

CASE STUDY

Allstate

ALLSTATE CORPORATION

Allstate opened four new “express claims” offices in Cheyenne, Wyoming; Cross Plains, Wisconsin; Yuma, Arizona and Las Cruces, New Mexico

QUICK FACTS

- Total Jobs: 800
- Operation : Claim Center
- Locations: New Mexico, Arizona, Wyoming and Wisconsin.
- Savings Opportunity: \$2.5 million per year, totaling \$25 million over 10 years.
- Economic Incentive Package: \$3.2m

INCENTIVES

Yuma:

- \$791k in estimated incentives
- Tax credits from the state enterprise zone program
- Job training grants
- City rebates for permit fees, construction sales tax, & property taxes for 5 years

Las Cruces:

- \$1.08M in estimated incentives
- Job training reimbursements
- High wage job tax credits

Cross Plains:

- \$750k in estimated incentives
- State economic development zone tax credits

Cheyenne:

- \$400k in estimated incentives
- State training grant through Wyoming Department of Workforce Services

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Allstate Corporation is the nation’s largest publicly held personal lines insurer. Allstate helps individuals in approximately 17 million households protect what they have today, and better prepare for tomorrow, with approximately 14,800 financial professionals in the U.S. and Canada. In order to find labor markets that were capable of supplying a high quality, low cost workforce Allstate turned to the site selection experts at the Labor Analytics Group (LAG).

Because of LAG, Allstate opened four claims centers. Offices in Las Cruces, NM and Yuma, AZ opened in early 2008, joining Allstate’s existing centers in Cheyenne, WY and Cross Plains, WI which opened in 2007. The two new centers are part of Allstate’s expansion of its “express” claims handling model, which is focused on improving customer service and eliminating redundancies in the company’s claims organization.

Challenge

The company sought a way to streamline its interaction with auto and homeowner policy holders who submitted claims. The goal was to provide clients a more efficient, consistent and faster process. Allstate has devised an “express claims” model and plans to operate nine express offices throughout the U.S.

Solution

LAG provided Allstate with its Site Selection Services, Incentives, and Real Estate expertise. Those services helped the company select locations that met its labor force and education-level requirements. Due to LAG’S efforts, Allstate chose Yuma and Las Cruces because of the cities’ well educated, highly qualified workforce and substantial bi-lingual populations. Carl Collins, the Allstate claim service manager who will oversee the express offices said, “We’re committed to having the insurance industry’s best claim organization, one that will make Allstate the insurance company of choice for consumers throughout the country”.

Benefit

Allstate created 800 new jobs (200 each), in Yuma, Las Cruces, Cheyenne and Cross Plains. Allstate achieved significant labor cost savings by moving its claims operations into smaller markets. The savings opportunity for these four cities are roughly \$2.5 million per year, totaling \$25 million over 10 years. The new centers still provide Allstate’s standard for outstanding service. LAG presented unique real estate options in each of the four locations. Allstate chose second generation vacant call centers in Cross Plains and Cheyenne. In Yuma it completed a build-to suit, and in Las Cruces a building in shell condition was utilized.

In addition, the Labor Analytics Group worked with state and municipal governments to secure nearly \$3.2 million in incentives for Allstate through tax credits, job training grants, and tax rebates.