

CENTURIES OF ROUGH NOTES

Rough Notes magazine, April, 1957



PURCHASERS of new automobiles, such as the ones shown on the left and destined for delivery in New York, found insurance was a prerequisite to licensing them.

By **ARMAND A. LOWELL**

*Lebkuecher & Lynch, Inc.
Hicksville, New York*

Compulsory Auto Law Places Additional Burden on Agents

A complete programming of records to break down each individual account on a line-by-line basis is necessary under mandatory law now effective in New York State.

THE IMPACT OF the passage of a compulsory Automobile insurance law in New York State became individually evident in our office in October, when we were faced with the immediate task of issuing and certifying over 1,700 certificates of insurance—known as FS-1—one for every vehicle we insured.

As a modern and well-equipped agency, we have excellent records, including the most modern electronic and automatic recording machines—but never in our wildest dreams had we ever anticipated a programming of records to break down each individual account on a line-by-line basis.

Over 4,000 Clients

Therefore we had a manual task of individually reviewing the line folders of over 4,000 clients—to extract from these folders each Automobile line, and extract from that daily report the named insured, his address, year, make, and engine number of his vehicle(s), insurance company, policy number, inception and expiration date. We then had to type an individual certificate for

each vehicle—with the exception of about 150 Assigned Risk lines on our books. The Assigned Risk carriers issued their own FS-1 to us for each line.

These FS-1's had to be completed by November 1st, because motorists who had special number license plates had to have their renewal applications on file before November 15. We, of course, did not know who had special plates—as this is not required underwriting information. We had over 200 special plate holders in the agency at that.

Furthermore, the Motor Vehicle Bureau suggested that ALL certificates be prepared and mailed on or about November 15, as license plates for 1957 went on sale on December 3, 1956. No application for registration or renewal would be accepted for 1957 unless an FS-1 accompanied the application.

Now the problems began. To begin with, the time and effort that was necessary to issue 1,700 certificates for all insured autos in our agency was phenomenal. We have no way now to accurately break down the cost of this operation, but

from time spent, we estimate that two employees spent 14 full days completing the job.

As an additional service, we mailed each client a blank registration application along with the FS-1. Since there are different forms of applications required for private passenger cars, suburbans, commercial vehicles and trailers in New York, we also classified and coded each FS-1 so that the proper form of application went along with it.

Went "Whole-Hog"

As long as it was costing us time and money, we went whole-hog. Perhaps the "extra service" would offset some of the nuisance and inconvenience for the client. We included with the mailing a letter to each client advising him of his obligation under the law, and asking him to please check the enclosed certificate for accuracy. His cooperation in verifying the FS-1, we pointed out, would save us all time if incorrect in any respect. We asked him to do this before applying for his license.

Human nature being what it is, many people did not check the FS-1, and many did not even read the letter. Some apparently thought it was a regular advertisement, and filed it in the waste basket—for we were

(This page from 1957 does not continue.)