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Insurance Education Seminars

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SELECTING A CAR FOR TEENAGE DRIVERS

Remember when you were sixteen? Remember how your parents reacted when you wanted an MGB Convertible? They said things like, “I’m not going to let you drive something that small and unsafe.” Or, they suggested that the family station wagon with over 100,000 miles was just the “right” car for you.

Well, it is the 1990’s and now you are the parent suggesting the 1978 Olds Station Wagon is just the “right” car for your teenage driver. So, how do you balance the teenager’s desire for a “sporty” car and your desire for a “safe” car?

1. Obtain a copy of the Injury and Collision Loss Experience for vehicles compiled by the Highway Loss Data Institute. You may write to them at 1005 North Glebe Road, Arlington, VA 22201 or call them (703) 247-1600. With this information in hand allow your teenager to study the information and mutually agree with you to eliminate the vehicles that are “Substantially Worse than Average” and “Worse than Average” from consideration.

2. Then, together make a list of potential vehicles that are “Average”, “Better than Average”, and “Substantially Better than Average.” Some of the

most popular vehicles with teenagers, like the Jeep Cherokee and Saturn are rated as “Average” and “Better than Average”. So, you and your teenager should find quite a few vehicle that are fairly safe.

3. From this list of vehicles, research them with the latest issue of Consumer Reports or other publication that details the features of the selected autos. Let your teenager be the person to gather this information and let them present the plus and minus factors on each vehicle considered.

4. Contact your insurance agent and request premium quotations for the vehicles your teenager and you have selected.

5. Have your teenager prepare an “auto expense” budget that includes the cost of the vehicle, gas, repairs, and the cost of auto insurance.

6. You and your new driver can then determine how these new expenses will be paid for. Some families may help by offering to pay for 50% of the expenses if their teenager earns the other 50%. You may decided that if your new driver maintains a certain academic average you will pay 50% of the expense. Most agree that it is a good idea to let your teenager pay some part of the expense.

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