"LONDON LIFE" REACHES HALF A CENTURY OF ACHIEVEMENT

The London Advertiser

LONDON, ONT., TUESDAY, JANUARY 20, 1925.

$25,000 Worth of Business Every Hour With Two New Policies Each Three Minutes

One morning fifty years ago a man walked into a little room over on Market Lane. His name was Joseph Jeffery. He and three others were opening the office of the London Life Insurance Company on the first day of its history. In the ensuing year they gathered $253,000 worth of business.

Today, in 49 offices from coast to coast, 1,750 men and women do the work of the London Life. Last year their efforts brought $53,566,740 worth of new business.

"Policies Good As Gold" Because Every Promise Has Been Kept For Fifty Years

HOMES AND HAPPINESS ARE HIDDEN IN STATISTICS

Behind the Numbers on Insurance Policies Are Written Stories of Love and Romance, Sacrifice and Devotion Which Reach Out Beyond the Grave.

HOW INSURANCE HAS AVERTED TRAGEDY

We live in an age of statistics. Perhaps we don't like it, but we can't get away from it. You might prefer to be known at all times by your regular name, but you are a number some place or other. If you work in a factory you have a tag that drops in the time clock and informs the person making out the pay sheet that you were there promptly every day in the week. It reaches out into other activities. If you join a bowling club or a golf club you get a card and on it will be No. 171 or something else; you take envelopes for your weekly offering to the church and find you are again numbered.

So when the London Life announces it has 400,000 policyholders, and that it added 57,000 in 1924, it means more numbers and more numbering, but it doesn't tell the story.

One of the most successful manufacturers in Ontario told one day why he did away with the metal tags in his business. These tags were arranged in order by the time clock. Here was his experience:

"I made it a point to know my men, know all about them, where they lived and how they were getting along. One of my foremen came to the office on Saturday at noon and asked if my wife and I would have supper at his place on Sunday evening. It was the first time I had ever received such an invitation, and it was gladly accepted. We went to Joe's place and had one of the most pleasant visits that could be imagined. I met the three children, met the mother, heard Joe and his wife talk about what they were planning for their family, and what they would like them to do when they grew up. The Sunday evening visit was such a human thing that when I went to the office next day the sight of that tag marked '17' got on my nerves. I saw in it Joe and his family, and I knew he was putting in a real day's work every day. The upshot was that I had all those tags taken down, and I told the men at a little gathering one night just why I was doing it, and do you know I got better results than ever before. I have real men working with me now, whereas before I had metal tags working for me."

What No. 38564 Really Is.

But what's all that got to do with life insurance? Just this—take any one of those 400,000 policies that have been issued by the London Life. To make it more definite, let us take policy No. 38564.

It represents a certain agreement between the insured man and the company, a document that he has laid safely away, and premiums and receipts exchanged between himself and the company's office. Yes, but it's more than that.

It represents a husband and father who wants to show in a definite, practical way his love for his wife and family, his determination that they shall not be left without assistance in case anything happens to him. It represents that man in the most sacred of all places, the centre of his home; it means perhaps a certain amount of sacrifice on his part to carry the policy, yet he carries it, and he would not think of dropping it. He has seen too many cases where the death of the wage earner meant that the widow and children had to face the problem of existence under conditions that were not fair, and he is determined that as far as he is able such a thing is not going to happen to his family.

One Man's Story.

In a city not far from London there is a lawyer today who was insured for $10,000 with the London Life. A short time after he increased the amount to $15,000. When he was examined he was apparently in good health. Inside of one month he went to the physicians, complaining that he was not feeling well. It could not be found that he had any of the usual ailments, but inside of a week he suffered that baffling trouble, a complete breakdown of his nervous system. In his policy he had had included a disability clause at a slight increase over the ordinary premium. For months past this lawyer, who will probably never be able to practice again, has been receiving from the company $150 per month, and he will continue to receive that amount as long as he lives, and on his death the full claim of $15,000 will be paid over, although all he ever paid in the way of premiums was $385.50. The fact that the insurance had been in force only a month when the policyholder was accounted a disability made no difference; his claim was just as secure as though he had been paying premiums for years. Not in any other way, by speculation or investment, could he possibly find himself in receipt of $150 per month and $15,000 for his family at death.

William G——, of Winnipeg, lived with his widowed mother; there were seven sisters in the family, and the burden of caring for the home fell on William. He secured employment driving a milk wagon, and out of his savings paid the first premium on a $5,000 endowment with the London Life, making his policy payable to his mother. The son figured that it would give protection to the family and also provide something for himself when he reached the age of 39, when the policy would mature.

