

# HOST COMPANIES WELCOME CONVENTION

## Life Insurance, A Bulwark Of The Family and Nation

By A. T. SPAULDING, Vice-President and Actuary  
North Carolina Mutual Life Insurance Company

Insurance is the fruition of the cravings and efforts of man to provide financial security for himself and his own, in all of the areas into which his needs spread, from the cradle to the grave.

The history of life insurance, however, reveals that it did not reach its present state of widespread acceptance without a struggle, even for the right to exist.

It is a far cry from "the sick man's box" and "the dead man's box," and from being "forbidden by law as against good morals" and "as gambling on the duration of human lives" to its scientific development and widespread public acceptance today.

American families added \$28,000,000,000 to their aggregate life insurance protection during 1953, according to the Institute of Life Insurance Fact Book for 1954. There is now in the United States over 90 million policyholders owning over \$300,000,000,000 of life insurance with an average of approximately \$3400 of life insurance each. Three out of every four families now own some type of life insurance.

Approximately \$21 billion of the life insurance in force is on children under 15 years of age; \$225.1 billion is on males over 14; and \$49.5 billion is on women—these figures do not include credit insurance. \$186.7 billion is ordinary, \$37.8 billion is industrial, and \$79.8 billion is group. About 65% of the total in force is with mutual companies and 35% with stock companies. It is estimated that at least one-half of all life insurance outstanding today has been in force less than 10 years.

The possession of large amounts of life insurance now is not only considered commendable but also as carrying a certain amount of social prestige; and to be without any is almost a social stigma.

There are now 4.5 million annuities in force with United States life insurance companies, providing for annual income payments of approximately \$1.7 billion. There are 15,730 insured pension plans in the United States in force with life insurance companies, covering 3,940,000 persons compared with 1530 plans 14 years ago covering only 685,000 persons.

The payments to United States families by their life insurance companies in 1953 totaled \$4.5 billion. These payments were distributed as follows:

Death benefits \$1.99 billion; matured endowments \$4.7 billion; disability payments \$1.10 billion; annuity payments \$4.2 billion; surrender values \$6.89 billion; and policy dividends \$8.85 billion.

Life insurance has now become so integrated into man's way of life that so long as he is mortal, lives, loves, weds, reproduces, grows old and dies, that long will life insurance endure. It has proved its worth to such an extent that Governments have adopted it; Institutions have accepted it, and it is at home in every home where hearts beat and thoughts are kind. It is the sturdy and the bulwark of the family and the Nation, the destroyer of poverty and the enemy of crime. It is the key business of the modern world. Through it the doors of commerce, credit, industry, and trade are opened wide; with it the processes of production and distribution are vitalized.

Life insurance feeds upon the thriftiness of the people, gathering up the savings in good times and storing them away until the time of need arises or in the days of adversity set in, at which time it wards off potential misery, relieves distress, dispels fear, keeps hope for the future alive and encourages individual reliance and in-

dependence. In the meantime it transmits these savings into the National economy.

The development of the resources and potentialities of this country has gone hand in hand with the growth and development of the life insurance industry. The growth of America's industries has been aided very substantially through the investment of life insurance funds. At the end of 1953 these investments, "stored up dollars of thrift," amounted to approximately \$78.5 billion. They were distributed as follows:

(U.S. Government Securities \$9,829,000,000  
(Other Government Bonds \$2,576,000,000  
(Securities of Business and Industry \$34,570,000,000  
(Mortgages \$23,320,000,000  
(Real Estate \$2,020,000,000  
(Policy Loans \$2,914,000,000  
(Misc. \$3,302,000,000)

The foregoing represent busy dollars serving the needs of our Federal and State Governments and the political subdivisions thereof, of business and industry, home owners, and our economy generally. Through them every policyholder has a definite stake in the free enterprise system and in America and its future.

Life insurance transcends boundaries. In the words of Darwin P. Kingsley: "Life insurance is broader than nationality; it passes the prejudice of race and religion—links generation to generation — (and) so binds man to his fellows that self-interest and humanity are identical. It is the product of an instinct of humanity which has carried man from a cave in the earth over a dark and bloody path up to a palace. It is the first business of the world."

