ASSETS OF LIFE INSURANCE COMPANIES HAVE SHOWN A BIG INCREASE DURING YEAR 1933

New York, Dec. 7—Reviewing the year's trend in life insurance investments, President Bradford H. Walker of The Life Insurance Company of Virginia, Richmond, reported today that the assets of United States Life insurance companies will increase $381,000,000 in 1933 He spoke at the Twenty-seventh Annual Convention of The Association of Life Insurance Presidents which is in session here. The estimated total for the end of this year is $21,135,000,000, he said. Mr. Walker viewed the growth of these assets as significant evidence of the stability of life insurance.

Pointing out that life insurance assets back the policies of millions of policyholders, he said: "In our great national emergency, the institution of life insurance, by steadfastly adhering to its primary function, protection, successfully conserved the welfare of thousands of widows, orphans and othe rdependents, as well as of aged policyholders themselves, in the years to come who might needlessly have been robbed of their benefits by momentary and collective unreason. As a result, life insurance remains today the same protective giant of stability."

Increase Analyzed

Turning to the investment records of 51 legal reserve companies holding approximately 92 per cent of the total admitted assets of all such companies in the United States, the speaker announced hat these companies will held at the end of December about $19,360,000,000, making a net increase of about $340,000,000 over the 1932 figure of $19020,000,000. "Analyzing this increase by classes of investments, we find that farm mortgage loans decreased about $168,000,000 and city mortgages about $311,000,000, making a total decrease in mortgage loans of $479,000,000, and shifting the percentage of total assets held in this class of investment from 35.7 to 32.6" he continued. "Bonds and stocks showed a net increase during the year of approximately $271,000,000. This class of assets showed a gain in proportion to total assets from 36.7 per cent to 37.4 per cent. Government bonds increased about $283,000,000, chiefly due to a $232,000,000 increase in United States government bonds and a $55,000,000 increase in domestic state, county, and municipal bonds. There was a decrease in corporate securities of $12,000,000, railroad securities having decreased by $34,000,000, while public utility securities increased by $18,000,000, and other corporate securities by $,4000,000. Policy loans and premium notes showed an increase of $20,000,00, and the percentage of assets so held decreased from 17.9 to 17.7. While the gain in real estate holdings, amounting to about $36,000,000, was somewhat larger than usual this year, the percentage of assets so held increased only from 4.0 to 5.8."

Big Investments

The assets of the 51 companies have been invested in large volume throughout all parts of the United States and Canada, Mr. Walker said. Pointing out that the great percentage of investments in each class of securities is shown to have been made in the section where such industry predominates, he continued: "In 1932, 58.9 per cent of all mortgages on farm property was located in the West North Central division; 30.1 per cent of all investments in public utility securities was in the Middle Atlantic division and 24.4 per cent of all investments in railroad securities was in the East North Central division. Of the aggregate investments of these companies at the close of 1932, the Middle Atlantic division with $4,817,000,000 ranked first and was followed, in order or amount, by the East North Central with $3,817,000,000; the West North Central with $2,551,000,000; the South Atlantic with $1,574,000,000; the Pacific with $1,256,000,000; the West South Central with $1,038,000,000; The East South Central with $907,000,000; the New England with $785,000,000; the Mountain with $461,000,000; and Territories and possessions with $7,000,000. They also had invested $731,000,000 in Canada and $76,000,000 in other foreign countries."

Policy Loans

Mr. Walker traced the investment trends of the 51 companies since 1906. Coming to the item of policy loans and premium notes, he stated that it may be regarded as normal that there has been an uninterrupted growth in the amount of such loans throughout the period covered by the survey, resulting from the increase in the volume of insurance in force. "That, previous to the depression, the increase in policy loans did keep in line with the expansion of the business is fairly demonstrated by the fact that betwe-n 1911 and 1929 the percentage of total assets represented by such loans remained within the comparatively narrow limits of 12.0 and 14.0" he pointed out. "The markedly accelerated upward trend during the depression years is likewise shown by the fact that this ratio has increased since 1929 to 17.9 per cent at the end of 1932, and is, of course, directly attributable to the severity of economic conditions. The amount of policy loans outstanding at the present time is approximately $3,435,000,000, an increase of $1,295,000,000 since the end of 1929 as against an increase of $844,000,000 during the preceding four year period."