Gave His Mother a Home.

On June 28, just four months after he had taken the policy, William went on a holiday trip for the day to Winnipeg Beach, and not being acquainted with the place dived off the wharf into two feet of water, fracturing his spine. He was taken to St. Boniface hospital, and died there one month later. Three days after his death his mother was handed a check for the full amount of the policy, and it requires no reasoned explanation to show what that check meant in a home where the need for providing for a family of seven children would create such an acute problem.

Referring again to those numbers by which policyholders are known, take policy No. 119376. The owner of it was Mary Richardson, a girl of sixteen, living with her mother in the village of Gleichen, Alberta. The average person would at once say, "Well, why should a girl like that have her life insured?" It might have taken some argument to provide a very good answer, as we see things, but the answer comes in the following facts, which are greater than arguments: The application was written on September 24, and the medical examination showed the applicant to be in the best of health, and the family history was also satisfactory. The completed application reached the home office of the London Life, and the policy was ready for delivery on October 5.

Policy Was Never Questioned.

On October 1, the applicant was taken with acute appendicitis, and died a few hours after the policy had been written in London, but the policy was never questioned: it was secured by the interim receipt, and by the middle of the month the girl's mother in Alberta was in receipt of the company's check for the full amount of the claim.

The home office of the company contains scores of such cases. The few quoted above are not one bit different, only in name and amount to hundreds of others. So seldom is a claim contested that it can be said with no fear of contradiction that the claims department of the London Life exists for the purpose of promptly paying the claims called for in the policies of those insured in the company. It is this record of fair and honorable dealing that is making the company's business grow today. Their slogan, "Policies Good as Gold," is being borne out every day, and this reputation, although not written down in black and white in the annual statement, is the biggest asset in the possession of the company.

City Would Be Biggest In World

If the city of London had grown as rapidly as the insurance company bearing its name, the London Life, this city would in 1925 be a place of 20,000,000 people, the largest city in the world.

In 1874 London had a population of 15,000, and the London Life at the end of its first year in business had 300 policies. The ratio was 15,000 to 300. That is, the city of London, comparing population to policyholders, was 50 times greater than the London Life.

The company starts the year 1925 with 400,000 policyholders, and if the city had kept pace it would be 50 times greater than the number of policy holders, viz.: 20,000,000.

THE HEAD OFFICE STAFF OF THE LONDON LIFE.

The 57 people in this group constitute the headquarters of the London Life Insurance Company, the hub from which radiates a great organization of 49 offices, covering every province and involving a battalion of workers 1,750 strong. Those in the picture above are as follows: Front row, from left to right—J. G. Stephenson, superintendent ordinary agencies; Angus Graham, M.D., medical director; J. Edgar Jeffery, solicitor; W. M. Spencer, first vice-president; Dr. A. O. Jeffery, K.C., president; J. G. Richter, F.A.S., second vice-president; Edward E. Reid, B.A., A.I.A., general manager; J. Stanley Lovell, A. C. I. S., secretary; J. F. Maine, superintendent industrial agencies. Second row, from left to right—William R. Waugh, chief claims department; John D. Buchanan, B.A., F.A.S., actuary; Ag- Paterson, head ind. tab. sec.; A. M. Webster, head mail section; Annie W. Beer, head ind. transfer section; M. Helen Nicol, had ind. policy division; Hazel I. Stone, head addressograph section; Helen I. Swalwell, head ord. policy checking section; Olive M. Stone, head filing section; Edith E. Jones, private secretary; Carrie F. Fitchett, private secretary; Frieda M. Stephens, secretary reinstatement department; Bertha L. Sutton, supervisor Dufferin Hall; David L. Chapman, cashier; H. R. Laurie, registrar. Third row, from left to right—James A. Campbell, F.A.S., assistant actuary; E. Morell Blackie, assistant to superintendent of ordinary agencies; Oliver S. Mowat, assistant secretary industrial department; Charles E. Parsons, valuator; A Maude Turner, head ord. acknowledgement section; Georgina E. English, cashier home office debit; Bessie E. Berry, head index section; Ella M. Anderson, head ord. policy writing section; John W. Smith; purchasing agent; Henry S. Walker, valuator; James W. Westervelt, C.A., general auditor; Armour Haines, A.A.S., head actuarial calculation division; Harold G. Chapman, travelling auditor. Fourth row, from left to right—Ora D. Newton, assistant secretary; Roy W. Ward, secretary collection and records department; Harry H. Sharratt, internal auditor; Ellis M. Hall, assistant secretary collection and records department; W. Cuyler S. Henderson, head premium loan division; Lawrence Shirley, secretary industrial department; William B. Rowe, head new loan division; E. G. Ransome, field auditor; Reginald E. Sumner, correspondent, investment department; Edward G. Tufts, assistant secretary investment department; William H. Brett, head ind. agency records division; Frederick G. Huddleston, assistant to superintendent industrial agencies. Fifth row, from left to right—J. Arthur Guymer, assistant registrar; J. Douglas Omond, accountant; Ralph T. Bailey, head commission division; Clarence, L. Norton, head ord. collection division; J. H. Castle Graham, B.A., director field service; Gordon F. England, secretary investment department; L. William Flowers, assistant cashier; William A. Mowat, head mortgage loan division; George S. Bere, B.A., A.A.S., head policy drafting section; Neil C. Bailey, actuarial valuation clerk; T. O. Sharratt, underwriter; Frederick E. Daley, valuator; Elmer C. Heighway, correspondent policy department.

