



The Signevierist

Issue Number 2022-1

The Official Newsletter of the Fire Mark Circle of the Americas

Saving Independence Hall: Firefighting Techniques 18th Century Style vs. Early 20th Century



From September 20-23, 1932, the National Association of Insurance Agents held its 37th annual convention in Philadelphia, attended by approximately 1200 delegates. A highlight of the event was a firefighting demonstration at Independence Hall planned by representatives of the city's oldest insurance companies. Linden T. Harris of The Green Tree chaired the committee working with J.H.R. Timanus, assistant secretary of The Philadelphia Contributionship, and Clarence Palmer of the Insurance Company of North America.

As The Philadelphia Inquirer reported on September 21, 1932, "The Once Upon a Time and the Now in fire-fighting thrilled the crowd of more than 2,000 yesterday at Independence Hall." Allan Scott, the announcer for WCAU, provided commentary for the program broadcast nationally by Columbia thus sharing the event with listeners across the nation.





At 12:15 the cry of fire was raised by two actresses, Nazimova and Lenore Ulrich, attired in colonial garb, the State House bell sounded the alarm as it used to in the past and the volunteer firefighting crew swung into action. Dressed in reproduction capes and top hats of the volunteer firefighting era in Philadelphia, trained Philadelphia firefighters swung into action operating some of the hand engines of the 18th century. More than a dozen pieces of apparatus were trucked into the scene from as far away as Baltimore and on view for all to see.

A few minutes later the show portion of the program swung into Action. Chief Ross B. Davis sounded the fire alarm box 1776. Within two minutes ladders were up and firemen on the roof, three minutes saw hose lines in use, and at four minutes the building's sprinkler system helped the efforts. At five minutes the fire was declared under control. Photographs from the day are from the archives of The Philadelphia Contributionship, with the exception of one photograph from The Fire Fighter.



Carol Smith

<<<<>>>>

IN SEARCH OF!

While I was recently able to determine what happened to the Aetna Insurance Museum Collection, I am still trying to locate what happened to the Hartford Fire Insurance Company's collection. If anyone can provide any leads, please contact me via email at mbranko24@mac.com. Any help would be greatly appreciated.

<<<<>>>>

A New Agency Mark Surfaces



This mark was found in the basement of an old home in Aurora, Illinois. It reads ~~Insured~~ By / McWethy Bros / Aurora, Ill. Some research shows that the McWethy Brothers Insurance Agency was established in 1869 and they specialized in Farm Insurance protecting against loss by Fire, Lightening, and Tornado. A new addendum page, for this mark, will be printed out if you are receiving this newsletter via mail or attached if receiving electronically.



THE ABCs of AMERICAN FIRE MARKS

L is for the Lancaster Fire Insurance Company, Lancaster, Pennsylvania
Bulau US-LA-1

The company was originally organized on February 18, 1857, as the Lancaster City and County Fire Insurance Company, Lancaster, Pennsylvania, and on October 26, 1869, the Court of Quarter Sessions of Lancaster County approved the change of name to the Lancaster Fire Insurance Company. In a unique and thrifty resolution on November 11, 1869, the Board of Directors approved a resolution to continue using the stationary of the old company, including Policies and checks.

LANCASTER FIRE INSURANCE COMPANY
OF LANCASTER, PA.

HON. THOS. E. FRANKLIN, PRES. W. F. SHANK, SEC'Y & TREAS.

CASH CAPITAL, \$200,000.

Devore & Walker, Gen'l Agts., Monongahela City, Pa.

DIRECTORS:

Hon. Thos. E. Franklin, Attorney-at-Law.	B. F. Shank, of Shenk, Bausman & Co., Cotton Manufs.
Jno. L. Adce, Physician.	Wm. L. Peiper, Cashier Lancaster County Bank.
Jacob Bausman, Pres't Farmers' National Bank.	Abraham Collins, Pres't 1st National Bank, Marietta.
Henry Carpenter, Physician.	Geo. Levan, Manufacturer.
Jacob M. Frantz, Farmer.	Andrew M. Frantz, Lawyer.
Geo. K. Reed, of Reed, McGrann & Co., Bankers.	Wm. H. Cheppu, N. Y. Insurance.
A. E. Roberts, Ex-Member of Congress.	Wm. H. Howell, of Howell, Barr & Co., Merchants, N. Y.
F. Schroder, of Schroder & Co., Cotton Manufacturers.	Lemuel Coffin, of Coffin & Aitken, Merchants, Phila.
Thos. Baungardner, Coal Merchant.	Evan Randolph, of Randolph & Jenks, Merchants, Phila.

References in Philadelphia and New York:

D. B. Cummins, Pres't Girard National Bank, Phila.	Jay Cooke & Co., Bankers, Phila.
Jos. G. Mitchell, Pres't Mechanics' National Bank, Phila.	Hoyt, Sprague & Co., Importers and Dealers, New York.

In an attempt, to spread its risk, the Lancaster wrote insurance in Vermont, Massachusetts, New York, Maryland, Kentucky, and Illinois. In its earlier years the Lancaster generally made an Underwriting profit and paid dividends. However, their capital was impaired at the end of 1870 and shareholders were assessed. While admitting only \$20,000 in losses due to the Chicago Fire, income for 1871 did not meet expenses, with the same lack of profit for 1872.

After years of alternating between profitability and losses and concluding that rates were too low to make a profit, the Board met in October 1878 and resolved to discontinue writing insurance. It further resolved to replace all policies with over a year left. The remaining risks would be reinsured, except for risks in Lancaster County, including the city of Lancaster.

