

BEST SELLING LIFE INSURANCE POLICIES

Business Insurance Affords Salesman Good Opportunity— Monthly Income is Popular Policy

That the present period presents excellent opportunities for writing life insurance was the keynote of a splendid paper by Mr. Ernest W. Owen, Detroit district manager of the Sun Life. Particularly he mentioned the possibilities for the insurance salesmen for the development in this new day of—(1) Corporation and business insurance; (2) The income policy; (3) Insurance for special contingencies; (4) Insurance education for the masses; (5) Insurance advertising; and (6) Insurance for charitable bequests.

Value of Business Insurance.

Illustrating the value of business insurance, Mr. Owen stated that a little more than a year ago a motor car company was organized in Detroit. One of his agents placed \$250,000 on the life of the president. Most of the money secured by that company was by notes given to the bank and endorsed by the president, and the company realized that properly to safeguard their interests it was highly important that they should be protected by adequate life insurance on this man's life.

Another illustration was in regard to the death of the president of a manufacturing concern. The company had placed \$50,000 on his life. It transpired that Mr. A. had organized the company more than ten years ago, and by his genius and ability had built the business up to a point where not only the stockholders, who were receiving regular dividends, but also the citizens of the town, were proud of it and of him. He was more familiar with the operating details than anyone else. He kept in close touch with the market, enabling him to save in the purchasing and maintain prices in the selling. He treated the employees with such consideration and respect that labor troubles were unknown.

Banks and Life Insurance.

His loss was irreparable. No one connected with the company was qualified to take his place. Hasty action was not to be thought of. A mistake might ruin the concern. Above all, their credit must be maintained. Banks and trust companies carrying their paper were, most certainly, greatly interested. The hard-headed business men on the board were keenly alive to the situation. A complete inventory of the company's possessions was ordered. The books were audited and a trial balance made.

With a statement, full and detailed, and a draft for \$50,000 received from the life insurance company, a committee waited upon the directors of the bank where most of their business was done. When the meeting was over they advised that, not only had their old credit been maintained, but, in addition, an extended credit had been cheerfully granted.

Monthly Income Policy.

Dealing with the monthly income policy, a comparatively new thing in Canada, Mr. Owen thought that there was necessary an educative campaign showing the great advantage of this form of policy contract—first, to the insurer, and second, to the salesman who sells it.

"To the man who buys this form of contract," he continued, "there comes the satisfaction that his wishes are going to be carried out when he has gone—that the funds which he has left behind for the protection of his wife and little ones are going to be conserved, and that his beneficiary is not going to become the prey of some get-rich-quick schemer who has a gold brick proposition to present."

"The life insurance salesmen who are the greatest producers sell principally monthly income contracts, and one can sell income insurance where one has failed to sell the common forms of policy contract."

To Perpetuate Income.

"To illustrate, a friend of mine in Detroit (a life insurance salesman), was driving along a certain street with a friend and as they were passing a large factory, the friend said to the insurance salesman, 'The president of that company has the reputation of being insurance-proof. No salesman has yet succeeded in getting his name on the "dotted line." Do you want to try him?' He replied quickly, 'I do.' He succeeded in getting in to the president and without further delay, put this one question, 'Are you interested in a proposition

that will perpetuate your income?' The man thought for a minute and then replied, 'I am.' And immediately an appointment was made for my friend to submit his proposition in detail, with the result that he wrote the insurance-proof man for a good-sized monthly income contract. This is not an isolated case. You will find that when you try to sell incomes your production will be increased; your lapses will be reduced for the lapse ratio among men who buy income insurance policies is much less than among those who buy insurance in lump sums."

INSURING PUBLIC IS CONFUSED

Are There Too Many Policy Plans in the Life Insurance Agent's Manual?

Taking the affirmative in a discussion as to whether or not the rate book contains too many plans, Mr. G. J. Alexander, district manager at Richmond, Que., of the Manufacturers' Life, stated that had the life insurance companies adopted a simpler manual on life, endowment and term plans, cutting out the special plans, the companies would have retained more business on their books and misrepresentation and twisting among agents would have been less.

"What is the present day rate book to a new agent?" asked Mr. Alexander. "It is a jumbled mass of figures and remains so for some time, until he has mastered it." In the meantime, the way is opened to unconscious misrepresentation on his part as he goes forth to meet the public. Then again, if these figures are a maze to the new agent, who has tried to study his manual, what are they to the insurance prospect who perhaps only sees the covers of the book?

Special Insurance Plan.

"The new agent canvasses a prospect on some special plan, which he may not fully understand, explains it in a manner which may be wrongly understood by the prospect, and the result is trouble. Special plans are rarely fully understood by the insured and through misunderstanding he becomes disappointed, dissatisfied and allows his policy to lapse. In my 20 years' experience in the business canvassing, I have seen scores of cases of misunderstood policies of various companies, and the agents who sold them acted in good faith, as far as they knew. The general agent, or district manager, says, perhaps: 'I always instruct my new agents to confine themselves to two or three life and endowment plans at the start.' But the temptation is there to sell specials and they try it. Then, again think of what a simplified or reduced manual would mean to you in building up your staff. The ease with which a new man could grasp and learn the manual would mean greater permanency of the agency staff of the various companies."

Why Not a Few Plans Only?

"The well-thumbed pages of the manuals are those on the rates, ordinary life, limited payment life and endowment. I feel safe in saying that 80 per cent., and possibly more, of all insurance written, are upon these plans. Then, why not confine the business strictly to these, with the addition of term plans? We all know that these are the old, well-tried and fundamental plans and any special contract is simply a combination or combinations of these plans."

"The modern insurance policy on any of the previously mentioned plans (whole life, limited life or endowment) embodies many of the dividend and instalment features which are sometimes dressed up under catchy names and sold as special contracts."

"The present day manual, from the agents' standpoint, is to the new agent confusing and discouraging, many otherwise good men weary in learning it, give up and are lost to the business. It creates a tendency in many agents to spend too much time figuring and working on special plans, which time, if spent in trying to sell standard plans, would produce more and better results."

Plans of Simpler Manual.

"From the prospect or assured's standpoint, we have the great advantage which would be gained in educating the public to the plans of a simpler manual. If we are to confer the greatest good to the greatest number, let us get this manual business to a simple basis, so that even the schoolboy, when he listens to an address by any of our able