WOMAN'S WRATH SOON OVERCOME

Insurance Company Manager Shows Her Where Arguments Are Wrong.

"I remember one time when Mr. Richter got what might be called an awful setting out," said D. L. Chapman, who was for 37 years cashier of the London Life home office. "It was away back in 1887, when the company was housed in a small office over on the Market lane. It was only a few years after Mr. Richter had come to London. A woman came into the office one day from Stratford, and she was out to give battle to some person. She came into the office demanding that she must see the manager. She didn't have time to cool off or anything before she was shown into the little corner that Mr. Richter used to use as a private office.

"When she got in there she went for him for all she was worth. She had come looking for the manager of the company who sent those 'scoundrels' called insurance agents all over the country trying to deceive the people, and take money away from the husbands that should have been handed over to the wives. The way she went on for a while might have riled some men, but anyone who knows Mr. Richter is aware of the fact that he is not readily disturbed. After she had said all she could say, Mr. Richter came out of his office and asked us for a copy of some literature we had, I think it was a sermon someone had preached about the duty of husbands caring for their wives, and when he secured this he went back in and proceeded to read a few chapters to the visitor from Stratford. By the time he had finished with his reading and the remarks that followed, the woman went out highly delighted, and the policy on her husband remained in force."

"There were only four in the head office then," continued Mr. Chapman. "Mr. Jeffrey was president, Mr. Richter manager, L. N. Hayne, accountant, and myself the cashier."

LONDON LIFE'S INTERESTS CENTERED ON CANADA

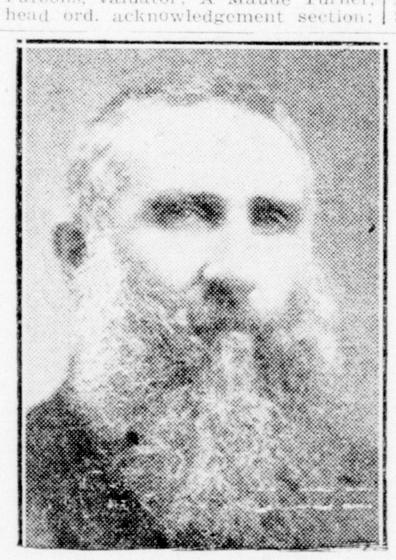
Canadian in every sense of the word can be applied to the business of the London Life Insurance Company.

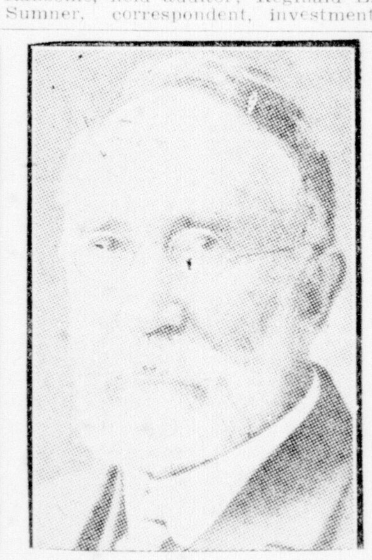
Its business is all sold in Canadian territory.

Its policies are for the protection of Canadian homes.

Its investments are all made in Canadian securities.

Its investments are for the building up of the wealth of Canada.





THE FOUNDER AND THE PRESIDENT.

