# AUTOMOBILE NEWS

## AUTO INSURANCE IN 5 COVERAGES

### Expert Discusses Protection That Can Be Secured by Driver

By W. R. McDONALD

There is a coverage for each type of automobile accident. The accident that stands out pre-eminently is the personal injury accident. The owner or operator of a car may have the misfortune at any moment to kill or seriously injure some other persons. Insurance is needed therefore to provide the means to pay the injured party the amount for which the owner or operator is legally liable This form of automobile insurance is known as public liability coverage.

Another type of accident, very closely allied to the personal injury accident, is the one that involves damage to other people's property. To protect himself against legal liability on account of such damage the owner purchases property damage coverage.

If the accident results in damage to the car itself, the owner purchases protection by means of a collision endorsement. He is then reimbursed for the collision damage to his car regardless of who was at fault for the collision.

There are the three general forms of automobile casualty coverage. The two other leading coverages are fire and theft.

Automobile fatalities average about 60 per day (1925), whereas 10 years ago the number was less than 10. If the increase should continue at the same rate during the next ten years, automobiles would kill an average of 200 people every day of the year, making a total of 70,000 for the year, or equivalent to the total accident deaths today from all sources combined. However, the people of the United States are not going to permit this increase for the next 10 years. The movement for accident prevention is gaining ground rapidly and already splendid results are being achieved in certain sections of the country. In fact, there are many in close touch with safety-first work who believe that the number of automobile fatalities and injuries has about reached its height.

The record of fatalities is only a small part of the whole story. There are probably 10 serious injuries for every death, and 20 injuries involving considerable damage to property. In addition, there is even a larger number of minor injuries to persons and property. It is not easy to estimate the monetary loss as a result of personal injuries, but placed conservatively, the amount would be $200,000,000 per year, and the $15,000,000 automobiles in operation today probably do damage to themselves and to other property in excess of $300,000,000 per year. Add to this the total automobile fire and theft losses and we have the grand total automobile loss each year in excess of the annual fire waste of the United States.

**Public Liability Coverage**

The public liability policy indemnifies the assured against loss by reason of the liability imposed by law upon the assured for damages on account of bodily injuries, including death, to any person or persons, other than employees, accidently suffered or alleged to have been suffered while the policy is in force by reason of the ownership, maintenance or use within the limits of the United States or Canada of any automobiles described in the policy.

The public liability policy not only protects the automobile owner for damages he is required to pay on account of injury or death to other people, but it also relieves him of all expense of defense and investigation. Immediately after the report of an accident the insurance company gives the assured the benefit of its expert and trained adjustment department. This makes it possible for the insurance company to settle losses on a cheaper basis than the assured could hope to settle them himself. The amount an automobile owner might have to pay his attorney, may easily cost the assured more than his full automobile premium for a year or two—to say nothing of the other expenses incurred by the assured in the settlement of the claim.

The automobile public liability policy is not an accident policy. The company does not agree to pay for every injury caused by the automobile. There must be legal liability and the assured should be warned not to make promises at the time of the accident other than to take care of the necessary first medical aid. The insurance company will pay whatever loss the assured is legally required to pay, within the limits of the policy, but the relatively low premium charges will not permit the insurance company to pay out sums where there is no liability on the part of the assured, nor to pay out excessive sums when there is only a limited liability or a minor injury.

Very often suits are brought against the assured where the assured had no knowledge of any accident. Most of these are fraudulent and it requires a considerable amount of time and effort to make the necessary investigations and to defend the fake claims. The policy relieves the assured of this burden.

The policy also protects the owner's wife or son or relative or friend, under the omnibus coverage clause while they are riding or legally operating the insured automobile with the permission of the named assurred. This does not apply to public automobiles or to dealers or garage risks. Formerly it was the practice to charge an additional premium for naming additional assureds, but this charge has been removed, and the policy now gives such coverage free of charge.

The standard limits of an automobile policy are $5,000/10,000, which means the company does not pay more than $5,000 as a result of injury or death of only one person and, subject to that limit for each person, not more than $10,000 as a result of injuries or death arising out of one accident, regardless of the number injured or killed in that accident.

The policy contains only a few exclusions. These are:

1. If the car is being driven by a person under the legal age or under the age of 16.

2. If the car is being driven in a race or contest.

3. Injuries to employes (this coverage is afforded under separate workmen's compensation and employers' liability policy, or employers' liability endorsement to automobile policy if no workmen's compensation act applies).

4. If the car is being used for towing or propelling any trailer. (Assured may, however, purchase such coverage at an additional premium charge).

5. If the car is being used for purposes other than as declared by the assured.

6. If used to carry passengers for a consideration or if rented or hired to others. (If assured is engaged in this kind of work he may be protected at a higher premium charge).

The policy contains a number of provisions only a few of which have been referred to in this article. The agent should study the automobile policy and explain the nature of the coverage to the assured. One of the most important provisions has to do with the notice of accidents. The policy requires the assured to report each accidently promptly, whether trifling or not and whether or not the assured thinks he is at fault. If possible, the assured should first telephone immediately a representative of the company located in the city where the accident occurred and this should be followed up promptly with the complete notice of the accident.

The assured should not fail to obtain names of all witnesses and their addresses at the time of the accident.—Oregon Motorist, December issue.

## HENRY ENTERTAINS PRINCE

—NEA, Detroit Bureau

**Prince Nicholas found it no trouble at all to make friends with Henry Ford at Detroit. For "Nicky," like Henry, is a mechanical bent. Here's Ford showing the prince the works at Dearborn. They're inspecting a new motor.**

## Dodge Brothers Cars, Trucks Go 'Like Hotcakes'

Retail deliveries of 4419 new motor cars and trucks by Dodge Brothers dealers in United States and Canada during the week ended Nov. 27 have exceeded all previous weekly records established during the last quarter of any year. Compared with the previous week this year the gain is 37.9 per cent and compared with the corresponding week of 1925 2595 cars were sold the gain is 70.3 per cent.

Deliveries during the four weeks of November totaled 14,676 units, a substantial increase over the preceding four weeks of October and a gain of 3,854 units over the corresponding four weeks of November 1925, or 35.6 per cent.

The official figures just released by the United States department of commerce showing production of motor cars and trucks in the United States and Canada during the first ten months of this year lend interest to the excellent 1926 records established by Dodge Brothers, Inc.

Total production of motor cars and trucks in the United States and Canada during the first ten months of 1926, was 4,026,879, compared with 3,638,159 during the corresponding month of 1925, a gain of over 10 per cent. From Jan. 1 to Nov. 1 this year Dodge Brothers, Inc., in its plants in United States and Canada has produced and sold 308,641 motor vehicles against 226,848 during the same period last year, a gain of 36.1 per cent. Comparing over a longer perior Dodge Brothers gain over the first ten months of 1923 is 109.9 per cent; that of the industry, 16 per cent.

A law in Japan compels co-eds to take military training along with the men students.