

November 11, 2007

## Company Adds Collision Benefit for Pets

By THE ASSOCIATED PRESS

Filed at 5:35 p.m. ET

CLEVELAND (AP) -- To a dog that loves drives in the car while sticking a head out a window to feel the wind, insurance isn't a concern.

An auto insurance company is now offering their owners a benefit for pets.

[Progressive Corp.](#), based in suburban Mayfield, is providing collision coverage for customers' dogs or cats at no additional premium cost. It will pay up to \$500 if a customer's dog or cat is hurt or dies in a car accident.

"It's an unusual and interesting benefit," said Jean Salvatore, a senior vice president for the New York-based Insurance Information Institute. She was not aware of any other company offering a collision benefit for pets.

"Auto insurance is a very competitive market, and companies are always looking for ways to differentiate themselves. If this becomes popular, I'm sure others may look into it as well," Salvatore said.

There are over 150 million pets in the U.S., and Americans spend over \$40 billion on their pets annually, according to a recent Insurance Information Institute study.

The Progressive benefit has been in place since Sept. 6, and it's still too soon to determine if the company's undetermined cost of offering it will be offset by better sales, Progressive spokeswoman Leah Knapp said.

Auto insurance generally provides property, liability and medical coverage.

Typically, an insured person's collision coverage pays for the damage to the insured's vehicle in a collision or other kind of accident, such as when a driver loses control and a car overturns. But usually there's no payment for pets who may be in the car.

Liability coverage would kick in for any pets hurt in a car other than the insured's.

The new Progressive benefit is not pet insurance, which some people obtain to help them pay veterinarian costs.

A Progressive strategist said the company saw a pets benefit as an auto insurance market opportunity.

"We found no coverage that was even similar to it," said Geoff Souser, Progressive product manager for auto insurance. "We have pets, too, and we know how important they are to our families. We are always looking for new and different ways of delivering value to our customers, and this seemed like a logical extension."

Dog owners regularly drive their pets to a place like U Dirty Dog Pet Grooming, in suburban Lyndhurst, not far from Progressive's headquarters. Business owner Marcia Fox says the pet coverage has potential to grab the attention of a dog owner, like herself.

Fox, who is not a Progressive customer, said she had never thought about whether her mixed breed dog, Ziti, might qualify for an insurance payment through car insurance.

"People might be hesitant to add something like that if it adds to the cost of auto insurance," Fox said. "If it's not added to the cost, that's great. That's a no brainer."

Progressive is the third-biggest auto insurer, ranking behind State Farm and [Allstate](#) and slightly ahead on National Indemnity ([Berkshire Hathaway](#)), which includes GEICO.

State Farm and Allstate confirmed a pets benefit is not in the collision part of their policies. A message was left with a GEICO spokeswoman.

Progressive's pet benefit is available in 46 states and the District of Columbia; it's not yet available in North Carolina, New Hampshire, New York and Virginia, but the company hopes to offer it in those states soon.

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On the Net:

Progressive: <http://newsroom.progressive.com/2007/September/pet-injury-coverage.a.spx>

Insurance Information Institute: <http://www.iii.org>

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