

BUSINESS INSURANCE.**Arguments for a Form of Insurance that is Rapidly Coming to the Front—A Suggestive Catalogue of Reasons.**

The death of men closely identified with a business cannot but result in a shock to organization, to financial credit, to business-getting ability and to efficient operation, and mean finally a distinct pecuniary loss, at least for a period. Therefore, a life insurance company of Massachusetts observes, you must agree it is the part of wisdom and prudence for every business concern to carry protection on the lives of the men vital to it, and so provide a fund which in the event of a fatality will tide over the reorganization period, or, if necessary, make liquidation possible.

Suppose it is the man who with his business or executive ability is shaping the policy, and whose tact and diplomacy are keeping the organization harmonious and efficient. Are you safeguard against the inevitable shock which will follow his death?

Suppose it is your financial man who, by his relation and acquaintance with banks and bankers, is able to provide the necessary funds, and to build up and maintain credit. Will his loss affect your credit?

Suppose that it is your sales manager, with an unusual gift for handling men and getting results, and a wide acquaintance with the trade. Won't your sales suffer?

Suppose he is your buyer with an unusual knowledge of market conditions. Can you immediately fill his place without financial loss?

Suppose it is your mechanical genius whose practical knowledge is creating the output and keeping it ahead of competitors, and who is responsible for economical production. In his loss, wouldn't you suffer a distinct money loss?

Suppose that it is your foreman or head of a department who is able in a peculiar way to inspire team work among his subordinates, and produce satisfactory results economically. Are you sure that you can quickly fill his place without money loss?

Suppose that it is an employee so highly specialized that it would be impossible to adequately fill his place. Won't his loss affect your business?

Viewed from any standpoint, the loss of a live man means that your organized machine must be thrown out of gear, with consequent worry and actual monetary loss.

Suppose your partner dies at a critical period in your firm's affairs. Wouldn't hard cash in lieu of his co-operation and advice prove a help?

Suppose he was the owner of the controlling interest, and his executors, ignorant of your business, should prove unreasonable. Wouldn't additional cash be of value?

Suppose that it is put up to you as the surviving partner, to buy or sell. Wouldn't available cash be most acceptable?

Suppose that we have another financial panic such as that of 1907. Wouldn't a substantial sum of cash available on demand prove of great value?

Suppose you have in your firm, debt as a silent partner. As a rule, he is unconcerned as to the management of your affairs, but let death intervene, and this passiveness may change to the most annoying activity.

You realize that it is good business to carry fire insurance to compensate for the loss of physical property, therefore, if you carefully consider the matter, you must agree that it is better business to carry corporation or partnership insurance to compensate,

in some degree, for the loss of the master minds which made possible and keep efficient that physical property. Life insurance as an economic necessity covers not only the field of home preservation, but is also an essential part in the protection of the business organization of the present day, as evidenced by the millions of dollars of insurance now carried by firms and corporations.

VARIOUS REASONS.

Consider this matter seriously and honestly. Do any of the following reasons for the application of this modern safeguard apply in your case or prove of suggestive value?

(1) To tide over the shock following the death of some man vital to the business, and to compensate for the additional expense of finding, installing and training his successor.

The life work of a good manager can sometimes be undone in a few weeks by an incompetent successor. A condition of prosperity and efficiency may change to one of disaster and disorganization in a short period, and a sum of money received from insurance would minimize the consequent loss under such conditions. Because of the experience and familiarity with the business, one manager can conduct it on a much smaller working capital than could a successor; money from insurance will supply the increased capital. Many concerns are carrying insurance on their entire organization, including valuable and expert employees, realizing that each man is a factor in the earning ability of the business.

(2) To safeguard the credit of a concern.

Although a company's credit may be firmly established, the knowledge that corporation or partnership insurance is carried cannot be but an added strength. Possible creditors will know that the business has been protected against the one contingency which could severely cripple it. Should such a fatality occur in a time like 1907 when credits were strained and the relations between assets and liabilities took on such abnormal ratios, you can easily see the value of such protection. Bradstreet reports that 37.1 per cent. of the failures of 1907 were caused by a lack of capital. The call upon this company for loans on policies increased 210 per cent. during this abnormal period, showing the dependence which thousands had placed upon this reserve. Where a business or corporation bears the name of some man actively identified with it, business protection is especially desirable to offset the possible loss of credit following his death. Credit is so easily hurt that every safeguard should be put around it.

(3) To protect endorsers of company paper.

Everyone who endorses company paper should be protected by life insurance carried on the man or men responsible for making that paper good, and relieving the endorsers if death should jeopardize the endorser's interests.

(4) To protect a business against the death of one who is endorsing the paper or backing it financially.

Many concerns are doing business on banking credit extended because of the standing or backing of some man of financial strength whose death would mean withdrawal of such banking accommodations.

(To be concluded.)

The Molsons Bank has secured premises at Cowansville, Que., and will shortly open a branch there.