Real Estate Holdings

Mr. Walker asserted that it is fallacious to interpret increased real estate holdings of the companies as evidence of wholesale foreclosures. "The amount of life insurance assets held in real estate has always been a comparatively small item," he pointed out. "It also is one which should normally increase in proportion to the expansion of the business in general as it is made up of home office real estate and of property held as a result of foreclosed mortgages. This is borne out by the fact that over a long period of years, from 1916 to 1931, real estate holdings, maintained a comparatively constant ratio to total assets, fluctuating between 1.8 per cent and 2.8 per cent. While the persent real estate holdings, estimated at $1,113,000,000, represents an unusually large increase during the year, this fact should not be interpreted as evidence of wholesale foreclosures on the part of life insurance companies. The fallacy of such a conclusion is shown by the fact that, even assuming that every dollar of the $360,000,000 increase in real estate holdings during 1933 was the result of foreclosure, such assumed foreclosures during the year would represent only 5.3 per cent of the amount of outstanding mortgage loans at the end of last year, or 1.9 per cent of the total asses."

Commenting on the stability of life insurance during the depression, Mr. Walker said: "It is axiomatic that the investment of life insurance funds must be on the maximum soundness. The management of these funds must also be efficient, in that investments must yield an adequate return consistent with safety so that the net cost to the insured may be as low as possible.

"To meet these criteria, life insurance companies have built up competent investment organizations manned by investment experts and equipped with facilities for study and research. In this way the companies are enabled to maintain a policy of investment selection which is at once conservative and progressive. Conservative, because safety of principal is the paramount consideration. Progressive, because selection is based upon accurate current information of conditions prevailing in various industries and in all parts of the country and upon expert analysis of general economic and financial trends. The result of such a policy consistently maintained over a long span of years is that life insurance has achieved a stability unsurpassed by any other financial institution."

SOME POINTERS ON SELLING LIFE INSURANCE, LESS TALK URGED

(Philadelphia Bulletin)

False hopes are likely to be aroused in many hearts by the newspaper headline, "Urges Less Talk by Insurance Men," especially when the subjoined text is found to attribute this sage advice to a vice-president of the National Association of Life Underwriters and New York agency manager of a large insurance company. But further reading destrays a cheering illusion. It appears that the insurance agent is advised to do all his talking in a single session, which would, it is true, diminish the aggregate of his disquisiton, but at what cost to the listener is only a matter of conjecture.

The point made by the expert in telling how to sell insurance is that the sales resistance of the prospect is at lowest ebb at the first interview. Tha is h occasion for tlanding on him with both feet, for clinching the sale, for getting the signature on the dotted line. Give him ime to think, to consult his bank account, to figure how he would enjoy the maximum of immediate profit from the use of his available resources, and he develops a series of silly objections to filing application for an insurance policy. For his own good he must be carried by assault.

This is doubtless wise technical counsel. But also it is something of an eye-opener .It awakens us to a fact of which we have always had knowledge. but of which we seldom think, to wit, that when we are interviewed by any salesman, whether of life insurance, books, building lots, automobiles, sewing machines or what not, we are at an unfair disadvantage.

The salesman is technically trained in his peculiar branch of warfare. He has been to a specialty school. He had studied our tactical position; he knows its weaknesses. He is able to appraise our character, to catalogue us, to put us instantly into one of the classifications for which special treatment is prescribed in his studied line of attack. He knows every objection we can raise to the purchase of his wares, and the convincing answer to it. Probably he has even practiced on dummies, or persons posing as prospects. with whom he has argued under the supervision of his mentors at the general sales agency.

It would seem that there ought to be training schools for buyers, where they can learn in self-defense to counter professional sales tachnique. It does not suffice to learn how to say "no"; one must learn to back up a negative with plausible reasoning. The good salesman will accept no other. You can't impose on a man who wishes to write your order by offering phoney excuses, such as that you are just on your way to a funeral, or live where his product would be useless, or have a rheumatic hand and can't write checks.

It would seem, since a spokesman for salesmen admits that the chance of selling is lessened if the deal is not put through on a first interview, that it would be good strategy to play for time. Another possible method is to pretend not to be able to understand English, and to undertake to conduct the interview in the sign language. There could be nohing more discouraging for a man who wishes you to buy bonds, for instance, than to be obliged to explain to you their interest rate, convertibility, callability and maturity, and the nature and prospects of the business on which they are founded by means of expressive gestures.

