

Total fires up in Mass. but deaths from fires decline

Fire deaths dropped by 25 percent in Massachusetts in the latest state report covering 2001, while the total number of fires jumped 12 percent.

Officials used the report to warn residents about the dangers of smoking and failure to install smoke alarms.

"Even as the number of fire deaths dropped in Massachusetts, smoking remains the leading cause of fire deaths. What is even more alarming is the likelihood that a fire will turn fatal if there are no working smoke detectors in a home," said State Fire Marshal Stephen D. Coan.

The total number of fires increased to 27,885 in 2001, a 12 percent increase from the previous year. For the second straight year, not a single firefighter lost his or her life while fighting a fire. Unfortunately 59 civilians died in 55 Massachusetts fires during 2001; however this is a 25 percent decrease from the previous year.

Coan reported that two-thirds of residential fire victims were not alerted by smoke detectors. Half of these cases were due to disabled smoke alarms, the other half did not have any smoke alarms at all, these people mistakenly thought fire wouldn't happen to them.

Smoking has been the leading cause of fatal fires as far back as the 1940s. Smoking was still the leading cause of fire deaths in 2001, accounting for 33 percent of the total fire deaths. It was responsible for 36 percent of the fatal fires in 2001. The leading cause of fires in the home in 2001 was cooking. Cooking caused 39 percent of all residential fires. □

CIAB index shows third quarter commercial lines softening

The commercial insurance marketplace witnessed a return to competitive pricing for a number of lines during the third quarter of 2003 and flattening or decreasing premiums for commercial property coverage, according to the latest commercial market index by The Council of Insurance Agents & Brokers.

"Although it is not surprising that rates are softening somewhat, there are a number of factors still present in the marketplace that make it unlikely that we will be seeing any rapid decline or a retreat to soft market conditions in the near future," said Ken A. Crerar, president of The Council.

Among the factors likely to moderate any declines in the general commercial market are a still-weak economy, low yields on investments and the continuing need for insurers to build reserves and strengthen their overall financial condition, Crerar said.

Nevertheless, the third quarter survey showed a marked easing of prices for all sizes of accounts in all sections of the country. Nearly one-third of the small and large accounts and 27 percent of the medium-sized accounts experienced no change in premiums or a drop of up to 10 percent for renewals and new business in the third quarter.

The survey also showed that premiums for more than 40 percent of all sizes of accounts increased only marginally - between 1-10 percent. Although 12 percent of small accounts, 20 percent of medium accounts and 17 percent of large accounts still experienced premium increases of 10-20 percent, only a handful of brokers reported premium increases exceeding 20 percent for the survey period.

Fifty percent of the brokers responding to the survey reported that commercial property premiums have either held steady or decreased by up to 10 percent in the August-September period, a drop-off in costs equaled only by 54 percent of the terrorism coverage accounts.

Although the survey showed that premiums for business interruption insurance (44 percent), general liability (30 percent), surety bonds (28 percent) umbrella coverage (23 percent) and workers compensation (27 percent) either held steady or retreated slightly during the third quarter, those lines were not softening as consistently as commercial property.

For example, 42 percent of business interruption accounts, 63 percent of general liability accounts, 52 percent of workers compensation accounts and 60 percent of umbrella accounts experienced premium increases in the 1-20 percent range. And for some lines including broker errors and omission policies, construction risks, directors and officers insurance, medical malpractice and general liability coverage, premiums were still up sharply.

In general, while premiums may be flattening and competition may be increasing somewhat for new business, the brokers said insurance underwriters are still insisting on tighter terms and conditions when writing renewals.

"Although lines are profitable, underwriters state they are under pressure to continue raising rates. Interestingly, they are charging more for renewals than on new business so that they can meet their charge to raise renewal rates," said a broker in the Pacific Northwest. □

Judge upholds \$1 million fine against RI nightclub

PROVIDENCE (AP) — A three-judge panel has upheld a more than \$1 million fine against the owners of the nightclub where 100 people died in a fire started by a rock band's pyrotechnics.

The Station nightclub was fined for failing to carry workers compensation on four workers who were among the dead.

Kathleen Hagerty, a lawyer for a club co-owner, said she will ask the state Supreme Court to review the decision by the Workers Compensation Court panel.

The fine was the maximum possible — \$1,000 for each day the club operated without the insurance. A grand jury is weighing whether criminal charges are warranted in the fire, and several lawsuits have been filed against the Derderians and the band. □