Life insurance typifies America at its best. It recognizes human dignity and worth in the life of every individual. It is a protector and defender of democracy against erosion from Communism. It is a promoter of the basic philosophy of our Country! The right to "life, liberty, and the pursuit of happiness."

History reveals that life and life insurance have thrived best under democratic forms of government, and, together, they have provided a higher standard of living and a more satisfactory way of life than can be found anywhere else in the world.

What has been said about life insurance generally can be said with equal force about life insurance as carried on by the member companies of the National Negro Insurance Association. Through the bond portfolios of these member companies their policyholders are not only helping finance the transportation and communication systems of the country, its civic, educational, and social improvements, increase job opportunities in industry and commerce generally, and provide for the National Defense, but they are also saying to America in no uncertain terms that they have faith in its future and are glad to make a definite contribution to its further growth and development and be considered a definite part of the country's assets.

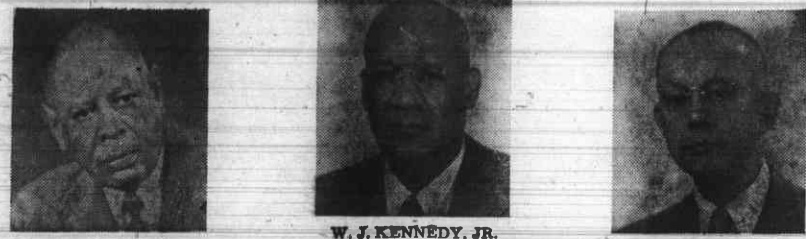
The funds of these companies came from the accumulated nickles, dimes, and dollars of Negro policyholders who have had to thrive largely upon the economic crumblings of our country, and they represent only a small part of the Negro's stake in America and its economy.

Life insurance is indeed a bulwark of the American family and the Nation.  
Note: The statistics herein are from the Institute of Life Insurance 1954 Fact Book.

### The Official Staff



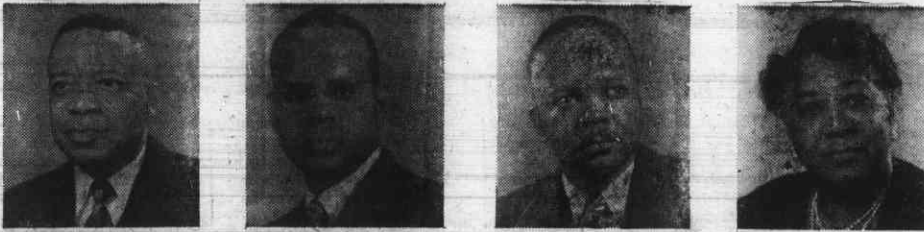
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These Officials Represent The Second Generation In Management

## A SALUTE TO THE NEGRO IN THE FIELD OF LIFE INSURANCE

By W. J. KENNEDY, JR.  
President, North Carolina Mutual Life Insurance Company

The two member life companies of the National Negro Insurance Association domiciled in the State of North Carolina, the Winston Mutual of Winston Salem and the North Carolina Mutual of Durham, serving as host to the 1954 Convention in Durham, take very great pleasure in introducing to the people of our community and state, the large delegation of women and men representing the member companies of the Association in seventeen states and the District of Columbia from New York to California and from the Gulf of Mexico to the Great Lakes and operating in thirty of the forty-eight states of the United States of America, who will be our guests on August 31 and September 1, 2, and 3.

Because of the achievements of our guests, it appears fitting and proper that North Carolina citizens be informed of the progress of the companies they represent. The following statistics are presented as an aid in evaluating this progress:

During the ten year period from January 1, 1943 to January 1, 1953, the combined amount of insurance in force of all of the life insurance companies operated by Negroes in the United States of America increased from \$335,944,649 to \$1,232,585,225, or an annual increase of \$79,664,058 and a gain of 182% compared with a gain of only 115% for all life insurance companies operating in the United States during the same period. The admitted assets of the companies owned and operated by Negroes increased from \$34,397,795 to \$168,212,686 during the ten year period, or an average annual increase of \$13,383,289 and a gain of 389.02%, compared with an increase in admitted asset for the life insurance industry in the United States from \$37,700,000,000 to \$73,300,000,000, or a gain of 94.2% during the same ten year period. Negroes are operating sixty-two life insurance companies in the United States and fifty-five of them are members of the National Negro Insurance Association.

