

C05982.SUB



<SUBMISSION>  
<TYPE> 8-K  
<DOCUMENT-COUNT> 33  
<LIVE>  
<FILER-CIK> 0000915781  
<FILER-CCC> #####  
<CONTACT-NAME> Edgar Filing Group  
<CONTACT-PHONE-NUMBER> 214-651-1001 ex 5300  
<SROS> NASD  
<PERIOD> 06-14-2006  
<NOTIFY-INTERNET> edgar.dallas@bowne.com  
<NOTIFY-INTERNET> csd.minneapolis@bowne.com  
<ITEMS> 7.01  
<ITEMS> 9.01



<DOCUMENT>  
<TYPE> 8-K  
<FILENAME> c05982e8vk.htm  
<DESCRIPTION> Current Report  
<TEXT>

[Table of Contents](#)

---

---

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549**

**FORM 8-K**

**CURRENT REPORT  
Pursuant to Section 13 or 15(d) of  
the Securities Exchange Act of 1934**

Date of Report (Date of earliest event reported): June 14, 2006

**RTW, Inc.**

(Exact name of registrant as specified in its charter)

**Minnesota**

(State or other jurisdiction of incorporation)

**0-25508**

(Commission File Number)

**41-1440870**

(I.R.S. Employer Identification No.)

**8500 Normandale Lake Blvd., Suite 1400  
Bloomington, MN 55437**

(Address of principal executive offices and Zip Code)

**(952) 893-0403**

Registrant's telephone number, including area code

**Not Applicable**

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
  - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
  - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
  - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
- 
-

---

**TABLE OF CONTENTS**

[Section 7 — Regulation FD](#)

[Item 7.01 — Regulation FD disclosure](#)

[Section 9 — Financial Statements and Exhibits](#)

[Item 9.01 — Financial Statements and Exhibits](#)

[SIGNATURES](#)

[Presentation- 2006 Annual Meeting of Shareholders](#)

---

[Table of Contents](#)

**Section 7 — Regulation FD**

**Item 7.01 — Regulation FD disclosure**

On June 14, 2006, Mr. Jeffrey B. Murphy, RTW, Inc.'s President and Chief Executive Officer is giving a presentation titled "2006 Annual Meeting of Shareholders" at the RTW, Inc. 2006 Annual Meeting of Shareholders. A copy of this presentation is furnished as Exhibit 99.1 to this Form 8-K.

The information provided pursuant to Item 7.01 of this Form 8-K is being furnished and is not "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, nor may it be deemed incorporated by reference in any filing under the Securities Act of 1933, except as expressly set forth by specific reference in such filing.

**Section 9 — Financial Statements and Exhibits**

**Item 9.01 — Financial Statements and Exhibits**

(d) Exhibits:

<u>Exhibit No.</u>	<u>Description</u>
99.1	Presentation titled "2006 Annual Meeting of Shareholders"

**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

**RTW, Inc.**

Dated: June 14, 2006

By /s/ Jeffrey B. Murphy  
Jeffrey B. Murphy  
President and Chief Executive Officer  
(Principal Executive Officer)



<DOCUMENT>  
<TYPE> EX-99.1  
<FILENAME> c05982exv99w1.htm  
<DESCRIPTION> Presentation- 2006 Annual Meeting of Shareholders  
<TEXT>

Exhibit 99.1



*RTW, Inc.*

*Transforming people from absent or idle to present and productive*

*2006 Annual Meeting of Shareholders*

*June 14, 2006*



---

## *Safe Harbor Rule Disclosure*



*Information discussed at this 2006 Annual Meeting of Shareholders may contain forward-looking information within the meaning of the Private Securities Litigation Reform Act of 1995 and other related laws. While we believe these statements are reasonable, our actual results could differ materially from those results that we may express. Please refer to Item 1A "Risk Factors" and the "Forward-Looking Statements" section in the MD&A disclosure in our 2005 Report on Form 10-K and similar disclosures in our quarterly Reports on Form 10-Q for further inherent limitations.*



---

## Overview

- 
- ✓ *Your Company*
  - ✓ *Accomplishments*
  - ✓ *Current Assessment*
  - ✓ *Business Strategy*
  - ✓ *Summary*
  - ✓ *Comments and Questions*

[E/O]

