

1 p.<sup>m</sup>. April 13, 1943

Dearest love:

Yesterday morning I spent about an hour going over the insurance schedule with Mr. Escoe and then yesterday afternoon I spent two hours with Arty McCallum trying to learn the whole story--and I feel that I do fairly well!

All the policies are in the possession of Mr. R. A. Stuart in Ft. Worth, and until I get them and read them all several times I won't consider that I really know it; Escoe says he has written him twice but Stuart must be out of town --at least he has not returned the policies.

We have twelve policies. 9 with McCallum's firm (Chiles, McCallum, and Nagle)--all these in Travelers Insurance Co., 1 with Graham-Lundgren--in Republic Insurance Co., two with Elgin Williams & Co., in Eureka-Security Co.

Our insurance costs us \$443.98 per year, or \$36.99 per month. Mr. Richardson says when he was managing WDAN, Danville, his insurance cost him \$27.50 per month. I don't know the value of his facilities.

Dear, get out your insurance schedule--I'm sure you have a copy--and we'll talk about it a bit. If you don't have a copy and want one, write me for it.

At first I got real jubilant because I thought I had discovered something when I found that the policy with Graham-Lundgren for fire protection on all equipment in transmitter house was costing us \$76.75 for \$2500 protection for one year, whereas a fire policy just like it with McCallum on the same property was costing us just \$116.25 for \$7,500! You see the discrepancy? But on phoning the Graham-Lundgren firm I found somebody's stenographer had made a mistake on this schedule I had--their policy was really for 3 years and \$76.25 was the premium for the whole three years. These rates are regulated by the state.

Incidentally, the premiums on both of these policies on the contents of the building at the transmitter house would be greatly reduced--nearly as much as 50% if this were in the city limits. The last time the city limits were extended they were placed .6 of a mile from the transmitter house. Since this would amount to a saving of ~~\$60~~ <sup>next time</sup> to \$70 a year, I was hoping the city fathers would extend the limits to include the transmitter house--then I thought the increase in taxes might more than over-balance this saving...yes?



I do have a couple of recommendations that will save us a little money--not much.

(1) Let's take out the windstorm policy on the steel guide tower (Traverler's) for three years rather than for one year. That way it costs us  $2\frac{1}{2}$  premiums rather than 3 straight premiums. This is a very small policy, just for \$1000, and the policy is only \$5.50 a year. The saving would amount to only \$2.75 over three years, but we would get exactly the same protection and every little bit counts.

(2) Let's take out the two <sup>for \$1200</sup> Traveler's policies--one on the house at the transmitter, the other on the contents of the house for \$7500 --both being against fire and windstorm, for three years instead of one year. That would be a saving of \$67.19 over a three year period.

When you take out policies for three years you pay 40% of the total premium the first year, 30% the next, 30% the third. Therefore, the first year, you would pay the same amount as for a one year premium and your saving comes in the second and third year.

This is pretty small--just a saving of \$23.31 a year--but we get exactly the same coverage and we'll have to have it anyway, so I suggest doing it.

We might also consider taking out the public liability policy on a three year basis, but I think it is hardly worth while. You get a 10% reduction for a three year policy--much less than the reduction in the other three policies--and you have to pay it on 50--30--20 installments, which means that you actually put out \$95.25 as premium the first year, rather than \$63.50 which is the straight premium for one year, and you stand to save only \$19.05 over a three year period. I think I'd not do this.

All these three policies which I suggest taking out for a three year period expire soon, one in June of this year, two in July of this year. I recommend telling Escoc to renew them for three years and telling Arty to remind him that's the way we want them.

Arty went over all of them with me and convinced me that we needed at least that many kinds of insurance (with one exception)--neither of us know about the value of this equipment and we're entirely unable to say whether the property is insured for enough. It looks pretty low to me. I feel convinced that the non-ownership liability & property damage insurance is not for too much. (This is an automobile policy and covers damage to persons or property caused by our employees going about our business in their cars.) Nor is the public liability for too much--\$25,000 to \$50,000--considering that



the rate goes up very little from the minimum protection of \$5000 to \$10,000 to the protection which we have.

