

# CENTURIES OF ROUGH NOTES

November 10, 1910.]

## ROUGH NOTES.

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### CONSTANT PROFIT THROUGH THE OFFICE ARRANGEMENT.

A COMPACT AGENCY.



Courtesy of Globe-Wernicke "Designs."

There are many things distinctive about the office of The J. Lehenkraus Sons' Insurance agency, of Brooklyn, N. Y. The most notable first fact connected with the office is that it has recently put in steel filing devices to the value of about eight hundred dollars. And put them in as an investment.

Before the purchase was made every detail of the office work was taken into consideration and the floor space outlined and diagramed so as to assemble the files in such a manner as to make a saving in the office work; and the office arranged in such a manner as to utilize every inch of space, so that the expansion of the business will not necessitate the renting of additional quarters; and then, before the plans were made complete, the effect of such an arrangement on the public was carefully considered.

So that:

The expenditure for filing equipment—large though it was in the first place—serves as a constant advertisement to the public of the systematic manner in which the office is conducted.

And produces two sources of direct revenue. The arrangement eliminates the cost of the extra clerk-hire which formerly was compulsory on account of the necessity of the clerks traveling over the office in order to carry on their routine duties; and it saves the rent for an additional room.

An investment of \$500 at six per cent. means an interest charge of \$48.00 a year for the new equipment, to which should be added a depreciation charge of about \$60.00, making the new equipment cost the office a yearly average of something like \$110.00. This on the Debit side, while the earnings which this equipment makes for the office on the Credit side of the Ledger may roughly be set down as follows:

Saving in clerk hire.....	\$500.00
Saving in rent.....	500.00

A probable total saving of \$1,000.00 a year for the office—to say nothing of the advertising value of the appearance of the agency.

An annual cash dividend of more than 900 per cent. on the expenditure.

And perhaps of more importance than anything else is the influence which the compact systematic arrangement has on the office force—an influence that must be felt in the character of the business which the agency will put upon its books.

There is many an office in America that could secure the benefits that the Lehenkraus agency is receiving without the expenditure of a single cent, if the proper amount of time and thought were given to the subject.

#### SMALL AGENCIES—IMPORTANT FACTOR.

An insurance agency in a small town or village seems unimportant in comparison with the big agencies in big cities and towns, but many companies have high regard for them; and it is not unusual to find a half-dozen of the best companies in the country represented in towns where from one to a half-dozen agencies (some of them side-liners) are subsisting on patronage barely sufficient for the comfortable support of from one-third to one-half their number. However, companies value the business of the small agency so highly that they cultivate them assiduously; and the importance of such cultivation is shown in the ratio that the small agency receipts in the aggregate bear to the total premiums. Then there are many more villages and towns than cities of large commercial importance; this fact and the

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