CRC: 51739  
EDGAR 2

BOC C05982 799.01.04.00 0/1  


*Transforming people from absent or idle to present and productive*

*Your Company*



---

# *Your Company*

## *Mission and Vision*

### *Mission:*

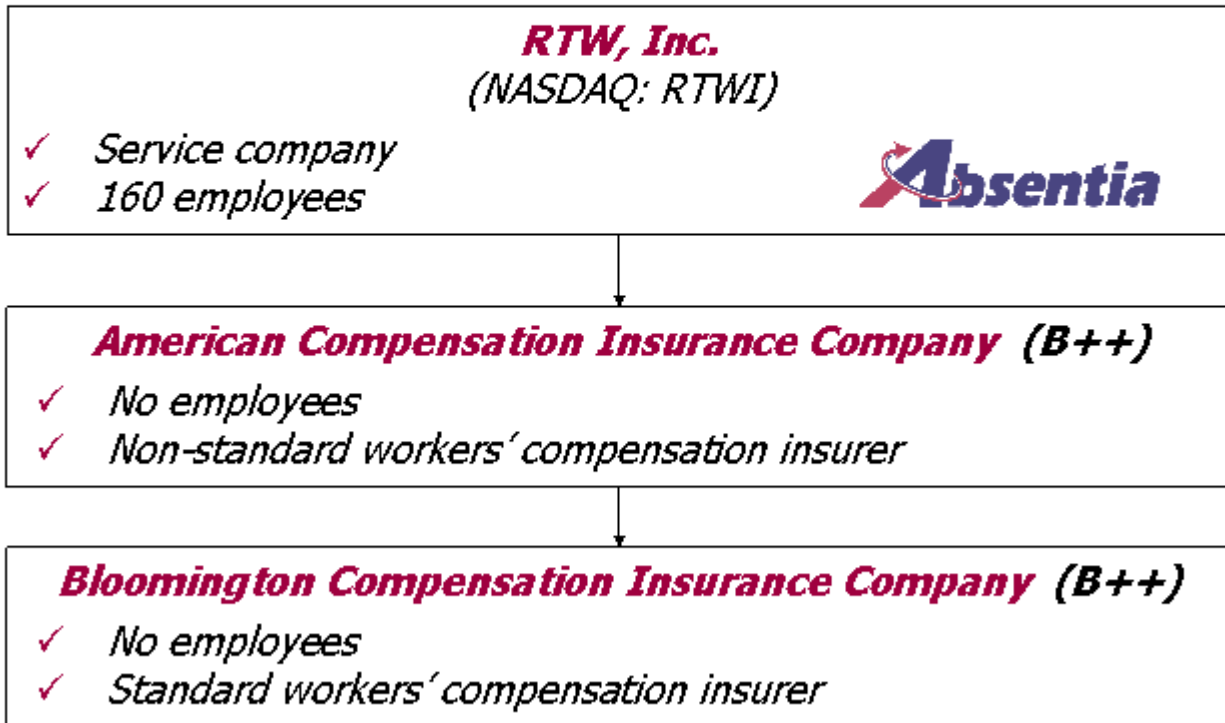
*We aspire to be the **PREMIER**  
absence manager in the  
United States.*

### *Vision:*

*We transform people from  
**Absent or Idle** to **Present and**  
**Productive.***

