

**AGENTS NEED SIDE LINES.****By J. A. Gibberson.**

The "one man agency" in the small town presents a difficult problem in properly proportioned production. J. A. Gibberson of Alton has solved it. He is his only salesman and has two assistants. He began business in September, 1908. While his premium income is not great, he has made a substantial success by balancing his production.

At the start he did business in eight branches, fire, tornado, automobile, live stock, accident and health, liability and compensation, farm insurance, live stock and plate glass. In 1912 the Illinois compensation law was passed and in two years his business increased about five times. He added life insurance and bonding to his list. The percentages of his writings in 1914 were: Live stock,  $1\frac{3}{4}$  per cent.; plate glass, 1 per cent.; burglary,  $\frac{1}{4}$  per cent.; fire, 8 per cent.; tornado,  $\frac{3}{4}$  per cent.; marine,  $2\frac{1}{2}$  per cent.; automobile, fire and theft,  $1\frac{1}{2}$  per cent.; liability and compensation,  $54\frac{1}{2}$  per cent.; accident and health, 4 per cent.; bonds,  $\frac{1}{2}$  per cent.; life, 4 per cent.; farm,  $1\frac{1}{4}$  per cent.

In 1915 his casualty lines were raided by non-conference companies and he lost 80 per cent. of his compensation and liability business, which produced a 55 per cent. reduction in his total premium income. It was a hard blow, but not as bad as when every agency in a State has all of that line wiped out, as was the case in Ohio when the State Fund was established, says Mr. Gibberson.

**Insuring Premium Income.**

"When you face a situation of this kind, I believe that you will agree with me that you will arrange to conduct your business in the future such a way that the loss of all the business in any department will not vitally affect your income for the year. So during the latter part of 1915 I definitely decided that the proper way to develop my business was by special attention to the so-called 'side lines.' Therefore, beginning with the year 1916 I arranged for a plan of specialization in the miscellaneous lines."

Mr. Gibberson by 1918 had developed nineteen departments and in 1919 added another, hail insurance. The percentage for 1919 shows how well balanced the agency's premium income is:— Live stock, 2 per cent.; plate glass, 2 per cent.; burglary, 5 per cent.; combination residence,  $\frac{1}{2}$  per cent.; fire, 36 per cent.; tornado, 3 per cent.; marine, 2 per cent.; automobile, liability and property damage and collision, 9 per cent.; automobile, fire and theft, 5 per cent.; liability and compensation, 10 per cent.; hail,  $\frac{1}{2}$  per cent.; accident and health, 10 per cent.; registered mail,  $\frac{1}{4}$  per cent.; bonds, 1 per cent.; life, 9 per cent.; farm, 2 per cent.; all risk, jewelry,  $\frac{1}{4}$  per cent.; tourist bag-

gage,  $\frac{1}{4}$  per cent.; mail package,  $\frac{1}{4}$  per cent.; explosion and riot, 1 per cent.

Says this progressive agent: "I could lose my entire liability and compensation premium income and by rearranging my office and releasing one of my clerks would make about as much money as I do today, so the development of side lines has meant much to me and I am sure that it would mean as much to you."

Mr. Gibberson maintains a selected mail list, an addressograph, and by mimeograph letters produces excellent results. Whenever any event happens in or near Alton that has an insurance "slant" he shoots out a letter. His publicity department has become so well known in his territory that whenever anything unusual happens people look for his letters in the first mail to see what he has to say about it.

In October, 1917, he put on a special health and accident drive, sending out a series of six letters. This developed such an interest that men on his mail list would stop him on the street and ask for the "latest dope", tell him about prospects. He won the first prize in his class. In March, 1919, after two severe windstorms, he put on a tornado campaign and wrote several thousands dollars of premiums. A month later a bold hold-up occurred in Alto at 2 o'clock one afternoon. At 6 that night he had letters in the mail giving the details and showing what protection his office afforded against such risks. Last June he circularized 1,200 farmers on farm grain certificate insurance, with satisfactory results. On tourist baggage insurance he addresses members of the country club, parents having children at school, workmen having valuable tools away from home, etc., etc.

"I realize that there quite a few men who are too busy 'in their minds' to open one-cent mail, let alone read it, but I have demonstrated to my own satisfaction that two sets of circular letters on the same subject under one-cent mail will produce far more business than one letter on the same subject under two-cent mail. My experience has taught me that direct mail advertising on a special line of insurance, followed up by as much personal work as possible, will bring the best results in the development of the so-called side lines. I have so much faith in it that I have reorganized my office as of October 1st with the hope that beginning with 1920 I can spend most of my time soliciting business, letting my office force handle all the details of the business, as well as the department of publicity."