

year (1901) 11.07 per cent. of the total premiums received. That is, at the end of the year the company had on hand 88.93 per cent. (less expenses of administration) of the total premiums received. The above result would mislead anyone except an expert. But wait!

During the next year (1902) the company paid out an additional 25.97 per cent. of those 1901 premiums under those 1901 policies, for claims arising from accidents happening while those same policies were in force. During the next year (1903) the company paid out an additional 12.67 per cent. of those 1901 premiums under those 1901 policies, for claims arising from accidents happening while those same policies were in force. During 1904, 7.96 per cent. was added to the loss ratio in the same way. During 1905, 2.56 per cent. was added to the loss ratio in the same way. All this converted a loss ratio of 11.07 per cent. at the end of the first year (100 per cent. received in premiums and 11.07 per cent. paid in losses) into a 60.23 per cent. loss ratio at the end of the fifth year (100 per cent. received in premiums and 60.23 per cent. paid in losses) and the United States Casualty Company is still paying claims under those 1901 policies.

OTHER LOSS RATIOS.

There is nothing unusual about the above illustrations. One of the smaller casualty insurance companies had a loss ratio at the end of 1899 of 11.32 per cent. on its 1899 premiums for liability insurance; its loss ratio on those 1899 premiums had climbed to 77.34 per cent. at the end of the fifth year, and it is still paying losses on those same premiums. Its 1900 premiums began with a loss ratio of 13.50 per cent. the first year, reached 73.08 at the end of the fifth year, and not all the claims against those 1900 premiums have yet been settled. A large foreign casualty insurance company (doing business in this country) began the year 1901 with a loss ratio of 7.38 per cent. on that year's premiums, had paid out for losses at the end of the fifth year 70.03 per cent. of its 1901 premium income, and it is still paying losses on that year's premiums.

One of the oldest and largest American casualty insurance companies paid out for claims during 1901, on account of the liability policies it issued that year, 6.83 per cent. of its total premiums for those policies. It kept on paying claims under those same policies until, at the end of the fifth year, it had paid out for claims 61.02 per cent., and it is still paying claims arising under those same policies. Here is one company's record at the end of such five-year period for five such periods:

1897-1902..	64.72p.c.
1898-1903..	55.77p.c.
1899-1904..	82.33p.c.
1900-1905..	50.51p.c.
1901-1906..	59.60p.c.

And it is still paying claims for accidents happening during those years.

POINTERS FOR LIFE AGENTS.

J. F. Usher, of New York, representing the New York Insurance School, certainly struck the nail on the head, when he told the Louisville Association of Life Underwriters that very few life insurance salesmen ever take the time or trouble to figure out carefully a logical canvass. They approach prospects without knowing scarcely what they are going to say, and depend upon circumstances to shape their

canvass. The writer has talked with many salesmen relative to their plan of campaign, and he is obliged to admit that it is usually a case of "hit or miss." As far as the pure details are concerned this is perfectly proper, but a general plan of procedure is expedient, because it is impossible on the spur of the moment to make a logical canvass unless one has been prepared. It is well for a salesman to arrange an outline of his talk much the same as orators, essayists and others arrange their literary productions. The general rule for doing this is to divide the matter into three sections. First, the introduction; second, the argument, and third, the close.

Robert Ingersoll, one of the greatest orators of the past century, in discussing the "moulding of opinion," said that the strongest arguments should be used in opening and closing an address, and that the weaker should be used in between. This is the sensible and logical method and applies equally well in making a canvass as in making a speech, the desired result being the same in either case—that of moulding opinion. It is self-apparent that when a salesman starts to canvass a prospect he needs strong and forceful, or in some cases, novel arguments, in order to arouse interest and secure attention. After this is accomplished, both must be sustained, but this can be done by sufficient, although less forceful arguments. Then at the close, when the point is reached at which he is to attempt to secure the signature itself, he needs the strongest arguments and points that he can command in order to clinch the deal.

MACHINE-LIKE PROCEDURE UNDESIRABLE.

It would be little short of folly to prepare a discourse on life insurance and expect to do much business by declaiming it verbatim in the presence of prospects. Once in a while one would find a person whose case it would just fit and it would produce the desired result, but these occasions would be rare, in fact too rare to be profitable. Such a plan would be machine-like procedure, and machines do not think and they are not supposed to; men do think and it is necessary that they should. It is not only necessary that they think, but that they reason, also, and work as their best judgment indicates. In preparing a canvass, then, it must be such that the details are subject to interchange to suit the many sides of human nature. This can be done by adopting a plan comprising three sections. The first may include a half dozen or more different opening "stock" sentences and arguments which have been tried and found helpful.

Special introductions can be added for certain cases, and in each instance that which the salesman's reason or intuition tells him will create the desired impression should be used. The next step should be to arouse enthusiasm and create desire. This may be accomplished by demonstrating the need for more insurance, by explaining the provisions of a certain policy and how it will meet those needs, by showing the special features of the company and the excellence of its record—these or a combination of them, and more, if necessary, according to the way the case "sizes up." The third and last step should comprise various unique or forceful methods that have already proven to be effective in getting the signature when used at the right moment, the one or more deemed proper to use being selected for use to cause decision and prompt action. By having a schedule of arguments of this kind and adding ideas from time to time as they are acquired by personal experience or in other ways, it will prove a valuable help.—*Argus*.