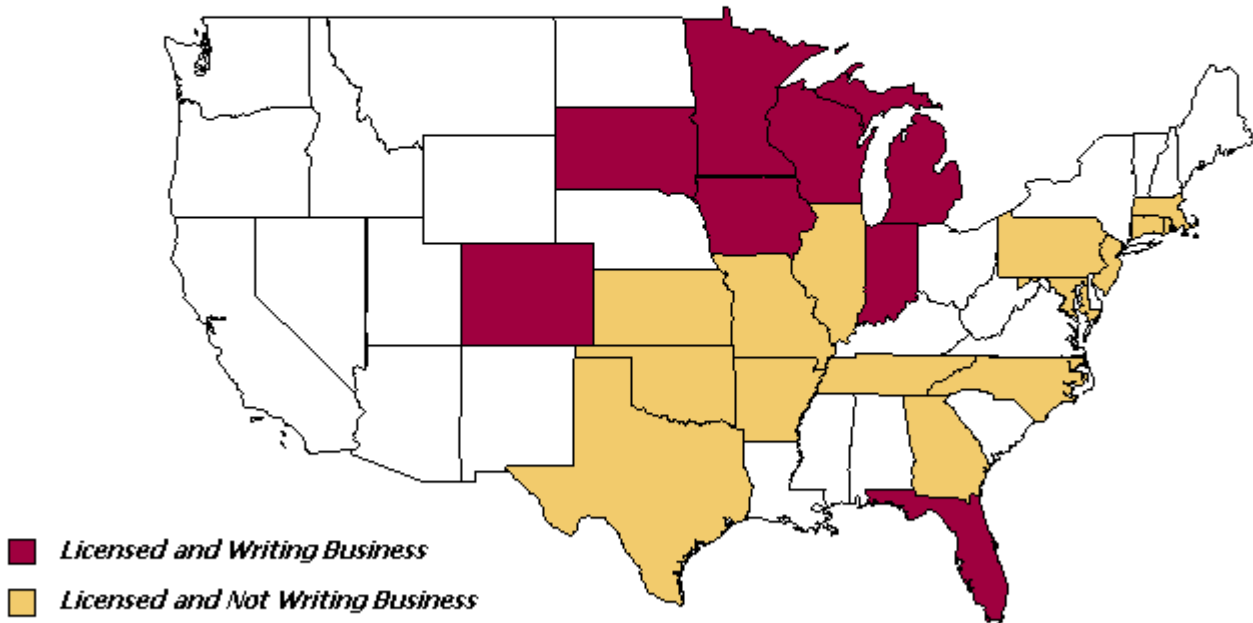
# Your Company

## Corporate Structure



# Your Company

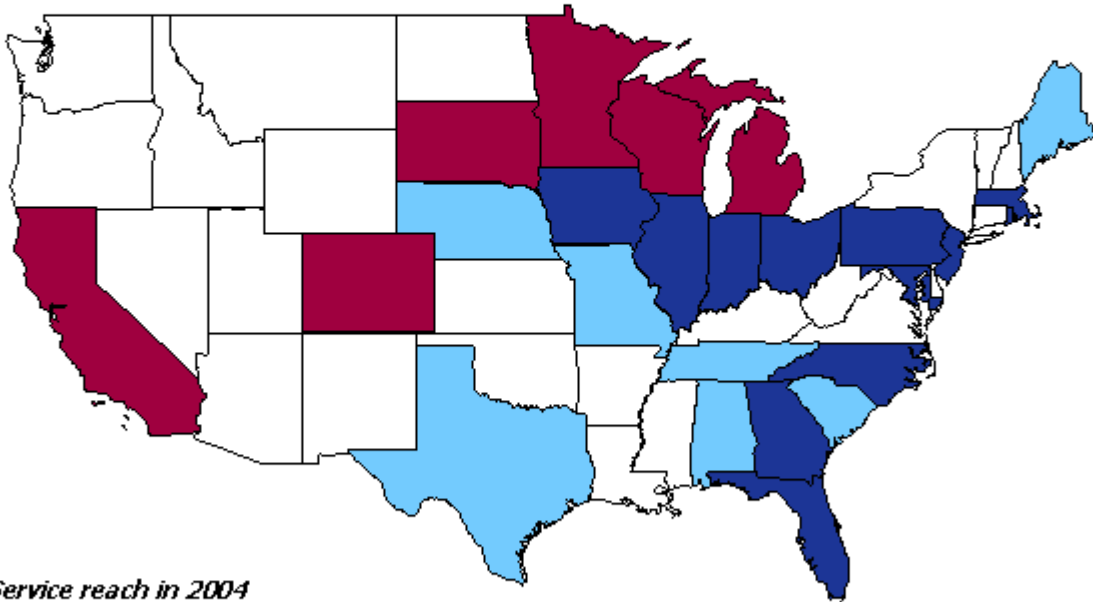
## Insurance – Licenses and Writings






NOTE: BCIC is licensed and writing only in MN

# *Your Company*

## *Service Company Reach*



-  *Service reach in 2004*
-  *New customer reach in 2005*
-  *2006 new customer additions*

## *Your Company*

*Foundations underlying our strategy . . .*

*#1 80% of the system cost is driven by  
"15%" of the reported claims*

*#2 Intervening early is the key to improving  
outcomes for the "15%"*

## *Your Company*

*Knowing the "15%" is key . . .*

### *ID15<sup>®</sup>*

- ✓ *Applied within 48 hours of injury notice*
  - *Combines human expertise and technology*
  
- ✓ *Identifies accurately the 15%*
  - *95% accurate at 48 hours, 98.5% at 14 days*
  
- ✓ *Allocates resources early and appropriately*



## *Your Company*

*Knowing what to do once you know makes the difference:*

### *The RTW Solution®*

- ✓ *Intervening immediately on the "15%"*
- ✓ *Leveraging our corporate culture*
- ✓ *Improving outcomes for injured employees*
- ✓ *Managing claims to the best possible outcome*



## *Your Company*

### *Results and Benefits – We . . .*

- ✓ ***Close claims faster – 80%\* less open claims***
  - ***Decrease workplace absenteeism***
  - ***Increase productivity for employers***
  - ***Improve quality of life for employees***
  
