

until the premises are sufficiently restored so that normal operations can be resumed.

Therefore, for full protection, a manufacturer should carry use and occupancy insurance on buildings, machinery and materials for use in manufacturing and in addition profit insurance on finished stock. In the case of a mercantile establishment use and occupancy on building and stock is usually sufficient cover, for the stock may almost always be replaced by the time the building is restored; yet there are two other factors of loss that might be covered by insurance, namely, loss of profits on goods sold but not delivered and loss of profits where the normal ratio of profit cannot be realized in disposing of the salvage remaining after the regular fire adjustment.

Amount to be Carried

One of the most practical problems to be met in arranging such insurance with a client is to arrive at the amount to be carried. In those cases where the profits and consequently the amount of indemnity required is on a fairly even keel year by year this is quite simple.

Generally speaking probably the best method is to take the profits of the past twelve months as a gauge and then examine as closely as possible into conditions with a view to determining whether these profits are likely to be greater or less in the ensuing twelve months. With this item fixed the maintenance charges should be reviewed and when determined it would often be a very good plan for the agent to file an accurate and detailed memorandum of them with his other records, for in case of loss such memoranda will show the true intent at the time the insurance was placed and tend to avoid dispute over what should be included. It would be like an inventory in a regular fire loss.

The field for insurance of this character is so large it offers almost unlimited opportunities for business. Every factory is a potential customer for use and occupancy and profit insurance, for insurance on commissions of the selling agents and for any others having an interest in the output who would suffer financial loss of such output were prevented.

And when you have sold this kind of insurance against loss due to fire there still remains the same cover against loss due to sprinkler leakage, tornado and windstorm, riot and civil commotion. It only remains for the local agent to cultivate the ground in order to reap a golden harvest of commissions.

Supervision of Building Construction

Imperial Tobacco Warehouse Fire Shows the Need of Adequate Safeguards.

The recent fire in the brick and reinforced concrete warehouse of the Imperial Tobacco Company

of Norfolk, Va., resulting in a total loss to building and contents, has received close study by construction and fire prevention engineers. It was a six-storey building, the floors, columns and girders being of reinforced concrete, with brick outer walls, but with a wooden construction upper story superimposed upon the original roof. In design and construction the building appears to have violated all the fundamental requirements for a first-class structure of its type. The quality of the concrete was poor, the mixing was carelessly done, the placing of reinforcement was faulty and its protection was inefficient.

Ira H. Wilson, consulting engineer for the National Board of Fire Underwriters, has issued a special report on the fire for the benefit of architects, builders and insurance men. Although the building was regarded as of high class construction and a comparatively safe fire risk, the complete destruction *shows the necessity for continuous competent supervision of reinforced concrete buildings during erection*, to make certain that all details of safe construction are properly observed by the workmen. A well-constructed concrete building should not fall as this one did, and such disasters cast an undesirable slur upon that type of construction. If the inspection of reinforced concrete work required by the building code of the National Board had been provided, these defects would have been discovered and corrected during the period of construction, and a loss of nearly a million dollars would have been avoided. Reinforced concrete buildings are not the only ones which require such inspection, as the integrity of a brick wall subjected to fire depends more upon the quality of the mortar used, the proper bonding of the brick and the filling of voids in the middle wall with mortar than on the uniformity and quality of brick, although the latter is important. With the existing tendency toward careless and inefficient workmanship in general the observance of close supervision in all building work is imperative. Contractors, architects and builders should use their influence to compel efficient and careful inspection during construction, not only as a safeguard for the owner and the occupants, but for their own business reputation.

In the case of the Imperial Tobacco Company's warehouse there were other construction defects in addition to the faulty reinforced concrete. Unprotected stairways and open elevators throughout the building violated the principles of fire protection, while the fire hazard was greatly increased by the wooden construction story, inclosed with sub-standard brick walls, over the roof of the original building.