

NEWARK FIRE INSURANCE COMPANY

Mr. Charles F. Frizzell was this week elected president of the Newark Fire Insurance Company of Newark, N.J., in succession to the late Mr. Edgar J. Haynes. Mr. Frizzell was previously assistant manager of the Royal Indemnity Co., New York.

The Newark is one of the Royal group of companies and is at present operating in Canada under the management of Mr. William Mackay.

By this promotion the Royal is maintaining its practice of seeking men from its own ranks to fill vacant positions of responsibility; and while casualty insurance is losing a man of parts and ability the business of fire insurance attracts back to its fold one who was among the most able and popular of its members.

Mr. Frizzell, after the announcement of his election had been given out by President Holland, of the Royal Indemnity Company, stated that it is the intention of the Royal to make the Newark Fire an independent company, as the Queen is, with its own underwriting and business policy. The company has now accumulated a good surplus and, as a subsidiary of the Royal, the financing of the Newark to any amount which may be deemed advisable can readily be taken care of.

1919 FIRE LOSSES

The destruction by fire of property in the United States and Canada during the year 1919, as compiled from the daily records of The Journal of Commerce, reached the total of \$269,000,775. This compares with \$317,014,385 the year previous and \$267,273,140 for the year 1917. The figures of 1919's estimated property loss by fire represent an enormous economic waste of the wealth of the country and have only been exceeded twice in history, 1918, and again in 1906, when the San Francisco conflagration raised the annual loss figures to \$459,710,000.

While last year's fire loss record is a serious one, when considered solely from the point of figures, there are some features to be considered which tend greatly to mitigate its comparative significance. The chief among these is the fact that losses last year were to a considerable extent figured on the prevailing higher valuations due to the present general inflation, estimates of property destroyed being based more nearly on actual replacement costs than during the preceding year. With this taken into account, it will be seen that the actual property destroyed in 1919, as compared with 1918, shows even a greater reduction than that expressed in the valuation figures, which show a decrease of \$48,013,610.

OVER INSURANCE AND UNDER INSURANCE

We hear a great deal about over-insurance and the moral hazard it so often brings, but hear little of under-insurance and the feeling of dissatisfaction so often created in adjustments because of the disappointment of the policy-holder. Both are matters of education and largely in the hands of the local agent. His sense of obligation for service to his company and his customer should prompt him to prevent over-insurance and urge that the assured amply cover his property and get the necessary protection. The importance of this work to the assured is seen when we realize that in ordinary times over 40 per cent. of the property in the nation is not protected by insurance. Of course since the beginning of the war the large increase in values, far outstripping even the increased insurance coverage, makes the deficiency possibly over 60 per cent. Neglecting to urge upon his customer proper insurance is a lack of service on the part of the agent and a loss of commissions to himself as well as premiums to his company, but they are not nearly so important as the loss of protection to the policy-holder. If the assured is taught by his agent that insurance is not a gamble but an indemnity to give him protection, he will generally prove a good and satisfied customer.

FIRE INSURANCE ASSOCIATION**OF MONTREAL****MEETING 14th JANUARY, 1920**

The weekly meeting of the Association was addressed by Mr. Geo. H. Greenfield, who took as his subject, "Fire Prevention." The lecture was illustrated by lantern slides. In the absence of the President, Mr. Jopling, Manager Commercial Union, briefly introduced Mr. Greenfield, who is well known as the Fire Prevention Engineer of the Canada Car & Foundry Co., and Canadian Steel Industries. The lecture was intensely interesting throughout and the Association is to be congratulated on having secured such an able lecturer.

The revival of interest shown in the meetings of the Association is most promising. All employees and officials of insurance companies are invited to attend, but in addition the meetings are open to all insurance brokers and their staffs. We understand a special invitation to the latter has been given through the Brokers' Association. It is by joining of forces of all interested that success is likely to be attained.

Next week the meeting will be addressed by Mr. J. D. Simpson on the subject of interest to all fire officials and brokers, "Wordings and Warranties."