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**2019 Refocus Conference
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Good morning everyone!

Thank you for that warm welcome. It's such a privilege to be here.

I've been told this is a very energetic and lively conference, and I can already see that is true.

I'm also told that when this conference started over a decade ago, we had a couple hundred attendees. Every year, attendance has increased. It's great to see that has happened once again this year with 800 in attendance this week.

Certainly this shows the power of a great partnership – the Society of Actuaries and ACLI who work as a team.

Just by being here, you are making a statement about the value of this industry to our society and the people in it. Thank you for being here.

Based on the sheer energy of this conference, I'm going to guess that most of you in this room are lucky enough to have found the sweet spot in your career, where you serve a mission that makes you energized to come to work every day. For me, that sweet spot has always been the intersection of policy and people's lives. I am a life long, passionate advocate for good policy that matters to our communities, our country, and our world.

The work this industry does is interwoven into the livelihood of American families. We give people a path to live their best life at every stage. It's exciting and it's useful and I'm thrilled to be here.

Over the next two days you will hear a lot of ideas. You'll talk about artificial intelligence and geo-political risks. You'll discuss the digital world and its impact on new distribution systems. You will hear about big systemic issues like the opioid crisis.

Really "simple" topics.

So it's appropriate that the theme of this conference is Change Squared....I like to think of it as "change upon change."

Businesses are no longer in an era where simply improving what they do is enough.

They no longer have the option of taking the old model and asking “how can we do it better, faster, and cheaper.”

We are in an era of rapid, continuous change, where sometimes the old model is turned completely upside down. The new questions businesses must ask are “How do we think differently? What problem should we actually be solving?” It’s not just “How do we empower the consumer,” but rather “how do we engage the consumer where they are in their life?” This is an era when even disruptors are being disrupted.

We all know disruption is happening in the marketplace. But it’s also happening in the political space.

That’s where I focus a lot of my attention as ACLI advocates effectively on behalf of this industry and considers how we tell our industry story to policymakers, influencers, and regulators at all levels of government.

I want to share a little bit about where I see us heading as an industry in an era of accelerated change, but I’d like to first give you my thoughts on the political disruption we’re facing and what it means for us.

Six of the last seven elections have been “change” elections, where the country voted against the party in power.

On the Democratic side, the November mid-term elections produced the biggest demographic and generational change in Congress since the Watergate class of 1974.

The members are younger, they are diverse racially and ethnically. They are coming from outside of politics. There are also more women in Congress than in any other time in history.

Political disruption has given rise to new political leaders, and explains the voter who pulled the lever for Bernie Sanders in the primary and then for Donald Trump in the general elections.

New leaders like Alexandria Ocasio-Cortez, the social media darling, are skillfully using all the new tools to influence a generation. She has captured the attention of her constituents and seasoned political leaders.

Suddenly, old models are not the typical path to being elected anymore.

In a politically divided government, we aren’t likely to see much move by way of legislative process in Washington.

However, that doesn’t mean big shifts aren’t happening.

We are entering another presidential season and both parties are already making calculated moves to position their respective parties to take 1600 Pennsylvania Avenue.

This is the broader context that we have to run our businesses in. All of this disruption can be a great thing. It can energize the way we think and push us into important conversations. Take technology disruption. It allows our industry to empower and engage with consumers in a way that we couldn't in the past.

In the same way, political disruption is changing the way we do business in Washington. Now more than ever, we find ourselves in a pro-consumer, anti-business environment. There's a sense of Wall Street vs. Main Street....big business vs. ordinary working people...bad guys vs. good guys....

Well, even though we are a \$7.2 trillion industry, the good news is that we have always been "main street," we've always been "for ordinary working people", and we've always tried to be the "good guys."

We are the good guys!

In business or policy, we need to skate where the hockey puck is going, not where it is.

If we want to remain relevant in a rapidly changing world – including a rapidly evolving political world – we need to understand the forces that are affecting business and politics over the next two to five years.

Today, industries that can most clearly and convincingly connect their mission to 'main street' and 'ordinary working people' are the industries that will thrive in our new political environment.

That's something I think a lot about, especially as we advocate on behalf of an industry that provides financial and retirement security products to 90 million American families. In an era of change, reliability and predictability is important. Those 90 million American families rely on us to protect them when they are most vulnerable. They expect us to be there – and we are.

Companies who have successfully navigated disruptive times have one thing in common – their unwavering, deep sense of purpose.

Their mission.

Let me tell you a story about a brand we all know, especially if you have children, or perhaps from your own childhood – Lego.

What you may not know is that just 15 years ago the Lego brand was falling apart.

In 2003, sales had fallen off a cliff, dropping 35 percent in the United States. Lego reported losses of more than \$300 million dollars a year. Lego was trying to keep up in an era of change.

Kids were pushing the colorful tiny blocks aside and picking up controllers for their video games.

For a while, it looked like Lego might not survive the disruption. They neared bankruptcy.

