insurance more affordable.”

**PAMELA SIMOS**  
**COMMERCIAL PROPERTY EXECUTIVE**  
**FIREMAN’S FUND INSURANCE COMPANY**

ISO’s LOCATION® database uses sophisticated geographic information systems (GIS) technology — and information on the positions of individual fire stations and hydrants — to provide accurate protection information representing every address in the United States. Insurers can use the PPC codes, as well as the underlying information, to support their individual rating, underwriting, and marketing efforts.

**When growing communities work to maintain or improve their Public Protection Classifications, everyone benefits.**

Residential and commercial growth, new construction materials and techniques, and community annexations of outlying areas — all those developments challenge fire departments across the country.

In the effort to keep up with the demand, fire chiefs and other community officials have come to rely on ISO as an objective source of information and technical support. Those officials know that the PPC program provides economic incentives that can help growing communities justify the necessary expenditures on fire service.

Insurance companies rely on the PPC program for information that helps them measure and manage the risk they assume when they write fire insurance. Because the program encourages communities to maintain and improve their public protection, insurers benefit from reduced losses.

And better fire protection saves lives. In growing communities — and others, all over the country — the PPC program helps fire departments do their most important job.





“As a major entertainment and recreation destination, Las Vegas attracts millions of visitors every year. All those people — as well as our businessowners and residents — rely on the quality of our emergency services. Consequently, when we hear from the hotel and casino industry that our Public Protection Class 1 designation is extremely important to them, that tells us we need to work even harder to keep their confidence. Our city leaders and residents alike continually commit the necessary resources to maintain the level of our fire protection — even when confronted with record growth — assuring the safety of all concerned. We’re very proud of our achievement, and we intend to keep it that way.”

**DAVID WASHINGTON**  
FIRE CHIEF  
CITY OF LAS VEGAS, NEVADA



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