



# The Signevierist

Issue Number 2016 – 1

The Official Newsletter of the Fire Mark Circle of the Americas

## FIREMEN'S INSURANCE COMPANIES:

### UNITED FIREMEN'S INSURANCE COMPANY OF PHILADELPHIA

IN 1858 the volunteer fire engine, hose and ladder companies not in the Fire Association of Philadelphia, which managed an insurance company under the same name, proposed another firemen's insurance company. They reasoned that the Fire Association was established for the benefit of the entire fire department but the fee to join was prohibitively high. Since the companies outside the Fire Association fought fires and protected the city as much as the companies in the Fire Association, they should receive some appropriation or dividends from the Association as a result of the successful operation of the insurance company.<sup>1</sup> Because the Fire Association refused to make any payments to the outside companies, the **United Firemen's Insurance Company of Philadelphia** was chartered on April 2, 1860.<sup>2</sup>

Like the Fire Association, the United Firemen's issued a fire mark. Rather than a hydrant and hose, the United Firemen's depicted a steam fire engine, the latest in technology in the fight against fire. Also, like the Fire Association, the United Firemen's was organized for the benefit of the volunteer firemen:

#### Stock

- The capital stock was set at \$100,000 with 10,000 shares at \$10 each. \$1 was paid for each share at subscription.
- Each Philadelphia fire company and the Association for the Relief of Disabled Fireman could subscribe to 100 shares of stock. [While twenty nine fire engine, hose and ladder companies were subscribers to the United Firemen's charter, all volunteer companies could purchase stock, even those companies affiliated with the Fire Association.]
- After six months, shares not subscribed by a company could be taken by individual members of the fire companies.
- Business began as soon as 2,500 shares were subscribed.
- A stockholder who ceased to be a member of a fire company had to sell his stock to a fire company member, fire company or the Association for the Relief of Disabled Fireman. If, after sixty days this was not done, the stockholder would not be entitled to any portion of the profits.
- Shares of a deceased stockholder had to be sold to a fire company member, fire company or the Association for the Relief of Disabled Fireman within two years.
- A fire company member could hold in trust stock of a deceased stockholder for the benefit of the widow or children; but "on the arrival of age of said children, if males, they must become members of a fire company..."

If, after sixty days this was not done, the stockholder would not be entitled to any portion of the profits.

### Directors

- The twenty nine organizing companies and the Association for the Relief of Disabled Firemen each selected a delegate. Each company as a stockholder, and each individual stockholder had one vote with the majority the winner.
- The delegates elected from their own body or other stockholders a president and twelve directors, all of whom were stockholders.
- No director of any other fire insurance company could be a director of the company.
- The directors and president could appoint a secretary, clerks and other officers to transact business and allow them salaries. The president could be compensated.

### Miscellaneous

- The company was authorized to write all types of fire insurance within the limits of Philadelphia.
- Dividends were declared semi-annually, not exceeding 10%, with the remainder of the profits retained as a reserve fund until it reached \$50,000.
- When the reserve fund reached \$50,000, the profits over 10% were equally divided among the organizing fire companies.
- 40 stockholders, who together owned 500 shares, could at any time apply to the president and directors to call for a general meeting of the stockholders. Should the board refuse, the stockholders could on their own call for a general meeting by publishing fifteen days' notice in two Philadelphia newspapers stating the object of the meeting.
- Fire company members were entitled to a 5% discount on their insurance.
- Dividends could not be paid if losses reduced the capital stock of the company and until such reduction was replaced by profits.

Philadelphia created the paid fire department on March 15, 1871 and on February 27, 1873<sup>2</sup> the charter of the United Firemen's Insurance Company was amended to delete restrictions of the president and directorship to members of a fire company; the president and directors must own ten shares of stock; officers of the corporation were a president, vice president and nine directors, who were elected by stockholders casting one vote for each share of stock. The restriction limiting fire insurance to only Philadelphia was changed to allow fire insurance in such places as the officers may choose.

