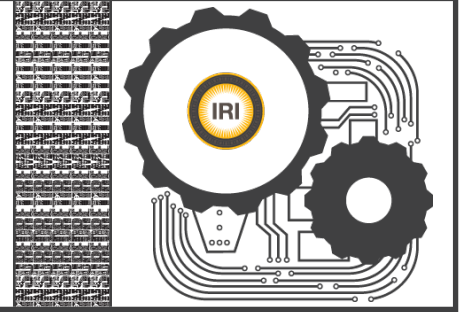


INNOVATION EXCHANGE



Welcome to the inaugural edition of Innovation Exchange! We at IRI always have one eye on the future, and look to bring you news and insight into the operations and technology innovations that will enable you to serve your customers better!

While this first issue is timed to coincide with the exciting 2012 IRI Operations and Technology Conference, we plan to publish this news letter on a periodic basis to keep you informed of what's hot in the retirement income industry. So have a good read and enjoy the great innovations our industry is creating!

Sincerely,

Catherine Weatherford
President & CEO, IRI



The Tablet Computing “Phenomenon”

by Jim Ferrell, *Insurance Technologies*

In our current “Post-PC” era, the overall tablet market is predicted to eclipse the entire existing PC market. Tablets accounted for one-quarter of all mobile PC shipments in 2011 and are predicted to grow into a larger market than the current PC market, primarily due to the varied types of usages within the marketplace. In 2011 alone, the tablet market experienced a growth rate of 256% with no sign of slowing down in the foreseeable future.

Tablets are everywhere, and I’m purposely using the word “tablet” to encompass any tablet computing device. This includes the Apple iPad that currently accounts for approximately 64% of the marketplace, which is down from approximately 94% in 2010, and the Android driven tablet devices, manufactured by everyone else, that make up the majority of the remaining 36%.

These impressive market figures, along with a pending Microsoft focus within Windows 8 on supporting touch screen devices and the 2012 Google app store acquisition (formerly Android Market) for their own Android devices, makes this an expanding market with many business processing uses yet to be discovered.

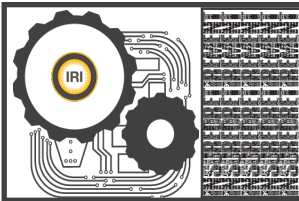
At Insurance Technologies we believe that tablets not only provide convenience, but when coupled with a software platform designed and

built specifically for access by ANY device through the use of web based standards like HTML5, you have a recipe that supports and targets this changing, evolving and expanding market. With ForeSight, our sales illustration tool, FireLight, our business processing platform, and VisibleChoice, our annuity product comparison and suitability tool all leveraging the latest web technologies, we feel we are prepared and ready to support this market shift.

I don’t want to make the assumption that every reader is familiar with HTML5. At a high level, HTML5 is a maturation of the HTML standards on which the entire Internet’s content is built. It’s much more than hypertext and static images—the Internet of today is expected to be dynamic, fluid, and filled with audio, video and touch screen culminating in a rich interactive media experience. Historically, Adobe Flash and/or Microsoft Silverlight were the only methods of developing media rich, immersive web content. Almost everything you’ve seen over the past 10 years that you thought was “cool” on the Internet was built within Adobe Flash, or in more recent years, Microsoft Silverlight. Adobe and Microsoft have both recently, as of late last year, decided to move away from these proprietary delivery approaches and move toward a feature rich, standards based HTML5 approach.

Since HTML5 is also supported on the desktop browser(s), there now can be a single method of delivery across all Internet devices. When software providers are looking at the mobile/tablet marketplace, there are options and many reasons why one approach may be chosen over another. They can choose a native Apple only approach that will appeal to approximately 64% of the marketplace, or they can target the smaller Android market or a combination of the two, or they can attempt to leverage the only standardized portion across all tablet devices, which is the W3C, HTML5 standard. **(Continued on page 2)**

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OPERATIONS & TECHNOLOGY CONFERENCE

SPECIAL EDITION

(Continued from Page 1) Native apps are typically found within an app store whereas HTML5 based apps are accessed through a web browser. For a commercial facing application where discoverability of the application is critical, combining these two approaches are paramount for marketing and ratings purposes. The recent technological advances in web technologies have eliminated the gap between the possibilities of just a few years ago and what is now available utilizing the HTML5 standards.