- ✓ ***Reduce average claim cost by 50%\****
  - ***Improve profitability for employers***
  - ***Decrease long-term costs***
  
- ✓ ***Transform claim outcomes***

*\* Source: 2005 Annual Statements, Schedule P, as filed with the NAIC*

[E/O]

CRC: 5870  
EDGAR 2

BOC C05982 799.01.13.00 0/1  


*Transforming people from absent or idle to present and productive*

*Accomplishments*

---

# Accomplishments

## *Our Three Year Plan . . .*

*2004 – Learned about ourselves, our customers, what they desire and how we deliver . . .*

*2005 – Positioned RTW for the future: executed in insurance, developed sales and marketing, added expertise, built variable capacity . . .*

*2006 – Grow in both service and insurance . . .*

# Accomplishments

## 2005 – Summary

- ✓ *Earned \$6.0 million in 2005*
- ✓ *Continued to transform from purely insurance to service*
- ✓ *Insurance and service complement each other:*
  - *Our insurance assets contribute to growth in service*
  - *Service experiences have broadened our thinking in insurance*
  - *Service business enables us to do the "right" thing in insurance*

## *Accomplishments*

### *2005 - Successes in Insurance*

- ✓ *Maintained our underwriting focus*
- ✓ *Achieved a combined ratio under 96%*
- ✓ *Improved claim outcomes*
- ✓ *Maintained appropriate reserves*
- ✓ *Grew statutory surplus over 13%*
- ✓ *Integrated best-of-class processes*
- ✓ *Licensed and began writing in BCIC*

# *Accomplishments*

## *2005 - Successes in Service*

- ✓ *Grew service revenue 594%*
- ✓ *Moved beyond workers' compensation*
- ✓ *Expanded our reach geographically*
- ✓ *Engaged partners to expand our business*
- ✓ *Built sales and marketing*
- ✓ *Increased our visibility*

# Accomplishments

## Results Thus Far in 2006

- ✓ *Earned \$1.0 million in the first quarter of 2006*
- ✓ *Grew annualized service contracts to \$6.9 million*
- ✓ *Improved claim outcomes*
- ✓ *Continued to record reserves prudently*
- ✓ *Repurchased 175,000 shares*
- ✓ *Achieved another rating increase from A.M. Best  
– B++ with a positive outlook*



[E/O]

CRC: 19878  
EDGAR 2

BOC C05982 799.01.19.00 0/1  


*Transforming people from absent or idle to present and productive*

## *Current Assessment*

## *Current Assessment*

### *Insurance Market Trends*

- ✓ *Underwriting discipline is paramount . . .*
  - *Rates continue to soften*
  - *New competitors are emerging*
  - *Medical costs continue to grow*
- ✓ *Investment yields are improving*
- ✓ *Reinsurance costs are flat*

## *Current Assessment*

### *Service Business Trends*

- ✓ *Our solutions sell*
- ✓ *We are building sales and marketing*
- ✓ *The sales "funnel" is taking shape*
- ✓ *Service revenue is growing*
- ✓ *Customers grow with us*

## *Current Assessment*

### *How Big is the Market?*

*We believe our opportunity is incredible -  
Consider the following:*

- ✓ *U.S. employers spend over \$100 billion in direct costs for disability*
- ✓ *Employee absence costs U.S. employers \$260 billion in indirect expenses*

[E/O]

CRC: 41180  
EDGAR 2

BOC C05982 799.01.23.00 0/1  


*Transforming people from absent or idle to present and productive*

## *Business Strategy*

# *Business Strategy*

## *Execute in Insurance*

- ✓ *Maintain profit in underwriting*
- ✓ *Expand our insurance product offerings*
- ✓ *Drive new case and claim management capabilities*

