



Making sure life insurance benefit will be paid

BY RUSS VAN ARSDALE
EXECUTIVE DIRECTOR NORTHEAST CONTACT

The TV newsmagazine “60 Minutes” aired a report April 17 that some in the insurance industry must have hoped they’d never see. The segment concerned settlements by 25 companies to date of allegations that they had improperly withheld benefits from the families of people with life insurance who had died.

CONSUMER FORUM

Unless people named in the policies filed claims directly, the various insurance companies failed to notify beneficiaries that they were owed benefits. Since in many cases people did not know they had been named in those policies, they never filed claims.

The “60 Minutes” report said some companies simply canceled policies once they became aware that the insured person had died; the companies then kept the death benefit.

Other companies reportedly dipped into the accumulated funds of the insured after their deaths, paying premiums to extend existing policies. Kevin McCarty, Florida’s insurance commissioner, said in the “60 Minutes” piece the practice was “tantamount to stealing.”

McCarty led a task force that investigated the industry. He said insurance companies often don’t notify beneficiaries when they know that a policyholder has died.

“I’m here to say that you have a responsibility to investigate a claim if you know someone has died,” McCarty said.

The companies that have settled complaints admitted no wrongdoing but paid more than \$7.5 billion to compensate beneficiaries for money the companies owed them.

The settlements cover roughly 75 percent of the industry, and more settlements are likely.

Maine has signed onto the settlements reached so far and shared in the compensation; the civil penalties attached to those settlements added more than \$708,000 to Maine’s General Fund.

The National Association of Insurance Commissioners has been trying to hammer out a model law it’s calling the Unclaimed Life Insurance and Annuities Model Act. A five-page draft statute has been the subject of conference calls since last November; eventually, the association hopes to have it ready for states to enact.

Not all insurance companies like those efforts. Kemper Corp. is among the 35 insurance companies that have not entered into settlements. In fact, Kemper was named by “60 Minutes” as leading the opposition to the association’s model law efforts.

That prompted Sen. Richard Durbin, a Democrat from Illinois, where Kemper is based, to call on Kemper “to disavow the practice of withholding life insurance

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TROY R. BENNETT | BDN
Mike Standel, managing director of Sappi’s Westbrook mill, holds a Nike soccer shoe using a pattern designed by Sappi. Those designs can find other uses, as with the shoe pattern. It’s become popular as gym flooring in China, Standel said.

Maine paper mill reinvents itself

Sappi product making an impression in fashion industry

BY DARREN FISHELL
BDN STAFF

Sappi Paper’s mill in Westbrook has remained standing in the 21st century by learning to let go.

The mill staked its future on paper with the key of not sticking to things, allowing paper-backed patterns to be pressed into synthetic materials, laminate flooring, leather and other products.

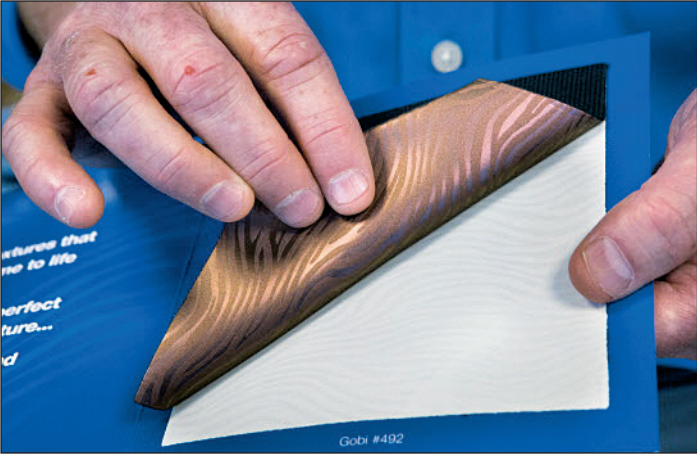
The mill has shed thousands of jobs since hitting peak employment levels in the 1950s but carved a path to profitability through a spate of tough times and recent closures in the industry.

