

Flying Car Will Pose Challenges to Insurers

by Insurance-Networking-News

In what could well be a nightmare for insurance companies, and perhaps rental car agencies, a Woburn, Mass. company announced recently that it had successfully completed flight testing of the Transition Roadable Aircraft—a flying car. Terrafugia Inc. reported that the Transition completed its historic first flight on March 5, 2009 with 27 additional flights completed over the next several weeks. The company said successful completion of flight-testing with the proof of concept concludes the first of a four-stage process to bring the Transition into production. Work is underway on stage two, the Beta Prototype. First delivery is expected in 2011. So what exactly are we talking about here? I know that when I first heard of this, I envisioned a really cool, cutting-edge vehicle that could literally lift me out of a traffic jam and allow me to fly over the hapless motorists below (who would doubtless be shaking their fists and shouting unmentionable things at me). Alas, the reality is not quite so satisfying, although it is very interesting from an insurance point of view. According to the builder, the Transition has now achieved its goals by demonstrating driving, flying and automated transformation between the two in one integrated aircraft. The flight-testing program demonstrated the safety of the vehicle in the air while identifying modifications that will be incorporated into the next model. Unfortunately, everyday drivers will have to get a bit more training than any state motor vehicle agency currently requires in order to get behind the controls of this baby. Categorized as a Light Sport Aircraft, the Transition, once marketed, will require a Sport Pilot certificate to fly, said Terrafugia, whose name in Latin means “escape from land.” It is a two-seat aircraft designed to take off and land at local airports and drive on any road. Transforming from plane to car takes the pilot less than 30 seconds. The company said the Transition will cruise up to 450 miles at over 115 mph, and will drive at “highway speeds” on the road. It also “fits in a standard household garage.” The vehicle features front wheel drive on the road and a propeller for flight. Both modes are powered by unleaded automotive gasoline. By giving pilots a convenient ground transportation option, the Transition reduces the cost, inconvenience and weather sensitivity of personal aviation, the company added. “It also increases safety by incorporating automotive crash structures and allowing pilots to drive under bad weather.” Hmm — I never thought of that. So what’s an auto insurer to do when owners start besieging the gecko for rates on this vehicle? Does this mean one has to buy both aviation and auto insurance? Should one insurance be cheaper, since the vehicle doesn’t spend all of its time on the road, or in the air? And which company do you call if the vehicle is damaged, say, on landing? Was it a car when it got crunched, or was it a plane? Fortunately, insurance companies have a couple of years to figure this out. Meanwhile, I’d still like to see that vehicle that would whoosh me out of a traffic jam at a moment’s notice.

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