HOW TWO LIFE COMPANIES LOST A PROSPECT

Sequel to the Prospect's Story—Underwriter Says Applicant's Brevity Was Too Pronounced

Editor, The Monetary Times,

Sir,—On page 707, of your issue of November 1st, there is related under the heading "How Two Life Insurance Companies Lost a Prospect," the experience of a young man who desired to place some life insurance upon his life.

This gentleman recounts his experience with two companies, one a United States company and one a Canadian company and recites the contents of the letters he received from them. It might be interesting to know of the letter which he wrote to them. He wrote as follows:—"Kindly mail me particulars of your endowment policies," giving as his address "General Delivery." As any one familiar with life insurance knows, there are many forms of endowment policies, with premium rates at all ages from 20 to 60. The "prospect's" letter was therefore indefinite, and he could not expect any very definite information in the reply to his letter.

The reply from the United States company was admittedly crude and not very courteous, and could scarcely be expected to bring any frank response.

The reply of the manager of the Canadian company is scarcely open to such criticism for it was entirely courteous and asked for data which was necessary to admit of the giving of definite and helpful information. The prospect failed to reciprocate by neglecting to reply to this letter, and thus lost the opportunity of securing expert advice and the most full and frank explanation as to plans, rates and policy contracts. He started out with a wrong attitude toward insurance salesmen, for he begins his article thus:—"Not desiring a visit of aggressive life insurance solicitors or to listen to their cajoleries." This mistaken idea of the function of the present day life insurance salesman led him to distrust from the beginning, and influenced him to the somewhat crude expedient of withholding his address. It further influenced him to read wrong motives into the letter of the Canadian company and to entertain the suspicion that the failure to give information implied a hestitancy to give it.

Average Man Not Conversant.

It is admitted by any one having experience in the selling of life insurance that the average man is not sufficiently conversant with the different policies of insurance and their uses to know just what particular plan he should select, and he is wise in not trying to arrive at a conclusion himself, but in taking advantage of an experienced insurance man's advice. In these days of "scientific salesmanship," life insurance salesmanship consists, not in indulging in "cajoleries" to secure the application with the sole object of bringing commission to the pocket of the agent, but in giving to the prospect the benefit of training and experience, and in being of real and genuine service to him.

In this era of world-wide business intercourse, and of innumerable business relationships, it must ever be the aim of those who would build securely and permanently and attain real success to follow the law of service and to live the golden rule. Only in this way can public confidence be secured, only in this way can any institution be a lasting and useful factor in the community and in the world.

Life insurance is not a cold business proposition, but an institution, based upon sentiment, the love of home and family. Life insurance companies of to-day who are properly fulfilling their function in the state, and are building upon a foundation of rock and not of sand, are those companies who, place the interest of their policyholders before all else; for, indeed, the life insurance company is the servant of its policyholders, the custodian of their funds, the guardian and trustee to their beneficiaries.

Salesmen Serve Public's Needs.

The life insurance agent of to-day is not one who, when all else has failed, turns to life insurance and, for a time, draws sustenance from the pockets of his friends who feel inclined to help him out, is not one who earns his bread by the sweat of his tongue and closes business by lingual force and persistence, but rather, he is one who has by training and study become competent to advise in matters of life insurance, and is able to be of real and lasting service to each and every one of his clients. He becomes their insurance adviser, thinking not so much of commissions as of the interests of his clients. He uses his brain and his heart rather than his tongue; he is welcomed, rather than avoided, and justly so, for who comes into closer relationship with his clients than the life insurance advisor. He knows their ages, their family history, their financial condition, their home responsibilities and their business worries, for it is only when he knows these facts that he is in a position to advise wisely.

It will, therefore, be seen that the prospect started out with a mistaken premise and assumed that he was entitled to detailed information when he had withheld all the data which the life insurance manager had to have before he could give any advice whatever without prejudicing his professional standing.

This comment upon the article of November 1st, has been submitted, not so much by way of criticism of the prospect's conclusions, but for the purpose of dissipating the mistaken idea so many people have of the function of the present-day life insurance salesman. The life insurance salesman who is properly fulfilling his duty to himself and to society is not worrying about "prospects," but is kept busy serving the needs of those who come to him voluntarily in ever-increasing numbers for advice and counsel. "He profits most who serves best."

Yours, etc.,

"LIFE UNDERWRITER."

Toronto, November 5th.

IS OTTAWA TRACTION ACQUIRING COMPANIES?

Capitalization Could Take Over Assets—Montreal Financiers Have Holdings

Monetary Times Office,
Montreal, November 6.

Interest is shown over the new incorporation at Ottawa under the title of the Ottawa Traction Company, Limited, with a capital of $10,000,000, more particularly because of the fact that much of Ottawa Light, Heat and Power stock is held in Montreal, and it is thought possible that the new company may have been formed to take over this company, together with the Ottawa Electric Railway, which at present operates the street railway system of that city. For some years it has been considered that the two companies would be merged.

There is considerable similarity of interest, but apparently no very strong desire on the part of the larger holders of the different companies to bring about such an amalgamation. Possibly the directors of the separate companies may consider that their own plans concerning the development of the separate companies should be brought to completion before any attempt should be made to bring about a merger, or it may be that Ottawa is not yet large enough to make an amalgamation of this character sufficiently remunerative to the promoters.

Reached Record in Earnings.

It was in May last that the announcement was made of a new issue of $800,000 of stock in the Ottawa Power Company. Both the Power Company and the Electric Railway Company reached a record in the matter of earnings last year and the outlook was considered most hopeful in each instance.

The Ottawa Light, Heat and Power Company is, itself, an amalgamation of, or a holding company for, the Ottawa Electric Company and the Ottawa Gas Company. The authorized capital of the company is now $5,000,000 and the issued capital $2,784,400. It is considered that the company is now virtually on a 10 per cent. basis.

Ten Million Dollar Company Could Manage.

The Ottawa Electric Railway Company has an authorized capital of $2,000,000 and a subscribed and paid-up capital of $1,876,900, together with a bond issue of $500,000 of 4 per cent. Therefore, a company with a capital of $10,000,000 could readily take over the combined assets of both companies.

Mr. T. Ahearn of Ottawa, is president of both the light, heat and power company and the electric railway, and Mr. Warren Y. Soper of Ottawa, who is a director of the light, heat and power company, is vice-president of the electric railway, otherwise there is no similarity between the directorates.

BUFFALO MINES' REPORT.

The mill report for the month of September for the Buffalo mines reads:—

Mill ran, hours	605¾
Ore milled, tons	5.744
Average assay per ton before milling, ounces	20.83
Ounces of silver recovered	99.043
Ounces of silver paid for during month	207.054

Dividend No. 53, 5 per cent., No. 54, 15 per cent., paid October 1, 1913.

Total dividends paid, $2,437,000.