On the left is the late Joseph Jeffery, who founded the London Life Insurance Company 50 years ago, serving as its president from 1874 to 1894. On the right is Albert O. Jeffery, K.C., LL.D., D.C.L., who has been president of the company since 1920, succeeding the late John McClary.

TWO NEW POLICIES EVERY 3 MINUTES

During Advertiser's Eight-Hour Tour of Offices $200,000 Is Underwritten.

An Advertiser representative spent some time in and around the home office of the London Life preparing material for this edition of The Advertiser, in which the winding up of the jubilee year of the company is reported.

On going out one day he was asked how many hours he had been around the building. He calculated that in two days he had put in about eight hours.

"Now, let's see," remarked one of the officials, "during that time this company has written $200,000 worth of new business. On our 1924 record, we are putting it on at the rate of $25,000 per working hour, so your eight hours around here would make $200,000 in new policies.

"If you want to figure it out another way, counting in the industrial and ordinary policies, 172 applications have been received in the four hours you have been here today. At the present rate of business we are getting two new policies every three minutes."

$2,000 BIG POLICY 37 YEARS AGO

W. R. Waugh, Claims Adjustor, Recalls When He Was Fifth on Staff.

Thirty-seven years ago W. R. Waugh, now claims adjuster for the London Life, wrote out his application for a position with the company, and that letter was so well written that he secured a position. He made the fifth member of the head office staff.

"Things are a great deal different today to what they were then," remarked Mr. Waugh in a reminiscent mood. "Why a policy for $2,000 in those days was considered quite a good deal for any man to be taking out. Looking back over some of the old records of the company we find that the total receipts from all sources the first year I was with the London Life amounted to $43,000, while the statement just completed for 1924 shows receipts to have been $7,398,000.

"In 1887, that was the year before I came in, the total death claims amounted to $8,500, while in 1924 they were $581,000. They were certainly extravagant in those days, for here is an item showing that the company in 1887 had paid $8.75 for office furniture."

COMMON HONESTY FIRM'S BACKBONE

London Life Insurance Company Highly Praised Following Royal Probe of 1906.

Seldom has an insurance company received such unreserved commendation as that given to the London Life following the investigation of the royal commission in 1906.

The Toronto News of that time in its issue of July 4, commented editorially as follows:

"In the course of the insurance investigation, The News found it necessary to criticize certain companies and their attitude towards the insurance act and the policyholders. It is, therefore, a pleasant task to mention briefly an instance where a company has been content to progress in a normal way and to avoid the pitfalls and the various sharp tricks of which more pretentious companies have descended. It is a curious commentary that whereas the majority have earned castigation for this or that breach of the law, a company which is law-abiding should bear the stamp of isolated virtue.

Common Honesty.

"We refer to The London Life, which was recently investigated by the royal commission. The company is not one of the largest, principally because it has never entered upon a career of extravagant expansion such as has characterized too many of our Canadian companies. Orderly, normal growth, conservative methods, and common honesty have been the outstanding qualities. These three features have prevented the reign of the evils which have besmirched some companies.

"Nearly every company examined issues estimates of profits, and at the same time denounces the practice. These estimates in very many instances are grossly deceptive and misleading. The London Life follows the British system of publishing not estimates so misleading as to be grotesque, but results actually attained on matured policies. These are only two of the facts revealed in the evidence given at London, which demonstrated the care, the honesty and the economy exercised by its management.

'NEVER BROKE A PROMISE' IS RECORD OF 50 YEARS

Ed. E. Reid Tells Corner-Stone of "London Life's" Splendid Success.

FUTURE IS ASSURED

An Honorable Past Brings a Greater Volume of Business Each Year.

EDWARD E. REID, A. I. A., general manager of the London Life Insurance Company since 1920. Mr. Reid has been connected with the company for 30 years.

"Mr. Reid, I'd like to know something about your connection with the London Life. You are the general manager, and you can tell something of how the sales for 1924 averaged over a million a week."

Of course, you don't ask the question just like that, but that's really what you have in mind. You want something about the general manager; you imagine he ought to have a setting in the picture some place. Well, go ahead and try it if you wish—try and get Ed. E. Reid to talk about himself, or anything he has done. The attempt is something like this:

"Have you seen Mr. Richter? His story is the story of the company." But we had seen Mr. Richter, and now that we had Mr. Reid cornered with the doors closed, we wanted him to talk.

"What made the results of 1924 possible?" That's putting it another way, and he'll have to say something that will implicate himself.

