

RISE AND PROGRESS OF FIRE INSURANCE DIAGRAMS.

Co-existent with the practice of fire insurance covering manufacturing risks especially, and hazardous and non-hazardous risks and occupations located at a distance from the office of the insurer as well, came the necessity for, if not the immediate use of the "survey," a description of the premises to be covered by the policy, with the accompanying "diagram" or ground plan, showing not only the internal hazard of the risk itself, but its relative position as to neighboring structures, their class, occupancy, etc., by which the insured premises might be exposed, not only for the security of the underwriter against misrepresentations of the insured,—wilful or otherwise,—as to the hazards attending such risk, but that he might also be in possession of some acknowledged data upon which to approximate a fair premium rate for the risk assumed. That such surveys were common in the early days of fire insurance, and that they were held binding upon the insured as to the facts represented, we have ample evidence in the many decisions of the courts of the Mother Country, in favor of the companies, where misrepresentations or breaches of warranty were matters of defence.

Of the growth and progress of the diagram or ground plan system in the Mother Country, beyond its connection with the survey of fire insurance risks, we have no direct record. But upon this side of the Atlantic we have abundant evidence of the growing recognition of the value of these now indispensable concomitants of a prosperously conducted fire insurance business, by nearly, if not quite all of the leading offices, those operating through the medium of agencies more especially, of the American Continent.

From the constantly growing recognition of the value of the plan system, in cases of single risks and their surrounding exposures, the "diagram" extended with the necessity for its use to conglomerate contiguous risks in the crude but very practical form of the manuscript "block-book;" a blank book kept by many of the more advanced officers, into which was transcribed by hand, in appropriate colored inks,—*black* for frames and *red* for brick or stone—a diagram showing the size, location, number and occupancy of lot, usually upon a scale of about 60 feet to the inch of each separate block, in any locality upon which the company might at any time have one or more risks, with the amount covered, rate per cent. of premium, and date of expiration of the policy written in pencil upon the risk itself in the block, or opposite the number of the risk on the opposite leaf, whereby, at a glance, could be seen the exact amount which the company might, at any time, have at risk in any given locality, thus avoiding the danger of *unwittingly* doubling up lines, or circulating risks in their single exposures, as would very frequently occur with more venturesome offices in the absence of some such wholesome check.

From the amount of labor involved in keeping it up with the times, even in the smaller offices, and from its utter insufficiency to keep pace with the wonderfully rapid extension of the agency business throughout the land, just where its use and application was of the utmost importance, the individual "block-book" was compelled by the force of circumstances to give place to something more far-reaching and less ponderous and time-consuming in its preparation,

the result was the production of the more practical, because more complete and extended conglomerate "Town Diagram, the basis of the "plans" now in general use by which all of the blocks, in any given town or city, with the buildings thereon, each with its several characteristics as an insurance risk, duly inscribed thereon, in cabalistic characters, decipherable only by the duly initiated into the charmed circle of fire insurance votaries.

For the "Town Diagram," and the numerous acknowledged advantages flowing therefrom, by which the careful underwriter is now enabled to secure his risks, with reference to surrounding exposures, the fire underwriting fraternity of the present day is indebted to the characteristic energy of J. B. Bennett, Esq., then general agent for the Western Department of the *Ætna Insurance Company* of Hartford, Conn., with headquarters at Cincinnati. The "General," as he was familiarly called by his numerous élèves, with his keen foresight in matters touching fire insurance, recognizing the heavy risks attending the agency business in the many wooden towns of the Western and Southern States under his jurisdiction, and the consequent necessity of having under his own inspection some reliable data by which, so far as practicable, to judge of the status of risks submitted by his agents, and by which any *mistakes* of the agents could be corrected, as early as 1859-60 sent trusted specials—among whom we recognize at that time C. C. Hine, Esq., of the *Insurance Monitor*, and J. Griswold, Esq., author of numerous valuable works upon fire insurance matters, and subsequently the late D. A. Sanborn, Esq., C. E. the "Sanborn Insurance Diagram Bureau," and — Martin, C. E., who was for a long time at the head of the Diagram department of the *Ætna's Western Agency*—throughout the West and South, to gather fire notes, and make diagrams of the various towns and cities where the Company had agencies, and to report upon the several special hazards scattered sparsely over that section. In this connection we must not ignore the work of the Phenix Insurance Company's Western agents, McGill Bros., also located at Cincinnati, who pursued a very similar course with its agency field, and had for reference at its general agency, full town diagrams of every locality in which it had an agency.

About 1865-66, or may be a year later, some *ten* of the principal agency fire offices of the City of New York, among which we now call to mind the Home, the Continental, the International, the Manhattan, the North American and the Arctic, united together and sharing the expenses, for the procuring of town diagrams of their several agencies under the management of J. Griswold, Esq., then Superintendent of Agencies of the North American, at which Company's office the field notes of the specials sent out for that purpose, were prepared and distributed to the several subscribers. Vincent Tilyou, Esq., then President of the Arctic, acted as Treasurer for the Companies. This arrangement continued above one year, when the entire plant and subscription list was turned over to the late D. A. Sanborn, Esq., and formed the basis of the Sanborn Diagram Bureau Co., still in prosperous existence.

This is but a brief history of the rise and progress of the Diagram system of insurance risks, which has done so much toward the salvation of Insurance Companies, and which, if properly heeded and conduced, would present still more profitable results in the future.