But in 10 years, they went from near-fatal loss to massive profit.

How did it happen?

Lego's CEO went on a mission to uncover the Lego brand's core purpose. Colleagues at MIT told him that Lego was the perfect way for children to learn how to think creatively and systematically.

That notion stayed with him.

It wasn't new. Their purpose had been there all along. But they weren't talking about it. They weren't even internalizing it.

The CEO made a decision. They would embrace it. They would tell *that* story.

Lego started to incorporate what they were for: To inspire and develop the builders of tomorrow. To inspire children to think creatively, reason systematically, and release their potential to shape their own future.

Today, the Lego brand is alive and well. But more importantly, it's inspiring a generation.

It is connecting its work to broader societal challenges through initiatives that promote STEM with students.

Companies that have made it successfully through eras of disruption know that their deep sense of purpose is critical.

It becomes a North Star when the seas are shifting. It creates an imperative for what they do and allows them to remain relevant in whatever era of change it may be.

I don't tell a lot of war stories, but I sometimes tell stories from my past just to help explain how I think. I'll share one perspective from my time with the global beverage industry.

These soda companies had been "teaching the world to sing" and firing up the "Pepsi generation" ...they were as American as apple pie, until they weren't.

Suddenly, there were organized activists going after the industry, dragging some of the most valued brands in the world through the mud.

Now, at the trade association, we built a rock-solid, world-class advocacy program, with the best lobbyists, grassroots and media campaigns, which we quickly put into high-gear.

We had many advocacy victories. But I assure you, not one of our victories would have happened if we had not gone on the offensive.

We took an unorthodox approach at times. We built partnerships that some might call “shocking.” When First Lady Michelle Obama launched her “Let’s Move” campaign, the soft drink industry was there based on its commitment to put calorie labels on every can, every bottle, and every pack.

We partnered with President Clinton’s global initiative and the American Heart Association, all based on our commitment to reduce sugar.

Without our strong “for” positions and measurable commitments to reduce the sugar consumed from our beverages, things would not have gone as well.

We need “for” positions.

So what are we as an industry for?

In my first six months at ACLI, we’ve been actively pursuing the answer to that question through a collective brain trust of member companies and industry experts. We wanted to understand our deep sense of purpose and how it connects to real needs of society.

Here’s what we discovered.

We are for family financial security.

Life insurers pay out 1.7 billion dollars every day to American families through our products. We don’t just provide death benefits. We are a bedrock of financial and retirement security to millions of Americans.

The value of that peace of mind cannot be overstated.

Our nation is grappling with some big challenges – challenges that address significant gaps that exist in the human experience:

What happens in the gap between when you retire and when you die?

...between when you find out you have cancer and when you are healthy enough to work again?

...between an unexpected death of a family member and when you can get back on your feet again?

...between when your parents are not quite able to care for themselves and when they need full time nursing care?

We stand in those gaps with Americans – we are there. We are a critical part of the financial safety net for all Americans. No other industry is there for Americans to the level that we guarantee to be there.

Society and work are changing rapidly. We all can agree on that. Over the next several years, our society will have to address issues like longevity, the savings gaps, and the overall financial well-being of American families.

You all are dealing with these issues every day.

The skills gap.... artificial intelligence....how to re-train a workforce....workplace diversity.

These are real issues that we have solutions to.

And truthfully – our policy efforts are more effective when we link our industry’s objectives with our business purpose, fundamental societal values, and consumer needs.

We are also for our economy. Our industry’s investments help open elementary schools, build bridges, create roads, and improve agriculture. The investments we make in the fabric of American life can be counted on.

The very nature of our business is to be a force for good – both in the products that we sell and their direct impact on human needs, and in creating the economic foundation that supports a solid middle class.

That’s true sustainability.

We can be an ally on these issues. Our industry and the government can stand shoulder to shoulder to find solutions to protect all Americans.

The heartbeat of our industry always has been to provide solutions to Americans who are facing a real financial challenge.

When we understand our deep sense of purpose, we can lead confidently in a “Change squared” era.

So no matter what our mission – tax reform, a best interest standard of care, retirement security, modernizing our regulatory system and making sure the U.S. system remains competitive on the global stage, handling and securing information, privacy rights, or any number of issues that will certainly come up on our horizon – we can advocate for this industry, speak for it, educate on it...all through our strong leadership positions.

This industry's story has unfolded over a hundred years. That means it has felt the pressures of changing times before.

Our success together will be determined by how well we share our message – a timeless message, but one that must appeal to a modern American family and to the forces of change today.

Above all, I want us to remember this.

What we do is relevant beyond the walls of this room....beyond the walls of your companies....even beyond the walls of Congress. Behind every sterile public policy is a real human life.

What matters is what we do within the four walls of the home of that American family who is planning for their future.

These are kitchen table issues. We improve financial lives. We sustain our economy.

I look forward to all that we will accomplish together.

Thank you.