Evaluating the above statistics it is safe to assume that the National Negro Insurance Association represents the largest concentration of wealth among American Negroes and as such, Durham and North Carolina will cherish the memory of the second visit of its delegation since the organizational meeting here on August 27, 1921. The fifteenth Annual Convention of the Association was also held in Durham in 1935.

As a means of introducing our visiting friends to the City of Durham, please take note that this is the "Bull City." The home of the original Bull Durham Smoking Tobacco in the small cloth bag with the picture of a bull on the front of the wrapper and famous for the "Roll-Your-Own" cigarettes. Durham and the Durham County Community is the original home of the Washington Duke family, pioneers in the great tobacco industry in the United States. Durham is the home of many brands of cigarettes and pipe tobacco including CHESTERFIELD Cigarettes made by Liggett and Myers and the world famous LUCKY STRIKE produced by the American Tobacco Company whose generous contribution to the 1954 NNIA Convention entertainment fund will add to the enjoyment of the delegates at the Lionel Hampton Show, Thursday evening, September 2. Durham is also the home of Duke University, North Carolina College, North Carolina Mutual, Mechanics and Farmers Bank, Mutual Savings and Loan Association, Bankers' Fire Insurance Company and Southern Fidelity Mutual Insurance Company.

The combined assets of the five insurance, banking and building and loan corporations operated by Negroes with headquarters in Durham were in excess of \$53,000,000 as of June 30, 1954.

## Mayor-Heads Greet Visitors

To the Delegates and Friends in Attendance, 34th Annual Convention National Negro Insurance Association:

It is indeed a genuine pleasure to welcome you on behalf of the officers, directors and employees of North Carolina Mutual Life Insurance Company to the city of Durham, "The Friendly City" on the occasion of the 34th Annual Convention of the National Negro Insurance Association. Kindly consider our Home Office at 114 West Parrish Street, your Home Office while in our city.

In the years since the founding of the National Negro Insurance Association we have seen emerge an organization of which we are justly proud and which is fully capable of motivating each member company to meet the every-day challenge of continuous progress. It is an integral part of the life insurance industry and each year marches forward under the leadership of men and women endowed with integrity and ability.

We trust that your stay will be enjoyable and profitable and as you leave, take with you many last memories of old friends well-met and the thought that the host companies were happy to have had you as their guests.

May God bless each of you!  
Sincerely yours,  
W. J. KENNEDY, JR.  
President

To All Member Companies of The National Negro Insurance Association, Greetings:

As Co-Host of The 34th Annual Convention of the National Negro Insurance Association, The Winston Mutual Life Insurance Company wishes to take this opportunity to invite each of you to be its guest from August 30 through September 3 in Durham, North Carolina. In collaboration with the North Carolina Mutual Life Insurance Company we are making elaborate plans for your comfort and entertainment during this annual meeting.

We hope that each representative of his company will find it convenient to attend; if so, we can assure you that you will also find it worth your while informatively and socially. There is much to be learned for both executives and agents.

Looking forward to seeing you in Durham, North Carolina, I am,

Yours very truly,  
E. E. HILL, President  
Winston Mutual Life Insurance Co.

Mr. W. J. Kennedy, President  
North Carolina Mutual Life Insurance Company  
Durham, N. C.  
Dear Mr. Kennedy:

Durham is noted for a great many things, including cigarettes, colleges and churches, but I believe one of its most widely known recognitions comes from the accomplishments of the Negroes in our community. We are justifiably proud of the existence here of the largest Negro life insurance company in the world, the second largest Negro bank in the world, and the third largest Negro building and loan association.

It is therefore, fitting and proper that the National Negro Insurance Association convene in Durham for their Annual Convention. We are glad to have the opportunity of expressing our admiration and our congratulations to your group, for the outstanding success you have achieved in the field of life insurance.