PRUNE GROWERS LOSE MILLIONS

Salem, Oregon, Dec. 6 — Oregon prune growers have lost $6,000,000 in the last five years due to dropping prices, the State experiment station announced. Prices declined from 8 cents a pound to 2.9. Prune production has past its peak in the State due to many orchards being grubbed up or abandoned and few new ones set out.

OF COURSE

A man who has two wives of course
Is always called a bigamist,
But when he has some three or four
We guess he is a pigamist.
—P. H. A. in Florida Times-Union.

You may call him either, P. H. A.,
But this is what I have to say:
And to my story I will stick.
He's just a gosh-darn lunatic.
—ED SCANLAN in Buffalo News.

But how about King Solomon,
The man of generous girth?
He had ten hundred wives, and was
The wisest man on earth?
—SCRANTONIAN, in Scranton, Pa.

Burgomaster of Frankfurt has ordered 1,600 bachelors employed by the city to marry. And then they will all be demanding an increase of pay.

The Chicago Stock Yards were not only tied up by the recent strike now at end, they were, in a way of speaking, hog-tied.

ASSERTS THAT FR. COUGHLIN ON "ANGELS' SIDE"

Detroit, Dec. 5—Declaring that Father Charles E. Coughlin is "on the side of the angels" in his advocacy of the Roosevelt recovery program, Msgr. John A. Ryan, of Washington, told the Catholic conference on industrial problems yesterday that the Canadian-born priest is "enlisting the masses" to fight for the recovery cause.

Msgr. Ryan, economist and professor of ethics and moral theology in Catholic University at Washington, made his statement in a question and answer appearance before the conference, after he had concluded an address in which he declared that "the Pope is more radical even than the new deal."

"I know you all want to ask me about Father Coughlin," he said.

"I do not agree with everything he says. But on the main question that confronts us now in an effort to get out of this depression, as regards the issue between those who believe in and those who oppose social justice, Father Coughlin is on the side of the angels.

Stirring Up Animals.

"Let him make all the mistakes he likes; he is stirring up the animals and that has got to be done by someone. The masses are sluggish-minded and have not shown any faint signs of rebellion until recently. The recovery program opposed by the monied interests cannot be carried through on an intellectual plane alone. The masses must be enlisted to fight for it before you can put it over. Father Coughlin is arranging that kind of thing to a considerable extent and in doing so is a useful citizen.

"In spite of the exaggerations which he may—I say may—make, he is on the side of the angels."

Discussing the NRA program, Msgr. Ryan said that while codes "regulate wages, hours, labor organizations, industrial disputes and occasionally prices and the amount of production," the Pope "would make labor participation in drawing up and administering the codes not merely permissible but mandatory.

"While the NRA is truly revolutionary" he said ,"it does not go as far as the occupational group organization recommended by Pope Pius in Quadregesimo."

GROW SLIM BY HYPNOSIS

Oxford, Ohio, Dec. 7—Hypnotism is helping girls in regulating their diet to make their figures slim enough to be favorable.

Professors E. F. Patten and S. A. Switzer, Miami University psychologists, say their experiments are helping their laboratory subjects to remove excess weight to overcome self-consciousness and to cut down on their smoking.

For example, a girl subject wanted to lose some weight; during a hynotic trance it was suggested that she tsop eating starchy foods. Later, some fattening foods became extremely distasteful to her and she regained her slim figure.

An amateur actor who was suffering from stage fright after receiving suggestions under hypnosis, finds his acting is better. A boy who had trouble getting up early now rises at 7 A. M., and several persons who wanted to smoke less have been helped.

JELLIED TOMATO SOUP

Two tablespoons gelatin
One fourth cup water
One and one half cans tomato soup
One and one half cups boiling water
Seasoning

Soak gelatin in cold water five minutes. Combine tomato soup with boiling water. Stir gelatin into hot mixture. Add seasoning to taste. Chill in refrigerator until set. Beat with a fork and serve in boulillon cups. Garnish with sliced lemon and parsley. Preparation time, ten minutes.

The care-free brow is not to be frowned.