Donna Cassese, chairwoman of the Maine Pulp and Paper Association and managing director of wood resource strategy for Sappi, said the mill is one example of how not all of the state’s paper industry is dead or dying, but it is “changing and evolving.”

“We have to continue to reinvent ourselves,” said Cassese, who is leading the Pulp and Paper Association as it develops new state policy goals to propose to lawmakers later this year.

During the early 2000s, the Westbrook mill completed a long shift away from publishing markets, converting lower efficiency, turn-of-the-century paper machines to what’s called release paper, research that began when the mill was still in the hands of S.D. Warren Co. That paper, coated with various textures, can be used to create a range of products, including patterned car interiors, flooring, shoes and soccer balls.

The mill was sold to Scott



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Mike Standel, managing director of Sappi’s Westbrook mill, displays how Sappi’s release paper – the white square – imprints a pattern on a target material. The company’s papers can be used dozens of times to imprint a given pattern.



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Release paper from Sappi’s Westbrook mill makes patterns on everyday consumer goods, such as this purse. The company develops designs and also proprietary chemistries that prevent the paper-backed pattern from sticking to the target material.

Paper in 1967 and to Sappi in 1994.

Mike Standel, the mill’s managing director, said the company’s market research focuses now on forecasting quickly changing fashion trends. Those quick changes, he said, give it an advantage in competing with other methods for pressing textures into a material, such as using stainless steel belts or plates.

“It’s always important to be first, and we can provide something unique that can let our customers have exclusivity or be first to market,” Standel said.

The Westbrook mill produces about 40 percent of the global market for release paper, according to Standel, who said Europe and China are key markets in the business for which about 92 percent of its product is exported.

With the last two years bringing mill closures in East Millinocket, Lincoln, Old Town, Bucksport and Madison, Cassese said Sappi has a three-part strategy for the state’s single largest remaining paper company to avoid a similar fate.

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Maine gas prices tick up again to \$2.21 average

BY DARREN FISHELL
BDN STAFF

PORTLAND — Maine’s average price for a gallon of regular gasoline rose again in the past week, hitting \$2.21 per gallon Sunday as warming weather and lower prices than during recent spring travel seasons led to higher demand for the fuel this spring.

The price tracking site GasBuddy reported the price in Maine increase a little more than two cents in the past week, on par with the average increase nationally. The national average remained lower than Maine, however, at \$2.14 per gallon.

GasBuddy reported that the average price of gasoline rose in 43 states in the past week.

“Low prices have ignited the early demand surge this year, and the surge is expected to continue into the summer, where demand hits its peak for the year,” Will Speer, a senior analyst at GasBuddy, said in a news release.

Speer said the failure to reach agreement on production cutbacks last week by the Organization of Petroleum Exporting Countries has tempered the price impact of rising consumer demand.

Speer said information from the U.S. Energy Information Administration indicated that demand so far this year is up more than 3 percent from 2015 and more than 7 percent from 2014, according to estimates of total gasoline supplied.

The average closing price the last week in Maine was about 30 cents lower than one year ago and 20 cents higher than one month ago. The average in Vermont rose to the same level, at \$2.21 per gallon, while the New Hampshire average rose about two cents, to \$2.11.

Midcoast planning group to meet

UNION — Mid-Coast Regional Planning Commission will hold its annual meeting 6-8:30 p.m. Wednesday, April 27, at the Union town office, 567 Common Road.

The buffet dinner will be held 6-6:50 p.m., and speakers and topics will be offered 6:50-8:30 p.m. as follows:

— Jocelyn Runnebaum, Mattie Rodrigue and Kisei Tanaka, marine sciences students at the University of Maine, will discuss the health of Maine fisheries, trends of species under threat and the opportunities to sustain the marine-based economy.

— Ray Sisk, Knox County Emergency Management Agency director, will describe disaster recovery and hazard mitigation planning efforts in the region.