I trust the convention will be an enjoyable affair.  
Sincerely yours,  
E. J. EVANS, Mayor

## 33 Years of The Negro Insurance

By G. W. Cox, Vice-President-Agency Director, North Carolina Mutual Life Insurance Company

If we are careful in laying the right foundation and choose with discretion all of what goes into the building of the superstructure, results will take care of themselves. This is directly applicable to the National Negro Insurance Association. For, prior to its creation as a unit, it was a segment of the National Negro Business League, designated as the Insurance Section. Subsequently it was suggested that there should be an association composed only of men engaged in the business of life insurance. At the meeting of the Business League in Atlanta, August 1921, nine representatives of Negro insurance companies met to form a temporary organization, and named a committee on organization: M. S. Stuart, Chairman; Charles A. Shaw, Secretary; J. H. Goode, J. L. Wheeler, R. W. Chambliss, J. L. Allen, and C. C. Spaulding, Ex-officio. The committee agreed to issue a call to representatives of all Negro companies to meet in Durham, October 27, 1921 for the purpose of organizing a permanent association.

At 10 A. M. on October 27, 1921, sixty representatives from Atlanta Life, Afro American, Georgia Mutual Relief and Benevolent Association, Miss. Life, North Carolina Mutual, Pilgrim Health and Life, Richmond Beneficial, Bankers Fire, Standard Life, International Mutual, and Winston Mutual assembled in the new home

office building of North Carolina Mutual. Upon the suggestion of G. W. Cox, the organization was named the National Negro Insurance Association, C. C. Spaulding was elected President and M. S. Stuart, Secretary. The men in attendance were the first "motion-makers" and their deliberations laid the foundation upon which the Association now operates. The plan and purpose of the venture can be well stated from a clipping from the Durham Sun of October 28, 1921: "The exchange of information which would be of mutual benefit to fellow companies."

The progress of the Association has been phenomenal. The number of member companies and local associations has steadily increased. In 1935, fourteen years following the permanent organization, Durham was, again, the host city, at which time National Negro Insurance Week was instituted and the annual meetings were set up into three sections: Executive, Agency, and Medical, with arrangements for interval general sessions. Subsequently, a Technicians' Section was added—all having for their aim enlarging and making more assured the realization of the purposes and objectives of the Association to its member companies.

Concurrently, there have been intensive training programs instituted and conducted by member companies on the field and in the home office. Basic Training, Intermediate Section I, Intermediate Section II. Agents and supervisors are pursuing Life Underwriting

Training Courses (LUTC) in many of the major cities in which district offices are located. Personnel of home offices are enthusiastically grasping the opportunities offered by the Life Office Management Association (LOMA). To my knowledge, there are eight CLU's connected with member companies: George Reed, Supreme Liberty; Ernest Shell, Great Lakes Mutual; Maceo A. Sloan, North Carolina Mutual; Lester G. Spellman, North Carolina Mutual; L. J. Gunn, Atlanta Life; Clarence O. Hollis, Pilgrim Health and Life; W. A. Clement, North Carolina Mutual; and Marston Washington, Golden State Mutual. E. L. Simon, Atlanta Life, has been made a fellow (FLMI) of the Life Office Management Association. Maceo A. Sloan, last year received a certificate in Agency Management from the American College of Life Underwriters.

Space will not permit further discussion of the economic and instructional advantages which have been brought about under the influence of the Association.

However, the Association today consists of 56 member companies and 8 Underwriters Associations. It is domiciled in a country where free enterprise is the criterion, with a special market of 15 million Negroes with buying power of \$15 billion. NNIA is on its way, facing the future with courage, determination, and thanksgiving.

## Physicians To Meet In D. C.

NEW YORK

Physicians and research scientists from more than forty countries will attend the Second World Congress of Cardiology which will convene in Washington, D. C., September 12 through 17, it was announced recently by Dr. L. Whittington Gorham, Secretary-General of the Congress. The medical gathering, which is being combined with the Twenty-Seventh Scientific Sessions of the American Heart Association, will be the largest and most important cardiovascular meeting ever held in the Western hemisphere.

A five-day scientific program in English, French and Spanish, one of the most comprehensive ever presented, will be held at the National Guard Armory from Monday, September 13 through Friday, September 17. Translation facilities will be provided for the program in the Main Auditorium which will feature symposia, panel discussions and special lectures. In addition, over 250 papers will be presented during the formal scientific sessions to be held simultaneously in separate rooms.

The discussions and reports will cover such subjects as coronary disease, hypertension, and atherosclerosis. (Please turn to Page Eight)