

A new pay-as-you-drive cover

By Ian Youngman

Coverbox is a new pay-as-you-drive insurance product. It uses proven technology provided by Cobra, a European automotive security company. Chairman of Wunelli Limited, the company behind Coverbox, is Sandy Dunn, a pioneer of direct motor insurance. Norwich Union, not involved in Coverbox, piloted the concept in the UK, but closed the pilot in 2008. However, the concept has taken off in other countries.

Coverbox monitors customers' usage in terms of distance covered and the time of day or night a vehicle is in use, and charges according to mileage covered in off-peak, peak or "super-peak" periods. Coverbox GPS technology also means it can track and locate the car if it is stolen.

Sandy Dunn said: "We believe both the consumer and the motor industry are ready for pay-as-you-drive. Others have tried before with older generation technology but our solution is new-generation, highly capable and based on integrated security solutions specified and proven by the leading car manufacturers in Europe and Japan. The entire concept and system has been thoroughly tried and tested. We have also created a billing engine that allows us to translate the vehicle data into insurance cost."

A simple car insurance policy, easy for cus-



tomers to understand has also been developed. Coverbox works only with a panel of six insurers, the four named so far being The Co-operative, Allianz Insurance, Equity Red Star and Groupama Insurances. This means

"Specialised fitters fit the 'Coverbox' to cars to confirm customer mileage and drive times"

Coverbox will be able to provide competitive pay-as-you-drive insurance for virtually every type of driver thereby creating tremendous choice. Consumers will be able to choose insurer by brand or price.

The way in which it works is customers tell Coverbox how many miles they expect to drive and what times they tend to drive. Coverbox then forecasts how much per mile their insurance will cost. Specialised fitters fit the 'Coverbox' to their car that confirms the mileage they cover and the times they drive. It takes around twenty minutes to fit by technicians who travel to the customer. The premium is paid on the estimate and adjusted at next renewal, with either an additional payment requested, or a refund credited to the next twelve months.

Dunn: The consumer is ready for pay-as-you-drive