# *Business Strategy*

## *Grow the Service Business*

*Be the "go to" solution for disability and absence*

- ✓ *Create customer-focused solutions . . . that prospective customers value*

*Leverage our existing competencies*

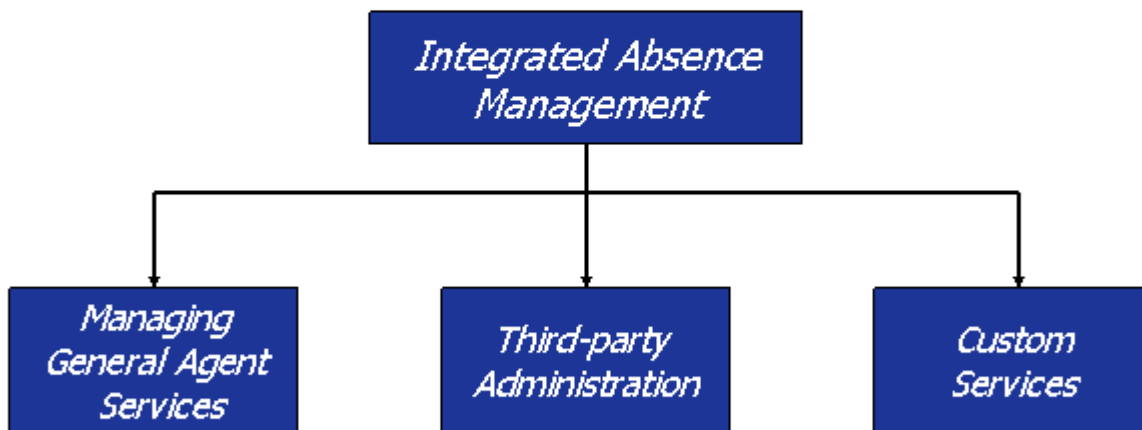
- ✓ *ID15*
- ✓ *The RTW Solution*

*Add new competencies and capabilities*



# *Business Strategy*

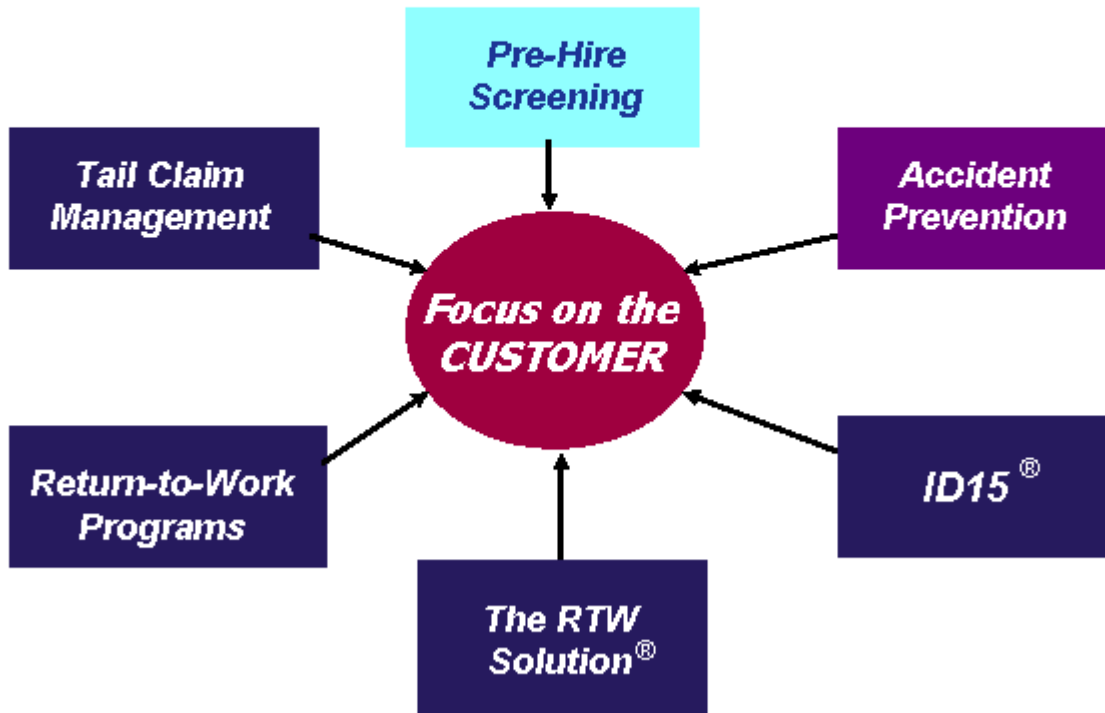
## *Our Service Offerings*





# *Business Strategy*

## *Custom Services – Closing the Circle on Absence*



# *Business Strategy*

## *Who do we Target?*

- ✓ *Self-insured / large deductible employers*
- ✓ *Insurance companies*
- ✓ *Governmental entities / assigned risk plans*
- ✓ *Agents and brokers*

[E/O]

CRC: 1818  
EDGAR 2

BOC C05982 799.01.29.00 0/1  


*Transforming people from absent or idle to present and productive . . .*

## *Summary*

## Summary

### *Where are we going?*

- ✓ *Sell service: offer solutions that leverage our competencies; expand our capabilities; continue to diversify our service offerings*
- ✓ *Execute in insurance: expand our products; size the insurance business based on market conditions and maintain underwriting discipline*
- ✓ *Increase the intrinsic value of RTW*



*Transforming people from absent or idle to present and productive . . .*

## *Comments and Questions*