All this being considered from a pure business perspective, to retain any real return on investment and to ensure your mobile solution-platform is worthwhile and good, HTML5 appears to be the only true cross-platform solution worthy of a long term investment. And the much more common approach is to wrap a native tablet application for end user discoverability as a shell app around a browser accessing an HTML5 optimized site.

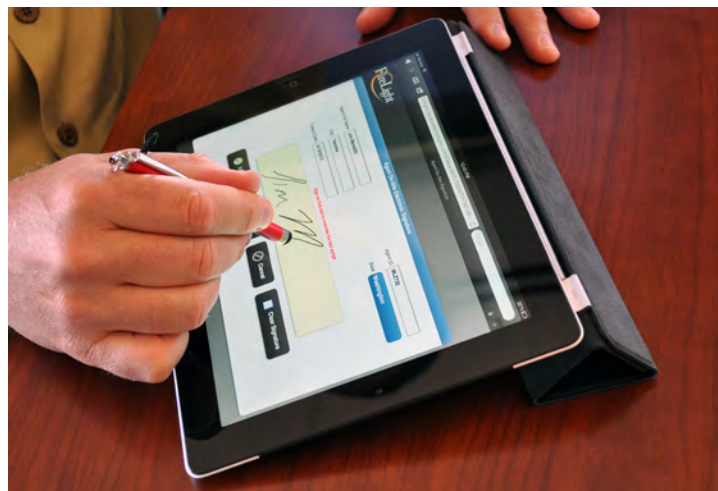
There are also financial implications impacting these decisions, typically a 30% slice for both Apple and the Google app store for each application, so you can see how they may push for a continued use of the native application marketplaces, which will also have an impact and shape the industry.

Because of these facts along with the continuing complicated and fractured device landscape, the maintenance of different code bases and feature/functionality maintainability seem to be fueling the continuation and maturation of the HTML5 movement. The answer appears clear for applications where native app store discovery and ratings are not the primary drivers.

To me, this phenomenon appears eerily similar to the mainframe application vs. PC application debate and discussion of over 20-30 years ago. What do they say about history repeating itself?

At Insurance Technologies our developers are constantly evolving, researching and assessing the latest technology discoveries and trends. We coupled that with our focus on the end user demands for convenient, anywhere, anytime, any device accessibility and it has lead us to offer all three of our product solutions through an HTML5 based approach.

I could no more predict all the ways these mobile devices will impact how we transact business than I could predict the winning lottery numbers, but I can gauge and understand how they have impacted my usage and those around me including the inquires we receive from our customers and prospects. We strive to incorporate these learning experiences into the features and functionality available in each of our products.



Initially my first iPad was viewed as a nice couch news reader and an awesome entertainment system on flights, but I couldn't see any real business uses. I'm learning now that this view was less about what was capable and more about how we as software manufactures were leveraging it. We are now seeing our customers deploy mobile solutions that allow advisors to present insurance illustrations, capture client data in real-time, capture clients' e-signatures and submit new business in real time directly on the tablet devices.

Our target users, the financial advisors, are requesting the ability to conduct business on these devices and see the value of a flexible, "out of office", customer facing approach.

I'm now convinced that as tablets become less expensive and more and more acceptable as a business tool, they will become the new normal and users will expect everything to simply work. The new generation of advisors have grown up as digital natives with technology expectations much different than even 5 or 10 years ago. Manufacturers that want to capture the attention of these next gen users and include mobile technology in their distribution strategies now are definitely getting a head start. Within the insurance and financial services industry, we software manufacturers need to provide leadership for reinventing business processes that leverage these new devices and offer software that provide agents, advisors and broker dealers with viable work flows to conduct business in new and accelerated ways.

If you have feedback or additional insights from your own experiences, feel free to find me at the IRI Tech/Ops Conference in DC, or reach out to me directly at jferrell@insurancetechnologies.com. I would welcome the discussion.

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