"Well, when you have a superintendent of ordinary agencies like J. G. Stephenson, and a supervisor of industrial agencies like J. F. Maine, and a secretary like J. S. Lovell, the battle's pretty nearly won."

Now, of course, that's so, but it doesn't get you any nearer to learning about E. E. Reid.

Record in Birthday Month.

"Was there a change in your selling program? I understand that the month of March in which your birthday comes was the record for the year?"

"Yes, that was a good month, but the policy of the company was laid out by the directors . . . ."

But for several hours I'd been steeped in matters of policy, loaded with it, impressed by it. If you think you are a good interviewer, try it out on E. E. Reid.

It isn't necessary to tell people he was born in London and that he was the youngest of seven sons, or that he went to Toronto university, but perhaps it's advisable to mention that he graduated with mathematical honors from Toronto in 1894. When he joined the staff of London Life that same year he began anew the study of mathematics as applied to life insurance, and in 1898 received the degree of A. I. A. from the British Institute of Actuaries, being the only successful candidate that year from the class trying at Toronto. That was in 1898. In 1906 the Actuarial Society of America conferred on him the degree of A. A. S.

There may be some positions in the company Mr. Reid has not held during the 30 years he has been with the London Life. 1903 he was actuary of the company; in 1905 he was assistant manager, and in 1920, on retirement of Mr. Richter, he was named general manager of the company.

But Mr. Reid will talk London Life. He snaps out figures, dates, percentages, totals, millions, fractions, in such a way that leaves no doubt that he knows the records without turning up the files.

Never Broke a Promise.

"You ask why we have gone ahead? Because we have never gone back on what we have said we would do for the policy-holders of the London Life. That's the real reason. If you took the trouble to look back over the records of life insurance companies during the war period, and through the flu epidemic of 1918-19 you will see that there was a terrible strain put upon them. In 1916, right in the middle of the war, we increased the dividends to our policyholders, and we stayed with it, and the London Life was the only company in Canada that did. Then following the war came the big increase in new business. A person on the outsie might say that would put any company on its feet, but one who knows insurance realizes at once that a great rush of new business is a hard thing to handle. It has to be paid for, that is, the cost of getting it, and at once it is necessary to set aside a reserve to cover it, but we never altered the dividend rate.

"If you want to get it in another way, here it is: Take the years 1921-22-23-24; in any two of those years the London Life has made more surplus than in all the preceding years put together. The figures are there to prove it.

Secured Dividends Annually.

"For years the London Life was the only insurance company that provided every year for the dividends that were to be paid on its policies. It was the general practice with other companies to allow these dividends to accumulate for five-year periods as surplus, and, of course, it showed a larger surplus than we did, and we often heard it remarked that the surplus of our company was too small, but it was a real one that we never had to touch. The dividend on every policy issued was treated each year as a liability and provided for, instead of letting what was and is a real liability accumulate under the heading of a surplus that it is well known will have to be broken into for the payment of dividends to policy-holders. The position we took on this matter was so sound that three other companies in Canada have adopted the same plan, and it will not be long before it is common practice with the insurance companies all through.

"Never Broken Faith."

"London Life," continued Mr. Reid, "has never broken faith with its policyholders. Take 1900 as an example, and cite the 20-year endowment policy. Other companies were at that time sending out estimates of what they would pay in the way of dividends on a policy that was very much the same as ours, and our men used to come back and say they couldn't sell ours because the other companies were making promises, based on estimates, much greater than we could offer. Follow those policies through, and note the result. The others paid from 35 to 50 per cent of the earnings estimated, while it is a matter of record that the London Life paid as much as from 50 to 100 per cent in excess of the definite amount we promised to pay. Of course, the business of publishing estimates is not allowed now, but it is possible to publish actual results, and after all that is what the people are interested in."

And what about the future? Will 1925 be greater than 1924? Yes, and the way Mr. Reid said "yes" was emphatic. "We're in great shape; everything provided for; a fine organization here at the head office, and a wonderful force out in the field; a real proposition to sell, and business coming in greater volume than ever."

"POLICIES GOOD AS GOLD" PROVES GOOD SLOGAN

"Where did you get that slogan 'Policies Good as Gold,' which is seen everywhere in connection with London Life business?"

That question was put to Ed. E. Reid, general manager of the company.

"Why we got it from an advertising agency in the first place, and the funny part of it was," laughed the manager, "we actually dropped it for a while until we began to realize just what a good slogan it was. A short time after we took it up again and have used it ever since."