The Old Underwriter



THE ABCs of AMERICAN FIRE MARKS

M is for the Manhattan Fire Insurance Company, New York, New York
Bulau 438

Incorporated on March 23, 1821, the Manhattan Fire Insurance Company was organized by influential New York businessmen who raised \$250,000 capital. At the time, it was reported that the company could have subscribed four times that amount. Its first president, Eleazar Lord, served for twelve years and during his tenure the company paid a nine percent dividend annually.

Due to catastrophic fires in New York City on December 16 and 17, 1835 the company went bankrupt along with many other insurance companies. Not wanting to go out of business, the Manhattan and other insurance companies petitioned the state legislature to pass enabling legislation to deal with their insolvency and enable them to recapitalize. The state did so and the Manhattan Fire reorganized and raised another \$250,000 capital.

For the next ten years the company successfully wrote business and paid dividends. However, on July 19, 1845, another devastating fire hit New York City, and, again, the Manhattan Fire petitioned for legislation to repair its capital. Specific enabling legislation was passed on May 12, 1846 that gave the Manhattan Fire two years to raise the capital. While raising another \$250,000 capital, the company managed to pay at least 80 percent of its 1845 losses.

At this point the Manhattan Fire began to expand its operations and opened offices in most of the principal cities of America. On April 8, 1865, the company deleted the word ~~Fire~~ in its name and began to write marine insurance, listing its assets as \$800,000.

The 1871 Chicago Fire was the third strike for the Manhattan. This time the company went bankrupt and its president, Andrew J. Smith, was appointed receiver. Never giving up hope Andrew J. Smith reorganized the company with a \$250,000 paid capital.

At this point, the bankrupt Manhattan Insurance Company, under its receiver, Andrew J. Smith, liquidated the old company's assets of \$1,715,000 to pay its losses of \$1,250,000. At the

same time, on January 8, 1872, its president Andrew J. Smith, reorganized the company using its former name, Manhattan Fire Insurance Company, and proceeded to write insurance throughout the country. During the next few years, the Annual Reports of the New York Insurance Department contained separate reports for each of the two companies.

After being in business for only a few months, the Manhattan Fire Insurance Company was lucky and reported losses of only \$30,000 in the Boston Fire of 1872. Still successful, the Manhattan's assets continued to grow and continued paying dividends. By the early 1880s the Insurance business was extremely competitive, particularly with the foreign insurers, and losses began to grow. Like the number of other insurers at the time, they concluded that rates were too low to make a profit and on October 20, 1882, decided to retire from business and reinsure in the Phenix of Brooklyn.

The truth is, there was intrigue behind the scenes and in the boardroom. In October 1882 Deputy Superintendent John A. McCall of the New York Insurance Department, visited the offices of the Manhattan Fire Insurance Company and, with its president, examined the condition of the company. There were rumors that the company's secretary, Louis P. Carman, nephew of Mr. Smith, had embezzled \$40,000 from the company. The problem, however, was deeper than embezzlement. With assets of \$502,528.38, which included \$250,000 paid capital, and liabilities of \$533,940.82, the company's capital was impaired by \$31,412.44. With mounting losses and shrinking assets it seems that the capital had disappeared over the past few years. It was only after being confronted did Smith agree to retire and reinsure the company. The discussion with the Insurance Department was never disclosed to the public.

The Manhattan's saga does not end there. Stephen Crowell, President of the Phenix of Brooklyn, was also a member of the Manhattan's board of directors and, at the time of the reinsurance transaction, which wasn't made until January 1, 1883, was no doubt aware that the Manhattan was losing money since 1879. In fact, the dividend payments for the previous few years were made from surplus earned in earlier years. Most likely, he also knew that in March 1881 the Kansas Insurance Department refused to renew the Manhattan's license to operate in the state.

After the Manhattan paid the Phenix \$200,000 for the reinsurance, with \$40,000 still due, the stockholders became alarmed. Earlier, they were assured there was sufficient funds and that after the reinsurance there would be enough surplus to reimburse them 75%. They had enough of the behind-the-scenes deliberations and excuses, and demanded an independent audit of the books. While the audit showed that the secretary embezzled about \$36,000, there was no explanation of where all the money went. The report was sent to the State Insurance Superintendent, John A. McCall, who went to New York City on March 1, 1883.

On May 11, 1883, after a thorough investigation, whose results went to a Grand Jury, its President for the previous ten years, Andrew J. Smith, was arrested on charges of perjury in connection with the Manhattan Fire Insurance Company's annual report for the year 1881 made to the New York Insurance Department. A warrant was also issued for the Manhattan's former Secretary, Louis P. Carman, who had disappeared earlier. After posting bail, Mr. Smith said that he merely signed the report that was the responsibility of the Secretary. At the same time, the Insurance Superintendent asked for the court to appoint a receiver for the Manhattan, which they did.

The stockholders, who had received over \$280,000 in dividends over ten years, lost everything. Even though it was determined that President Smith had a secret file of large unpaid losses, he did not go to trial. Much was made about the Secretary's embezzlement but not about the loss of capital. Since the policy holders did not suffer, it all went away. Sound familiar?

The Old Underwriter

Full Disclosure: As noted, the dates of the Manhattan Fire Insurance Company are 1821 . 1882. There was a later company in New York City with the same name that operated from 1897 to 1901. The fire mark in *Footprints of Assurance* is attributable to the earlier company.

<<<<>>>>

UNITED FIREMEN'S INSURANCE COMPANY



1876 AND PRINTED IN COLORS

W. B. SELLER & SONS, PHILA.

PHILADELPHIA
OFFICE No 723 ARCH STREET
Insure Buildings Household Furniture & Merchandise Generally
FROM LOSS BY FIRE
C. B. ANDRESS PRES. W. A. ROLIN TREAS. W. H. FAGEN SECY