

NEWS
RELEASE

Thomas J. Dodd

SENATOR FROM CONNECTICUT

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SENATOR THOMAS J. DODD URGES INSURANCE INDUSTRY TO EXPAND AND
INTENSIFY ITS EFFORTS IN THE PROMOTION OF SAFER AUTOMOBILE DESIGN

RICHMOND, VA.....Senator Thomas J. Dodd (D.-Conn.), addressing a group of Virginia insurance industry representatives, urged the entire insurance industry to substantially expand and intensify its promotion of safer automobile design.

Senator Dodd spoke to the insurance executives and agents participating in Richmond's First Annual All-Industry Insurance Day.

In calling for insurance industry leadership of the growing efforts and interest in vehicle safety, Senator Dodd pointed out that this development may prove to be the answer to the serious loss problem presently existing in the field of casualty insurance.

He said:

"....Premium rates for automobile insurance of \$300, \$400, and \$500 a year are not uncommon, and some people are paying much more.

"Obviously, this method of solving the problem is a very unsatisfactory one, for we are rapidly approaching its outer limits. Companies simply cannot go on year after year substantially raising their rates.

"The insurance industry must dedicate itself to the task of searching for a different and more effective remedy to this serious problem.

"The efforts currently underway to improve vehicle safety are truly impressive both in number and quality."

Senator Dodd cited as one example the fact that "New York State is designing a 'crashproof' car which, it is claimed, will prevent death even in head-on crashes at speeds up to 40 m.p.h.

"The development of a safe automobile, in addition to reducing human suffering, may be the answer to the major loss problem in the field of casualty insurance today.

"If these planned model cars are only half as effective as it is expected they will be, the losses expressed on the financial statements of tomorrow would be trifling in contrast to those of today.

"Increased profits would feed new life into the blood stream of the underwriters, and not long thereafter we would assuredly witness their return to the positions of strength and stability which they enjoyed just a few years ago.

"The public would also be blessed with lower rates and finer service.

"The good that would flow from such a development both to the insurance industry and the consumer is inestimable.

(More)

"Therefore, I call upon the insurance industry -- long a leader in the promotion of highway safety -- to exercise the same fine leadership in this exciting and most promising area of vehicle safety."

Senator Dodd concluded his remarks as follows:

"The shiny, flashy, and over-powered automobile of today has brought the American people untold death and serious injury.

"It has brought them agonizing grief over lost loved ones.

"It has brought them more suffering by far than any other device known to modern man.

"I urge you fine people gathered together with me here today to do all within your power to foster, promote, and accelerate the cause of the safe car.

"Nothing, in my judgment, could do more to improve the insurance industry's public relations and enhance its public image."

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