These amendments effectively changed the nature of the company from one benefiting the fire companies to one benefiting the stockholders. Until 1880 the United Firemen's operated in a handful of large states such as Indiana, Missouri, Massachusetts, New Jersey and New York. In late 1881 three employees were indicted for embezzlement<sup>3</sup> and in January 1882 the president and vice president resigned.<sup>4</sup> Not long after, the new president, Robert B. Beath, had to ask the stockholders for \$40,000 to repair impaired capital that a state audit uncovered.<sup>5</sup>

Under the new president the company expanded its writings to thirty-three states, increased its capital and prospered. However, after a succession of large losses in Baltimore, 1904; San Francisco, 1906; and Chelsea, Mass., 1908, the company was close to failure. It reduced its capital from \$400,000 to \$200,000 and in August, 1908 reinsured all its business outside Pennsylvania in the Phenix Insurance Company of Brooklyn.<sup>6</sup> In June 1910 Chandler Brothers & Company, bankers, brokers and insurance managers, acquired control of the company and increased its capital to \$400,000.

In December 1920 the U. S. Branch of the London Guarantee and Accident Co., Ltd. acquired control of the United Firemen's to enable it to write fire business in the United States. In 1922 the Phoenix Assurance Company acquired control of the London Guarantee and Accident, and the U.S. Branch of the Phoenix managed both companies as running mates for property and casualty lines of business. Under new management the United Firemen's again expanded its territory and writings and in 1929 increased its capital to \$1,000,000.

On April 27, 1953 the United Firemen's changed its domicile from Pennsylvania to New York. After the U.S. Branch of the Phoenix Assurance Company domesticated in late 1955 as the Phoenix Assurance Company of New York, it merged with and absorbed the United Firemen's Insurance Company on December 31, 1956.

The United Firemen's Insurance Company passed out of existence just two years before the Fire Association of Philadelphia in 1958. Both companies were organized by Philadelphia's volunteer firemen in the nineteenth century and served the public both as firemen and insurance providers well into the twentieth century.

Bob Shea

<sup>1</sup> Fowler, J.A. *History of Insurance in Philadelphia for Two Centuries (1683-1882)*. Philadelphia: Review Publishing and Printing Company, 1888, p. 456.

<sup>2</sup> Laws of the General Assembly of the State of Pennsylvania Passed at the Session of 1860, In the Eighty-Fourth Year of Independence, With an Appendix. Harrisburg: A Boyd Hamilton, State Printer. 1860. Pp. 733-738.

<sup>3</sup> Laws of the General Assembly of the State of Pennsylvania Passed at the Session of 1873, In the Ninety-Seventh Year of Independence, By Authority. Harrisburg: Benjamin Singerly, State Printer. 1873. Pp. 166-167.

<sup>4</sup> *American Exchange and Review*, Volume XXXV, December, 1881, p. 379. *Google Book Search*. Web.

<sup>5</sup> *Bradstreet's: A Journal of Trade, Finance, and Public Economy*, Volume V, No. 186, January 21, 1882, p. 46. *Google Book Search*. Web.

<sup>6</sup> *The Chronicle*, Volume XXIX, No. 2, January 12, 1882, p. 26. *Google Book Search*. Web.

<sup>7</sup> *The Eastern Underwriter*, Volume 18, No. 34, August 20, 1808, pp. 1 & 9. *Google Book Search*. Web.

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## **FREDERICK MUTUAL INSURANCE CO., FREDERICK, MARYLAND**

Founded in December 1843; began issuing policies in 1844.

Some years ago Peter Faber told me he had heard this company had a fire mark in their office, so in August, 2013, when I had occasion to drive through Frederick, I called their General Manager, Kevin Fuller, and he confirmed that they did have a fire mark. I made an appointment for Lore and me to visit him on the day we would be in Frederick. They have only one original fire mark in their possession, and unfortunately Mr. Fuller had no information on the history of it. I have subsequently spoken to a previous President & General Manager, Mr. Charles Nicodemus, who retired in 1986 after 45 years with the company, and he confirmed that no early records have survived, except for copies of their first ca. 1000 policies. He was kind enough to visit the company for me and review their first 500 policies to determine if they contained any notations about fire marks, but there were none.

