OUTLOOK FOR AUTOMOBILE BUSINESS

The insurance agent who is not "getting his" in some one or all of the fifty-seven varieties of automobile insurance is losing more than he thinks he is. He hasn't made a start and in the insurance business the start counts. There everything goes by the good old primal rule of business.

"That they should take who have the power
And they should keep who can."

It is easier to keep it than to take it and so those who have started and have got automobile business are laying the foundations for keeping it by the simple rule of service. Those who render the service will keep easily what they have taken, adding much as they go.

Makers of automobiles, in order to make that business move more readily, had to invent "self starters" to get around the delay and danger of cranking. It was a strong and tremendous boost to the business. Insurance should invent a self starter for those agents who have not yet got a move on. Automobile insurance, important as it is productive as it has been in premiums and in the protection it affords, is still to a great extent a virgin field. In 1888 the combined premium receipts of all the fire insurance companies reporting to the National Board was about $100,000,000. After thirty years they amounted in 1918 to $495,-000.000. The increase was practically four-fold. There was not that much proportionate increase in the value of the property—not nearly. The increase in premiums came from the efforts of agents who saw the values unprotected and went after them—and got them in. The whole fabric of insurance is the work of agents.

Automobile insurance is of recent date. Automobiles themselves are creations of yesterday. According to the census classifications of age more than three-fourths of all living Americans can remember when they had never seen one. There are eight millions of them in daily familiar use in the United States now—more than twice as many as in the rest of the world combined. They are increasing in number at the rate of more than 2,000,000 a year. They represent a property value alone of more than eight billions. They represent an insurable value as against fire, theft, collision, property damage and liability infinitely greater than $8,000,000,000—probably estimated at as large a value as that written in fire insurance or about $90,000,000,000! Yet in 1918 the total premiums reported on all the automobile insurance was only $72,000,000. But it was in striking distance of fire insurance in 1888! The infant has already grown lusty.

What are the prospects? Experts estimate that three-fourths of all the automobiles are uninsured or underinsured or not adequately protected against the various hazards. In other words there were $288,000,000 of premiums "visible" where only $72,000,000 were brought in. Is this a "side line" or is it the mother lode? At the rate at which automobile property is multiplying these values increase incredibly every year. They will soon dispute the lead of fire insurance.

It is time for the insurance agent everywhere to press his self starter. There are few indeed who have no opportunities right around them. Automobile ownership and all the hazards attaching are their own visible distributors among farms, villages, towns and cities. The agent who takes into his office companies that supply all the cover lines can get the business as he gets fire insurance.. But he must get it in the same way—go after it and preach the gospel of protection. If he doesn't somebody else will and the new agent in his vicinity will not likely be satisfied with automobile business alone. There are already casualty agents that regard fire insurance as a side line. Companies are waiting, the prospects are enlarging, the field is open.

There are pessimists who will tell you that the automobile is a fad that will give way to something newer. Not a chance of it! This is the age of machinery and the miracles of physics. No chance in the world to take from men this miracle of rapid movement by which they come and go as on wishing carpets and do in an hour what formerly required the whole day. They are largely superseding railroads and street cars. But do you hear of railroads and street cars passing away? No, they are still busy, though in their time they were considered fads and dangerous ones at that.

There are even persons who insist that automobile development will be limited by the supply of rubber and gasoline and they see the early exhaustion of both. Sure thing! Just like grandmothers are going to give out because they are old and die so much faster than their grandchildren. When the rubber supply has been stretched to its most tenuous extent and the oil fields are being pumped instead of spouting, the automobile will be running just as rapidly, smoothly and luxuriously as now.

As to fuel—it is universal. Railroad locomotives did not vanish when the early supply of cord wood gave out, nor will they when coal gets scarce and oil evaporates. There is still in reserve the electrical power of streams for easy distribution. There is the electricity that is caught and directed for wireless—who knows from whence? Then there is the mystery of ever moving, never decreasing radium, from the very bowels of illimitable space.

Young E. Allison.