— Wayne Frankhauser Jr., Maine Department of Transportation bridge program manager, will explain the bridge inspection process and how bridge repairs and replacements are prioritized and funded.

For information and to register, call MCRPC at 594-2299, email mcrpc@midcoast.com, or visit midcoastplanning.org/PDFs/MCRPC-AM-2016.pdf.

Program to offer budget planning for grant writers

BANGOR — A SkillBuilder program for grant writers on a system of project budget preparation and expense and income allocation tracking that simplifies budgeting, produces accurate financial reports that satisfy funders, and accommodates proposals for portions of projects and “grant years” that don’t match fiscal years will be offered 9 a.m.-3 p.m. Tuesday, June 28, at Eastern Maine Community College, Rangeley Hall, 354 Hogan Road.

Participants are encouraged to bring their laptops for the interactive workshop.

This SkillBuilder will include: — Step-by-step instructions for project budgeting that lay the foundation for preparation of proposal budgets and interim and final financial reports.

— Budget and financial report spreadsheet templates.

— A budget drafting exercise in which participants will have the option of preparing an actual proposal budget for their organization and asking questions.

On the Job

St. Joseph Healthcare in Bangor announced recently the appointment of **Timothy Rollo** as director of Lean Transformation for the organization. Rollo will champion the Covenant Lean Method established by Covenant Health, St. Joseph Healthcare’s parent organization. He will implement the Lean method throughout the St. Joseph organization through development of best practices, project monitoring and staff and leadership. Lean is a system developed in manufacturing which is being adapted increasingly by health care organizations, including a set of methods and values which seek to maximize organizational and operational efficiency in order to enhance customer service and minimize waste. Rollo comes to St. Joseph



Rollo

Healthcare from Fresenius Medical Care, Waltham, Massachusetts. His career with Fresenius has spanned the past 16 years. Rollo has served as director of IMPAQ for the company’s North American office. He is a certified IMPAQ leader, and is master black belt certified in Six Sigma, a methodology used to improve business processes through statistical analysis. He holds a master’s degree from the Olin Graduate School of Business, Babson College, in Massachusetts.

Albin, Randall & Bennett, a certified public accounting firm based in Portland, announced mid-January promotions and hires. Promoted were four accountants: **Samantha Anderson, Karla Brannen, Ian Dumond** and **Amy Kronenthal**. The firm also hired **Mary Polito** as operations director. Anderson, of Saco, has been promoted to senior accountant. Anderson joined Albin, Randall & Bennett as an assistant senior accountant in 2014 after holding

a staff accountant position at Marshall & Libby. Anderson received a bachelor of science in accounting from Roger Williams University and a bachelor of science in leadership and organizational studies from the University of Southern Maine. Brannen, of Portland, has been promoted to tax manager. Brannen joined the firm as a senior accountant in 2014. Before joining the firm, she served as a senior staff accountant at Dawson, Smith, Purvis & Bassett, P.A. Brannen received a master of business administration and bachelor of science in accounting from Thomas College. Dumond, of Portland, has been promoted to senior accountant. Before joining the firm as a tax intern in 2012, Dumond earned his master of business administration and bachelor of science from Husson University. Kronenthal, of Portland, has been promoted to senior accountant after recently achieving her licensing as a CPA. Before joining Albin, Randall & Bennett, Kronenthal served as director of finance and human resources

for the Migis Hotel Group in Portland. She received a bachelor of arts from Indiana University, a master of science in organizational leadership from Southern New Hampshire University and a certificate in accounting from the University of Southern Maine. Polito, of Portland, was hired as operations director of Albin, Randall & Bennett. Before joining the firm, Polito served as practice administrator of Maine Medical Partners — Maine Health Cardiology. She also served clients as an independent practice and project management consultant. Polito holds a bachelor of arts from University of Southern Maine and is a resident of Portland.

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