The fire mark is on display in their new office and has policy number 160. Mr. Fuller permitted us to measure and photograph it. I immediately observed that it is a copy of the Baltimore Equitable Society's 4th issue, B.58 and B.59. Bulau calls this their 1845 issue, but Stephen Bernhardt, previously the Secretary and General Manager of the Baltimore Equitable Society for many years, wrote an article titled "A Survey of the Baltimore Equitable Society Fire Marks", published in *The Journal of the Fire Mark Circle of the Americas*, Vol. 4, Fall 1976, page 10, and again in the Booklet "Baltimore Fire Marks, A Short Introduction", issued by the FMCA in September, 1989, page 18, in which he stated that their 4th fire mark variant was issued from 1842 to 1849. This coincides with the startup of the Frederick Mutual issuing their first policies in 1844. As the Society still has their complete records back to their founding in 1794, Mr. Bernhardt was able to confirm the following on page 5 of the 1976 Journal:

"The Mutual Insurance Company of Frederick County, Maryland, which was founded in 1845 (*should be 1843*), borrowed one of our fourth issue marks as a model for their mark. They made less than 100 of these which were distributed by them in 1846. They measure 9 1/2" by 10" and were originally black with gold hands and policy number of one to three digits. They are exactly the same as our fourth issue except for size. Very few are known to be in existence today." See Photos 1 & 2.

Because the company's historical records were lost, we can only speculate on why the dimensions mentioned in the Baltimore Equitable Society's records are not identical to those of the Frederick Mutual's actual fire mark, i.e., 9 1/2" x 10 3/16". We know that the Baltimore Equitable's 4th issue marks vary in size from 9 7/8" x 10 1/2" to 9 3/4" x 10 1/4"; variations which Mr. Bernhardt says resulted from a change in manufacturers at different times. He tells us that the Baltimore Equitable charged the insured \$1.50 for their mark, and "only a small percentage of insureds acquired one for display on their property". He also said that less than 100 were made for the Frederick Mutual with policy numbers of one to three digits. When this information was recorded in the Baltimore Equitable's records in 1846, the Frederick Mutual had already been issuing policies for about 2 years.

Unfortunately, we don't know if they also charged each insured for their mark, but there is a strong indication that they did. Then why else would they have ordered fewer than 100, when by December, 1845 the company had issued 250 policies? They would have been able to ask those already insured to find out who wanted a fire mark in order to determine which numbers they needed to have made. And if enough customers chose not to buy one, this could account for the low number of less than 100 marks to be made at this time and explains why they would have needed some with 3 digits. A good example is policy number 160, issued in January, 1845, for which the fire mark was issued at least a year later. It is safe to say that the Baltimore Equitable, after initially recording the details of the loan of their fire mark, would have had no further interest in documenting any later purchases of fire marks by the Frederick Mutual, so we will probably never know if more were ordered, and if so, how many were manufactured over the years.

In 2004 the Frederick Mutual had 100 reproductions of this mark made in cast aluminum. These have been painted in a bronze-gold on a black background, all with the same policy number 160. This mark measures 9-3/8" X 10" (23.8 cm. X 28.4 cm.). They were made for promotional and nostalgic purposes. See Photo 3.

These are the only known fire marks of the Frederick Mutual Insurance Company. On pages 66-67 of Footprints of Assurance, Bulau shows a wooden mark with gold clasped hands painted on a black background (see B.152), which he believed was issued by this company, but confirms that the source of this mark could not be positively established. It is very unlikely that this wooden mark would have been issued by the Frederick Mutual, because the clasped hands are completely different in style than those of the known marks. It is also interesting to note that the Mutual Insurance Co. of Washington County in Hagerstown, Maryland was founded about the same time, i.e. 1845, and even though they did not copy the Baltimore Equitable mark, they adopted a similar style of clasped hands for their fire mark, so it is likely that there was some influence in designing their fire mark (see B.163).