The policy which Arty feels we could get along without and so do I is the one protecting the plate glass in the studio interior from breakage in any manner, costing us \$37.19 for a three year period. It is paid up until August 1945, but I guess it would be "cricket" to cancel it. If we do that, we would save a little over \$12 a year, added to the \$23.31 on the other three policies, makes a total saving of about \$36 a year. Lets! Shall we?

Anyway, the plate glass would be covered to some extent, I presume, because we have \$4960 worth of insurance against fire and explosion on the equipment of the studios with the Elgin Williams Co.

As you know, the amount of the premium on the workmen's compensation policy and on the non-ownership liability and property damage policy is subject to audit. The insurance company sends a man over at the end of the year to check our books and if we had less employees than the policies were taken out on the basis of, then we get a rebate; if we had more employees than the policies were taken out on the basis of, we have to pay them some additional. These figures are just approximate--and we won't know exactly how much those two premiums cost until the end of the year.

Arty pointed out that our public liability was on the studio only--not on the premises of the transmitter--that being because the public was not supposed to go to the transmitter. It is down in a pasture, one has to go along a little tiny dirt road and through a gate--I do not believe we would have to have it out there.

All these policies are paid now. We don't owe anything more for insurance until June and from then on until October premiums come due.

I thought we might save something on the blanket position bond, but when Arty finished explaining to me I thought we might as well leave it like it is. At present the \$66.00 premium covers us to extent of \$2500 on all employees. It is written on the basis of a maximum of 5 employees who handle money and all other employees are thrown in as class B employees at a very low rate. We would have to have bonds for some of these folks don't you think?? Escoc, the outside salesman, and the book-keeper. I should think. Individual bonds cost something like \$25 each for outside salesman, \$13 for a book-keeper, and \$10 for a manager--Arty was not too exact because he was so convinced that it would amount to more than the total of \$66 that I pay at present that he didn't think it worth looking into. So I guess we leave it as it is.



Arty says employees are much more careful when they know they are under bond. because if one defaults or is dishonest and the bonding company has to pay off then that person's record is blackened in the business world forever.

The policy with Graham-Lundgren is already for 3 years, as I said, and is paid up until July, 1945. The two policies with Elgin Williams are for three years each and are paid up until August, 1945. So for the immediate future our insurance is not going to be so heavy! Dear, didn't we have the figure somewhere and sometime that it was costing us about \$60 a month? I was certainly glad to find that far from true!

Please send me airmail two packages of my camera film pronto. I want to get some pictures of the blue-bonnets, which are lovely now and will be gone very soon. You will find them in the study, in the little cabinet doors underneath the book-cases--the doors closest to the bath room door. The films are in a long red box--a box about three feet long and six inches deep and wide. Please send them quick, dearest one.

When Bob Long got back to Texas he met an oil man named "Cap" Eddleman, an old friend of his. who told him he had just recommended him for a job as Public Relations man with the Petroleum Administration for War in Houston. Bob was elated at the possibility, however remote, because he would love to stay in Texas if it is possible. He applied to the Houston office and received a letter from D. E. Buchanan, Director in Charge, District 111, saying that he had forwarded the application to Gordon M. Sessions, Director of Public Relations, PAW. Washington., and that it was very possible this job was not going to be set up for a long time, if ever, but he'd probably hear from Sessions direct. Bob would like tremendously to get this job if it is going to be established but does not want to prejudice his chances of getting the California one if he can't get this one nor does he want to embarrass you in case trying to help him on this one would do so while the other one is still pending. Could you find out if the public relations job is to be created and do you feel that you could recommend or help him on it? Let me hear.

I love you with all my heart, more and more every day. I may go to Abilene by bus tomorrow, returning Friday or Saturday. Will leave word at Mrs. Johnson's where you can reach me.

Always your devoted,