Bill Evenden



Photo 1: Only known surviving original fire mark of the Frederick Mutual. 1846 Issue. Cast iron, measures 9 1/2" X 10 3/16" (24.2 cm. X 26 cm.)



Photo 2: Reverse side of Frederick Mutual cast iron fire mark.



Photo 3: Cast Aluminum Reproduction, 2004 Issue.

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## NOTE FROM OUR PRESIDENT

Friends, your Officers and Board voted to do a couple of things at the 2015 Convention held in Philadelphia back in October. I shared these actions with the attending membership at the General Meeting on Saturday but feel they should be shared with the rest of the membership.

- First, in appreciation for the Philadelphia Contributionship's hosting and partially underwriting a very nice reception for Convention attendees at their headquarters, we voted unanimously to grant them an honorary lifetime membership in the FMCA. President Whitlock has been informed and a very nice note of appreciation has been received. Our visit to and tour of their office was quite enjoyable to all.
- Second, on a motion from a long time member we again voted unanimously to rename the "Morton T. Werner Award" to the "Morton T. and Marilyn Werner Award". While he was alive, Mort made many, many contributions to our group and many members recall Marilyn being right there helping and encouraging him (the lady behind the throne). After his untimely death, Marilyn continued on as a "cheerleader in chief", helping the organization in many, many ways. We all felt this change was very fitting with Marilyn passing in early 2015.

Feel free to call or write if there are any questions. I am looking forward to seeing everyone at our convention next year in Springfield, Illinois. Hope 2016 is kind to us all.

Logan Smith

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## ADDENDUM UPDATE

Enclosed is a complete listing of United States Addenda pages to *Footprints of Assurance* that have been issued by the Fire Mark Circle of the Americas. This includes the pages in Addenda I, II, III and the pages issued subsequent to Addendum III.

Also enclosed is an up-to-date listing of the additional information and corrections that consolidates two earlier updates.

Please advise the writer of any corrections and omissions.

Bob Shea

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## THIS AND THAT

**"FIRE MARKS WANTED** – House marks of American and Foreign Insurance Companies. State company name, material and price. – Alwin Bulau, 128 Clinton Heights Ave, Columbus, Ohio."

(*Hobbies*. Volume 42, Issue 1, 1937, page 125. Lightner Publishing Company. Google Book Search. Web.)

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ORGANIZED A. D. 1859.

# AMERICAN INSURANCE CO.

CHICAGO, ILL.

## Twenty-First Annual Statement,

January 1st, 1880.

*Cash Capital,* . . . . \$200,000.00

*Total Cash Assets,* . . . \$880,074.93

*Re-insurance Reserve and all other Liabilities,* . . . 381,131.23

*Cash Surplus as regards Policyholders* . 498,943.70

*Deduct Capital,* 200,000.00

*Cash Surplus as regards Stockholders,* 298,943.70



### OFFICERS.

- H. Z. CULVER,
- D. A. KNOWLTON, Jr.,
- HON. H. N. HIBBARD,
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### DIRECTORS.

- H. Z. CULVER, President,
- HON. H. N. HIBBARD, Vice-President.
- CHAS. L. CURRIER, Secretary.
- M. A. HOYNE, Treasurer.
- R. B. CURRIER, General Agent.

Policies issued upon the Stock or Installment plan. Insurance confined to Dwelling Houses, Private Barns, their Contents, Farm Property, Churches and School Houses. No Policies written on property situated in Chicago or any large city. Number of Policies written from 1859 to 1880, 327,205; in force, 114,880.

Installment Notes on Hand Jan. 1, 1879, . . . . \$1,319,170.53  
Losses Paid 1874, '75, '76, '77, '78 and 1879, . . . . 1,678,344.13

## AGENTS WANTED.